

**TAB "E"**

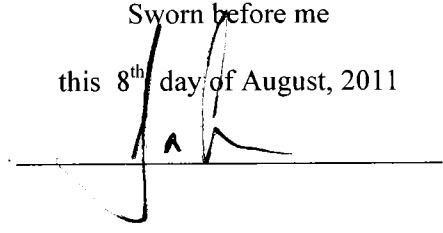
Attached is Exhibit "E"

Referred to in the

AFFIDAVIT OF KEVIN SALSBERG

Sworn before me

this 8<sup>th</sup> day of August, 2011

A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to consist of several loops and a final flourish.

Commissioner for taking Affidavits, etc

**Retail**

**CENTRE:** Gates of Glen Shopping Centre  
9025 Torbram Road  
Brampton, Ontario

**LANDLORD:** SCOTT'S REAL ESTATE LIMITED PARTNERSHIP,  
herein acting by its general partner Scott's GP Trust,  
herein acting through its sole trustee Scott's TrusteeCorp.

**TENANT:** PRISZM LP,  
herein acting by its general partner PRISZM INC.  
(t/a "KFC/TACO BELL")

**TENANT'S ADDRESS:** 101 Exchange Avenue  
Vaughan, Ontario  
L4K 5R6

**STORE NO.:** Unit No. 1

**AREA:** 3,488 square feet of certified Rentable Area

**TERM OF LEASE:** Fifteen (15) years

**FROM:** August 1, 2007

**TO:** July 31, 2022

**RENTAL/SQ.FT. RATE:** August 1, 2007 – July 31, 2012: \$30 per square foot  
August 1, 2012 – July 31, 2017: \$31 per square foot  
August 1, 2017 – July 31, 2022: \$32 per square foot

**% RATE:** Five percent (5%) of Gross Receipts in excess of Two Million,  
Five Hundred Thousand Dollars (\$2,500,000.00) for each  
Lease Year

**OPTION:** 1 x 5 year option to extend the Term (Section 13.23)

**EXCLUSIVE:** Yes (Section 13.24)

**ALLOWANCE:** One Hundred Thousand Dollars (\$100,000.00), plus G.S.T.  
(Section 13.25)

**INDEX**

**ARTICLE I DEFINITIONS ..... 1**  
 1.1 Definitions..... 1

**ARTICLE II GRANT, TERM AND INTENT ..... 1**  
 2.1 Leased Premises..... 1  
 2.2 Use of Common Areas..... 1  
 2.3 Term of Lease ..... 1  
 2.4 Net Lease Intent ..... 2

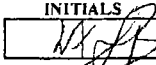
**ARTICLE III RENT AND DEPOSIT ..... 2**  
 3.1 Minimum Rent..... 2  
 3.2 Percentage Rent..... 2  
 3.3 Reports by Tenant ..... 3  
 3.4 Tenant's Records..... 3  
 3.5 Right to Examine Books..... 3  
 3.6 Audit ..... 3  
 3.7 Rent Past Due..... 4  
 3.8 Advance Rent/Security Deposit..... 4  
 3.9 Pre-Authorized Payments/Postdated Cheques..... 4

**ARTICLE IV TAXES ..... 4**  
 4.1 Taxes Payable by Landlord..... 4  
 4.2 Taxes Payable by Tenant ..... 4  
 4.3 GST Payable by Tenant ..... 5  
 4.4 Business Taxes and Other Taxes of Tenant..... 5

**ARTICLE V OPERATING COSTS, MANAGEMENT FEE, HVAC AND UTILITIES ..... 6**  
 5.1 Operating Costs Payable by Tenant ..... 6  
 5.2 Management Fee..... 6  
 5.3 Heating, Ventilating and Air Conditioning..... 6  
 5.4 Utilities..... 6  
 5.5 Tenant's Review of Records..... 6

**ARTICLE VI CONDUCT OF BUSINESS BY TENANT ..... 7**  
 6.1 Use of Leased Premises ..... 7  
 6.2 Conduct and Operation of Business..... 7  
 6.3 Prohibited Activities ..... 8  
 6.4 Radius Clause..... 9  
 6.5 Hazardous Substances..... 9  
 6.6 Landlord's Environmental Warranty ..... 9

**ARTICLE VII FIXTURES, ALTERATIONS AND REPAIRS AND LANDLORD'S CONTROL OF SHOPPING CENTRE ..... 9**  
 7.1 Installations by the Tenant ..... 9  
 7.2 Maintenance and Repair by the Tenant..... 10  
 7.3 Signs, Awnings, Canopies ..... 10  
 7.4 Surrender of Leased Premises..... 10  
 7.4.1 Removal and Restoration by Tenant..... 11  
 7.4.2 Surrender of Leased Premises – Ownership of Improvements..... 11  
 7.5 Tenant to Discharge all Liens ..... 11  
 7.6 Rules and Regulations..... 11  
 7.7 Maintenance and Repair by the Landlord ..... 12  
 7.8 Operation and Control of Shopping Centre by Landlord..... 12  
 7.9 Right to Relocate..... 12  
 7.10 Landlord's Right to Enter Leased Premises ..... 12  
 7.11 Demolition ..... 13

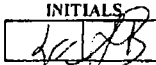
INITIALS  
  
 Landlord Tenant

<b>ARTICLE VIII INSURANCE AND INDEMNITY</b> .....	13
8.1 Tenant's Insurance.....	13
8.2 Increase in Insurance Premium.....	14
8.3 Landlord's Insurance.....	14
8.4 Loss or Damage.....	15
8.5 Indemnification of the Landlord and the Tenant.....	15
8.6 Blanket Policies.....	15
8.7 Waiver.....	15
<b>ARTICLE IX DAMAGE, DESTRUCTION AND EXPROPRIATION</b> .....	16
9.1 Total or Partial Destruction of Leased Premises.....	16
9.2 Total or Partial Destruction of Shopping Centre.....	16
9.3 Abatement of Rent.....	16
9.4 Expropriation Awards.....	16
9.5 Right to Lease.....	17
<b>ARTICLE X STATUS STATEMENT, SUBORDINATION AND ATTORNMENT</b> .....	17
10.1 Status Statement.....	17
10.2 Subordination and Attornment.....	17
10.3 Power of Attorney.....	18
10.4 Sale by Landlord.....	18
10.5 Financial Information.....	18
10.6 Non-Disturbance Agreement.....	18
<b>ARTICLE XI TRANSFERS BY TENANT</b> .....	18
11.1 Transfer Defined.....	18
11.2 Consent Required.....	18
11.3 Permitted Transfers.....	19
11.4 Conditions of Consent.....	19
11.5 Landlord's Option.....	19
11.6 No Advertising of Leased Premises.....	20
<b>ARTICLE XII DEFAULT OF TENANT</b> .....	20
12.1 Right to Re-Enter.....	20
12.2 Right to Relet.....	20
12.3 Legal Expenses.....	21
12.4 Bankruptcy.....	21
12.5 Landlord May Perform Tenant's Covenants.....	21
12.6 Waiver of Exemptions from Distress.....	21
12.7 General Security Agreement.....	21
12.8 Remedies Cumulative.....	21
12.9 Parties to Act Reasonably.....	22
<b>ARTICLE XIII MISCELLANEOUS</b> .....	22
13.1 Overholding.....	22
13.2 Successors.....	22
13.3 Waiver.....	22
13.4 Accord and Satisfaction.....	22
13.5 Entire Agreement.....	22
13.6 No Partnership.....	22
13.7 Force Majeure.....	23
13.8 Notices.....	23
13.9 Place for Payment of Rent.....	23
13.10 Approval in Writing.....	23
13.11 Registration.....	23
13.12 Governing Law.....	24
13.13 Captions and Section Numbers.....	24
13.14 Brokerage Commissions.....	24
13.15 Partial Invalidity.....	24
13.16 No Option.....	24
13.17 Limitation on Length of Term.....	24
13.18 Time To Be of the Essence.....	24

INITIALS	
K	AB
Landlord	Tenant

13.19	Quiet Enjoyment .....	24
13.20	Tenant Partnership .....	24
13.21	Limitation of Landlord's Liability .....	24
13.22	Non-Liability.....	25
13.23	Option to Extend.....	25
13.24	Exclusive Use.....	25
13.25	Tenant Allowance .....	25
13.26	Tenant's Permits .....	26
13.27	Schedules .....	26

<b>SCHEDULE</b>	<b>Schedule of Definitions</b>
<b>SCHEDULE "A"</b>	<b>Legal Description</b>
<b>SCHEDULE "B"</b>	<b>Plan of Shopping Centre</b>
<b>SCHEDULE "C"</b>	<b>Landlord's and Tenant's Work</b>
<b>SCHEDULE "D"</b>	<b>Rules and Regulations</b>

INITIALS  
  
 Landlord      Tenant

THIS INDENTURE made this 19<sup>th</sup> day of March, 2008, but effective as of the 1<sup>st</sup> day of May, 2007.

BETWEEN:

SCOTT'S REAL ESTATE LIMITED PARTNERSHIP,  
herein acting by its general partner Scott's GP Trust,  
herein acting through its sole trustee Scott's Trustee  
Corp.

herein called the "Landlord"

OF THE FIRST PART

- and -

PRISZM LP, herein acting by its general partner  
PRISZM INC.

herein called the "Tenant"

OF THE SECOND PART

WITNESSETH THAT:

**ARTICLE I  
DEFINITIONS**

**1.1 Definitions**

The definitions are more particularly set out in the Schedule of Definitions attached hereto.

**ARTICLE II  
GRANT, TERM AND INTENT**

**2.1 Leased Premises**

In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord demises and leases to the Tenant and the Tenant leases from the Landlord, the Leased Premises. The Leased Premises are presently designated as Unit No. 1, are shown hatched on Schedule "B" attached hereto and contain a certified Rentable Area of three thousand, four hundred and eighty-eight (3,488) square feet.

**2.2 Use of Common Areas**

The use and occupation by the Tenant of the Leased Premises shall entitle the Tenant to the use in common with all others entitled thereto of the Common Areas, subject however, to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as prescribed from time to time by the Landlord.

**2.3 Term of Lease**

TO HAVE AND TO HOLD the Leased Premises for and during the Term of **fifteen (15) years**, to be computed from **August 1, 2007** (the "Commencement Date"), and to be fully completed and ended on **July 31, 2022**, save as hereinafter provided for earlier termination.

PROVIDED THAT upon the Landlord or its Architect giving notice to the Tenant that the Leased Premises are available for the commencement of the Tenant's Work, the Tenant shall immediately take possession of the Leased Premises on **May 1, 2007** (such date to be hereinafter referred to as the "Possession Date") and shall occupy same until the commencement Date (the period from the Possession Date to the Commencement Date being hereinafter referred to as the "Fixturing Period") for the purpose of fixturing and installing its inventory, at its own risk, for a period of ninety (90) days after the Possession Date, free of the payment of Minimum Rent, and Additional Rent (save for any Additional Rent arising by virtue of the default

INITIALS  

<i>[Signature]</i>	<i>[Signature]</i>
Landlord	Tenant

of the Tenant under this Lease and save for the obligation of the Tenant to pay for all utility charges, temporary heating, and refuse removal services used by the Tenant or consumed in the Leased Premises during the period of such fixturing) and shall during the Fixturing Period be a tenant in the Leased Premises subject to the same covenants and agreements as are contained in this Lease, mutatis mutandis, including, without limitation, the Tenant's obligation to maintain insurance and the provisions relating to liability of the Tenant for its acts and omissions and the acts and omissions of its servants, employees, agents, contractors, invitees, concessionaires and licensees and the indemnification of the Landlord and others under this Lease.

Forthwith upon the Commencement Date being determined in accordance with the foregoing, the Tenant and the Landlord shall execute an acknowledgement of same on Landlord's usual form.

The Tenant shall pay all Minimum Rent and Additional Rent calculated on a per diem basis, from the Commencement Date to the last day of the month in which the Commencement Date occurs and thereafter all payments of Rent shall be made on the first day of each month throughout the Term unless otherwise specified herein.

#### 2.4 Net Lease Intent

The Tenant acknowledges and agrees that it is intended that this Lease is a completely carefree net lease to the Landlord, except as expressly herein set out, that the Landlord is not responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Leased Premises, or the use and occupancy thereof, or the contents thereof, or the business carried on therein, and the Tenant shall pay all charges, impositions, costs and expenses of every nature and kind relating to the Leased Premises except as expressly herein set out.

### ARTICLE III RENT AND DEPOSIT

#### 3.1 Minimum Rent

The Tenant covenants and agrees to pay unto the Landlord from and after the Commencement Date a Minimum Rent for the Leased Premises payable in equal consecutive monthly installments in advance on or before the first day of each month, without any prior demand therefor and without any deduction, abatement or set-off whatsoever, as follows:

**August 1, 2007 – July 31, 2012:**  
\$104,640.00 (\$8,720.00 per month),  
based on \$30.00 per square foot of Rentable Area of the Premises per annum;

**August 1, 2012 – July 31, 2017:**  
\$108,128.00 (\$9,010.67 per month),  
based on \$31.00 per square foot of Rentable Area of the Premises per annum;

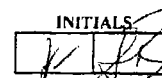
**August 1, 2017 – July 31, 2022:**  
\$111,616.00 per annum (\$9,301.33 per month),  
based on \$32.00 per square foot of Rentable Area of the Premises per annum.

The said Minimum Rent is calculated on the basis of the Leased Premises having a certified Rentable Area of three thousand, four hundred and eighty-eight (3,488) square feet.

#### 3.2 Percentage Rent

(a) In addition to the Minimum Rent, the Tenant shall pay to the Landlord, in the manner and upon the conditions and at the times hereinafter set forth during each Lease Year, as Percentage Rent, an amount equivalent to five percent (5%) of the amount, if any, by which the Gross Receipts from all business done on and from the Leased Premises for each Lease Year exceeds Two Million, Five Hundred Thousand Dollars (\$2,500,000.00).

(b) Percentage Rent shall be payable once annually at the office of the Landlord or at such other place as the Landlord designates, in lawful money of Canada without any prior demand therefor and without any deduction, abatement, set-off or compensation whatsoever. Payments of Percentage Rent shall be made on or before the thirtieth (30<sup>th</sup>) day following the end of each Lease Year (including the last Lease Year of the Term). The amount of each payment of Percentage Rent shall be equal to the calculation referred to in Section 3.2(a).

INITIALS  
  
Landlord Tenant



(c) For the purposes of computing the Percentage Rent payable hereunder, if any Lease Year during the Term does not correspond to a twelve (12) month period, the Gross Receipts for such Lease Year shall be adjusted proportionately.

### 3.3 Reports by Tenant

(a) Intentionally deleted.

(b) On or before the fifteenth (15<sup>th</sup>) day following the end of each Lease Year (including the last Lease Year of the Term) the Tenant shall submit to the Landlord a statement in such form, style and scope as the Landlord reasonably determines, showing the amount of Gross Receipts during the preceding Lease Year in accordance with the provisions of this Lease and generally accepted accounting principles applied on a basis consistent with that of the Lease Year immediately preceding (if any).

### 3.4 Tenant's Records

For the purpose of ascertaining the amount payable as Percentage Rent, the Tenant agrees to prepare and keep at the Tenant's head office for a period of not less than two (2) years following the end of each Lease Year books and records that will adhere to sound accounting practice and which shall show inventories and receipts of merchandise at the Leased Premises and daily receipts from all sales and other transactions on the Leased Premises by the Tenant and any other persons conducting any business upon the Leased Premises. The Tenant covenants to record at the time of sale, in the presence of the customer, all receipts from sales or other transactions, whether for cash or credit, in an accurate, tamper-proof point-of-purchase register having a sealed cumulative total. The Tenant further agrees to keep at the Tenant's head office for at least two (2) years following the end of each Lease Year all pertinent sales records such as would normally be examined by an independent accountant pursuant to accepted auditing standards in performing an audit of the sales conducted at the Leased Premises.

