

**THIS LEASE** is dated the 28<sup>th</sup> day of April 2016.

IN PURSUANCE OF THE SHORT FORMS OF LEASES ACT (ONTARIO)

B E T W E E N:

**THE SIR SANDFORD FLEMING COLLEGE OF  
APPLIED ARTS & TECHNOLOGY**  
a body Corporate existing under the laws of the  
Province of Ontario

(the "Landlord" or the "College")

OF THE FIRST PART

- and -

**SIR SANDFORD FLEMING COLLEGE STUDENT ADMINISTRATIVE COUNCIL**

(the "Tenant" or the "SAC")

OF THE SECOND PART

WHEREAS the College is a corporation duly subsisting under Regulation 771, R.R.O. 1990 S.22 pursuant to subsection 5 (3) of the Ministry of Colleges and Universities Act, R.S.O. 1990 c. M.19 and is designated as a Schedule III Operational Agency pursuant to Directive 6-2 issued under subsection 3 (3) of the Management Board of Cabinet Act, R.S.O. 1990 c. M.1;

AND WHEREAS SAC is a not-for-profit corporation, representing the students of the College, and is responsible for promoting the interests of the College's students, and providing value-added services and programming activities in a fiscally responsible manner;

AND WHEREAS the College and SAC wish to establish the best possible operational relationship in the interest of the College, the SAC and the entire College community;

AND WHEREAS The student complex, known as the Steele Centre is dedicated to providing students of the College with various services and amenities and has for many years been regarded as an important facility for the College and its community;

NOW THEREFORE for good and valuable consideration, the parties hereto agree as follows:

**ARTICLE 1**  
**Leased Premises and Term**

**Section 1.1 Leased Premises**

The Landlord leases to the Tenant, and the Tenant leases from the Landlord, the premises outlined in red on Schedule "A" attached hereto (the "Leased Premises" or the "Student Centre") being the area known as the Steele Centre located within the Sutherland Campus of the College

having a gross floor area of approximately 11,854 square feet, plus the patio area as shown on Schedule "A".

**Section 1.2 Grant and Term**

The Tenant shall, subject to this Lease, have and hold the Leased Premises during the term (the "Term"), which is the period of Ninety-Nine Years (99) years, beginning on April 1, 2016 (the "Commencement Date") and ending on March 31, 2115.

**Section 1.02 Definitions**

In this Lease unless otherwise stated, the definitions in Schedule "C" attached hereto shall apply.

**ARTICLE 2  
Rent**

**Section 2.1 Covenant to Pay**

The Tenant will pay Basic Rent and Additional Rent.

**Section 2.2 Basic Rent**

The Minimum Rent payable during the Term by the Tenant for the Leased Premises shall be the sum of Ten Dollars (\$10.00), payable in advance on the Commencement Date.

**Section 2.3 Facility Fee**

In each year of the Term, the Tenant will pay to the Landlord in addition to Basic Rent, as further Additional Rent, a contribution (the "Facility Fee") to the Landlord's costs and expenses of maintaining, operating, repairing, replacing, restoring, supervising and administering the Leased Premises, the Building and the Common Areas and Facilities, such costs and expenses to include, without limitation (i) the total cost of operating, maintaining, lighting, cleaning (including snow and ice removal and clearance), supervising, policing, landscaping and repairing the Building and all Common Areas and Facilities, including, without limitation, all monies paid to persons, firms or corporations employed by the Landlord to perform same; (ii) all expenses incurred or paid by the Landlord in connection with the maintenance, repair, restoration, operation, management, supervision and administration of the Building, including without limitation, the heating, ventilating and air-conditioning system and equipment, and the Common Areas and Facilities; and (iii) the cost of utilities used in connection with the Leased Premises. The benchmark for the Facility Fee shall be \$7.50 per gross square foot of the Leased Premises from the Commencement Date until August 30, 2016 and shall be increased once annually, on the first day of September throughout the Term, commencing on September 1, 2016, by a percentage equal to the percentage increase in the Consumer Price Index (all items) for the Province of Ontario during the preceding calendar year. In fourth year of the Term, the Landlord and the Tenant will meet to determine if the existing third party used to benchmark the Facility Fee, or another third party, will be the appropriate organization to benchmark the Facility Fee for the ensuing 5 year period. This process will continue every 5 years during the Term of the lease. If the parties cannot agree on a renewal of the Facility Fee at any time during the Term, the matter will be determined in accordance with the dispute resolution process set out in Article 14.13 hereof.

The Facility Fee shall be payable in equal monthly payments, in advance, on the first day of each month throughout the Term. The Facility Fee is not inclusive of Harmonized Sales Tax for Ontario payable pursuant to the Excise Tax Act (Canada) as amended from time to time ("HST"). The Tenant shall pay the applicable HST as Additional Rent on the same date as the monthly instalments of the Facility Fee are due.

The Facility Fee will be adjusted on September 1st of each year throughout the Term as set out above. The Landlord shall calculate the monthly amount payable for upcoming 12 month period and shall endeavour to provide the Tenant with a statement setting out the payments for such period by July 31st each year of the Term, commencing July 31, 2016.

Notwithstanding the foregoing, the Facility Fee payable by the Tenant to the Landlord shall be discounted as follows:

(i) for the period beginning with the Commencement Date and ending August 30, 2016 the Facility Fee shall be discounted by an annual amount equal to \$31,333.00 (\$2,611.08 per month);

(ii) for the period beginning September 1, 2016 and ending August 30, 2017 the Facility Fee shall be discounted by an annual amount equal to \$12,533.00 (\$1,044.42 per month); and

(iii) for the period beginning September 1, 2017 and ending August 30, 2018 the Facility Fee shall be discounted by an annual amount equal to \$6,267.00 (\$522.25 per month).

#### **Section 2.4 Rent Past Due**

If the Tenant fails to pay any Rent when due, the unpaid amounts will bear interest from the due date to the date of payment at an annual rate of three (3) percentage points above the minimum lending rate charged to prime commercial borrowers current at that time charged by the Landlord's chartered bank, calculated and compounded monthly. In addition to the foregoing and in addition to any other rights the Landlord may have hereunder, the Tenant shall reimburse the Landlord for any bank or other charges it incurs should any rental cheque be returned for insufficient funds.

### **ARTICLE 3 Taxes**

#### **Section 3.1 Taxes Payable by the Tenant**

(a) The Tenant acknowledges that the Landlord is exempt from payment of Taxes. The Tenant shall be liable to Landlord, in accordance with Section 3.3, the all Taxes levied, rated, charged or assessed against the Building as a result of the Tenant's use and occupation of the Leased Premises. For greater certainty, the Tenant shall not be responsible for any Taxes payable in respect of any portion of the Leased Premises used in connection with a Third Party Food Service Agreement (as defined in Section 5.5) entered into by the Landlord.

#### **Section 3.2 Business Taxes and Other Taxes of the Tenant**

(a) The Tenant will pay to the lawful taxing authorities, or to the Landlord, as the Landlord directs, all business taxes, personal property taxes, licence fees or other similar rates and assessments levied or assessed against or in relation to the Tenant's business, assets and improvements in the Leased Premises.

(b) The Tenant will reimburse the Landlord for each Rental Year and at the times and in the manner specified by the Landlord, the full amount of any Taxes (such as HST) in the nature of a business transfer tax, value-added tax, sales tax or any other tax levied, rated, charged or assessed in

respect of the Rent payable by the Tenant under this Lease or in respect of the rental of space by the Tenant under this Lease. It is agreed and understood that the Tenant shall reimburse the Landlord for such Taxes at the full tax rate applicable from time to time in respect of the Rent or the rental of space, without reference to any tax credits or exemptions available to the Landlord.

**Section 3.3 Payment of Taxes**

(a) The amounts payable by the Tenant under Sections 3.1 may be estimated (and estimates may be revised) by the Landlord and the Tenant agrees to pay the Landlord such amounts, as estimated, in monthly instalments in advance, together with Additional Rent.

**ARTICLE 4**

**Utilities**

**Section 4.1 Charges for Utilities**

The Landlord will pay all utility charges in respect of the Leased Premises.

**ARTICLE 5**

**Use of the Leased Premises**

**Section 5.1 Use of the Leased Premises**

The Student Centre shall be dedicated primarily to serving the recreational, social and organizational interests of the student body of the College. Although established primarily for the benefit of the members of SAC, other members of the College and local communities and their guests shall also be able to use the Student Centre in accordance with policies from time to time enacted by SAC provided that such use does not conflict with the terms and conditions of this Lease. The Tenant will not use or permit any part of the Leased Premises to be used for any purpose other than a student centre, including such ancillary uses as may be common from time to time in similar facilities on college campuses in the Province of Ontario, subject to the restrictions contained herein. In addition, the Tenant will not use or permit any part of the Leased Premises to be used for any purpose inconsistent with or not permitted by this Lease, any Third Party Food Service Agreement or any Exclusivity Agreements, as such terms are defined in Section 5.5. Further, the Tenant shall not use or permit any part of the Leased Premises to be used for any purpose which is in competition with or inconsistent with the educational activities of the College, including, without limitation, the offering of training or other courses.