### 3.5 Right to Examine Books

The acceptance by the Landlord of payments of Percentage Rent shall be without prejudice to the Landlord's rights to an examination of the Tenant's books and records of its Gross Receipts and inventories of merchandise at the Leased Premises in order to verify the amount of annual Gross Receipts received by the Tenant in and from the Leased Premises.

### 3.6 Audit

At its option, the Landlord may cause, at any reasonable time upon five (5) business days' prior written notice to the Tenant, and only within one (1) year of the delivery of any such statement from the Tenant, a complete audit to be made of the Tenant's records relating to the Gross Revenue generated from the Leased Premises for the period covered by any statement issued by the Tenant pursuant to Section 3.3. If such audit shall disclose a liability for Percentage Rent to the extent of three percent (3%) or more in excess of the Percentage Rent theretofore computed and paid by the Tenant for such period, the Tenant shall promptly pay to the Landlord the cost of said audit, in addition to the deficiency, which deficiency shall be payable in any event, and in addition if such deficiency occurs more than three (3) times during the Term (excluding deficiencies arising from clerical error or employee fraud, misconduct or negligence), the Landlord shall have the further remedy of terminating this Lease upon five (5) days written notice to the Tenant, such remedy to be exercised within sixty (60) days following the completion of such audit. Provided always that if the shortage in computation of Percentage Rent by the Tenant was due to clerical or demonstrable error or as a result of the fraud, misconduct or negligence of an employee of the Tenant, then the foregoing remedy of terminating the Lease shall not be applicable with respect to such shortage, but the Tenant shall still be obligated to pay to the Landlord the cost of said audit, together with the said deficiency. If such audit shall disclose the Tenant was not complying with one or more provisions of Sections 3.3 or 3.4, the Landlord may deliver a copy of such report to the Tenant and the Tenant shall forthwith take such steps as may be recommended, necessary or advisable to remedy such default. If such audit shall disclose that the Tenant's accounting records and procedures which the auditor was able to inspect were not sufficient to permit a determination of Gross Receipts for a period, the Landlord may thereafter deliver to the Tenant an estimate made by the Landlord of Gross Receipts for such period and the amount of any underpayment of Percentage Rent (which estimate shall be based upon any information accessible to the Landlord which the Landlord considers reliable, the apparent business conducted on or from the Leased Premises, and such records of the Tenant as have been made available having regard to the possibility of errors or inaccuracies therein) and the Tenant shall forthwith pay to the Landlord any amount therein set out as an underpayment of Percentage Rent. Every such estimate shall be binding upon the Tenant until and except to the extent that the Tenant proves it inaccurate, and shall not be contestable by the Tenant after one year after its delivery to the Tenant. Any information obtained by the Landlord as a result of such audit shall be held in strict confidence by the Landlord. Provided, however, that

INITIALS  

<i>JK</i>	<i>AB</i>
Landlord	Tenant

the Landlord shall have the right to disclose to Mortgagees, prospective Mortgagees and prospective purchasers of the Shopping Centre the contents of any statements, reports and audits.

**3.7 Rent Past Due**

If the Tenant fails to pay, when the same is due and payable, any Minimum Rent, Percentage Rent, Additional Rent or other amount payable by the Tenant under this Lease, such unpaid amounts shall bear interest from the due date thereof to the date of payment, compounded monthly at the rate equal to two (2) percentage points in excess of the Prime Rate.

**3.8 Advance Rent/Security Deposit**

Intentionally Deleted.

**3.9 Pre-Authorized Payments/Postdated Cheques**

Intentionally deleted.

**ARTICLE IV  
TAXES**

**4.1 Taxes Payable by Landlord**

The Landlord shall pay all Taxes which are levied, rated, charged or assessed against the Shopping Centre or any part thereof subject always to the provisions of this Lease regarding payment of Taxes by the Tenant. However, the Landlord may defer payment of any such Taxes or defer compliance with any statute, law, by-law, regulation or ordinance in connection with the levying of any such Taxes in each case to the fullest extent permitted by law, so long as it diligently prosecutes any contest or appeal of any such Taxes and as long as the Tenant is not liable for payment of any penalties arising as a result of such late payment.

**4.2 Taxes Payable by Tenant**

(a) The Tenant shall during the Term pay, as Additional Rent, without any deduction, abatement or set-off whatsoever, all Taxes levied, laid or assessed on or against the Leased Premises. In addition to and without any duplication of the Taxes levied or assessed against the Leased Premises, the Tenant shall also pay a share of all Taxes levied, rated, charged or assessed from time to time against the Common Areas.

(b) In the event that a separate tax bill or assessment is issued by any lawful taxing authority, then the Taxes payable by the Tenant in respect of the Leased Premises (and, if set out in such separate tax bill or assessment, the Common Areas) will be determined on the basis of such separate tax bill or assessment. If there is no such separate tax bill or assessment then, at the Landlord's option, the Tenant shall pay in lieu thereof, its Proportionate Share, prior to deducting any discounts on account of vacancies in the Shopping Centre, of all Taxes levied, rated, charged or assessed from time to time against the Shopping Centre, including the Common Areas. The Landlord estimates *bona fide* that the Tenant's share of Taxes for the calendar year 2007 will be Six Dollars and Twenty Cents (\$6.20) per square foot of the Rentable Area of the Leased Premises, but the Tenant specifically acknowledges the foregoing amount to be an estimate only and actual Taxes may be greater or less than the estimate.

(c) All Taxes shall be paid by the Tenant to the Landlord on or before the due date shown on invoices for the Taxes received from the Landlord or the taxing authority having jurisdiction.

(d) In the case of assessments for local improvements or betterments which are assessed or imposed during the Term and which may by law be payable in installments, the Tenant shall only be obligated to pay such installments as same fall due during the Term, together with interest on deferred payments, on condition that the Tenant shall take such steps as may be prescribed by law to convert the payment of the assessment into installment payments. Such payments of installments and any interest thereon shall be made before any fine, penalty, interest or cost may be added thereto for non-payment of any installment or interest thereon.

(e) In any suit or proceeding of any kind or nature arising or growing out of the failure of the Tenant to keep any covenant contained in this Article, the certificate or receipt of the department, officer or bureau charged with collection of the Taxes, showing that the tax, assessment or other charge affecting the Leased Premises is due and payable or has been paid, shall be prima facie evidence that such tax, assessment or other charge was due and payable as a lien or charge against the Leased Premises or that it has been paid as such by the Landlord.

INITIALS  
  
Landlord    Tenant

(f) The Tenant shall have the right to contest or review by legal proceedings or in such manner as the Tenant in its opinion shall deem advisable (which proceedings or other steps taken by the Tenant shall be conducted diligently at its own expense and free of expense to the Landlord) any and all Taxes levied, assessed or imposed upon or against the Leased Premises or Taxes in lieu thereof required to be paid by the Tenant hereunder. No such contest shall defer or suspend the Tenant's obligations to pay the Taxes as herein provided pending the contest, but if by law it is necessary that such payment be suspended to preserve or perfect the Tenant's contest, then the contest shall not be undertaken without there being first deposited with the Landlord a sum of money equal to twice the amount of the Taxes that are the subject of the contest, to be held by the Landlord as an indemnity to pay such Taxes upon conclusion of the contest and all costs thereof that may be imposed upon the Landlord or the Leased Premises.

(g) The Tenant upon request of the Landlord will promptly exhibit to the Landlord all paid bills for Taxes, which bills after inspection by the Landlord shall be returned to the Tenant.

(h) Any Taxes relating to a fiscal period of the taxing authority, a part of which is within the Term and a part of which is prior to the commencement of the Term or subsequent to the expiration or earlier termination of the Term, shall, whether or not such Taxes shall be assessed, levied, imposed or become a lien upon the Leased Premises, or shall become payable during the Term, be apportioned and adjusted between the Landlord and the Tenant as of the date of commencement, expiration or termination of the Term, as the case may be.

(i) If the Tenant designates that Taxes go to support separate schools, the Tenant shall pay the difference, if any, between the rate for separate and public schools to the Landlord, together with any other payment pursuant to this Section 4.2.

(j) If the Tenant pays its Proportionate Share of Taxes, the Landlord shall estimate the amount of Taxes payable by the Tenant during a particular Lease Year and the Tenant shall, pay one-twelfth of such estimate to the Landlord together with the monthly payment of Minimum Rent, with appropriate adjustments to be made between the Landlord and the Tenant within one hundred and twenty (120) days after the end of each Lease Year.

#### 4.3 GST Payable by Tenant

The Tenant shall pay to the Landlord all GST on Rent and any other GST imposed by the applicable legislation on the Landlord or Tenant with respect to this Lease, in the manner and at the times required by the applicable legislation. Such amounts are not consideration for the rental of space or the provision by the Landlord of any service under this Lease, but shall be deemed to be Rent and the Landlord shall have all of the same remedies for and rights of recovery of such amounts as it has for recovery of Rent under this Lease. If a deposit is forfeited to the Landlord, or an amount becomes payable to the Landlord due to a default or as consideration for a modification of this Lease, and the applicable legislation deems a part of the deposit or amount to include GST, the deposit or amount will be increased and the increase paid by the Tenant so that the Landlord will receive the full amount of the forfeited deposit or other amount payable without encroachment by any deemed GST portion.

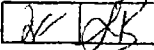
#### 4.4 Business Taxes and Other Taxes of Tenant

The Tenant shall pay as Additional Rent to the lawful taxing authorities or to the Landlord, as it may direct, and shall discharge in each Lease Year, when the same becomes due and payable:

(a) all taxes, rates, duties, assessments and other charges that are levied, rated, charged or assessed against or in respect of: (i) all improvements, equipment and facilities of the Tenant on or in the Leased Premises or the Shopping Centre or any part or parts thereof or (ii) the Landlord on account of its ownership of or interest in the items referred to in subparagraph (i); and

(b) every tax and license fee which is levied, rated, charged or assessed against or in respect of: (i) any business carried on in the Leased Premises or in respect of the use or occupancy thereof or any other part of the Shopping Centre by the Tenant and any subtenant, licensee, or other occupant of the Leased Premises, or (ii) the Landlord on account of its ownership thereof or interest therein, in respect of any business referred to in subparagraph (i);

whether in any case any such taxes, rates, duties, assessments or license fees are rated, charged or assessed by any federal, provincial, municipal or other body. If there are not separate tax bills provided for such taxes, the Landlord is entitled to allocate them to the Tenant using the methods referred to in subsection 4.2(b).

INITIALS  
  
Landlord      Tenant

**ARTICLE V  
OPERATING COSTS, MANAGEMENT FEE, HVAC AND UTILITIES**

**5.1 Operating Costs Payable by Tenant**

(a) In each Lease Year, the Tenant shall pay to the Landlord, as Additional Rent, its Proportionate Share of the Operating Costs incurred by the Landlord during such Lease Year. The Tenant acknowledges that Operating Costs may be allocated or attributed by the Landlord directly to or between the various components of the Shopping Centre including the retail, office and storage areas, as well as to the other buildings, if any, comprising part of the Shopping Centre and that the Landlord may adjust Operating Costs and/or the Tenant's Proportionate Share fraction in accordance with practices relevant to multi-use commercial developments on a basis consistent with the benefits derived by the tenants of each component of the Shopping Centre and having regard to the nature of the particular costs and expenses being allocated.

(b) The Additional Rent to be paid under this Section 5.1 shall be paid by monthly installments in advance on the first day of each and every month throughout the Term, without any deduction, abatement or set-off whatsoever, in an amount to be reasonably fixed from time to time by the Landlord as an estimate of actual expenses. The Landlord shall within one hundred and twenty (120) days of the end of each Lease Year submit to the Tenant a statement setting out the Operating Costs and the Tenant's Proportionate Share thereof. To the extent that the Tenant's Proportionate Share is greater than the amount actually paid by it, the Tenant shall forthwith upon receipt of the said statement pay such difference to the Landlord. In the event that the Tenant's Proportionate Share is less than the amount actually paid, such excess payment shall at the option of the Landlord, be retained by the Landlord to be applied to the next succeeding installment or installments of Additional Rent due or may be refunded by the Landlord to the Tenant. The Landlord bona fide estimates that the Tenant's Proportionate Share of Operating Costs for the calendar year 2007 will be Four Dollars and Sixty Cents (\$4.60) per square foot of Rentable Area of the Leased Premises, but the Tenant specifically acknowledges the foregoing amount to be an estimate only and the tenant's actual Proportionate Share of Operating Costs may be greater or less than such estimate.

(c) Neither the Landlord nor the Tenant shall be entitled to revise or dispute the said statement except within one (1) year of delivery or receipt, as applicable, of same.

**5.2 Management Fee**

The Tenant shall pay to the Landlord, as Additional Rent, an annual property management fee in the amount of five percent (5%) of the total annual Minimum Rent, Percentage Rent and Additional Rent payable by the Tenant to the Landlord under this Lease, at the times and in the manner described in Section 5.1(b), mutatis mutandis.

**5.3 Heating, Ventilating and Air Conditioning**

If the Leased Premises are served by a heating, ventilating and air conditioning system which serves more than one premises in the Shopping Centre, then the Tenant shall be obligated to pay a share only of the foregoing costs and expenses for maintenance, repair and replacement of such system and the Landlord shall be responsible for maintaining, repairing and replacing such system in first class condition and repair. The Tenant's share of all such costs and expenses shall be equitably determined by the Landlord upon the advice of a qualified engineer and such costs or expenses shall be allocated amongst the tenants served by the said heating, ventilating and air conditioning equipment and facilities. The foregoing costs and expenses shall exclude the cost of fuel and electricity consumed by the use of such equipment to the extent only that such costs and expenses are charged separately to and paid by the Tenant pursuant to other provisions of this Lease.

**5.4 Utilities**

During the Fixturing Period and thereafter during the Term, the Tenant shall be solely responsible for and promptly pay all charges for heat, water, gas, electricity or any other utility used or consumed in the Leased Premises on the basis of separate meters, if available. If there are no separate meters, the Tenant shall pay: (a) all charges for heat, water, gas, electricity or any other utility used or consumed in the Leased Premises on the basis of an equitable allocation as determined by the Landlord; (b) the Landlord's costs of determining the Tenant's share of the costs of all utilities including, but not limited to, professional, engineering and consulting fees; and (c) an administration fee of fifteen percent (15%) of the total of (a) and (b). If so required by the Landlord or by the utility company, separate meters shall be installed in the Leased Premises at the Tenant's expense.

**5.5 Tenant's Review of Records**

The Tenant shall at any reasonable time upon not less than five (5) business days' prior written notice to the Landlord, during the business hours of the Landlord, and not more than twice annually, and not later

INITIALS	
LK	JB
Landlord	Tenant

than one hundred and twenty (120) days from the receipt of the Operating Cost Statement, have the right by a duly authorized representative to examine the books and records of account of the Landlord to the extent necessary to verify its Proportionate Share of Operating Costs and Expenses. If such Proportionate Share in any Lease Year covered by such examination is found to vary by at least three percent (3%) or greater from that shown on the statement for such Lease Year, the expenses of such examination shall be borne solely by the Landlord, but otherwise such expenses shall be borne solely by the Tenant and the Landlord shall forthwith pay to the Tenant and the Tenant to the Landlord, as the case may be, any amount found to be due to the Tenant or the Landlord, as the case may be, by such examination.

## ARTICLE VI CONDUCT OF BUSINESS BY TENANT

### 6.1 Use of Leased Premises

(a) The Leased Premises shall be used continuously, actively and diligently at all times during the Term, and any renewals and extensions thereof, only for the operation of a sit-down, family-style restaurant specializing in the primary sale of: (i) chicken, and (ii) Mexican-style entrees and related products, and as ancillary thereto, the sale of those other products typical of a combined "KFC/Taco Bell" location in Canada, together with take-out and delivery services. So long as the Tenant provides prior written notice to the Landlord, the Tenant shall be entitled, from time to time, to temporarily halt business operations for a reasonable period of time for the sole purpose of renovating or refurbishing its store in the Leased Premises.