**Section 5.2 Nuisance**

(a) The Tenant shall not cause, suffer or permit any waste or damage to the Leased Premises or leasehold improvements, fixtures or equipment therein nor permit any overloading of the floors thereof and shall not use or permit to be used any part of the Leased Premises for any dangerous, noxious or offensive activity or goods and shall not do or bring anything or permit anything to be done or brought on or about the Leased Premises which results in undue noise or vibration or which Landlord may reasonably deem to be hazardous or a nuisance or annoyance to any other tenants or any other persons permitted to be on the Sutherland Campus, including without limitation any objectionable odours emanating from the Premises, and Tenant shall immediately take steps to remedy, remove or desist from any activity, equipment or goods on the Leased Premises to which Landlord objects on a reasonable basis. Tenant shall take every reasonable precaution to protect the Leased Premises and the Building from risk of damage by fire, water or the elements or any other cause. The Landlord acknowledges that a portion of the Leased Premises is currently used as a

licensed facility known as the Steele Centre Pub and the reasonable use and operation of that portion of the Leased Premises for such purpose, having regard to its location and proximity to classrooms, offices and other academic facilities, shall not be deemed to be a nuisance.

(b) The Tenant shall not itself, and shall not permit any of its employees, servants, agents, contractors or persons having business with Tenant, to obstruct any Common Area and Facilities or use or permit to be used any Common Areas and Facilities for other than their intended purposes. Without limiting the foregoing, Tenant shall not permit any equipment, goods or material whatsoever to be placed or stored anywhere in or on the Common Areas and Facilities and outside areas adjacent to the Leased Premises. The Tenant shall not, and shall not permit anyone else to, place anything on the roof of the Building or go on to the roof of the Building for any purpose whatsoever, without Landlord's prior written consent, which may be arbitrarily withheld in Landlord's sole discretion.

### **Section 5.3 Observance of Law**

The Tenant will, at its expense, and subject to Section 7.3:

(i) comply with all provisions of law and other requirements of all governmental bodies which pertain to or affect the Leased Premises or require or govern the making of any repairs, alterations or other changes of or to the Leased Premises or the Tenant's use of it;

(ii) obtain all necessary permits, licences and approvals relating to the use of the Leased Premises and the conduct of business therein; and

(iii) comply with the directives and the purposes of the College, as set forth in the Ministry of Training Colleges and Universities Act and subsequent Regulations and be in compliance with the bylaws of SAC and the bylaws and policies of the College.

### **Section 5.4 Hazardous Substances**

(a) The Tenant shall not cause or permit any Contaminants to be used, stored, generated or disposed of in, on, or about the Leased Premises except in compliance with all applicable federal, provincial or municipal statutes, laws, by-laws or regulations.

(b) The Tenant shall indemnify and hold harmless the Landlord from any and all claims, damages, fines, judgements, penalties, costs, expenses or liabilities (including, without limitation, any and all sums paid for settlement of claims, legal fees, consultant and expert fees) arising during or after the Term resulting from the Tenant's breach of the provisions of paragraph 5.4(a), or in connection with the use, storage, generation or disposal of Contaminants by the Tenant in, on or about the Leased Premises.

### **Section 5.5 General Operation of Student Centre**

(a) SAC shall be solely responsible for the management, operation, finances and supervision of the Student Centre, except for the provision of food services where the parties have agreed that food services will be provided pursuant to an agreement between a third party food service provider and the College. SAC agrees to comply with any and all agreements entered into between the College and a third party food service provider where: (i) such agreement predates this Lease; or (ii) where SAC has entered such agreement as a party; or (iii) where SAC has consented in writing to the execution of such agreement by the College (a "Third Party Food Service Agreement").

(b) SAC agrees to manage, operate and supervise the Student Centre in a financially responsible manner and in compliance with the terms and conditions contained in this Lease. Without limiting the generality of the foregoing, SAC shall have the right to:

(i) determine the allocation and use of space within the Student Centre;

(ii) employ and manage the staff of the Student Centre, including the authority to hire, classify, direct, promote, retire, transfer, lay off, recall, discharge, and discipline such staff and to determine the terms and conditions of their employment with SAC;

(iii) establish an annual balanced operating budget of the Student Centre and present it to the College;

(iv) supervise and control the activities of users of the Student Centre and commercial tenants, including the eviction of users and the enforcement of agreements with other third parties;

(v) to establish, implement and oversee guidelines, practices and regulations governing the use of the Student Centre, provided that such guidelines, practices and regulations conform with the values, policies, guidelines, practices, regulations, contractual obligations and legal responsibilities of the College in existence from time to time;

(vi) seek waiver or modification of College policies, procedures and guidelines insofar as such policies, procedures and guidelines apply to the Student Centre, its management, operation and use. Any such waiver or modification shall be valid only if made in writing by the College. In recognition of its status as Landlord and its educational mandate, the College is permitted to deny such requests or approvals in its sole discretion. The detailed grounds for denying the requested waiver or modification will be communicated to SAC in writing. Any dispute could be resolved through the dispute resolution process outlined in Section 14.13.

(c) In all of its advertising, publicity, signage, etc., SAC shall ensure that the Student Centre is always referred to as the Steele Centre @ Fleming or such other names as may be agreed to by SAC and the College. SAC is prohibited from changing or using another name unless the express written consent of the College is obtained.

(d) SAC shall not commence any legal proceeding against any third party in connection with the Student Centre without first providing the College at least two weeks written notice of the intent of SAC to commence such legal proceeding, unless due to a statutory limitation it is impractical to provide two weeks' notice, in which case SAC shall provide as much notice as is reasonable possible under the circumstances, and having evidenced a reasonable willingness to consult with the College regarding the commencement of any such action and keep the College fully informed at all times as to the status of any such legal proceeding. Notwithstanding the foregoing, this paragraph shall not apply to any legal proceeding commenced by SAC against an employee of SAC.

(e) Except as otherwise limited by this Lease, any Third Party Food Service Agreement, any Exclusivity Agreements, and by any applicable federal, provincial and municipal law or regulation, SAC may conduct, directly or indirectly through the use of third party vendors, commercial activities in the Student Centre, provided that such activities are limited to the provision of reasonable amenities to users of the Student Centre. In accordance with the requirement that SAC operate the Student Centre on a not-for-profit basis, revenue from such commercial activities must not be used for the personal gain in any manner, directly or indirectly, of members, directors, officers or employees of the SAC or any persons or entities associated with such people. Prior to entering into any such commercial activity, SAC shall advise the Landlord of the nature of such activity and the Landlord shall advise SAC whether or not the proposed activity is limited in whole or in part by any Third Party Service Agreement or Exclusivity Agreement. Notwithstanding the foregoing, SAC shall not require the consent of the landlord with respect to sales of goods to students for a defined period of time, such as "Poster Sale" "Community Vendor Days" and other offerings for students so long as such activities are not in violation of any Exclusivity Agreements.

(f) The College shall not enter into exclusive or preferential agreements ("Exclusivity Agreements") which may affect the ability of SAC to carry on commercial activities in the Student Centre, except for a Third Party Food Service Agreement or an agreement with any other third party service provider where the service is essential to the operation of the College and the inclusion of an exclusivity provision is required by such third party service provider and the inclusion of such provision is generally accepted practice for Colleges in the Province of Ontario in respect of such service. The College agrees to consult with SAC prior to entering into any Exclusivity Agreements. SAC shall not enter into any third party agreement which may reasonably be considered to interfere with the operations of the College.

## **ARTICLE 6**

### **Insurance and Indemnity**

#### **Section 6.1 Tenant's Insurance**

(a) The Tenant will, at its expense, maintain in the names of the Tenant, the Landlord and the Mortgagee as their respective interests may appear, the following insurance:

(i) Property insurance for all risks of direct physical loss or damage on the stock-in-trade, furniture, fixtures and all property of every description and kind owned or leased by the Tenant to their full replacement value;

(ii) Comprehensive General Liability Insurance, to cover all operations of the Tenant whether on the Leased Premises or elsewhere, to include personal injury or property damage liability, contractual liability, employers' liability, non-owned automobile liability, products and completed operations liability, broad form property damage and owners' and contractors' protective insurance coverage. The policies will be written on a comprehensive basis with inclusive limits of not less than \$10,000,000 per occurrence or such higher limits as the Landlord, acting reasonably, requires from time to time. Such policies shall contain severability of interests and cross-liability clauses.

(b) The Tenant's policies will:

(i) be taken out with insurers which are mutually acceptable to the Landlord and the Tenant. Each such policy shall name the Landlord as an additional named insured as its interest may appear;

(ii) be taken out with insurers reasonably acceptable to the Landlord and in a form reasonably satisfactory to the Landlord;

(iii) be non-contributing with and apply only as primary and not as excess to any other insurance available to the Landlord;

(iv) not be invalidated as respects the interests of the Landlord and the Mortgagee by reason of any breach or violation of any warranties, representations, declarations or conditions contained in the policies; and

(v) 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.

The Tenant agrees that certificates of insurance in a form acceptable to the Landlord will be delivered to the Landlord within thirty (30) days after the placing of the required insurance.

(c) If there is damage or destruction to the leasehold improvements in the Leased Premises, the Tenant will use the insurance proceeds for the sole purpose of repairing or restoring them.

(d) If the Tenant fails to take out or keep in force or provide to the Landlord proof of such insurance, the Landlord shall have the right to place such property insurance and liability insurance on behalf of the Tenant and to pay the premiums therefore, and in such event the Tenant shall repay promptly to the Landlord the amount paid therefore.

#### **Section 6.2 Increase in Insurance Premiums**

If (a) the occupancy of the Leased Premises; (b) the conduct of business on the Leased Premises; or (c) any acts or omissions of the Tenant on or about the Leased Premises or the Sutherland Campus results in any increase in premiums for the insurance carried by the Landlord with respect to any part of the Leased Premises, the Tenant will pay the increase in premiums within five (5) days after invoices for additional premiums are rendered by the Landlord.

#### **Section 6.3 Cancellation of Insurance**

If any insurance policy in respect of the Leased Premises is cancelled or threatened by the insurer to be cancelled, or the coverage reduced by the insurer by reason of the use and occupation of the Leased Premises and if the Tenant fails to remedy the condition giving rise to cancellation, threatened cancellation or reduction of coverage within 48 hours after notice by the Landlord, the Landlord may, at its option, either (a) exercise its rights of re-entry including termination under Article 13, or (b) at the Tenant's expense, enter upon the Leased Premises and remedy the condition giving rise to the cancellation, threatened cancellation or reduction.

#### **Section 6.4 Loss or Damage**

The Landlord is not liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Leased Premises or damage to property of the Tenant or of others wherever located, whether or not resulting from the Landlord's failure to supply any services or utilities required by this Lease where the failure is beyond the Landlord's reasonable control, unless resulting from the negligence of the Landlord or those for whom it may in law be responsible. The intent of this Section is that the Tenant (and all other Persons having business with the Tenant) is to look solely to its insurers to satisfy any claim which may arise on account of death, injury, loss or damage, irrespective of its cause.

#### **Section 6.5 Landlord's Insurance**

Landlord shall obtain and maintain in full force and effect during the Term insurance against such occurrences and in such amounts, on such terms and with such deductible(s) as would a prudent owner of such a Building. Such insurance may include, without limitation: (i) insurance on the Building and any improvements therein which Landlord desires to insure, against damage by fire and other risks covered by extended coverage fire insurance policies or, at Landlord's option, all risks insurance; (ii) boiler and machinery insurance; (iii) public liability insurance; and (iv) such other insurance and in such amounts and on such terms as Landlord, in its discretion, may reasonably determine. The Landlord's public liability insurance shall include the Tenant as an additional named insured.

In addition to Basic Rent and the Facility Fee, the Tenant shall pay to the Landlord, as Additional Rent that portion of the cost of the Landlord's insurance attributable to the Leased Premises as determined by the Landlord, acting reasonably. The Tenant shall pay such amount within thirty (30) days of receipt of an invoice from the Landlord. Notwithstanding that Tenant shall be contributing to the costs of such insurance pursuant to the terms of this Lease, Tenant shall not have any interest in or any right to recover any proceeds under any of Landlord's insurance



policies.

Notwithstanding the Landlord's covenant the Tenant is not relieved of any liability arising from or contributed to by its negligence or its wilful acts or omissions, no insurable interest is conferred upon the Tenant under the Landlord's insurance policies, and the Tenant has no right to receive proceeds from the Landlord's insurance policies.

#### **Section 6.6 Indemnification**

Each party hereto (the "First Party") shall indemnify and save harmless the other party, its directors, officers, employees and agents (the "Indemnified Party") from any and all claims, damages, actions, suits and costs whatsoever brought by any person against the indemnified Party caused by or arising out of, directly or indirectly, the failure of the First Party to observe or perform the provisions of this Agreement or by reason of any act or omission of the First Party, whether occasioned by negligence or otherwise, in relation to the Student Centre.

### **ARTICLE 7 Maintenance, Repairs and Alterations**

#### **Section 7.1 Maintenance and Repairs and Alterations by Landlord**

The Landlord shall maintain and repair the structure of the Building, including, without limitation, the foundations, exterior wall assemblies including weather walls, roof, bearing walls, structural columns and the Common Areas and Facilities. In addition, the Landlord will provide heating, ventilating and air-conditioning, hot and cold water, electricity and other utilities, as well as telecommunications and information technology services, cleaning and janitorial services to a standard consistent with the levels of such services provided to other portions of the Building, having regard to the age and use of the Leased Premises.

#### **Section 7.2 Maintenance and Repairs by Tenant**

- (a) The Tenant is responsible for the repair and replacement of furniture, fixtures and equipment purchased by SAC for use in their operations.
- (b) The Tenant will leave the Leased Premises in a reasonably tidy condition at the end of each day.
- (c) Notwithstanding any other provisions of this Lease, if the Building or any part thereof or any equipment or chattels therein or thereon, is damaged or destroyed or requires maintenance, repair, replacement or alteration as a result of the act, omission or negligence of the Tenant, its agents, employees, customers, invitees or others for whom it is in law responsible, the cost of the resulting maintenance, repairs, replacements or alterations, shall be paid by the Tenant to the Landlord.

#### **Section 7.3 Landlord's Approval of the Tenant's Repairs**

The Tenant will not paint, make any repairs, alterations, replacements or improvements ("Alterations") to any part of the Leased Premises without first obtaining the Landlord's written approval. The Tenant will submit: (a) details of the proposed work including professionally prepared drawings and specifications; and (b) evidence satisfactory to the Landlord that the Tenant has obtained, at its expense, all necessary consents, permits, licences and inspections from all governmental and regulatory authorities having jurisdiction. All Alterations will be performed:

- (i) at the Tenant's expense;
- (ii) in a good and workmanlike manner by qualified trades and contractors who have provided the Landlord with evidence they are registered with the Workplace Safety and Insurance Board (or other such organization required by law) and have an account in good standing and proof of owner and contractors protective liability insurance coverage, with the Landlord, to be named as additional insured, in amounts reasonably satisfactory to the Landlord, which shall remain in effect during the entire period in which the Alterations will be carried out;
- (iii) in accordance with the drawings and specifications approved by the Landlord;
- (iv) subject to the reasonable regulations, controls and inspection of the Landlord; and
- (v) the Tenant may use a third party to provide maintenance or repair services only for furniture, fixtures and equipment that is owned or leased by the Tenant, provided that such repair person provides proof of coverage under the Workplace Safety and Insurance Board of Ontario (WSIB) and such repair person provides proof of Liability Insurance to SAC and Fleming College, prior to commencement of work, adding SAC and Fleming College as additional insured with limits which are consistent with the College requirements and as amended from time to time.

Any Alterations made by the Tenant without the prior consent of the Landlord or not made in accordance with the drawings and specifications approved by the Landlord will, if requested by the Landlord, be promptly removed by the Tenant at the Tenant's expense.

If however, the proposed Alterations or any of them affect the structure, or any of the electrical, mechanical or other base building systems of any part of the Leased Premises, the Alterations (or the appropriate portion of them) may be performed by the Landlord, at the Tenant's expense, plus fifteen percent (15%) of the total cost representing the Landlord's overhead.

#### **Section 7.4 Removal and Restoration by the Tenant**

(a) All alterations, decorations, additions and improvements made by the Tenant, or made by the Landlord on the Tenant's behalf (other than the Tenant's trade fixtures) immediately become the property of the Landlord upon affixation or installation and will not be removed from the Leased Premises at any time unless permitted or required by the Landlord. The Landlord is under no obligation to repair, maintain or insure these alterations, decorations, additions or improvements. The Tenant will, at the expiration of the Term, at its cost, remove all of its trade fixtures and those leasehold improvements and fixtures which the Landlord requires the Tenant to remove and to make good any damage caused by such removal.