The Tenant will not use or permit or suffer the use of the Leased Premises or any part thereof for any other business or purpose. In connection with the business to be conducted by the Tenant on the Leased Premises, the Tenant shall only use the advertised name "KFC/Taco Bell" or such other trade name as is used by a majority of similar operations operated by the Tenant in the Province of Ontario and will not otherwise change the advertised name of the business to be operated in the Leased Premises without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed. The Tenant acknowledges that the Landlord is making no representation or warranty as to the Tenant's ability to use the Leased Premises for its intended use and the Tenant shall perform such searches as may be necessary to satisfy itself that its use is permitted under all applicable laws and that the Tenant is able to obtain an occupancy permit.

Unless otherwise specifically set out in this Lease to the contrary, nothing contained in this Lease shall: (i) confer upon the Tenant the exclusive right to sell or provide in the Shopping Centre any of the products or services permitted to be sold or provided from the Leased Premises pursuant to this Section 6.1; nor (ii) prevent the Landlord from leasing any other premises in the Shopping Centre to any other tenant(s) carrying on a business which is similar in whole or in part to the business permitted to be carried on from the Leased Premises pursuant to this Section 6.1.

### 6.2 Conduct and Operation of Business

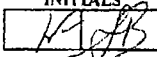
The Tenant shall occupy the Leased Premises from and after the Commencement Date and thereafter shall conduct continuously and actively the business set out in Section 6.1, in the whole of the Leased Premises. In the conduct of the Tenant's business pursuant to this Lease the Tenant shall:

(a) operate its business with due diligence and efficiency and maintain an adequate staff to properly serve all customers; install and keep in good order and condition fixtures and equipment of first class quality; and carry at all times such stock of goods and merchandise of such size, character and quality as will produce the maximum volume of sales from the Leased Premises consistent with good business practices;

(b) conduct its business in the Leased Premises during Normal Business Hours and at no other time. However the Tenant is not required or permitted to carry on its business during any period prohibited by any law regulating the hours of business. If the Tenant fails to open on the Commencement Date or during the days and/or hours required by the Landlord, then in addition to all other amounts of Rent payable under this Lease the Tenant shall pay as Additional Rent to the Landlord upon demand as liquidated damages and not as a penalty, an amount equal to Two Hundred Dollars (\$200.00) per day for each and every day that the Tenant is in default;

(c) keep displays of merchandise in the display windows (if any) of the Leased Premises, and keep the display windows and signs (if any) in the Leased Premises well-lit during the hours the Landlord designates from time to time;

(d) stock in the Leased Premises only merchandise the Tenant intends to offer for retail sale from the Leased Premises, and not use any portion of the Leased Premises for office, clerical or other non-selling purposes except minor parts reasonably required for the Tenant's business in the Leased Premises;

INITIALS  
  
Landlord Tenant

(e) abide by all rules and regulations and general policies formulated by the Landlord from time to time relating to the delivery of goods to the Leased Premises;

(f) not allow or cause to be committed any waste upon or damage to the Leased Premises or any nuisance or other act or thing which disturbs the quiet enjoyment of any other tenant in the Shopping Centre or which unreasonably disturbs or interferes with or annoys any third party, or which may damage the Shopping Centre;

(g) not allow or cause to be done any act in or about the Common Areas or the Shopping Centre which in the Landlord's opinion hinders or interrupts the Shopping Centre's flow of traffic in any way obstructs the free movement of parties doing business in the Shopping Centre;

(h) not allow or cause business to be solicited in any part of the Shopping Centre other than the Leased Premises, nor display any merchandise outside the Leased Premises at any time without the prior written consent of the Landlord;

(i) use the name designated for the Shopping Centre by the Landlord from time to time and all insignia or other identifying names and marks designated by the Landlord in connection with the advertising of the business conducted in the Leased Premises. Notwithstanding the foregoing the Tenant will not acquire any rights in such names, marks or insignia and upon the Landlord's request the Tenant will abandon or assign to the Landlord any such rights which the Tenant may acquire by operation of law and will promptly execute any documents required by the Landlord to give effect to this subparagraph (i);

(j) not install or allow in the Leased Premises any transmitting device nor erect any aerial on the roof of any building forming part of the Shopping Centre or on any exterior walls of the Leased Premises or in any of the Common Areas. Any such installation shall be subject to removal by the Landlord without notice at any time and such removal shall be done and all damage as a result thereof shall be made good, in each case, at the cost of the Tenant, payable as Additional Rent on demand;

(k) not use any travelling or flashing lights or signs or any loudspeakers, television, phonograph, radio or other audio-visual or mechanical devices in a manner so that they can be heard or seen outside of the Leased Premises, without the prior written consent of the Landlord. If the Tenant uses any such equipment without receiving the prior written consent of the Landlord, the Landlord shall be entitled to remove such equipment without notice at any time and such removal shall be done and all damage as a result thereof shall be made good, in each case, at the cost of the Tenant, payable as Additional Rent on demand;

(l) not install or allow in the Leased Premises any equipment which will exceed or overload the capacity of any utility, electrical or mechanical facilities in the Leased Premises or of which the Landlord has not approved. If the Tenant requires additional utility, electrical or mechanical facilities, the Landlord may in its sole discretion if they are available elect to install them at the Tenant's expense and in accordance with plans and specifications to be approved in advance in writing by the Landlord;



(m) not bring upon the Leased Premises any machinery, equipment, article or thing that by reason of its weight, size or use, might in the opinion of the Landlord damage the Leased Premises or overload the floors of the Leased Premises. Any such machinery, equipment, article or thing shall be subject to removal by the Landlord without notice at any time and such removal shall be done and all damage as a result thereof shall be made good, in each case, at the cost of the Tenant, payable as Additional Rent on demand;

(n) observe and comply with all federal, provincial or municipal laws pertaining to or affecting the Leased Premises, the Tenant's use of the Leased Premises or the conduct of any business in the Leased Premises, or the making of any repairs, replacements, alterations, additions, changes, substitutions or improvements of or to the Leased Premises, and the regulations of any insurance underwriters in respect of the insurance maintained by the Landlord in respect of the Shopping Centre, and carry out all modifications to the Leased Premises and the Tenant's conduct of business in or use of the Leased Premises which may be reasonably required by any such authorities to comply with applicable laws affecting the Leased Premises.

### 6.3 Prohibited Activities

(a) The Tenant acknowledges that it is only one of many tenants in the Shopping Centre and that therefore the Tenant shall use its best efforts to conduct its business in the Leased Premises in a manner consistent with the best interests of the Shopping Centre as a whole.

(b) The Landlord shall have the right to cause the Tenant to discontinue and the Tenant shall thereupon forthwith discontinue the sale of any item, merchandise, commodity or the supply of any service or the carrying on of any business, any of which is either prohibited by this Section 6.3 or which the Landlord determines is

INITIALS	
	
Landlord	Tenant

not directly related to the business set out in Section 6.1. The Tenant will not allow or cause the use of any part of the Leased Premises for any of the following businesses or activities:

- (i) the sale of secondhand goods or surplus articles, insurance salvage stock, fire sale stock or bankruptcy stock;
- (ii) an auction, bulk sale (other than a bulk sale made to an assignee or sublessee pursuant to a permitted assignment or subletting hereunder), liquidation sale, "going out of business" or bankruptcy sale, or warehouse sale;
- (iii) any advertising or selling procedures which would, or any sale or business conduct or practice which would, because of the merchandising methods or quality of operation likely to be used, in either case in the Landlord's opinion, tend to lower the character of the Shopping Centre or harm or tend to harm the business or reputation of the Landlord or reflect unfavourably on the Shopping Centre, the Landlord or other tenants in the Shopping Centre or tend to confuse, deceive, mislead or be fraudulent to the public; or
- (iv) a mail order business or a department store, junior department store or variety store.

**6.4 Radius Clause**

Intentionally deleted.

**6.5 Hazardous Substances**

The Tenant covenants and agrees to utilize the Leased Premises and operate its business in a manner so that no part of the Leased Premises or surrounding lands are used to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process any Hazardous Substances, except in strict compliance with all applicable federal, provincial and municipal statutes, by-laws and regulations, including, without limitation, environmental, land use and occupational and health and safety laws, regulations, requirements, permits, statutes, by-laws and regulations. Further the Tenant hereby covenants and agrees to indemnify and save harmless the Landlord and those for whom the Landlord is in law responsible from any and all losses, costs, claims, damages, liabilities, expenses or injuries caused or contributed to by any Hazardous Substances which are at any time located, stored or incorporated in any part of the Leased Premises as a result of the acts or omissions of the Tenant or those for whom the Tenant is in law responsible. Provided the Landlord has reasonable grounds for believing the Tenant is in default under this Section 6.5, the Tenant hereby agrees that the Landlord or its authorized representatives shall have the right at the Tenant's expense, payable as Additional Rent within fifteen (15) days of receipt of an invoice therefor, to conduct such environmental site reviews and investigations as it may deem necessary for the purposes of ensuring compliance with this Section 6.5. The Tenant's obligations pursuant to this Section 6.5 shall survive the expiration or earlier termination of the Term.



**6.6 Landlord's Environmental Warranty**

As at the Possession Date, the Landlord represents and warrants to the Tenant to the best of the Landlord's knowledge and belief without independent enquiry, that the Shopping Centre, including the Leased Premises, comply with all applicable laws relating to environmental matters and the Lease Premises and Shopping Centre do not contain Hazardous Substances. Notwithstanding anything in this Lease, Tenant shall not be responsible for any costs related to the removal, remediation or clean-up of Hazardous Substances, unless the presence of the Hazardous Substance is a direct result of the acts or omissions of the Tenant or those for whom the Tenant is in law responsible.

**ARTICLE VII  
FIXTURES, ALTERATIONS AND REPAIRS AND  
LANDLORD'S CONTROL OF SHOPPING CENTRE**

**7.1 Installations by the Tenant**

All equipment, fixtures and improvements installed by the Tenant in the Leased Premises shall be new or completely reconditioned. The Tenant shall not make any alterations, additions or improvements or install or cause to be installed any trade fixtures, exterior signs, floor covering, interior or exterior lighting, plumbing fixtures, shades or awnings or make any changes to the store front without first obtaining the Landlord's written approval and consent, not to be unreasonably withheld or delayed. The Tenant shall present to the Landlord plans and specifications for such work at the time approval is sought. The Tenant covenants that any work that may be done in respect of the Leased Premises by or on behalf of the Tenant shall be done in such a manner as not to conflict or interfere with any work being done or about to be done by the Landlord in or about the Shopping Centre, whether such conflict or interference shall arise in relation to labour unions or otherwise and

INITIALS	
	
Landlord	Tenant

the Tenant shall obtain all requisite permits, licenses and inspections in respect of any such work done by or on the Tenant's behalf. Notwithstanding anything herein contained, the Tenant shall make no alterations, additions or improvements that are of a structural nature or that would lessen the value or Rentable Area of the Leased Premises or the Shopping Centre, or would interfere with the usage of the Common Areas.

All alterations, decorations, additions and improvements made by the Tenant or made by the Landlord on the Tenant's behalf by agreement under this Lease shall immediately upon installation or affixation become the property of the Landlord without compensation therefor to the Tenant, but the Landlord shall be under no obligations to repair, maintain or insure the alterations, decorations, additions or improvements. Such alterations, decorations, additions and improvements shall not be removed from the Leased Premises without prior consent in writing from the Landlord unless they are being replaced by the Tenant with similar items or unless they are no longer required for the Tenant's business operations. Upon expiration of this Lease, the Tenant shall, at the option of the Landlord, remove all trade fixtures and personal property and shall remove all such alterations, decorations, additions and improvements installed by or on behalf of the Tenant and repair any damage caused by such removal. If the Tenant does not remove its trade fixtures and personal property at the end of the Term or earlier termination thereof, the Landlord shall have no obligation in respect thereof and may sell or destroy the same or have them removed or stored at the expense of the Tenant, or at the Landlord's option, become the absolute property of the Landlord without any compensation to the Tenant.

#### 7.2 Maintenance and Repair by the Tenant

The Tenant will at all times keep the Leased Premises (including exterior entrances and all glass and show windows) and all partitions, doors, fixtures, equipment and appurtenances thereof (including lighting, heating and plumbing fixtures, and the electrical and mechanical systems) in good order, condition and repair (including periodic painting or redecorating and preventative maintenance as determined by the Landlord and including such repairs or replacements as are required to keep the Leased Premises in good repair and condition). All aforesaid maintenance, repairs, restorations and replacements shall be in quality and class equal to the original work or installations.

The Tenant shall, subject to Section 5.3, throughout the Term, operate, maintain, repair, replace when necessary and regulate the heating, ventilating and air conditioning equipment within or installed by or on behalf of the Tenant for the Leased Premises in such a manner as to maintain such reasonable conditions of temperature and humidity within the Leased Premises as are determined by the Landlord or its Architect so that no direct or indirect appropriation of the heating, ventilating or air conditioning from the Common Areas shall occur. The Tenant shall comply with such stipulations and with all reasonable rules and regulations of the Landlord pertaining to the maintenance and operation of such equipment.

#### 7.3 Signs, Awnings, Canopies

The Tenant will not place or suffer to be placed or maintained on any exterior door, wall or window of the Leased Premises any sign, awning or canopy or advertising matter or other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Leased Premises without first obtaining the Landlord's written approval and consent (which approval will not be unreasonably withheld). The Tenant further agrees to maintain such sign, awning, canopy, decoration, lettering, advertising matter or other thing as may be approved in good condition and repair at all times; and in addition to the foregoing, the Tenant shall maintain any signs or displays of its goods or wares which may be seen from the exterior of the Leased Premises in a manner which is in keeping with the character of the Shopping Centre of which the Leased Premises form a part and which is designed to enhance the business of the Tenant. Subject to first obtaining the Landlord's written approval to the proposed location and method of affixation (such approval not to be unreasonably withheld), the Tenant will be permitted to use the Tenant's or the Tenant's franchisor's federally registered trademarked logo on its signs on the exterior of the Leased Premises.

#### 7.4 Surrender of Leased Premises

Subject to Article IX, the Tenant will leave the Leased Premises in good repair, reasonable wear and tear only excepted. Without limiting the generality of the foregoing, at the expiration or earlier termination of the Term the Tenant shall surrender the Leased Premises in good repair, reasonable wear and tear only excepted, and shall surrender all keys for the Leased Premises to the Landlord at the place then fixed for the payment of Rent and shall inform the Landlord of all combinations on locks, safes and vaults, if any, in the Leased Premises. Should the Tenant fail to remove its fixtures and personal property, such fixtures and personal property shall be deemed to be abandoned by the Tenant any may be appropriated, sold or otherwise disposed of by the Landlord without notice or obligation to compensate the Tenant or to account therefor. The Tenant's obligations to observe or perform this covenant shall survive the expiration or earlier termination of the Term of this Lease.

INITIALS  

<i>JK</i>	<i>JB</i>
Landlord	Tenant



**7.4.1 Removal and Restoration by Tenant**

All alterations, decorations, additions and improvements in or upon the Leased Premises made or caused by the Tenant, or made by the Landlord on behalf of the Tenant, shall immediately become the property of the Landlord without compensation therefor to the Tenant and shall not be removed from the Leased Premises before, during or after the Term hereof except that:

- (a) the Tenant may, at the expiration of the Term or Extension Term hereof, if not in default herein, remove its trade fixtures at its own expense;
- (b) the Tenant may, but shall not be obligated, at the expiration of the Term or Extension Term hereof, if not in default herein, remove such of the alterations, decorations, additions and improvements and its trade fixtures as the Tenant, in its sole discretion, determines;
- (c) the Tenant may, during the Term or Extension Term hereof, remove its trade fixtures in the usual and normal course of its business or if same have become excess for business purposes or if same are to be substituted with similar new trade fixtures, provided that the Tenant is not in default herein;

and the Tenant covenants and agrees to make good any damages caused to the Leased Premises and the Centre and/or Complex by any such removal and to restore the Leased Premises and the Centre and/or Complex as provided in this Article.

**7.4.2 Surrender of Leased Premises – Ownership of Improvements**

The Landlord acknowledges that all signs, fixtures furnishings, equipment or other property bearing the name KFC/Kentucky Fried Chicken/Taco Bell or relating to a KF/Kentucky Fried Chicken/Taco Bell restaurant, including trademarks, service marks, copyrights, slogans, designs, cooking equipment, logos and distinctive building designs and other architectural features (collectively the "Proprietary Property") in or on the outside of the Leased Premises are the property of a permitted franchisor and/or the Tenant and shall remain the permitted franchisor's and or the Tenant's property throughout the Term and all extensions thereof. The Landlord shall not use or acquire any interest in such Proprietary Property which shall not be subject to the Landlord's rights, interests, remedies, or claim in ownership or seizure. The Tenant and/or the permitted franchisor shall have the right on or before the expiration or sooner termination of the Term of the Lease, to enter on the Leased Premises and the Shopping Centre and remove any and all Proprietary Property.

**7.5 Tenant to Discharge all Liens**

The Tenant will ensure that no construction or other lien or charge, or notice thereof, is registered or filed against:

- (a) the Shopping Centre or any part of it;
- (b) any interest in all or part of the Shopping Centre of the Landlord, the Mortgagee or any owner of the Shopping Centre; or
- (c) the Tenant's interest in the Leased Premises or any of the leasehold improvements in the Leased Premises;

by any person claiming by, through, under or against the Tenant or its contractors or subcontractors. If such a lien or charge or notice thereof is registered or filed and the Tenant fails to discharge it within five (5) days after written notice from the Landlord, the Landlord may discharge it by paying the amount claimed to be due into court or directly to the claimant and the Tenant will pay to the Landlord as Additional Rent on demand all costs (including legal fees) incurred by the Landlord in connection therewith, together with an administrative overhead charge of fifteen percent (15%) thereon.

**7.6 Rules and Regulations**

The Tenant will comply with the Rules and Regulations. Landlord reserves the right from time to time to amend or supplement the Rules and Regulations. Notice of such amendments and supplements, if any, shall be given to the Tenant, and the Tenant agrees thereupon to comply with and observe all such amendments and supplements, provided that no Rule or Regulation shall contradict any provision of this Lease. The Landlord shall not be responsible to the Tenant for non-observance or violation of any of the provisions of such Rules and Regulations by any other tenant of the Shopping Centre or of the terms of any other lease of premises in the Shopping Centre and the Landlord shall be under no obligation to enforce any such provisions. All Rules and Regulations shall be enforced against the Tenant in a non-discriminatory manner.

INITIALS

K	AB
Landlord	Tenant

**7.7 Maintenance and Repair by the Landlord**

The Landlord shall, subject to the other provisions of this Lease, maintain and repair or cause to be maintained and repaired in good order and condition, the Common Areas and the structure of the Shopping Centre, including without limitation, the foundations, exterior weather walls, subfloor, roof, bearing walls and structural columns and beams of the Shopping Centre. If, however, the Landlord is required to maintain or repair any structural portions or any other portion of the Leased Premises or the Shopping Centre by reason of the negligent acts or omissions of the Tenant, its employees, agents, invitees, suppliers, agents and servants of suppliers, licensees, concessionaires or subtenants, the Tenant shall pay on demand as Additional Rent, the Landlord's costs for making such maintenance or repairs, together with an administrative fee of fifteen percent (15%) of such costs, subject to Section 8.7 of this Lease.

**7.8 Operation and Control of Shopping Centre by Landlord**

The Landlord shall operate the Shopping Centre in good order condition and repair and in such manner as would a prudent landlord and in keeping with standards prevailing from time to time for similar shopping centres having regard to size, age and location.

The Shopping Centre and the Common Areas are at all times subject to the exclusive control and management of the Landlord. Without limiting the generality of the foregoing, the Landlord has the right in its control, management and operation of the Shopping Centre and by the establishment of rules and regulations and general policies with respect to the operation of the Shopping Centre or any part thereof at all times throughout the Term to construct, maintain and operate lighting facilities and heating, ventilating and air conditioning systems for the Common Areas; provide supervision and policing services for the Shopping Centre; close all or any portion of the Shopping Centre to such extent as may in the opinion of the Landlord's counsel be legally sufficient to prevent a dedication thereof or the accrual of any rights to any third party or the public; grant, modify and terminate easements or other agreements pertaining to the use and maintenance of all or any part of the Shopping Centre; obstruct or close off all or any part of the Shopping Centre for the purpose of maintenance, repair or construction; employ all personnel, including supervisory personnel and managers necessary for the operation, maintenance and control of the Shopping Centre; use any part of the Common Areas from time to time for merchandising, display, decorations, entertainment and structures designed for retail selling or special features or promotional activities; designate the areas and entrances and the times in, through and at which loading and unloading of goods shall be carried out; control, supervise and generally regulate the delivery or shipping of merchandise, supplies and fixtures to and from the Leased Premises and other portions of the Shopping Centre; designate and specify the kind of container to be used for garbage and refuse in the manner and the times and places at which same is to be placed for collection (if the Landlord for the more efficient and proper operation of the Shopping Centre provides or designates a commercial service for the pickup and disposal of refuse and garbage instead of or in addition to the service provided by the municipality, the Tenant shall use same at the Tenant's cost); designate areas where the Tenant and its employees may park in the Shopping Centre and impose reasonable rules and regulations to enforce such limits on parking; from time to time change the area, level, location, arrangement or use of the Shopping Centre or any part thereof; construct other buildings or improvements in the Shopping Centre and make changes to any part of the Shopping Centre; and do and perform such other acts in and to the Shopping Centre as in the use of good business judgment the Landlord determines to be advisable for the more efficient and proper operation of the Shopping Centre. Notwithstanding the aforementioned in the exercise of the Landlord's rights at no time shall access to the Shopping Centre or the Leased Premises be permanently adversely diminished and sufficient parking for the customers of the Shopping Centre shall be maintained at all times. In addition, there shall be no permanent and adverse interference with the use of the Shopping Centre as retail shopping centre and the Tenant's use of the Leased Premises for the purposes in this Lease.

Notwithstanding anything to the contrary, if as a result of the exercise by the Landlord of any of its rights as set out in this Section 7.8, but subject to the aforementioned, the Common Areas are diminished or altered in any manner whatsoever, the Landlord is not subject to any liability nor is the Tenant entitled to any compensation or diminution or abatement of Rent nor is any alteration or diminution of the Common Areas deemed constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease.

**7.9 Right to Relocate**

The Landlord shall have no right to relocate the Leased Premises during the Term.

**7.10 Landlord's Right to Enter Leased Premises**

(a) It is not a re-entry or a breach of quiet enjoyment if the Landlord or its authorized representatives enter the Leased Premises at reasonable times on reasonable prior notice (provided that no notice is required in the

INITIALS  

<i>KL</i>	<i>AB</i>
Landlord	Tenant

event of a real or apprehended emergency) to:

- (i) examine them;
- (ii) make permitted or required repairs, alterations, improvements or additions to the Leased Premises (including the pipes, conduits, wiring, ducts, columns and other installations in the Leased Premises) or the Shopping Centre or adjacent property; or
- (iii) excavate land adjacent or subjacent to the Leased Premises;

in each case (to the extent reasonably possible in the circumstances) without unreasonably interfering with the Tenant's business operations in the Leased Premises, and the Landlord may take material into and on the Leased Premises for those purposes. Rent will not abate or be reduced while the repairs, alterations, improvements or additions are being made. The Landlord will take reasonable steps to minimize any interruption of business resulting from any entry.

(b) At any time during the Term on reasonable prior notice, the Landlord may exhibit the Leased Premises to prospective purchasers and during the six (6) months prior to the expiration of the term of this Lease, the Landlord may exhibit the Leased Premises to prospective tenants and place upon the Leased Premises the usual notices "To Let" or "For Sale" which notices the Tenant shall permit to remain where placed without molestation.

(c) If the Tenant shall not be personally present to open and permit an entry into the Leased Premises, at any time in an emergency, the Landlord or the Landlord's agents may enter the same by a master key, or may forcibly enter the same, without rendering the Landlord or such agents liable therefor, and without in any manner affecting the obligations and covenants of this Lease.

(d) Nothing in this Section contained, however, shall be deemed or construed to impose upon the Landlord any obligation, responsibility or liability whatsoever for the care, maintenance or repair of the Shopping Centre or any part thereof, except as otherwise in this Lease specifically provided.

#### 7.11 Demolition

Intentionally Deleted.

### ARTICLE VIII INSURANCE AND INDEMNITY

#### 8.1 Tenant's Insurance

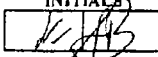
(a) The Tenant shall throughout the Term and during any period when it is in possession of the Leased Premises, at its own cost and expense, take out and keep in full force and effect and in the names of the Tenant, the Landlord, any property manager retained by the Landlord in respect of the Shopping Centre and the Mortgagee, as their respective interests may appear, the following insurance;

(i) All risks (excluding flood and earthquake) insurance upon property of every description and kind owned by the Tenant or for which the Tenant is legally liable (including, without limitation, signs and plate glass) and which is located within the Shopping Centre in an amount of not less than the full replacement cost thereof;

(ii) broad form boiler and machinery insurance on a blanket repair and replacement basis with limits for each accident in the amount of not less than the replacement cost of all leasehold improvements and of all boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus owned or operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant in the Leased Premises;

(iii) business interruption insurance in such amounts as will reimburse the Tenant for direct or indirect loss of earnings attributable to all perils insured against by the Tenant hereunder;

(iv) public liability and property damage insurance including personal injury liability, tenant legal liability, contractual liability and owners' protective insurance coverage with respect to the Leased Premises and the Tenant's use thereof and the Tenant's use of the Common Areas. Such policies shall be written on a comprehensive basis within inclusive limits of not less than Five Million Dollars (\$5,000,000) or such higher limits as the Landlord or the Mortgagee may reasonably require from time to time with provisions for severability of interest and cross-liability;

INITIALS  
  
Landlord Tenant

(v) any other form of insurance as the Tenant or the Landlord or the Mortgagee may reasonably require from time to time in form, in amounts and for insurance risks against which a prudent tenant would insure.

(b) All policies required to be written on behalf of the Tenant pursuant to this Section 8.1 shall contain the Mortgagee's standard mortgage clause, and shall contain a waiver of any subrogation rights which the Tenant's insurers may have against the Landlord and against those for whom the Landlord is in law responsible, whether any such damage is caused by the act, omission or negligence of the Landlord or those for whom the Landlord is in law responsible. All policies will have deductibles not greater than three percent (3%) of the amount insured and will be primary and not call into contribution or be in excess of any other insurance available to the Landlord or any additional insureds.

(c) All policies shall be taken out with insurers acceptable to the Landlord and shall be in a form satisfactory from time to time to the Landlord. The Tenant agrees that certificates of insurance will be delivered to the Landlord as soon as practicable after the placing of the required insurance. All policies shall contain an undertaking by the insurers to notify the Landlord and the Mortgagee in writing not less than thirty (30) days prior to any material change, cancellation or termination thereof.

(d) The Tenant agrees that if the Tenant fails to take out or keep in force any such insurance referred to in this Section 8.1, or should any such insurance not be approved by either the Landlord or the Mortgagee and should the Tenant not rectify the situation immediately after written notice by the Landlord to the Tenant, the Landlord has the right without assuming any obligation in connection therewith to effect such insurance at the sole cost of the Tenant and all outlays by the Landlord shall be immediately paid by the Tenant to the Landlord as Additional Rent without prejudice to any other rights and remedies of the Landlord under this Lease.

**8.2 Increase in Insurance Premium**

The Tenant will not allow or cause anything to occur in the Leased Premises which shall cause any increase of premium for any insurance on the Leased Premises or the Shopping Centre or any part thereof above the rate for the least hazardous type of occupancy legally permitted in the Leased Premises excluding the permitted use as outlined in Section 6.1 of this Lease. If the Tenant is in default under this Section 8.2 the Tenant shall pay any resulting additional premium on any insurance policies taken out or maintained by the Landlord, including any additional premium on any rental income insurance policy that may be carried by the Landlord. If notice of cancellation shall be given respecting any insurance policy or if any insurance policy upon the Leased Premises or the Shopping Centre or any part thereof shall be cancelled or refused to be renewed by an insurer by reason of the use or occupation of the Leased Premises or any part thereof or the acts or omissions of the Tenant, the Tenant shall forthwith remedy or rectify such use or occupation upon request to do so in writing by the Landlord, and if the Tenant shall fail to do so within twenty-four (24) hours of such written request, the Landlord shall have the right to enter the Leased Premises and rectify the situation, without liability to the Tenant for any loss or damage occasioned by such entry and rectification, or shall be entitled to hold the Tenant liable for any damage or loss resulting from such cancellation or refusal, or the Landlord may at its option determine this Lease forthwith by leaving upon the Leased Premises notice in writing of its intention to do so, and thereupon Rent and any other payments for which the Tenant is liable under this Lease shall be apportioned and paid in full to the date of such determination of the Lease. In determining whether increased premiums are the result of the Tenant's use of the Leased Premises, a schedule issued by the organization making the insurance rate on the Leased Premises, showing the various components of such rate, shall be conclusive evidence of the several items and charges which make the fire insurance rate of the Leased Premises. Bills for such additional premiums shall be rendered by the Landlord to the Tenant at such times as the Landlord may elect, and shall be due from and payable by the Tenant when rendered, and the amount thereof shall be deemed to be and be paid as Additional Rent.

**8.3 Landlord's Insurance**

The Landlord shall at all times throughout the Term carry: (a) insurance on the Shopping Centre (including equipment used for the maintenance and operation of the Shopping Centre) and the machinery, boilers and equipment contained therein and owned by the Landlord or for which the Landlord has assumed responsibility; and (b) public liability and property damage insurance with respect to the Landlord's operations in the Shopping Centre; against such perils, in such reasonable amounts, but in any event no less than Five Million Dollars (\$5,000,000.00) and with such reasonable deductibles as would be carried by a prudent owner of a reasonably similar shopping centre, having regard to size, age and location, as determined by the Landlord from time to time, and shall also carry such other form or forms of insurance as the Landlord or the Mortgagee reasonably considers advisable including but not limited to rental income insurance.

Notwithstanding the Landlord's covenant herein and the Tenant's contribution to the cost of the Landlord's insurance premiums but subject to Sections 8.5 and 8.7 of this Lease: (i) the Tenant is not relieved of any liability arising from or contributed to by its negligence or its willful acts or omissions; (ii) no insurable interest or other benefit (including an implied waiver of subrogation from the Landlord's insurers) is conferred

INITIALS  

W	AB
Landlord	Tenant

upon the Tenant under the Landlord's insurance policies; and (iii) the Tenant has no right to receive proceeds from the Landlord's insurance policies.

#### 8.4 Loss or Damage

The Landlord shall not be liable for any death or injury arising from or out of any occurrence in, upon, at or relating to the Shopping Centre, or damage to property of the Tenant or of others located on the Leased Premises, nor shall it be responsible for any loss of or damage to any property of the Tenant or others from any cause whatsoever, whether or not any such death, injury, loss or damage results from the negligence of the Landlord, its agents, servants or employees or other persons for whom the Landlord is in law responsible. Without limiting the generality of the foregoing, the Landlord shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Leased Premises or from the pipes, appliances, plumbing works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever. The Landlord shall not be liable for any such damage caused by other tenants or persons in the Shopping Centre or by occupants of adjacent property thereto, or the public, or caused by construction or by any private, public or quasi-public work. All property of the Tenant kept or stored on the Leased Premises shall be so kept or stored at the risk of the Tenant only and the Tenant shall indemnify the Landlord and save it harmless from any claims arising out of any damages to the same, including, without limitation, any subrogation claims by the Tenant's insurers. In no event shall the Landlord be liable for any injury to the Tenant, its servants, agents, employees, customers and invitees or for any injury or damage to the Leased Premises or to any property of the Tenant, or to any property of any other person, firm or corporation on or about the Leased Premises caused by an interruption, suspension or failure in the supply of any utilities to the Leased Premises.