(b) If the Tenant does not remove its trade fixtures at the end of the Term, the trade fixtures will, at the Landlord's option, become the property of the Landlord and may be removed from the Leased Premises, at the Tenant's expense, and sold or disposed of by the Landlord in such manner as it deems advisable.

**Section 7.5 Tenant to Discharge all Liens**

If any construction or similar lien is made, filed or registered against title to the Leased Premises (or part of it) or against the Tenant's leasehold interest, as a result of any work, materials or services supplied or performed by or on behalf of the Tenant or otherwise in respect of the Leased Premises, the Tenant will immediately discharge it at the Tenant's expense. If the Tenant fails to discharge the lien, then in addition to any other right or remedy of the Landlord, the Landlord may elect to discharge the lien by paying the amount claimed to be due, and any additional amounts as may be required at law or otherwise, into Court or directly to the lien claimant and the amount paid by the Landlord and all costs and expenses including all solicitor's fees incurred as a result of the lien including without limitation procuring its discharge, plus a sum equal to fifteen percent (15%) representing the Landlord's overhead will be immediately paid by the Tenant to the Landlord.

**Section 7.6 Signs and Advertising**

The Tenant will not cause or permit any sign, awning, picture, advertisement, notice, lettering or decoration to be painted, affixed or displayed on any part of the exterior of the Leased Premises without the prior written approval of the Landlord, such approval not to be unreasonably delayed or withheld. Without limiting the foregoing, the Landlord shall permit at least one exterior sign indicating the location of the Student Centre, provided that the size, design and location of such sign is approved by the Landlord. All such signs will be erected at the Tenant's expense and shall become part of the Common Areas and Facilities or, at the Landlord's discretion, shall be maintained by the Tenant at the Tenant's expense.

**ARTICLE 8  
Management and Control of Building by Landlord**

**Section 8.1 Management of Building**

The Landlord has at all times exclusive control of the Building and its management, security and operation, but not so as to deny the Tenant access to the Leased Premises except in an emergency. Without limiting the generality of the foregoing, at any time and from time to time, the Landlord may:

(i) make repairs, replacements, changes or additions to the structure, systems, security systems, facilities and equipment in the Building (including the Leased Premises) where necessary to serve the Leased Premises or other parts of the Building;

(ii) make changes or additions to any part of the Building not in or forming part of the Leased Premises including constructing additional improvements in or adjoining the Lands;

(i) retain contractors and employ all personnel, including supervisory personnel and managers, that the Landlord considers necessary for the effective maintenance, repair, operation, management and control of the Building; and

(iv) do and perform such other acts in and to the Building or any of its component parts as the Landlord considers reasonable for the proper and efficient maintenance, repair, operation, management, control and security of the Building; and

(v) the Landlord shall have the right, during the Term or any extension or renewal thereof, on no less than 180 days' notice, to relocate the Leased Premises, at the Landlord's expense, to another location within the Sutherland Campus, suited to the purposes of the Tenant and any subtenants permitted hereunder, of equal size, configuration, convenience and improved in a manner similar to the Premises, in a location consented to by the Tenant, such consent not to be unreasonably delayed or withheld, which new premises shall be fully ready for operation as of the

date of relocation and fitted with leasehold improvements equal to or better than those of the existing Leased Premises. In addition to the cost of the leasehold improvements, the expenses to be absorbed by the Landlord shall include all moving costs;

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

#### **Section 8.2 License**

The Landlord hereby grants the Tenant a non-exclusive right to use of the Common Areas and Facilities for the purposes for which they are intended, in common with other occupants of buildings located from time to time on the Sutherland Campus. The Common Areas and Facilities and the Sutherland Campus are under the exclusive control of the Landlord. Without limitation, the Landlord may, from time to time in its operation and control of the Sutherland Campus, alter, expand, improve, diminish, maintain, operate, renovate, and supervise the Sutherland Campus, including the Common Areas and Facilities, and may change the area, location and arrangement thereof and do and perform such other acts and things with respect thereto as the Landlord determines to be advisable. The Landlord may also from time to time alter or expand or construct other buildings or improvements in or about the Sutherland Campus and build adjoining the same and make additions or subtractions. The Landlord reserves the right to change the size and dimensions of the buildings, the number and locations of buildings, the size, location and layout of Common Areas and Facilities.

The Landlord reserves the right to grant easements over the Lands in favour of the local municipality, the local public utilities commission or similar authority, a cable T.V. operator, the local hydro-electric commission, the entity providing gas or any other Person providing a service or utility for the benefit of the other buildings located from time to time on the Sutherland Campus, and the Tenant will, if required, execute all instruments and make all such attendances as shall be required in connection therewith, provided however that such easements shall be located so as not to materially impair the utilization of the Leased Premises.

### **ARTICLE 9 Damage and Destruction**

#### **Section 9.1 Destruction of the Leased Premises**

- (a) If the Leased Premises are destroyed or damaged as a result of fire or other casualty, then if:
- (i) the Leased Premises are rendered wholly or partially untenable, this Lease will continue in effect and the Landlord will commence diligently to restore the Leased Premises to the extent only of the insurance proceeds actually received by the Landlord, and Rent will abate entirely or proportionately, as the case may be, to the portion of the Leased Premises rendered untenable from the date of the destruction or damage until the Landlord has completed its restoration work; or
  - (ii) the Leased Premises are not rendered untenable in whole or in part, this Lease will continue in effect, the Rent and other amounts payable by the Tenant will not abate and the Landlord will commence diligently to restore the Leased Premises to the extent required by this Section 9.1(a).

(b) Notwithstanding Section 9.1(a), if the Leased Premises are damaged or destroyed by any cause whatsoever, and if, in the opinion of the Landlord reasonably arrived at, the Leased Premises cannot be rebuilt or made fit for the purposes of the Tenant within one hundred and twenty (120) days of the damage or destruction, the Landlord, instead of rebuilding or making the Leased Premises fit for the Tenant in accordance with Section 9.1(a) may, at its option, elect to terminate this Lease by giving the Tenant, within thirty (30) days after the damage or destruction, notice of termination, and thereupon Rent will be apportioned and paid to the date of damage or destruction.

(c) Once the Landlord has substantially completed its restoration work the Tenant will complete all work required to fully restore the Leased Premises for business. Nothing in this Section 9.1 requires the Landlord to rebuild the Leased Premises in the condition and state that existed before the damage, but the Leased Premises, as rebuilt, will have reasonably similar facilities and services to those in the Leased Premises prior to the damage.

(d) If the Leased Premises are destroyed or damaged as a result of fire or other casualty the Landlord agrees to work cooperatively with the Tenant to provide alternate space on the Sutherland Campus to accommodate the activities of the Tenant to the extent reasonably possible both on a temporary and a permanent basis.

## **ARTICLE 10**

### **Transfer and Sale**

#### **Section 10.1 Transfer**

(a) The Tenant will not: (i) assign this Lease; (ii) sublet, share or part with possession of all or any part of the Leased Premises; nor (iii) mortgage or encumber this Lease or the Leased Premises, (collectively a "Transfer") by or in favour of any Person (the "Transferee") without the prior written consent of the Landlord which consent will not be unreasonably withheld. However, notwithstanding any statutory provisions to the contrary, it will not be considered unreasonable for the Landlord to take into account whether in the Landlord's opinion the financial background, business history and capability of the Transferee is satisfactory in deciding whether to grant or withhold its consent. In addition, the Landlord shall have the right to approve of the form of any sublease or assignment.

The consent by the Landlord to any Transfer will not constitute a waiver of the necessity for consent to any subsequent Transfer. This prohibition against a Transfer includes a change in the direct or indirect effective voting control of the Tenant from the Person(s) holding voting control at the date of this Lease and also includes an assignment by operation of law.

(b) If there is a Transfer, the Landlord may collect Rent from the Transferee, and apply the net amount collected to the Rent required to be paid pursuant to this Lease, but no acceptance by the Landlord of any payments by a Transferee will be a waiver of this covenant, or the acceptance of the Transferee as the Tenant, or a release of the Tenant from the further performance by the Tenant of its covenants or obligations. Any documents evidencing the Transfer will be prepared by the Landlord or its solicitors, and all legal costs will be paid by the Tenant to the Landlord or its solicitors as Additional Rent. Notwithstanding a Transfer, the Tenant will be jointly and severally liable with the Transferee on this Lease and will not be released from performing any of its obligations.

(c) If the Tenant receives consent under Section 10.1(a), it will be subject to the conditions that the Transferee enter into a written agreement directly with the Landlord to be bound by all of the terms contained in this Lease.