#### 8.5 Indemnification of the Landlord and the Tenant

(a) The Tenant will indemnify the Landlord, registered owners and Mortgagees of the Shopping Centre and save them harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Leased Premises, the occupancy or use by the Tenant of the Leased Premises or any part thereof, or occasioned wholly or in part by any act or omission of the Tenant, its agents, contractors, employees, servants, licensees, or concessionaires or invitees. In case the Landlord, registered owners or Mortgagees shall, without fault on their part, be made a party to any litigation commenced by or against the Tenant, then the Tenant shall protect and hold them harmless and shall pay all costs, expenses and solicitors' and counsel fees on a full indemnity basis incurred or paid by them in connection with such litigation.

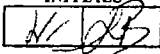
(b) The Landlord will indemnify the Tenant and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Shopping Centre outside the Leased Premises, the occupancy or use by the Landlord of the Shopping Centre or any part thereof, or occasioned wholly or in part by any act or omission of the landlord, its agents, contractors, employees, servants, licensees, or concessionaires or invitees. In case of the Tenant, without fault on its part, be made a party to any litigation commenced by or against the Landlord, then the Landlord shall protect and hold them harmless and shall pay all costs, expenses and solicitors and counsel fees on a full indemnity basis incurred or paid by it in connection with such litigation.

#### 8.6 Blanket Policies

Notwithstanding Section 8.1 of this Lease, so long as the Tenant is Prizm LP, herein acting by its general partner KIT Inc., the Tenant shall be entitled to insure the Leased Premises, and the Tenant's business operations therein, under the Tenant's blanket insurance policy which the Tenant maintains for the group of restaurants operated by the Tenant, including the deductible amounts and amounts of coverage as therein maintained, provided such amounts of coverage(s) are no less than the amounts stipulated in Section 8.1 of this Lease.

#### 8.7 Waiver

Notwithstanding anything in this Lease to the contrary, neither the Landlord nor the Tenant shall be required to indemnify the other in respect of any losses, claims, actions, damages, costs, liability or expenses under this Lease where that other party has or is required to obtain insurance in respect of same pursuant to the provisions of this Lease.

INITIALS  
  
Landlord Tenant

**ARTICLE IX  
DAMAGE, DESTRUCTION AND EXPROPRIATION**

**9.1 Total or Partial Destruction of Leased Premises**

If, during the Term, the Leased Premises are expropriated or totally or partially destroyed or damaged by any cause in respect of which the Landlord is or is required to insure under this Lease, the following provisions shall have effect:

- (a) if the Leased Premises are rendered partially unfit for occupancy by the Tenant, Rent shall abate in part only, in the proportion that the part of the Leased Premises rendered unfit for occupancy by the Tenant bears to the whole of the Leased Premises or if the Leased Premises are rendered wholly unfit for occupancy by the Tenant the Rent hereby reserved shall be suspended in either event until the day following a reasonable period (taking into account the extent of the Tenant's restoration) following completion of the Landlord's restoration;
- (b) notwithstanding the provisions of subparagraph (a), if the Leased Premises in the opinion of the Architect shall be incapable of being rebuilt and/or repaired or restored with reasonable diligence within 180 days of the happening of such destruction or damage, then the Landlord or Tenant may at their option terminate this Lease by notice in writing to the Tenant given within thirty (30) days of the date of such destruction or damage and in the event of such notice being so given this Lease shall cease and become null and void from the date of such destruction or damage and the Tenant shall immediately surrender the Leased Premises and all interest therein to the Landlord and the Rent shall be apportioned and shall be payable by the Tenant only to the date of such destruction or damage and the Landlord may re-enter and repossess the Leased Premises discharged of this Lease.

If the Leased Premises are capable of being rebuilt and/or repaired or restored within 180 days of the happening of such damage or destruction or if within the period of thirty (30) days referred to in Section 11.1(b) the Landlord or Tenant shall not give notice terminating this Lease, the Landlord shall with reasonable promptitude but within the said one hundred and eighty (180) days, proceed to rebuild and/or repair or restore the Leased Premises to the condition existing as of the Possession Date (as defined in Section 2.3 of this Lease) and the Tenant shall immediately upon substantial completion of the Landlord's work and, within a reasonable period determined by the Landlord, (given the extent of the Tenant's restoration) complete the restoration of the Leased Premises.

The certificate of the Architect shall bind the parties as to the (i) extent to which the Leased Premises are unfit for occupancy; (ii) time required to rebuild and/or repair or restore the Leased Premises; and (iii) due completion of repairs.

**9.2 Total or Partial Destruction of Shopping Centre**

In the event that (i) more than thirty-five percent (35%) of the Rentable Area of the Shopping Centre; or (ii) more than thirty-five percent of the Common Areas (excluding the parking facilities) or more than fifteen percent (15%) of the parking facilities of the Shopping Centre shall be expropriated or damaged or destroyed by fire or other cause, or in the event the costs as estimated by the Landlord of repairing, restoring or rebuilding will exceed by \$250,000 or more the proceeds of insurance available to the Landlord or which would be available if the Landlord had obtained the proper insurance required under this Lease, notwithstanding that the Leased Premises may be unaffected, or in the event the Landlord shall have the right, to be exercised by notice in writing delivered to the Tenant within sixty (60) days from and after said occurrence, to elect to cancel and terminate this Lease. Upon the giving of such notice to the Tenant, the Term of this Lease shall expire upon the third (3rd) day after such notice is given, and the Tenant shall vacate the Leased Premises and surrender the same to the Landlord.

**9.3 Abatement of Rent**

Intentionally Deleted.

**9.4 Expropriation Awards**

The Landlord and the Tenant will co-operate with each other if there is an expropriation of all or part of the Leased Premises or the Shopping Centre, so that each may receive the maximum award that it is entitled to at law. To the extent, however, that a part of the Shopping Centre, other than the Leased Premises, is expropriated, the full proceeds that are paid or awarded as a result, will belong solely to the Landlord, and the Tenant will assign to the Landlord any rights that it may have or acquire in respect of the proceeds or awards and will execute the documents that the Landlord reasonably requires in order to give effect to this intention.

**9.5 Right to Lease**

If, within two (2) calendar years of any termination by the Landlord under this Article IX, the Landlord repairs, restores and rebuilds all or substantially all of the Shopping Centre in the form that existed prior to such termination, and so long as the Landlord intends to lease premises in such restored Shopping Centre to restaurant tenant(s) selling food, at retail, for on- or off-premises consumption, the Tenant shall have an option to re-lease the Leased Premises or similar premises (the "New Leased Premises") on the following terms and conditions:

(a) not less than six (6) months of the date the Landlord estimates the New Leased Premises will be ready for delivery to the Tenant, the Landlord shall provide the Tenant with written notice that such premises are available for lease and the Tenant shall have ten (10) days from receipt of such notice to exercise its option hereunder by notice in writing to the Landlord (the "Notice to Re-Lease");

(b) the Lease for the New Leased Premises shall be on the same terms and conditions as this Lease, save and except for:

(i) the Possession Date, which shall be amended to a date mutually agreed upon between the parties, both acting reasonably;

(ii) the Fixturing Period, which shall be computed for a period of thirty (30) days from the new Possession Date;

(iii) the Commencement Date, which shall be the day immediately following expiration of the new Fixturing Period;

(iv) the Term, which shall commence on the new Commencement Date, and be comprised of the greater of: (i) five (5) years, and (ii) the balance of the Term that remained prior to such termination;

(v) all obligations on the part of the Landlord under Section 13.25 of this Lease (Tenant Allowance) shall not apply in respect of the New Leased Premises; and

(vi) the Minimum Rent, which shall be determined by mutual agreement between the Landlord and the Tenant based on then current market rates for similar premises in the vicinity of the Leased Premises, provided in no event shall the Minimum Rent for the New Leased Premises be less than the Minimum Rent payable before such termination. If the parties (both acting reasonably and in good faith) are unable to agree on the Minimum Rent for the New Leased Premises within fifteen (15) days after the Landlord receives the Tenant's Notice to Re-Lease as hereinbefore provided in this Section 9.5, then this option to re-lease, shall be null and void notwithstanding anything else in this Section 9.5 to the contrary;

(c) on the agreed-upon Possession Date, the Landlord shall deliver the New Leased Premises in equal or better condition then existing as of the original Possession Date of this Lease.

**ARTICLE X  
STATUS STATEMENT, SUBORDINATION AND ATTORNMENT**

**10.1 Status Statement**

Within ten (10) business days after request, the Tenant will sign and deliver to the Landlord or anyone with or proposing to take an interest in all or part of the Shopping Centre, a status statement or certificate, stating that this Lease is in full force and effect, any modifications to this Lease, the commencement and expiry dates of this Lease, the date to which Rent has been paid, the amount of any prepaid Rent or deposits held by the Landlord, whether there is any existing default and the particulars, and any other information reasonably required by the party requesting it.

**10.2 Subordination and Attornment**

This Lease is subordinate to every existing and future ground lease, mortgage, charge, trust deed, financing, refinancing or collateral financing against the Leased Premises or the Shopping Centre and to the instruments of, as well as the charge or lien resulting from any of them and any renewals or extensions of or

INITIALS  

<i>[Signature]</i>	<i>[Signature]</i>
Landlord	Tenant

advances under them (collectively, "encumbrances"). The Tenant will, on request, attorn to and recognize as landlord the holder of any such encumbrance or any transferee or dispossessor of the Shopping Centre or of an ownership or equity interest in the Shopping Centre subject to receipt of a non-disturbance agreement from such encumbrancers. The Tenant will, within ten (10) business days after request, sign and deliver any reasonably requested document confirming the subordination or the attornment. The form and content of the document will be determined by the party requesting it.

**10.3 Power of Attorney**

Intentionally Deleted.

**10.4 Sale by Landlord**

If the Landlord transfers or disposes of all or any part of the Shopping Centre or the Landlord's interest under this Lease, then to the extent that the transferee or dispossessor agrees with the Landlord to assume its obligations under this Lease, the Landlord will be released from them, except for existing defaults as of the date of the transfer or disposition.

**10.5 Financial Information**

Intentionally Deleted.

**10.6 Non-Disturbance Agreement**

The Landlord shall make its reasonable efforts to obtain from any encumbrancers of the Shopping Centre a non-disturbance agreement (on such encumbrancers' standard form) confirming that so long as the Tenant is not in default under this Lease, its possession of the Leased Premises shall not be disturbed by such encumbrancers in the event of a default by the Landlord under such encumbrance.

**ARTICLE XI  
TRANSFERS BY TENANT**

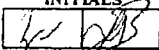
**11.1 Transfer Defined**

"Transfer" means, (i) an assignment, sale, conveyance, sublease, or other disposition of this Lease or the Leased Premises, or any part of them or any interest in this Lease (whether by operation of law or otherwise), or in a partnership that is a Tenant under this Lease, (ii) a mortgage, charge or debenture (floating or otherwise) or other encumbrance of this Lease or the Leased Premises or any part of them, or of any interest in this Lease or of a partnership, or partnership interest, where the partnership is a Tenant under this Lease, (iii) a parting with or sharing of possession of all or part of the Leased Premises, and (iv) a transfer or issue by sale, assignment, bequest, inheritance, operation of law or other disposition, or by subscription of all or part of the corporate shares of the Tenant or an "affiliate" (as that term is defined on the date of this Lease under the Canada Business Corporations Act) of the Tenant which results in a change in the effective voting control of the Tenant. "Transferor" and "Transferee" have meanings corresponding to the definition of "Transfer" set out above, (it being understood that for a Transfer described in clause (iv) the Transferor is the person that has effective voting control before the Transfer and the Transferee is the person that has effective voting control after the Transfer).

**11.2 Consent Required**

The Tenant will not allow or cause a Transfer, without the prior written consent of the Landlord in each instance which consent may not be unreasonably withheld or unduly delayed, subject however to the provisions of Section 11.4. Notwithstanding any statutory provisions to the contrary, Landlord's consent shall not be deemed to have been unreasonably withheld where Landlord refuses consent to a Transfer within twenty-four (24) months of either the Commencement Date or a previous Transfer. Without limiting the generality of the foregoing, no Transfer shall be effective and no consent shall be given unless the following provisions have been complied with:

- (i) there is no default of the obligations of the Tenant under this Lease;
- (ii) the Tenant shall have given at least thirty (30) days' prior written notice of the proposed Transfer and the effective date thereof to the Landlord;
- (iii) a duplicate original of the documents affecting the Transfer shall be given to the Landlord within thirty (30) days after the execution and delivery thereof;
- (iv) the Transferee, except in the case of a Transfer described in Section 11.1(iv), shall have

INITIALS  
  
Landlord      Tenant



assumed in writing with the Landlord the due and punctual performance and observance of all the agreements, provisions, covenants and conditions hereof on the Tenant's part to be performed or observed from and after the effective date of the Transfer.

The Tenant acknowledges that the factors governing the granting of the Landlord's consent to any Transfer may include, without limitation, the restrictive clauses entered into with other tenants by the Landlord, the financial background, business history and the capability of the proposed Transferee in the Tenant's line of business, and the nature of the business practices of the proposed Transferee. In particular, consideration shall be given as to whether the proposed Transferee will operate as a "cut-rate" bargain or discount store, or a business of an obnoxious nature which may tend to lessen traffic or lower the reputation or merchandising image of the Shopping Centre or its tenants. The consent by the Landlord to any Transfer shall not constitute a waiver of the necessity for such consent to any subsequent Transfer. If a Transfer takes place, the Landlord may collect rent from the Transferee, and apply the net amount collected to the Rent herein reserved, but no such action shall be deemed a waiver of the requirement to obtain consent or the acceptance of the Transferee as tenant, or a release of the Tenant from the further performance by the Tenant of covenants on the part of the Tenant herein contained. Notwithstanding any Transfer, the Tenant shall remain fully liable under this Lease and shall not be released from performing any of the obligations of the Tenant under this Lease.

Any Transfer (except permitted non-consent transfers contemplated in Section 11.3 of this Lease), if consented to by the Landlord, may at the Landlord's option be documented by the Landlord or its solicitors, and any and all reasonable legal costs with respect thereto or to any documents reflecting the Landlord's consent to the Transfer shall be payable by the Tenant on demand as Additional Rent.

### 11.3 Permitted Transfers

Notwithstanding anything contained in this Lease to the contrary, the Tenant may, without the Landlord's consent, sublet all or any portion of the Leased Premises or assign this Lease to: (i) a subsidiary, parent, affiliate, division or corporation controlled by or under common control with the Tenant; (ii) a successor corporation related to the Tenant by merger, consolidation, reorganization or government action; (iii) a person or corporation purchasing a majority of the Tenant's other businesses in the Province of Ontario which are substantially similar to the business being operated in the Leased Premises by the Tenant; (iv) a bona fide franchisor of the Tenant; or (v) a party that acquires the Tenant's leasehold interest provided such party engages in a lawful retail restaurant use that is not in conflict with any then existing exclusive use right(s) in favour of other tenants or occupants of the Shopping Centre that remain in full force and effect as of the date of such transfer; and provided further that, in the case of any transfer effected pursuant to this Section 11.3, the Tenant shall remain liable for financial performance pursuant to this Lease.

### 11.4 Conditions of Consent

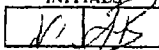
If the Tenant receives consent under Section 11.2, it shall be subject to the following conditions:

- (a) if the Tenant shall receive from any Transferee of this Lease, either directly or indirectly, any consideration for the Transfer of this Lease, either in the form of cash, goods or services, the Tenant shall forthwith pay an amount equal to such consideration to the Landlord as Additional Rent forthwith upon receipt of same; and
- (b) in the event of any Transfer by virtue of which the Tenant receives a rent in the form of cash, goods or services which is higher than the Rent payable hereunder to the Landlord for the portion of the Leased Premises so Transferred, the Tenant shall pay any such excess rent to the Landlord as Additional Rent forthwith upon receipt of same.

If this Lease is disaffirmed, disclaimed, repudiated, rejected or terminated as a result of court proceedings or otherwise, in connection with the insolvency or bankruptcy of any Transferee, then at the Landlord's option the original Tenant named in this Lease will enter into a lease (the "Remainder Period Lease") with the Landlord, containing the same terms and conditions as this Lease modified, however, by changing the Term of the Remainder Period Lease so that it commences on the date of the disaffirmation, disclaimer, repudiation, rejection or termination, and expires on the date on which this Lease would have expired had the disaffirmation, disclaimer, repudiation, rejection or termination not occurred.

### 11.5 Landlord's Option

If the Tenant requests that Landlord's consent to a Transfer, then notwithstanding anything in this Lease or any statute or law to the contrary, the Landlord shall always have the option to cancel this Lease by written notice given to the Tenant within sixty (60) days following receipt by it of the Tenant's request for the Landlord's consent to the Transfer. The Landlord's notice of termination shall specify the date of termination which shall be not earlier than thirty (30) days after the date the Landlord's notice is given, and the Tenant shall

INITIALS  
  
Landlord      Tenant

deliver up possession of the Leased Premises to the Landlord on such date leaving same in the state of repair required pursuant to this Lease provided that if the Tenant withdraws the request for a Transfer within fifteen (15) days of the Landlord's notice, the said notice of termination shall be null and void.

#### 11.6 No Advertising of Leased Premises

The Tenant shall not print, publish, post, display or broadcast any notice or advertisement to the effect that the Leased Premises are for lease or for sale or otherwise advertise the proposed sale or lease of the whole or any part of the Leased Premises and shall not permit any broker or other party to do any of the foregoing, unless the complete text and format of any such notice, advertisement or offer is first approved in writing by the Landlord. Without in any way restricting or limiting the Landlord's right to refuse any text or format on other grounds, any text or format proposed by the Tenant shall not contain any reference to the rental rate of the Leased Premises.

### ARTICLE XII DEFAULT OF TENANT

#### 12.1 Right to Re-Enter

When

(a) the Tenant shall be in default in the payment of any Rent and such default shall continue for a period of five (5) consecutive days after notice of default from the Landlord; or

(b) the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease (other than its covenant to pay Rent) and such default shall continue for a period of fifteen (15) consecutive days or such longer period as may be reasonably required to cure such default, after written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied;

then and in any of such cases the then current month's Rent, together with the Rent for the three (3) months next ensuing shall immediately become due and payable, and at the option of the Landlord, the Term shall become forfeited and void, and the Landlord may without notice or any form of legal process whatsoever forthwith re-enter upon the Leased Premises or any part thereof in the name of the whole and repossess and enjoy the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding, provided, however, that such forfeiture shall be wholly without prejudice to the right of the Landlord to recover arrears of rent or damages for any antecedent default by the Tenant of its covenants, obligations or agreements under this Lease or any term or condition of this Lease and provided further that notwithstanding any such forfeiture the Landlord may subsequently recover from the Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely determined. In addition, the Landlord shall have the right to remove and sell the Tenant's good and chattels and trade fixtures and apply the proceeds thereof to Rent due under the Lease.

#### 12.2 Right to Relet

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

INITIALS  

<i>[Signature]</i>	<i>[Signature]</i>
Landlord	Tenant

reserved in this Lease for the remainder of the Term hereof over the then reasonable rental value of the Leased Premises for the remainder of the Term hereof, all of which amounts shall be immediately due and payable from the Tenant to the Landlord. In determining the Rent which would be payable by the Tenant hereunder, subsequent to default, the annual Rent for each year of the unexpired Term shall be equal to the greater of: (a) the average annual Minimum Rent and Percentage Rent payable by the Tenant from the Commencement Date to the time of default or during the preceding three (3) full calendar years, whichever period is shorter; and (b) Minimum Rent payable hereunder; together with all Additional Rent which would have been payable during the calendar year in which this Lease was terminated, pro-rated over a full calendar year, if required.

### 12.3 Legal Expenses

In case suit shall be brought for recovery of possession of the Leased Premises, for the recovery of Rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of the Tenant to be kept or performed and a breach shall be established, the Tenant shall pay to the Landlord all expenses incurred therefor, including reasonable solicitors' and counsel fees on a full indemnity basis.

### 12.4 Bankruptcy

The Tenant covenants and agrees that if the Term or any of the goods and chattels of the Tenant on the Leased Premises shall be at any time during the Term seized or taken in execution or attachment by any creditor of the Tenant or if a receiver, interim receiver or receiver and manager is appointed for the assets or business of the Tenant or if the Tenant shall make any assignment for the benefit of creditors or any bulk sale or, becoming bankrupt or insolvent, shall take the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors or if any order shall be made for the winding up of the Tenant and such acts are not set aside with twenty (20) days, or if the Leased Premises shall without the written consent of the Landlord become and remain vacant for a period of fifteen (15) days, or be used by any other persons than such as are entitled to use them under the terms of this Lease, or if the Tenant shall without the written consent of the Landlord abandon or attempt to abandon the Leased Premises or to sell or dispose of goods or chattels of the Tenant or to remove them or any of them from the Leased Premises so that there would not in the event of such abandonment, sale or disposal be sufficient goods on the Leased Premises subject to distress to satisfy the Rent above due or accruing due, then and in every such case the then current month's Rent and the next ensuing three (3) months' Rent shall immediately become due and be paid and the Landlord may re-enter and take possession of the Leased Premises as though the Tenant or the servants of the Tenant or any other occupant of the Leased Premises were holding over after the expiration of the Term and the Term shall, at the option of the Landlord, immediately without any notice or opportunity for cure provided to the Tenant, become forfeited and determined, and in every one of the cases above such accelerated Rent shall be recoverable by the Landlord in the same manner as the Rent hereby reserved and as if Rent were in arrears and the said option shall be deemed to have been exercised if the Landlord or its agents given notice to the Tenant as provided for herein.

### 12.5 Landlord May Perform Tenant's Covenants

If the Tenant shall fail to perform any of its covenants or obligations under or in respect of this Lease and such default shall continue beyond expiry of the applicable cure periods set out under Section 12.1 of this Lease, the Landlord may from time to time at its discretion, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things upon or in respect of the Leased Premises or any part thereof as the Landlord may consider requisite or necessary.

All expenses incurred and expenditures made by or on behalf of the Landlord under this Section, together with an administrative fee equal to fifteen (15%) percent thereon, shall be forthwith paid by the Tenant to the Landlord on demand as Additional Rent.

### 12.6 Waiver of Exemptions from Distress

Despite the Commercial Tenancies Act of Ontario, as amended, or any other applicable Act, legislation, or any legal or equitable rule of law none of the inventory, furniture, equipment or other property at any time owned by the Tenant is exempt from distress.

### 12.7 General Security Agreement

Intentionally Deleted.

### 12.8 Remedies Cumulative

No reference to nor exercise of any specific right or remedy by the Landlord or Tenant will prejudice or preclude the Landlord or Tenant from exercising or invoking any other remedy in respect thereof, whether

INITIALS  

<i>[Handwritten Initials]</i>	<i>[Handwritten Initials]</i>
Landlord	Tenant

allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but the Landlord or Tenant may from time to time exercise any one or more of such remedies independently or in combination.

**12.9 Parties to Act Reasonably**

Unless specifically set out to the contrary under this Lease, each party shall act reasonably and in good faith in all matters dealing with this Lease.

**ARTICLE XIII  
MISCELLANEOUS**

**13.1 Overholding**

If the Tenant remains in possession of the Leased Premises after the end of the Term and without the execution and delivery of a new lease, there shall be no tacit renewal of this Lease and the Term hereby granted, and the Tenant shall be deemed to be occupying the Leased Premises as a Tenant from month to month at monthly rent payable in advance on the first day of each month equal to the sum of:

- (i) one and one half (1 ½) times the Minimum Rent payable during the last month of the Term; and
- (ii) one-twelfth of the Additional Rent payable by the Tenant for the Lease Year immediately preceding the last Lease Year of the Term;

and otherwise upon the same terms and conditions as are set forth in this Lease, except as to duration of Term, and any right of renewal mutatis mutandis.

**13.2 Successors**

This Lease applies to the successors and assigns of the Landlord and, if Article XIII is complied with, the heirs, executors, administrators and permitted successors and permitted assigns of the Tenant. If there is more than one party named as Tenant, they are jointly and severally liable under this Lease.

**13.3 Waiver**

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

**13.4 Accord and Satisfaction**

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

**13.5 Entire Agreement**

This Lease sets forth all the covenants, promises, agreements, conditions and understandings between the Landlord and the Tenant concerning the Leased Premises and there are no covenants, promises, agreements, conditions or representations, either oral or written, between them other than are herein and in the said schedules and rider, if any, set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon the Landlord or the Tenant unless reduced to writing and signed by them.

**13.6 No Partnership**

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

INITIALS  

<i>[Handwritten Initials]</i>	<i>[Handwritten Initials]</i>
Landlord	Tenant

of this Lease relating to the Percentage Rent payable hereunder are included solely for the purpose of providing a method whereby the Rent is to be measured and ascertained.

**13.7 Force Majeure**

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labour troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Notwithstanding anything herein contained, the provisions of this Section 13.7 shall not operate to excuse the Tenant from the prompt payment of Minimum Rent, Percentage Rent, Additional Rent or any other payments required by the terms of this Lease, nor entitle the Tenant to compensation for any inconvenience, nuisance or discomfort thereby occasioned.

**13.8 Notices**

Any notice herein provided or permitted to be given by the Tenant to the Landlord shall be sufficiently given if delivered personally to the party being given such notice or to a responsible employee of the party being given such notice, or if transmitted by telecopier or if mailed in Canada, registered and postage prepaid, addressed to the Landlord at

c/o Scott's Real Estate Investment Trust  
161 Bay Street, Suite 2300  
TD Canada Trust Tower, BCE Place  
Toronto, Ontario  
M5J 2S2,

and any notice herein provided or permitted to be given by the Landlord to the Tenant shall be sufficiently given if delivered personally to the party being given such notice or to a responsible employee of the party being given such notice, or if transmitted by telecopier or if mailed in Canada, registered and postage prepaid, addressed to the Tenant at the Leased Premises or at the following address:

Prizm LP  
c/o Prizm Inc.  
101 Exchange Avenue  
Vaughan, Ontario  
L4K 5R6

Any such notice given as aforesaid shall be conclusively deemed to have been given on the day on which such notice is delivered or transmitted or on the third day that there is postal delivery following the day on which such notice is mailed, as the case may be. Either party may at any time give notice in writing to the other 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 hereunder. The word "notice" in this paragraph shall be deemed to include any request, statement or other writing in this Lease provided or permitted to be given by the Landlord to the Tenant or by the Tenant to the Landlord. If there is more than one party named as Tenant, notice to one shall be deemed sufficient as notice to all.

**13.9 Place for Payment of Rent**

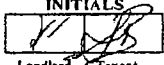
The Tenant shall pay the Rent, including all Additional Rent, at the office of the Landlord specified in Section 13.8, or at such place or places as the Landlord may designate from time to time by notice in writing.

**13.10 Approval in Writing**

Wherever the Landlord's consent is required to be given hereunder or wherever the Landlord must approve any act or performance by the Tenant, such consent or approval, as the case may be, shall be given in writing by the Landlord before same shall be deemed to be effective.

**13.11 Registration**

Subject to the Landlord's reasonable approval, the Tenant may register a notice of this Lease on title to the Shopping Centre at its sole cost and expense. Upon the expiration of the Term or other termination of this Lease, the Tenant shall promptly cause any notice of this Lease registered by the Tenant to be discharged.

INITIALS  
  
Landlord Tenant

**13.12 Governing Law**

The Lease is to be governed by and construed according to the laws of the Province of Ontario.

**13.13 Captions and Section Numbers**

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

**13.14 Brokerage Commissions**

Any brokerage commission with respect to this lease transaction shall be borne exclusively by the Tenant and the Tenant shall indemnify and hold harmless the Landlord from any and all claims with respect thereto save only where the Landlord has specifically retained a broker or agent to represent it in respect of this transaction.

**13.15 Partial Invalidity**

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

**13.16 No Option**

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

**13.17 Limitation on Length of Term**

The Lease is entered into subject to the express condition that it is to be effective to create any interest in land only if the provisions of any statute relating to the severance of land or interests in land by conveyance or otherwise (as it may from time to time be amended) are complied with. The Landlord and Tenant agree, as a separate and distinct agreement, that if pursuant to any statute consent is requisite to the validity of this Lease, either party may apply for such consent and until unconditional consent has been obtained, the Term of this Lease or any renewal thereof will not extend beyond the period permitted without consent pursuant to any such statute, with no further right on the part of Tenant to extend the term, notwithstanding any other provision of this Lease.

**13.18 Time To Be of the Essence**

Time shall be of the essence of this Lease.

**13.19 Quiet Enjoyment**

The Landlord covenants with the Tenant for quiet enjoyment.

**13.20 Tenant Partnership**

If the Tenant is or shall become a partnership, each person who is a member, or shall become a member of, such partnership or successor thereof shall be and continue to be jointly and severally liable for the performance and observance of all covenants, provisos, conditions and agreements on the part of the Tenant to be observed and performed, whether or not such person ceases to be a member of such partnership or successor thereof.

**13.21 Limitation of Landlord's Liability**

The Tenant will look solely to the interest of the Landlord in the Shopping Centre for the collection or satisfaction of any money or judgement which the Tenant may recover against the Landlord, and the Tenant will not look for the collection or satisfaction of any such money or judgement to the personal assets of any person who is at any time a partner, joint venturer or co-tenant in the Shopping Centre.

INITIALS	
K	JB
Landlord	Tenant

**13.22 Non-Liability**

The Tenant acknowledges, covenants and agrees:

- (i) that the Landlord is the nominee on behalf of Scott's Real Estate Investment Trust (the "Trust"); and
- (ii) the obligations being created by this Lease and any liabilities arising in any manner whatsoever out of or in connection with this Lease are not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, the private property of any of;
  - (A) the unitholders of the Trust;
  - (B) annuitants under a plan of which a unitholder of the Trust acts as trustee or carrier; and
  - (C) the officers, trustees, employees or agents of the Trust.

**13.23 Option to Extend**

The Tenant shall have the right to extend the Term of the Lease for one (1) further period of five (5) years (the "Extension Term"), commencing on the day after the expiry date of the initial Term of this Lease, provided that:

- (a) the Tenant is not in default under any of its covenants, obligations and agreements under this Lease; and
- (b) the Tenant gives to the Landlord written notice of its intention to exercise the aforesaid option to extend not less than six (6) months prior to the expiry of the Term.

The Minimum Rent payable during the Extension Term shall be determined by mutual agreement between the Landlord and the Tenant based on the then current market rates for similar premises in the vicinity of the Leased Premises, provided in no event shall the Minimum Rent during the Extension Term be less than the Minimum Rent payable during the last year of the initial Term.

The Tenant shall not be entitled to the benefit of any rent free period or receive any leasehold improvement allowance or any payments by the Landlord to the Tenant. There shall be no further option to extend the Term or renew this Lease available to the Tenant.

**13.24 Exclusive Use**

Provided that: (i) Tenant is not in default under the terms of this Lease beyond the expiry of all applicable cure periods; (ii) the Tenant is in occupation of and operating in and from the whole of the Leased Premises; and (iii) the Leased Premises are being used for the purposes permitted under this Lease, then the Tenant shall have the exclusive right in the Shopping Centre to sell, as a principal business, prepared chicken products and Mexican food (the "Restricted Products"). As used herein, "principal business" means any business which generates more than ten percent (10%) of its annual gross revenue from the sale of any one or any combination of such Restricted Products.