**ARTICLE 11**  
**Access and Alterations**

**Section 11.1 Right of Entry**

The Landlord and its agents have the right to enter the Leased Premises at all reasonable times (except in the event of an emergency, when the Landlord can enter at any time) to show them to prospective purchasers, lessees or mortgagees, and to examine them and make repairs, alterations or changes to the Leased Premises as the Landlord considers necessary. The Rent will not abate while any repairs, alterations or changes are being made due to loss or interruption of the business of the Tenant or otherwise, and the Landlord will not be liable for any damage, injury or death caused to any Person, or to the property of the Tenant or of others located on the Leased Premises as a result of the entry.

**ARTICLE 12**  
**Status Statement, Attornment and Subordination**

**Section 12.1 Status Statement**

Within ten (10) days after written request by the Landlord, the Tenant will deliver in a form supplied by the Landlord, a status statement or a certificate to any proposed purchaser, assignee, lessor or mortgagee, or to the Landlord, which will contain such acknowledgments and information as is customarily called for in status statements and estoppel certificates delivered in conjunction with commercial tenancies.

**Section 12.2 Subordination and Attornment**

(a) This Lease and the Tenant's rights hereunder are, and will at all times be subordinate to all mortgages, trust deeds or the charge or lien resulting from, or any instruments of, any financing, refinancing or collateral financing (collectively, an "Encumbrance") or any renewals or extensions thereof from time to time in existence against the Leased Premises or any part thereof. Upon request, the Tenant will subordinate this Lease in such form as the Landlord requires to any Encumbrance and, if requested, the Tenant will attorn to the holder of the Encumbrance.

(b) The Tenant will, if possession is taken under, or any proceedings are brought for possession under or the foreclosure of, or in the event of the exercise of the power of sale under, any Encumbrance, attorn to the Encumbrancer or the purchaser upon any such foreclosure, sale or other proceeding and recognize the Encumbrancer or the purchaser as the Landlord under this Lease.

**ARTICLE 13**  
**Default**

**Section 13.1 Right to Re-enter**

If and whenever the Tenant commits a material breach ("Material Breach") of the terms of this Lease that is not cured or remedied within the period provided for in Section 13.3, then the Landlord, in addition to any other rights or remedies available to it, has the immediate right of re-entry upon the Leased Premises and it may repossess the Leased Premises and enjoy them as of its former estate and may expel all Persons and remove all property from the Leased Premises and such property may be removed and sold or disposed of by the Landlord as it deems advisable or may be stored in a public warehouse or elsewhere at the cost and for the account of the Tenant, all without service of notice or resort to legal process and without the Landlord being considered guilty of trespass or becoming liable for any loss or damage which may be occasioned.

### Section 13.2 **Material Breach**

The occurrence of any of the following shall constitute a Material Breach:

- (i) The failure by the Tenant to perform or comply with any term or provision of this Lease;
- (ii) The commencement by or against a party of any proceeding under the bankruptcy laws of any jurisdiction which is not discharged within 90 days of its commencement, the appointment of a receiver for a party who is not discharged within 90 days of his or her appointment, any assignment of the benefit of the creditors of a party, insolvency of a party, the levy, seizure, assignment or sale for or by any creditor or governmental agency of or on a substantial part of a party's property, or the winding-up, liquidation or dissolution of a party; or
- (iii) Gross managerial neglect by SAC in its operation of the Student Centre.

### Section 13.3 **Remedy Period**

- (a) If the Tenant is in Material Breach of this Lease, the Landlord shall without prejudice to any other rights or remedies it has, give the Tenant written notice of such Material Breach in order that the Tenant may remedy the breach. Such notice shall identify in reasonable detail the events which the Landlord believes have occurred and which constitute or evidence a Material Breach, the provisions that have not been performed or complied with, and the actions which, in the opinion of the Landlord, would be required to fulfill the requirements of this Lease and cure the Material Breach.
- (b) Following the date of the receipt of the notice of Material Breach, the Tenant shall have ninety (90) days in which to take the necessary steps to cure the Material Breach. Such 90-day remedy period shall be extended to such longer period as may be reasonably required to cure the breach provided that the Tenant is diligently proceeding to rectify such breach as quickly as reasonably possible given the nature of the breach and provided that the Landlord is kept fully apprised of the Tenants progress in curing the breach.

### Section 13.4 **Right to Relet**

- (a) If the Landlord elects to re-enter the Leased Premises, or if it takes possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may without terminating this Lease make any alterations and repairs as are necessary in order to relet the Leased Premises. Upon each reletting all rent received by the Landlord will be applied, first to the payment of any indebtedness other than Rent due hereunder; second, to the payment of any costs and expenses of reletting including brokerage fees and solicitor's fees and the costs of alterations and repairs; third, to the payment of Rent due and unpaid hereunder; and the residue, if any, will be held by the Landlord and applied in payment of future Rent as it becomes payable hereunder. No re-entry or taking possession of the Leased Premises will be construed as an election on its part to terminate this Lease unless a written notice of that intention is given to the Tenant.
- (b) If the Landlord terminates this Lease, in addition to other remedies available, it may recover from the Tenant all damages the Landlord incurs by reason of the Tenant's breach, including the cost of recovering the Leased Premises, all solicitor's fees and including the worth at the time of the termination of the excess, if any, of the amount of Rent required to be paid pursuant to this Lease for the remainder of the Term over the Rent payable to the Landlord upon a re-leasing of the Leased Premises if applicable for the remainder of the Term and otherwise over the reasonable rental value of the Leased Premises for the remainder of the Term, all of which amounts will be immediately due and payable by the Tenant to the Landlord. In any of the events referred to in Section 13.1, in

addition to all other rights, the full amount of the current month's instalment of Basic Rent and Additional Rent, together with the next three months' instalments of Basic Rent and Additional Rent, all of which will be deemed to be accruing due on a day-to-day basis, will immediately become due and payable as accelerated rent, and the Landlord may immediately distrain for the same, together with any arrears then unpaid.

(c) In the event that the Landlord terminates this Lease pursuant to the provisions of this Article 13, then the Landlord shall use its reasonable best efforts to use the Leased Premises, or other similar suitable premises located on the Sutherland Campus designated by the Landlord, as space dedicated to the recreational, social and organizational interests of the student body of the College. Provided, however, that the Landlord's obligation to do so is contingent upon there being funds available to the Landlord to cover the cost of maintenance and operation of such space, through ancillary fees or other similar student fees.

#### **Section 13.5 Expenses**

If legal action is brought for recovery of possession of the Leased Premises, for the recovery of Rent or any other amount due under this Lease, or because of the breach of any other of the Tenant's obligations, the Tenant will pay to the Landlord all expenses incurred therefor, including a solicitor's fee (on a solicitor and his client basis), unless a court otherwise awards.

#### **Section 13.6 Landlord's Rights**

If the Tenant fails to pay any Rent when due, the Landlord, after giving five (5) days' notice in writing to the Tenant, may, but will not be obligated to, pay all or any part of the same. If the Tenant is in default in the performance of any of its other covenants or obligations under this Lease, the Landlord may, but will not be obligated to, after giving such notice as it considers sufficient (or without notice in the case of an emergency), perform or cause to be performed any of the unperformed covenants or obligations. All expenses incurred and expenditures made by the Landlord plus a sum equal to fifteen percent (15%) representing the Landlord's overhead will be paid by the Tenant as Additional Rent within ten (10) days after receipt of an invoice on account thereof.

#### **Section 13.7 Remedies Generally**

Mention in this Lease of any particular remedy of either party does not preclude that party from any other remedy, whether available at law or in equity or by statute or expressly provided for in this Lease. No remedy will be exclusive or dependent upon any other remedy, and the remedies are cumulative and not alternative.

### **ARTICLE 14 Miscellaneous**

#### **Section 14.1 Rules and Regulations**

The Rules and Regulations adopted by the Landlord including, without limitation, those set out in Schedule "B", are made a part of this Lease, and the Tenant will observe them. The Landlord reserves the right to amend or supplement the Rules and Regulations applicable to the Leased Premises as in the Landlord's judgment are needed for the safety, care and cleanliness the Leased Premises, provided such changes are consistent with the terms of this Lease. Notice of the Rules and Regulations and amendments and supplements, if any, will be given to the Tenant and the Tenant will thereupon observe them provided that they do not contradict any terms, covenants and conditions of this Lease.



## Section 14.2 **Intent and Interpretation**

### (a) **Obligations as Covenants and Severability**

Each obligation or agreement of the Landlord or the Tenant expressed in this Lease, even though not expressed as a covenant, is considered to be a covenant for all purposes. If any provision of this Lease is or becomes invalid, void, illegal or unenforceable, it shall be considered separate and severable from the Lease and the remaining provisions shall remain in force and be binding upon the parties as though such provision had not been included.