**13.25 Tenant Allowance**

Notwithstanding anything in this Lease to the contrary, provided the Tenant is in occupation of the whole of the Leased Premises and is not then in default under the terms of this Lease, the Landlord will pay to the Tenant the sum of One Hundred Thousand Dollars (\$100,000.00), plus applicable G.S.T., in the form of a tenant allowance (the "Tenant Allowance") to be applied towards the actual cost of constructing the Tenant's store and leasehold improvements within the Leased Premises. The Tenant Allowance shall be payable upon the last to occur of the following:

- (a) the date the Tenant opens for business to the general public from the Leased Premises;
- (b) execution of this Lease by both the Landlord and the Tenant, not to be unreasonably delayed by either party;
- (c) the Commencement Date (as defined in Section 2.3 of this Lease);
- (d) delivery to the Landlord of a clearance certificate issued pursuant to the *Workplace Safety and Insurance Act*, S.O. 1997, c.16 (Ontario), or such successor or replacement legislation, in respect of each contractor and subcontractor who did work in connection with the Tenant's

INITIALS

SL	JLB
Landlord	Tenant

Work in the Leased Premises;

- (e) compliance by the Tenant, in the opinion of the Landlord's architect, with the Tenant's obligations under this Lease (including, without limitation, Schedule "C" attached hereto) and the plans and specifications relating to the Tenant's Work that have been approved by the Landlord;
- (f) delivery of a notarized statutory declaration from a senior officer of the Tenant confirming that: (i) all accounts in respect of the Tenant's Work have been paid in full; and (ii) all holdback periods referred to in the construction lien provisions of the applicable legislation in the province in which the Shopping Centre is located, have expired;
- (g) delivery to the Landlord of certificates evidencing the placement of insurance by the Tenant as required in accordance with this Lease; and
- (h) receipt by the Landlord of a written request from the Tenant for the Tenant Allowance.

If at any time during the initial Term of this Lease:

- (i) this Lease is terminated by reason of the default of the Tenant hereunder; or
- (ii) the Tenant has become bankrupt or insolvent or has taken the benefit of any statute for bankrupt or insolvent debtors, or has filed a proposal, or has made an assignment for the benefit of creditors or any arrangement or compromise.

then in such event, and without prejudice to any of the Landlord's other rights and remedies available to it under this Lease and at law, the unamortized portion of the Tenant Allowance calculated from the Commencement Date on the basis of an assumed rate of depreciation on a straight line basis to zero over the initial Term of this Lease, shall immediately become due and payable to the Landlord as Additional Rent.

13.26 Tenant's Permits

The Tenant covenants and agrees to actively and diligently pursue and obtain, at its sole cost and expense, all building permits required to be issued by the competent municipal authorities or other governmental authorities necessary to permit construction of the Leased Premises by the Tenant.

13.27 Schedules

The Schedule of Definitions and Schedules "A", "B", "C", and "D" attached hereto form part of this Lease.

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

SIGNED, SEALED AND DELIVERED  
In the Presence of:

) **LANDLORD:**  
 ) **SCOTT'S REAL ESTATE LIMITED**  
 ) **PARTNERSHIP**, herein acting by its general partner  
 ) Scott's GP Trust, herein acting through its sole trustee  
 ) Scott's Trustee Corp.  
 )  
 ) Per: E. Sutherland  
 ) c/s  
 ) Per: \_\_\_\_\_  
 )  
 ) **TENANT:**  
 ) **PRISZM LP**, herein acting by  
 ) its general partner, PRISZM INC.  
 )  
 ) Per: [Signature]  
 ) c/s  
 ) Per: \_\_\_\_\_  
 )  
 ) (I/We have authority to bind the corporation)

INITIALS  
 [Signature] [Signature]  
 Landlord Tenant



## SCHEDULE OF DEFINITIONS

"Additional Rent" means all and any monies required to be paid by the Tenant to the Landlord under or pursuant to the terms of this Lease, save only for Minimum Rent and Percentage Rent.

"Architect" shall mean the independent architect from time to time named by the Landlord. Any certificate provided by the Architect and called for by the terms of this Lease shall be final and binding on the parties hereto subject to manifest error.

"Commencement Date" means a date determined in accordance with the provisions of Section 2.3.

"Common Areas" means those areas, facilities, utilities, improvements, equipment and installations in the Shopping Centre which from time to time are not designated or intended by the Landlord to be leased to tenants of the Shopping Centre, and those areas, facilities, utilities, improvements, equipment and installations which serve or are for the benefit of the Shopping Centre whether or not located in, adjacent to or near the Shopping Centre and which are designated from time to time by the Landlord as part of the Common Areas. Without limiting the generality of the foregoing, Common Areas includes all parking areas and parking garages, all entrances and exits thereto and all structural elements thereof, employee parking areas, access roads, truck courts, driveways, truckways, delivery passages, the roof, exterior weather walls, exterior and interior structural elements and bearing walls in the building and improvements comprising the Shopping Centre, package pick-up stations, loading and related areas, pedestrian sidewalks, landscaped and planted areas, bus kiosks, if any, roadways and stops, signs, equipment and fixtures, stairways, ramps, electrical, telephone, meter, valve, mechanical, mail storage service and janitor rooms and galleries, fire prevention, security and communication systems, columns, pipes, electrical, plumbing, drainage, any central system for the provision of heating, ventilating or air conditioning to leasable premises or any enclosed Common Areas and all other installations, equipment or services located therein or related thereto as well as the structures housing the same. Common Areas further include any such facilities, utilities, improvements, equipment and installations, including but not limited to courts and arcades, public seating and service areas, corridors, furniture, first aid and/or information stations, public washrooms and music systems.

"C.P.I." means the Consumer Price Index (All Items) for the city in which the Shopping Centre is located or if there is no Consumer Price Index for that city, for the city in Canada nearest the Shopping Centre for which such a Consumer Price Index is published (or any index published in substitution for the Consumer Price Index or any other replacement index reasonably designated by the Landlord, if it is no longer published) published by Statistics Canada (or by any successor thereof or any other governmental agency, including a provincial agency).

"Gross Receipts" means the total of all gross sales and receipts from all business conducted upon or from the Leased Premises, whether or not by the Tenant, and whether for cash, cheques, credit, charge account, exchange or otherwise, and shall include, but not be limited to, amounts received or receivable from the sale of goods or services and the amount of all orders taken or received at the Leased Premises regardless of where they are filled, whether such sales be made at a sales desk or counter, over the telephone or by any vending device. Interest, installment, finance charges and deposits will be included, and bank or collection agency charges and uncollectible amounts or bad debts will not be deducted. A credit or installment sale will be considered as a sale for the full price in the month in which it takes place. Gross Receipts shall not include:

- (i) sales for which the customer has received a refund, provided that the original sale was included in Gross Receipts;
- (ii) sales of merchandise in exchange for returned merchandise, but only to the extent the original sale of the returned merchandise was included in Gross Receipts;
- (iii) GST and any other sales, use, excise or gross receipts tax directly on sales and collected from customers at the point of sale, provided that the amount thereof is added to the selling price and shown and/or collected as a separate item, and paid by the Tenant to such governmental authority;
- (iv) delivery charges;
- (v) transfers of merchandise between stores of the Tenant or returned to suppliers of the Tenant, but only if such transfer or return is not for the purpose of reducing Gross Receipts;

(vi) any sums and credits received by the Tenant for the loss of or damage to the Tenant's merchandise and amounts recovered by the Tenant under policies of insurance in respect of the Tenant's loss of business, sales or profits arising from any fire or other peril of occurrence.

(vii) bank charges or uncollected or uncollectible credit accounts or charges made by collection agencies and other proper allowances for bad debts;

(viii) bulk sales associated with any assignment or sublease not prohibited by the terms of this Lease or the sale of the Tenant's fixtures and equipment normally used in the Tenant's business if same are surplus and replaced by new or comparable fixtures and equipments; and

(ix) discounts, credits or allowances, whether for cash or in merchandise given by the Tenant to its employees to a maximum of three percent (3%) of Gross Receipts.

"GST" means goods and services taxes, value-added taxes, multi-stage taxes, business transfer taxes or other similar taxes however they are characterized.

"Hazardous Substances" means any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, PCB's or any other substances or materials that are declared or defined to be hazardous, toxic, contaminants or pollutants in or pursuant to any applicable federal, provincial or municipal statute, by-law or regulation.

"Landlord" includes the Landlord and its successors and assigns.

"Lease" means this indenture of lease and includes any riders and schedules hereto and shall also include any agreements entered into which have the effect of amending this indenture from time to time.

"Leased Premises" means the premises leased to the Tenant as referred to and described in Section 2.1 hereof. Save as mentioned below, the boundaries of the Leased Premises shall be measured from (a) the exterior face of all exterior walls, doors and windows; (b) the exterior face of all interior walls that are not party walls separating leasable premises from adjoining leasable premises; and (c) the centre line of interior party walls separating leasable premises from adjoining leasable premises. The Leased Premises shall extend from the top surface of the structural subfloor to the bottom surface of the structural ceiling. If the Leased Premises have no ceiling abutting the demising walls, but rather are open to the ceiling of the Shopping Centre building, the boundaries of the Leased Premises extend from the top surface of the structural subfloor to the height of the demising walls.

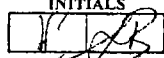
"Lease Year" shall mean a period of time, the first Lease Year commencing on the Commencement Date and ending on December 31<sup>st</sup> in the calendar year of the Commencement Date. Thereafter Lease Years shall consist of consecutive periods of twelve calendar months ending in each case on December 31<sup>st</sup>, save for the last Lease Year of the Term which shall terminate upon the expiration or earlier termination of this Lease, as the case may be.

"Minimum Rent" means the annual minimum rent payable by the Tenant pursuant to Section 3.1.

"Mortgagee" means any mortgagee, chargee or hypothecary creditor (including any trustee for bondholders) of the Shopping Centre or any part thereof.

"Normal Business Hours" means Monday to Thursday and Sunday: 11:00 a.m. to 11:00 p.m.; Friday and Saturday: 11:00 a.m. to 12:00 a.m. (midnight).

"Operating Costs" means without duplication or profit the total cost and expense incurred in owning, operating, maintaining, managing and administering the Shopping Centre and the Common Areas, excluding only the original acquisition costs and financing and mortgage charges, but specifically including without limiting the generality of the foregoing: any capital or place of ownership taxes levied against the Landlord or any owners of the Shopping Centre on account of their interest in the Shopping Centre, in an amount equitably allocated to the Shopping Centre by the Landlord; gardening and landscaping charges; the cost and expenses of taking out the insurance described in Section 8.3; cleaning, snow removal, garbage and waste collection and disposal; lighting, electricity, public utilities, loud speakers, public address and musical broadcasting systems and any telephone answering service used in or serving the Shopping Centre, and the cost of electricity and maintenance for any signs designated by the Landlord as part of the Common Areas; policing, security, supervision and traffic control; salaries and benefits of all supervisory and other personnel employed in connection with the Shopping Centre and management office rent imputed to the Shopping Centre by the

INITIALS  
  
Landlord Tenant

Landlord, acting reasonably; the cost of providing additional parking or other Common Areas for the benefit of the Shopping Centre, whether such costs be Taxes or other type of costs; the costs and expenses of environmental site reviews and investigations, removal and/or clean-up of Hazardous Substances from the Common Areas; all Taxes not recovered from tenants of the Shopping Centre; the cost of the rental of any equipment and signs and the cost of supplies used in the maintenance and operation of the Shopping Centre and the Common Areas; accounting and audit fees incurred in the preparation of the statements required to be prepared and supplied by the Landlord under the terms of this Lease; heating, ventilating and air conditioning of the Common Areas; all repairs and replacements (amortized in accordance with generally accepted accounting principles) to and maintenance and operation of the Shopping Centre and the Common Areas; depreciation or amortization of the costs, including repair and replacement, of all maintenance and cleaning equipment, master utility meters, and all other fixtures, equipment, and facilities serving or comprising the Shopping Centre or the Common Areas, which are not charged fully in the Lease Year in which they are incurred, from the earlier of the date when the cost was incurred or the Commencement Date, at rates on the various items determined in accordance with generally accepted accounting principles; interest calculated at two (2) percentage points above the Prime Rate upon the undepreciated or unamortized portion of the costs referred to above; and an administration and management fee of fifteen percent (15%) of the total of all of the above costs, excluding only interest on undepreciated or unamortized costs.

"Percentage Rent" means the rent payable by the Tenant pursuant to Section 3.2.

"Prime Rate" means the annual rate of interest from time to time publicly quoted by any Canadian chartered bank designated by the Landlord as its reference rate of interest for determining rates of interest chargeable in Toronto on Canadian dollar demand loans to commercial customers.

"Proportionate Share" means a fraction, the numerator of which is the Rentable Area of the Leased Premises and the denominator of which is the Rentable Area of the Shopping Centre.

"Rent" means all Minimum Rent, Percentage Rent and Additional Rent payable pursuant to the terms of this Lease.

"Rentable Area of the Leased Premises" means the area expressed in square feet of the Leased Premises measured from:

- (i) the exterior face of all exterior walls, doors and windows;
- (ii) the exterior face of all interior walls, doors and windows separating the Leased Premises from Common Areas, if any; and
- (iii) the centre line of all interior walls separating the Leased Premises from adjoining leasable premises.

The Rentable Area of the Leased Premises includes all interior space whether or not occupied by projections, structures or columns, structural or non-structural, and if the store front is recessed from the lease line, the area of such recess for all purposes lies within the Rentable Area of the Leased Premises. Provided, however, that if the Leased Premises are storage premises, then for the purposes of determining the fraction that is the Tenant's Proportionate Share, the Rentable Area of the Leased Premises shall be multiplied by a factor of  $\frac{1}{2}$ . Despite anything herein to the contrary, if the Leased Premises have the benefit of the use of any common loading areas, utility rooms or other Common Areas (in common with other tenants in the Shopping Centre), the area of the Leased Premises shall be grossed-up to include a reasonable portion of such Common Areas.

For the purposes of this Lease and despite the foregoing, Rentable Area of the Leased Premises shall be deemed to be 3,488 certified square feet.

"Rentable Area of the Shopping Centre" means the area in square feet of all rentable premises in the Shopping Centre set aside for leasing by the Landlord from time to time, except for any theatre, gas bar, library, post office or other governmental agency or office, any premises located on a floor generally designated by the Landlord and generally used for use or occupancy by office tenants or for office purposes, and any basements or mezzanines, storage areas or free-standing buildings. Provided however that the Landlord shall credit to Operating Costs any contributions received in respect of such Operating Costs from the occupants of any of the areas excluded from the Rentable Area of the Shopping Centre in accordance with this definition. Provided further that in determining the fraction that is the Tenant's Proportionate Share, if the Leased Premises consists of any of the foregoing excluded categories, the Rentable Area of that category will be included in the Rentable Area of the Shopping Centre.

"Rules and Regulations" means the rules and regulations adopted and promulgated by the Landlord from time to time acting reasonably and in such manner as would a prudent landlord of a reasonably similar shopping centre, including those listed on Schedule "D".

"Shopping Centre" means the lands and premises described in Schedule "A" attached hereto as such lands and premises may be altered, expanded or reduced from time to time and the buildings, improvements, equipment and facilities erected thereon or situate from time to time therein.

"Taxes" means all duties, real property taxes, charges, assessments and payments, from time to time levied, assessed or imposed upon the Shopping Centre or any part thereof or upon the Landlord by reason of its ownership of the Shopping Centre, by any taxing authority. Taxes shall also include any penalties, late payment or interest charges imposed by any municipality or other taxing authority as a result of the Tenant's late payments of any taxes or installments thereof.

"Tenant" means the party named as Tenant in this Lease.

"Term" means the period referred to in Section 2.3.