### (b) **Entire Agreement and Amendment of Modification**

This Lease and the Schedules, and Riders, if any, attached together with the Rules and Regulations set forth all covenants, promises, agreements, conditions or understandings, either oral or written, between them. No alteration or amendment to this Lease will be binding upon the Landlord or the Tenant unless in writing and signed by the Tenant and by the Landlord.

### (c) **Governing Law**

This Lease will be construed in accordance with and governed by the laws of the Province of Ontario.

### (d) **Time of the Essence**

Time is of the essence of this Lease and of every part of it.

(e) If there is at any time more than one Tenant or more than one Person constituting the Tenant, their covenants shall be considered to be joint and several and shall apply to each and every one of them. If the Tenant is or becomes a partnership, each Person who is a member, or shall become a member, of such partnership or its successors shall be and continue to be jointly and severally liable for the performance of all covenants of the Tenant pursuant to this Lease, whether or not such Person ceases to be a member of such partnership or its successor.

## Section 14.3 **Overholding—No Tacit Renewal**

If the Tenant remains in possession of the Leased Premises after the end of the Term without having signed a new lease or an extension of Term agreement, there is no tacit renewal of this Lease or the Term, notwithstanding any statutory provisions or legal presumptions to the contrary, and the Tenant will be deemed to be occupying the Leased Premises as a tenant from month-to-month upon the same terms, covenants and conditions as are set forth in this Lease (including the payment of Additional Rent) so far as these are applicable to a monthly tenancy.

## Section 14.4 **Waiver**

The waiver by either party of any breach of the other is not deemed to be a waiver of any preceding breach by the Tenant regardless of the Landlord's knowledge of the preceding breach at the time of acceptance of the Rent. No term, covenant or condition of this Lease is deemed to have been waived by the Landlord unless the waiver is in writing by the Landlord.

All Rent to be paid by the Tenant to the Landlord will be paid without any deduction, abatement, set-off or compensation whatsoever (except for the Basic Rent to the extent it may be abated pursuant to Section 9.1), and the Tenant hereby waives the benefit of any statutory or other rights in respect of abatement, set-off or compensation in its favour at the time hereof or at any future time.

#### **Section 14.5 Accord and Satisfaction**

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

#### **Section 14.6 Force Majeure**

Notwithstanding anything in this Lease, if either party is bona fide delayed or hindered in or prevented from the performance of any term, covenant or act required hereunder by reason of strikes, labour troubles; inability to procure materials or services; power failure; restrictive governmental laws or regulations; riots; insurrection; sabotage; rebellion; war; act of God; or other reason whether of a like nature or not which is not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then the performance of that term, covenant or act is excused for the period of the delay and the party delayed will be entitled to perform that term, covenant or act within the appropriate time period after the expiration of the period of the delay. However, the provisions of this Section do not operate to excuse the Tenant from the prompt payment of Rent.

#### **Section 14.7 Notices**

Any notice, demand, request or other instrument which may be or is required to be given under this Lease will be delivered in person or sent by registered mail postage prepaid and will be addressed (a) if to the Landlord, to: Sir Sandford Fleming College, 599 Brealey Drive, Peterborough, Ontario K9J 7B1, Attention: President; and (b) if to the Tenant, to: Sir Sandford Fleming College Student Administrative Council, Sutherland Campus, 599 Brealey Drive, Peterborough, Ontario, K9J 7B1, Attention: President. Any notice, demand, request or consent is conclusively deemed to have been given or made on the day upon which it is delivered, or, if mailed, then four (4) business days (excluding Saturdays, Sundays and statutory holidays) following the day of mailing, as the case may be. Either party may give written notice of any change of its address and thereafter the new address is deemed to be the address of that party for the giving of notices. If the postal service is interrupted or is substantially delayed, any notice, demand, request or other instrument will be delivered.

#### **Section 14.8 Registration**

Neither the Tenant nor any one on the Tenant's behalf or claiming under the Tenant will register this Lease. If either party intends to register a document for the purpose only of giving notice of this Lease or of any assignment or sublease of this Lease, then, upon request, both parties will join in the execution of a short form or notice of this Lease which will (i) be prepared by the Landlord or its solicitors at the Tenant's expense, and (ii) only describe the parties, the Leased Premises and the Commencement Date and the expiration date of the Term, and any options to extend the Term.

#### **Section 14.9 Accrual of Basic Rent and Additional Rent**

Rent will be considered as annual and accruing from day-to-day and where it becomes necessary for any reason to calculate Rent for an irregular period of less than one year, an appropriate apportionment and adjustment will be made.

#### **Section 14.10 Quiet Enjoyment**

If the Tenant pays the Rent and observes and performs all its terms, covenants and conditions, the Tenant will quietly hold and enjoy the Leased Premises for the Term without interruption by the Landlord, unless otherwise permitted under the terms of this Lease.

#### **Section 14.11 As Is**

The Tenant acknowledges having inspected the Leased Premises and agrees to accept the Leased Premises "as is".

#### **Section 14.12 Successors and Assigns**

The rights and liabilities created by this Lease extend to and bind the respective heirs, executors, administrators, successors and assigns of the Landlord and the Tenant. No rights, however, shall enure to the benefit of any Transferee unless the provisions of Article 10 are complied with.

#### **Section 14.13 Dispute Resolution**

(a) The parties shall endeavour to resolve all disagreements and disputes through discussion and consultation, employing to such end, in addition to any other channels of communication, the College Liaison (as defined in Section 14.14) and the Board of Directors of SAC. If such disagreement persists, the parties may mutually refer the disagreement to the SAC/College Committee (as defined in Section 14.14).

(b) If consultation fails to solve a dispute, and if either party does not wish to submit the dispute to the Joint Committee, then either party may commence legal proceedings or, if both parties desire to submit the dispute to arbitration, the parties shall refer the dispute to final and binding arbitration under the Arbitrations Act (Ontario) before a single arbitrator in accordance with the procedure set out in subsection 21 (c)

(c) Any unresolved controversy, dispute or claim arising out of or relating to this Lease, or breach of this Lease, shall be settled by arbitration in accordance with the Arbitration Act, 1991, S.O. 1991, c.17, as amended, and shall not result in a claim in court. There shall be one arbitrator to be mutually agreed by the parties. If the parties cannot agree on an arbitrator, within 20 days of a party providing notice in writing to the other party of their intention to refer a controversy, dispute or claim to arbitration, the party referring the matter may apply to the court for an arbitrator to be appointed in accordance with the Arbitration Act, 1991. Each party shall pay the fees of their respective lawyers and the expenses of witnesses called by them and all other fees and costs, shall be borne equally by the parties. The arbitration shall be held in Ontario at a mutually agreeable location, or as otherwise determined by the Arbitrator.

#### **Section 14.14 SAC/College Liaison and Committee**

The College shall designate an employee of the College (the "College Liaison") to act as a liaison between the College and SAC on matters of mutual interest to the College and SAC.

SAC and the College agree to create a committee (the "SAC/College Committee") comprised of the Associate Vice-President of Student Services or his/her equivalent (College person) and SAC President (SAC person). The SAC/College Committee shall meet at such times as decided by the members, provided that it shall meet at least once each academic term. The purpose of the SAC/College Committee is to report and make recommendations to SAC and the College on operation, management and finances of the SAC, as well as ensuring the terms of this Lease are being followed. Depending on the agenda items, relevant College and SAC representatives will be asked to attend meetings from time to time. The SAC/College Committee

will provide meeting notes to the SAC Board of Directors and the College Associate Vice-President, Student Services and the VP Finance and Administration or equivalent.

**Section 14.15 Liquor Licence**

(a) SAC shall have the right to apply for and renew the liquor licence for the sale of alcoholic beverages at the Student Centre which liquor licence shall be issued to SAC solely. SAC will maintain the licence in good standing and will be solely responsible for any and all costs arising from the application and renewals for such licence.

(b) SAC agrees to manage the licensed areas in an entirely safe and responsible manner in accordance with regulations of the Alcohol and Gaming Commission of Ontario (or any successor thereof) and in accordance with SAC by-law, the Student Centre policies and College policies including the College alcohol policy.

**Section 14.16 SAC's Reporting Requirements**

Without limiting any obligations of the Tenant contained in this Lease:

(a) SAC shall keep accurate and complete books of account and records relating to the financial affairs of SAC; which will be audited annually by auditors retained by SAC.

(b) SAC shall maintain its financial records for such period of time as required by Canada Revenue Agency.