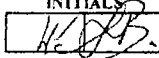
INITIALS  

HL	WLB
Landlord	Tenant

**SCHEDULE "A"**

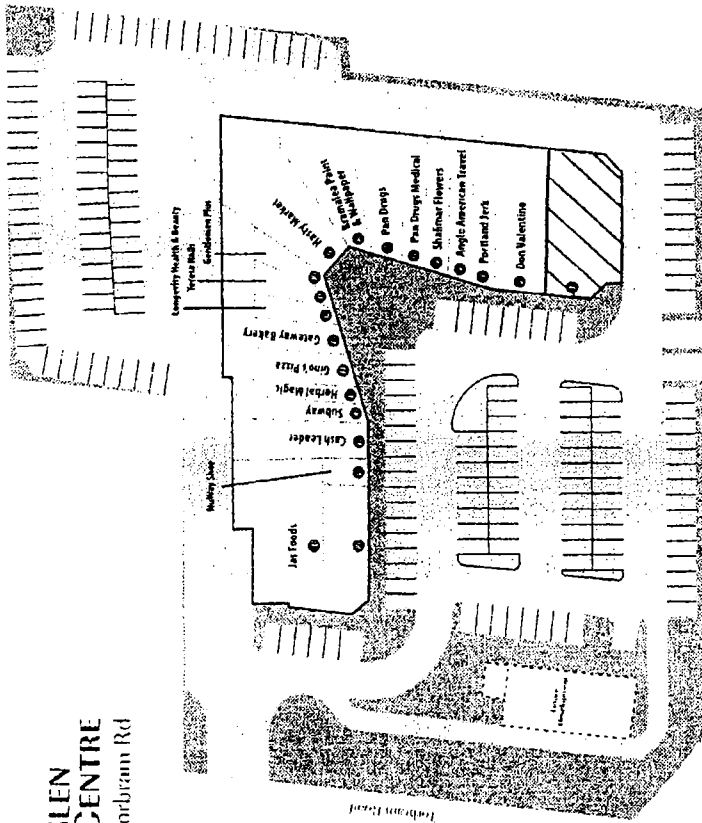
**LEGAL DESCRIPTION**

Part of Lot 6, Concession 6 EHS, Chinguacousy, City of Brampton, Regional Municipality of Peel, as in  
Instrument No. RO952528, municipally known as 9025 Torbram Road, Brampton, Ontario.

INITIALS  
  
Landlord Tenant

SCHEDULE "B"  
 PLAN OF THE SHOPPING CENTRE

**GATES OF GLEN  
 SHOPPING CENTRE**  
 Highway N° 7 & Torbram Rd  
 Brampton Ontario



**Scott's  
 REIT**

TENANT LISTING

UNIT NUMBER	SOFT	UNIT NUMBER	SOFT	UNIT NUMBER	SOFT	UNIT NUMBER	SOFT
1 Don Valentine	2,600	6 Pan Drugs Medical	945	11 Teresa White	525	18 Subway	826
2 Don Valentine	996	7 Pan Drugs	2,578	12 Longley Helli & Housley	533	17 Cell Leader	1,055
3 Portland Jerk	1,000	8 Brumshaw Paint & Wallpaper	1,210	13 Gateway Bakery	2,742	18 NuWay Shop	318
4 Anglo American Tenant	1,000	9 Handy Market	3,000	14 Gino's Pizzeria	1,062	19	1,800
5 Shafiq Flowers	1,000	10 Lansdowne Plus	525	15 Herbal Magic	787	20 Joe Founds	4,200

INITIALS  
  
 L:ndlord      T:enant

SCHEDULE "C"

LANDLORD'S AND TENANT'S WORK

CONSTRUCTION OF LEASED PREMISES

Landlord's Obligation

Nil.

Tenant's Obligation

The Tenant shall at its cost and expense complete or cause the completion of all items of work described as Tenant's Work herein prior to the Commencement Date in accordance with the plans and specifications which have been submitted to and approved by the Landlord. All work performed by the Tenant with respect to the Leased Premises shall:

- (a) be done in accordance with the design criteria set down by the Landlord or its authorized representatives with respect to the external and internal appearance of the Leased Premises;
- (b) be done as expeditiously as reasonably possible;
- (c) be done in such manner as will not interfere unreasonably with work being done by the Landlord upon the Leased Premises or any other portion of the Shopping Centre;
- (d) be done in compliance with such reasonable rules and regulations as the Landlord or its agents or contractors may make;
- (e) be carried out by competent workers under the supervision of one or more professional contractor(s) and designer(s), who shall be subject to prior written approval of the Landlord (such approval not to be unreasonably withheld or delayed), and be subject to the reasonable supervision of the Landlord or its agents or contractors;
- (f) be done only by persons whose labour union affiliations are acceptable to the unions of which the employees of the Landlord, its contractors or subcontractors are members, and
- (g) be done at the risk of the Tenant.

Landlord's Work

The Tenant acknowledges that it has examined the Leased Premises and accepts them in their present state and condition (subject to the removal of any existing fixtures and furniture) and subject to latent defects.

Tenant's Work

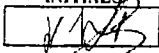
The Tenant shall perform all construction required to ready the Leased Premises for the conduct of the Tenant's business therein, at its sole cost and expense, and in accordance with the provisions of this Schedule "C" and all authorities having jurisdiction. The Tenant shall be responsible for securing all permits at its expense.

OTHER PROVISIONS

Performance of Tenant's Work

The following provisions are in addition to, and do not waive the provisions of any general covenants between the Tenant and the Landlord as may be contained in the Lease:

- A. Before doing any item of Tenant's Work, (i) the Tenant shall secure and demonstrate to the Landlord on demand, all necessary permits; (ii) the Tenant shall deliver to the Landlord a certificate evidencing that it has obtained contractors' general liability insurance in accordance with the Landlord's requirements, naming both the Landlord and its property manager, as additional named insureds; and (iii) the Tenant shall deliver at last one (1) contractor's quotation outlining the scope of the Tenant's Work and estimated cost of the Tenant's Work which the Tenant intends to undertake and complete in accordance with the terms hereof. Upon completion, the Tenant shall secure all applicable certificates of completion and occupancy.
- B. All work by the Tenant within the Leased Premises shall be completed in new materials. Materials and workmanship shall be of a uniformly high quality and used and/or performed in accordance with the very best standards of practice and shall not be in contravention of any governing codes or regulations

INITIALS  
  
Landlord Tenant

and shall be subject to the approval of the Landlord and/or its Architect, not to be unreasonably withheld. Any damage to the Leased Premises or the Shopping Centre caused by the Tenant or any of its employees, contractors or workmen shall be repaired forthwith by the Landlord at the expense of the Tenant.

- C. Under no circumstances will the Tenant, its employees, its contractors or its contractors' employees enter onto any roof of the Shopping Centre or make any opening in the roof without the consent of the Landlord's site supervisor.
- D. The Tenant and his contractor(s) shall not impose a greater load on any concrete floor than the design live load of one hundred (100) pounds per square foot of the Leased Premises uniformly distributed. No unusual loads may be suspended from the underside of roof structure.
- E. Tenant shall maintain the Leased Premises in a reasonably clean and orderly manner and shall be responsible for the cost of removing from the Shopping Centre all excess materials, trash and cartons resulting from Tenant's Work and stocking of the Leased Premises. Should the Tenant fail to regularly clean up construction material, trash and cartons, the Landlord may remove such materials and charge the costs to the Tenant.
- F. The Tenant shall not allow any liens or notices thereof to be placed against the Leased Premises or the Shopping Centre in respect to work undertaken by the Tenant or its contractors. Failure to discharge any liens or notices thereof within five (5) days of notice by the Landlord to do so, shall constitute a default under the Lease.

#### Exhaust and Odours

- (a) Objectionable odours from the Leased Premises shall, at the Tenant's expense, be exhausted in such a manner as precludes their escaping into other rental areas, or short-circuiting into any fresh-air vents.
- (b) Where Tenant requests a total exhaust rate greater than allowed for in the design criteria, the Tenant shall provide a make-up air system in accordance with Landlord's specifications, sized in the amount of the excess and shall waive right to demand of the Landlord the ambient design conditions specified in the design package provided to the Tenant by the Landlord, if any.
- (c) Garbage refrigeration equipment must be installed in the Leased Premises by the Tenant if perishable items are handled.

#### Complete Drawings by Tenant (as applicable)

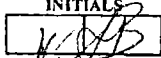
The Tenant shall submit to the Landlord complete drawings and specifications for the Leased Premises, to be prepared by qualified designers and confirming to each of good engineering practice, the outline drawings provided to the Tenant by the Landlord, if any, and the provisions of this Schedule "C".

Such complete drawings and specifications shall show at least the following:

#### STORE SUBMISSION REQUIREMENTS

The Tenant shall provide complete working plans and specifications in the following form:

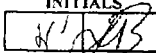
- (d) Floor plan: Scale 1/4" = 1'0".
- (e) Reflecting ceiling: Scale 1/4" = 1'0".
- (f) Store front and show window elevation and sections: 1/4" = 1'0".
- (g) Store front and show window details: Scale 3" = 1'0".
- (h) Interior elevations: Scale 1/4" = 1'0".
- (i) Interior finishing schedule.
- (j) Sign and related lighting and equipment.
- (k) Any other special facilities or installations that affect the building
- (l) Sprinkler and other fire protection devices.
- (m) Underfloor electrical or plumbing.
- (n) Electrical wiring plan.

INITIALS  
  
Landlord Tenant



All required drawings and specifications shall be submitted for approval within a reasonable time and in any event within fifteen (15) days of written request for by the Landlord therefor. No Tenant's Work may proceed prior to the Landlord's written approval, which will not be unreasonably withheld nor unduly delayed. In the event that the completion of the Landlord's Work and/or Tenant's Work is delayed as a result of the failure by the Tenant to comply with its obligations contained herein, the Fixturing Period shall be reduced by the length of delay caused or contributed to by the Tenant.

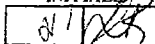
**ALL MECHANICAL DRAWINGS AND SPECIFICATIONS SHALL BE STAMPED BY AN ENGINEER QUALIFIED TO PRACTICE IN THE PROVINCE WHICH THE SHOPPING CENTRE IS LOCATED. ALL ELECTRICAL DRAWINGS AND SPECIFICATIONS (INCLUDING LIFE SAFETY AND FIRE SAFETY) SHALL BE STAMPED BY AN ELECTRICIAN QUALIFIED TO PRACTICE IN THE PROVINCE IN WHICH THE SHOPPING CENTRE IS LOCATED. ANY CHANGES TO THE PLANS AND SPECIFICATIONS THAT HAVE BEEN APPROVED BY THE LANDLORD SHALL BE STAMPED BY AN ARCHITECT OR ENGINEER QUALIFIED TO PRACTICE IN THE PROVINCE IN WHICH THE SHOPPING CENTRE IS LOCATED AND SHALL ALSO BE SUBJECT TO THE PRIOR WRITTEN APPROVAL OF THE LANDLORD. ANY INCREASE IN THE COST OF COMPLETING THE LANDLORD'S WORK RESULTING FROM CHANGES REQUESTED BY THE TENANT SHALL BE TO THE ACCOUNT OF THE TENANT AND THE LANDLORD SHALL BE REIMBURSED FOR SAME IMMEDIATELY UPON PRESENTATION OF AN INVOICE IN RESPECT THEREOF.**

INITIALS  
  
Landlord Tenant

**SCHEDULE "D"**

**RULES AND REGULATIONS**

1. All loading and unloading of goods shall be done only at such times, in the areas, and through the entrances, designated for such purposes by the Landlord.
2. The delivery or shipping of merchandise, supplies and fixtures to and from the Leased Premises shall be subject to such controls as in the judgment of the Landlord are necessary for the proper operation of the Leased Premises and/or the Shopping Centre.
3. All garbage and refuse shall be kept in the kind of containers specified by the Landlord and shall not be burned in or about the Leased Premises.
4. No radio, television, telegraphic or telephone or similar device and no water pipe, gas pipe or electric wire shall be installed or connected without obtaining in each instance the written consent of the Landlord. All such connections shall be installed in accordance with the Landlord's direction and without such direction no boring or cutting for wires or pipes shall be permitted.
5. The Tenant and its employees, suppliers and other persons not customers having business with the Tenant, shall park their cars only in those portions of the parking area designated for that purpose by the Landlord. Within five (5) days after taking possession of the Leased Premises the Tenant shall furnish the Landlord with the automobile license numbers of the Tenant and its employees and shall thereafter notify the Landlord of any changes within five (5) days after such changes occur. Should the Tenant, its employees, suppliers and other persons not customers having business with the Tenant park vehicles in areas not allocated for that purpose, the Landlord shall have the right to remove the said trespassing vehicles and the Tenant shall save harmless the Landlord from any and all damages therefrom and the Tenant shall pay the costs of such removal.
6. The plumbing facilities shall not be used for any other purpose than that for which they are intended, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant.
7. The Tenant shall use at the cost of the Tenant such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require.
8. The Tenant, its employees or agents, shall not mark, paint, drill or in any way deface any walls, ceilings, partitions, floors, wood, stone or iron without the written consent of the Landlord.
9. No sidewalk, entry, passageway, or staircase shall be obstructed or used by the Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees for any purpose other than ingress to and egress from the Leased Premises.
10. The Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees shall not bring in or take out, position, construct, install or move any safe or other heavy equipment or furniture without first obtaining the consent in writing of the Landlord. In giving such consent, the Landlord shall have the right in its sole discretion, to prescribe the weight permitted and the position thereof, and the use and design of planks, skids or platforms to distribute the weight thereof. All damage done to the Shopping Centre by moving or using any such safe, heavy equipment or furniture shall be repaired at the expense of the Tenant. The moving of all equipment and furniture shall occur only during those hours when the Shopping Centre shall not be open for business or any other time consented to by the Landlord and the persons employed to move the same in and out of the Leased Premises shall be acceptable to the Landlord.
11. All persons entering and leaving the building in which the Leased Premises are situated at any time other than during normal business hours shall register in the books kept by the Landlord and the Landlord will have the right to prevent any person from entering or leaving such building unless provided with a key to the premises to which such person seeks entrance or a pass in a form to be approved by the Landlord. Any persons without such key or passes will be subject to the surveillance of the employees and agents of the Landlord. The Landlord shall be under no responsibility for failure to enforce this rule.
12. The Tenant shall not place or cause to be placed any additional locks upon any doors of the Leased Premises without the approval of the Landlord and subject to any conditions imposed by the Landlord.

INITIALS  
  
Landlord Tenant

13. No one shall use the Leased Premises for sleeping apartments or residential purposes, or for the storage of personal effects or articles other than those required for the purposes permitted by the lease to which these rules and regulations are annexed.
14. Subject to the Landlord's providing such service, the Tenant shall permit window cleaners to clean the windows of the Leased Premises from time to time and at reasonable times.
15. Any hand trucks, carryalls or similar appliances used in any building in the Shopping Centre shall be equipped with rubber tires, side guards and such other safeguards as the Landlord shall require.
16. No animals or birds shall be brought into the Leased Premises except as permitted by the lease to which these rules and regulations are annexed.
17. The Tenant shall not solicit business in the common areas or distribute any handbills or other advertising matter in the common areas or in automobiles parked in the parking areas.
18. The Tenant shall keep the Leased Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
19. The Tenant shall not keep or display any merchandise on or otherwise obstruct the common areas adjacent to the Leased Premises.
20. The Tenant shall not use or permit any part of the Leased Premises to be used in such a manner as to cause annoying noises or vibrations or offensive odours.
21. The Tenant shall keep its display windows and signs lit in a manner satisfactory to the Landlord until 11:00 p.m. local time, on each evening except if prevented by reasons beyond the control of the Tenant or unless otherwise approved by the Landlord.

INITIALS  
  
Landlord Tenant

**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 PRISZM INCOME FUND,  
PRISZM CANADIAN OPERATING TRUST, PRISZM INC. AND KIT FINANCE INC.**

**(the "Applicants")**

Court File No. CV-11-9159-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**Proceedings commenced at Toronto**

**MOTION RECORD  
(Part 1 of 2)**

**AIRD & BERLIS LLP**  
Barristers and Solicitors  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

**Steven L. Graff (LSUC # 31871V)**  
Tel: (416) 865-7726  
E-mail: [sgraff@airdberlis.com](mailto:sgraff@airdberlis.com)

**Ian E. Aversa (LSUC # 55449N)**  
Tel: (416) 865-3082  
E-mail: [iaversa@airdberlis.com](mailto:iaversa@airdberlis.com)

**Mark Van Zandvoort (LSUC # 59120U)**  
Tel: 416.865.4742  
Email: [mvanzandvoort@airdberlis.com](mailto:mvanzandvoort@airdberlis.com)

*Lawyers for Scott's Real Estate Investment Trust, SR Operating Trust,  
Scott's Real Estate Limited Partnership, Scott's Trustee Corp. and  
Scott's GP Trust*