(c) SAC shall provide the College with the following:

(i) An annual audited financial statement within 120 days of each fiscal year-end of SAC;

(ii) If requested by the Landlord, the annual balanced operating budget for SAC prior to the start of the new fiscal year.

(iii) Prompt notice in writing of any lawsuit commenced against SAC or any commercial tenant of the Student Centre or any accident or damage to the Building or to persons or the Student Centre or claims for lien.

**Section 14.17 Relationship of Parties**

(a) Except as expressly otherwise provided in this Lease, nothing contained herein nor any acts of the College and SAC performed pursuant to this Lease shall be deemed to create a relationship between the parties as joint ventures or partners or agents of each other. SAC shall be an independent contractor with respect to its obligations under this Lease.

(b) SAC shall not hold out any of its employees, including the staff of the Student Centre, as employees, agents or legal representatives of the college. SAC shall not, without the prior written consent of the College, enter into any contract or commitment in the name of or on behalf of the College or bind the College in any manner whatsoever.

(c) All personnel employed by SAC, including the staff of the Student Centre, shall be employees of SAC and not of the College and SAC shall have sole responsibility for discharging any employee and other relevant obligations to such personnel. The College shall not be required to make contributions for unemployment insurance, Canada pension, workers' compensation and other similar levies in respect to such personnel of SAC and SAC shall be solely responsible for the payment of all such levies in respect of such personnel.

(d) The College recognizes SAC as the sole representative of the students of the Sutherland Campus of the College and shall continue to do so unless otherwise determined by a court of competent jurisdiction.

Schedules "A", "B" and "C" attached hereto form a part of this Lease.

IN WITNESS WHEREOF, the Landlord, the Tenant have signed and sealed this Lease.

**THE SIR SANDFORD FLEMING COLLEGE  
OF APPLIED ARTS & TECHNOLOGY**  
(Landlord)

Per: G.A. Tilly  
Name: G.A. TILLY, Ph.D.  
Title: PRESIDENT

I have authority to bind the Corporation.

**SIR SANDFORD FLEMING COLLEGE  
STUDENT ADMINISTRATIVE COUNCIL**  
(Tenant)

Per: Rh  
Name: R. WILLIAMS  
Title: PRESIDENT.

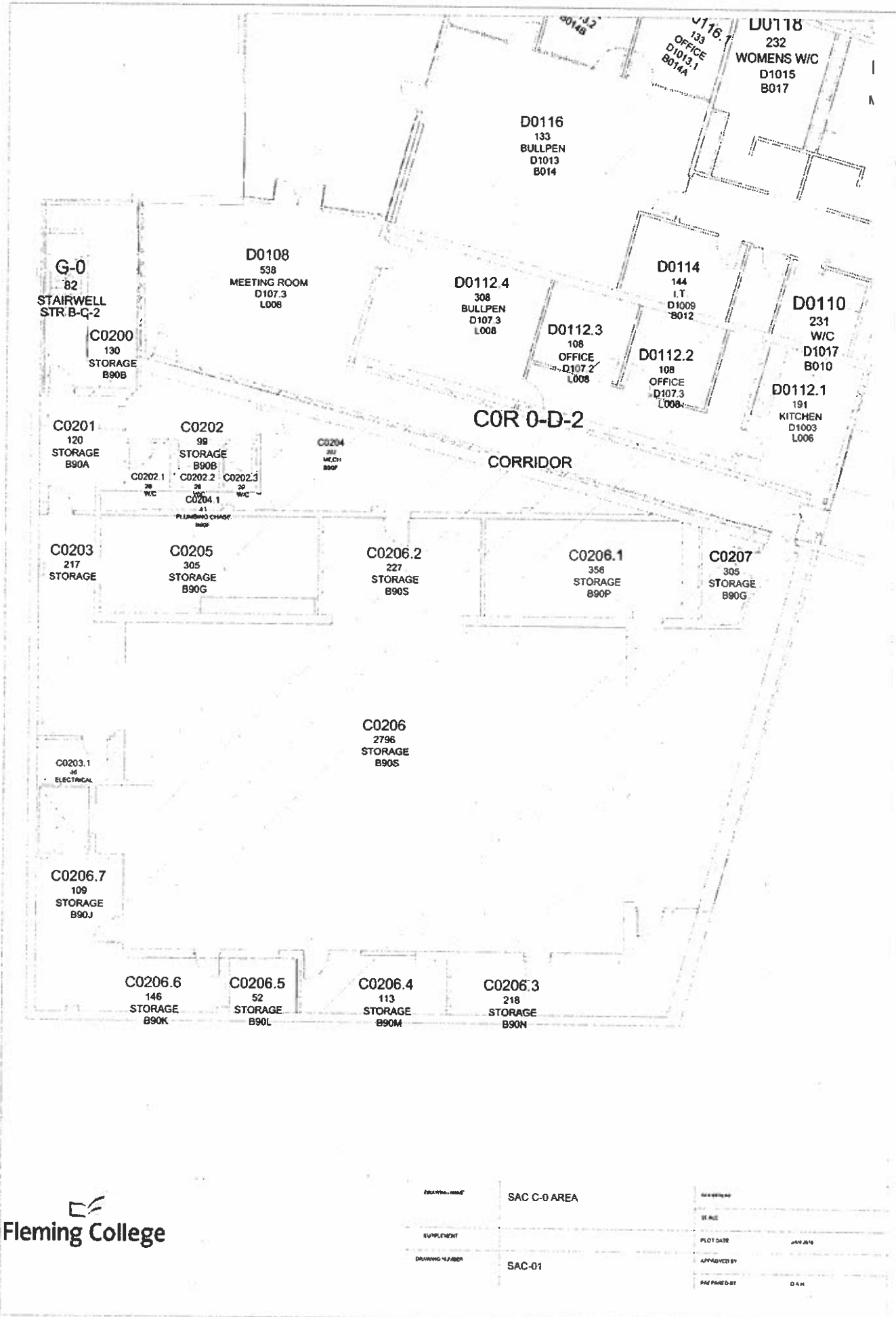
I have authority to bind the Corporation.

**Sutherland Campus  
Student Administrative Council Inc**



**Gross Floor Area (GFA):**

<b>Area</b>	<b>GFA</b>
SAC Office Area	2,237
Steele center Pub	4,213
Steele center Pub patio	1,951
Steele center	4,100
Pizza Pizza - BYOB	718
Steele Center Storage	586
<b>Total</b>	<b>13,805</b>



DRAWING NAME	SAC C-0 AREA	DATE	
SUPPLEMENT		PLOT DATE	JAN 2019
DRAWING NUMBER	SAC-01	APPROVED BY	
		PREPARED BY	D.A.H.

9B

G-1  
378  
STAIRWELL

D1110  
1658  
COMPUTER  
ABC

ID-A302 ID-A402

CAMPUS LINK  
1658  
COMPUTER LAB  
ABC

C1420.2  
78  
CAFE WET AREA

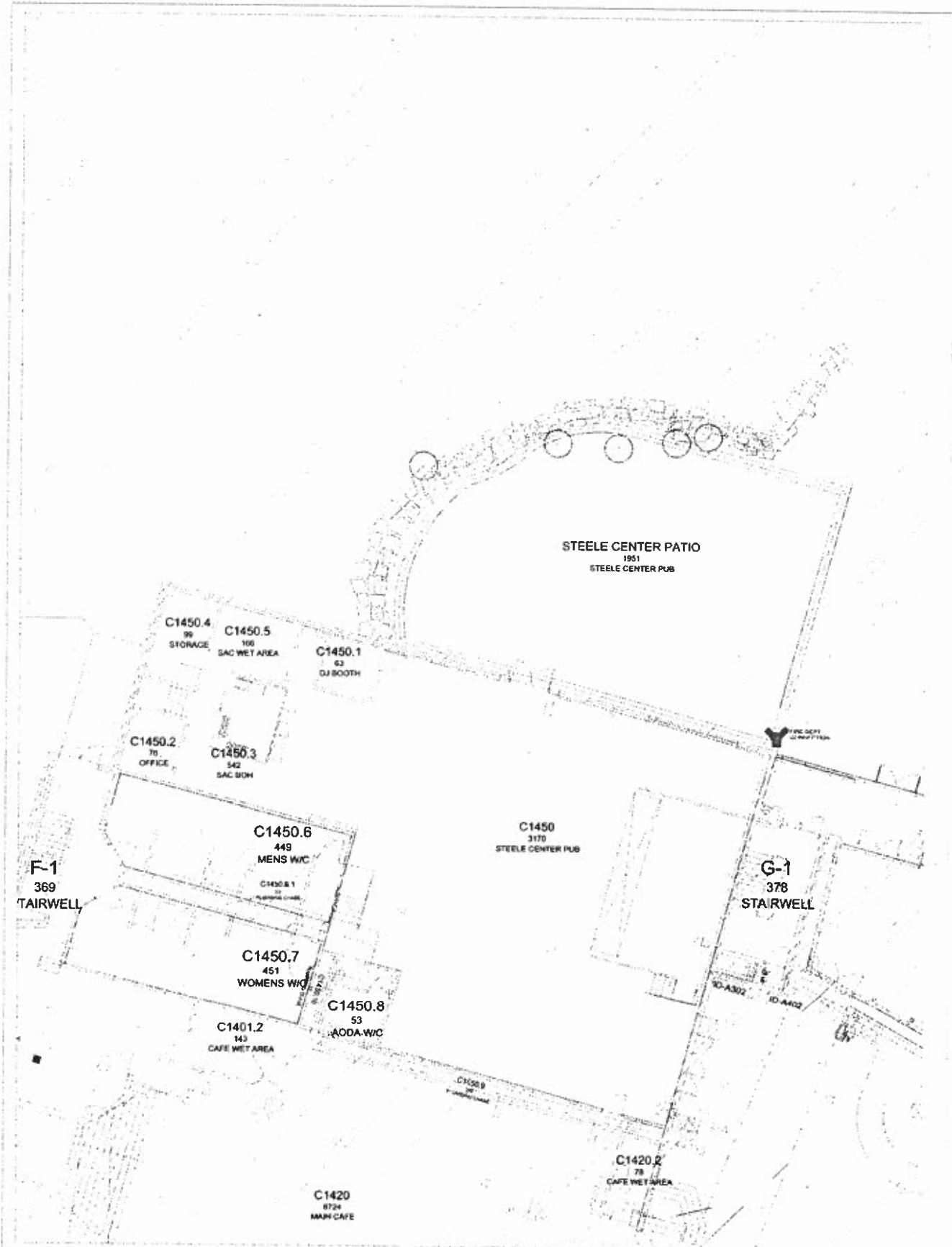
C1440  
4100  
STEELE CENTER

ST



SYMBOL NAME	STEELE CENTER	ISSUE NO.	
SUPPLEMENT		SCALE	
DRAWING NUMBER	SAC-02	PLOT DATE	JAN 2011
		APPROVED BY	
		DATE PLOTTED	





DATE/ISSUE	STEELE CENTER PUB AND PATIO	NO. OF SHEETS	
SUPPLEMENT		SCALE	
DRAWING NUMBER	SAC-03	PLOT DATE	JAN 2014
		APPROVED BY	
		PREPARED BY	D.A.H.

C1420.1  
106  
AODA W/C  
180A  
ABC

C1430.1  
350  
BOARDROOM  
181A  
ABC

C1430.2  
73  
STORAGE  
181.H  
ABC

C1430.3  
73  
OFFICE  
181G  
ABC

**COR 1-C-5**  
294  
**CORRIDOR**

C1430.5  
73  
OFFICE  
181F  
ABC

C1430.4  
73  
OFFICE  
181D  
ABC

C1430  
893  
SAC  
181  
ABC

C1430.6  
73  
OFFICE  
181B  
ABC

C1430.7  
73  
OFFICE  
181C  
ABC

C1430.10  
114  
OFFICE  
181M  
ABC

C1430.8  
54  
STORAGE  
181K  
ABC

C1430.9  
167  
MEETING  
181N  
ABC



DESIGNED BY	SAC OFFICES	DRAWN BY	
SUPPLEMENT		SCALE	
DRAWING NUMBER	SAC -04	PLOT DATE	JAN 2016
		APPROVED BY	
		DATE PLOTTED	01/11/16

## SCHEDULE "B"

### RULES AND REGULATIONS

1. The Tenant will not place or permit any debris, garbage, trash or refuse to be placed or left outside of the Leased Premises.
2. The Tenant, its agents, servants, contractors, invitees or employees, will not bring in or take out, position, construct, install or move any safe or other heavy machinery or equipment or anything liable to injure or destroy any part of the Leased Premises without first obtaining the written consent of the Landlord. The Landlord will have the right to prescribe the weight permitted and the position thereof, and the use and design of planks, skids or platforms, to distribute weight. All damage done to the Leased Premises by moving or using any heavy equipment or office equipment or furniture will be repaired at the expense of the Tenant. Safes and other heavy equipment and machinery will be moved only upon steel bearing plates.
3. The Tenant will 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.
4. The Tenant will not permit or allow any odours, vapours, steam, water, vibrations, noises or other undesirable effects to emanate from the Leased Premises or any equipment or installation therein which in the Landlord's opinion, are objectionable.
5. The Tenant will not install any equipment which will exceed or overload the capacity of any utility, electrical or mechanical facilities in the Leased Premises, as determined by the Landlord. If any equipment installed by 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.
6. The Landlord may from time to time adopt appropriate systems and procedures for the security and safety of the Building and the tenants and occupants and contents thereof, and the Tenant shall comply with the Landlord's reasonable requirements in respect of such systems and procedures.
7. The Tenant shall not use or permit the Leased Premises to be used for residential, lodging or sleeping purposes, or for the storage of personal effects or articles not required for business purposes.
8. The Tenant shall participate in all Building recycling, energy reduction and water conservation programs as may be determined by the Landlord from time to time.
9. The Tenant shall neither obstruct nor use the entrances, passages, escalators, elevators and staircases of the Building or the sidewalks and driveways outside the Building for any purpose other than ingress to and egress from the Leased Premises and the Building.
10. The Tenant shall not install any radio or television antenna or satellite dish on any part of the Building without the prior written consent of the Landlord.

## SCHEDULE "C"

### DEFINITIONS

1. "Additional Rent" means all sums of money or charges required to be paid by the Tenant under this Lease (except Basic Rent) whether or not designated "Additional Rent" or payable to the Landlord.
2. "Building" means that Building located on the Sutherland Campus in which the Leased Premises are located.
3. "Common Areas and Facilities" means those areas, facilities, improvements, installations and equipment that are or might in the future be situated on the lands owned by the Landlord known as the Sutherland Campus that are provided or designated from time to time for the benefit or use of occupants or users of buildings constructed from time to time on the Sutherland Campus including, but not limited to, watermains, sanitary sewers, storm sewers, storm drainage improvements, electric facilities, entrances, access and service corridors, indoor and outdoor walkways (both open and enclosed), street lighting, sidewalks, curbs, amenity areas, driveways, and laneways, all as may be altered, expanded, reduced, reconstructed or relocated from time to time;
4. "Contaminants" means any contaminant, pollutant, dangerous or potentially dangerous, noxious or toxic substance, hazardous waste, flammable, explosive or radioactive material, asbestos, polychlorinated biphenyls and any other substances declared to be hazardous, toxic, contaminants, pollutants or dangerous goods in any applicable federal, provincial or municipal statute, law, by-law or regulation.
5. "Landlord" means the party of the First Part and includes the Landlord and its duly authorized representatives. In any Section of this Lease that contains exculpatory language in favour of the Landlord, "Landlord" also includes the directors, officers, servants, employees and agents of the Landlord.
6. "Mortgagee" means any mortgagee or chargee (including any trustee for bondholders), from time to time, of the Leased Premises or any part thereof, or the Landlord's or the owners of the Leased Premises' interest in them.
7. "Person", if the context allows, includes any person, firm partnership or corporation, or any group of persons, firms, partnerships or corporations or any combination thereof.
8. "Rent" means all Basic Rent and Additional Rent. All Rent is payable without prior demand and without any deduction, abatement or set-off.
9. "Rental Year" means a period of time consisting of consecutive periods of 12 calendar months unless otherwise stipulated by the Landlord.
10. "Sutherland Campus" means the lands and buildings owned by the Landlord known as the Sutherland Campus together with the Common Areas and Facilities and all other buildings and improvements located thereon from time to time legally described in Schedule "D" attached hereto.
11. "Taxes" means (a) all real property taxes, rates, duties and assessments (including local improvement taxes, business improvement area charges, impost charges or levies assessed after the

Commencement Date), whether general or special, that are levied, rated, charged or assessed against the Leased Premises from time to time by any lawful taxing authority, whether federal, provincial, municipal, school or otherwise, and any taxes or other amounts which are imposed in lieu of, or in addition to, any such real property taxes whether of the foregoing character or not and whether in existence at the Commencement Date or not, and any such real property taxes levied or assessed against the Landlord or the owners on account of its interest in the Leased Premises or any part thereof, or their ownership thereof, as the case may be.

12. "Tenant" means the party of the Second Part. Any reference to "Tenant" includes, where the context allows, the servants, employees, agents, invitees and licensees of the Tenant and all others over whom the Tenant may reasonably be expected to exercise control.