

TABLE OF CONTENTS

<i>Foreword</i>	v
<i>Preface</i>	vii
<i>Table of Cases</i>	xvii
INTRODUCTION	1
ARTICLE 1 DEFINITIONS	11
Section 1.1 “Act”	11
Section 1.2 “Additional Rent”	12
Section 1.3 “Alterations”	13
Section 1.4 “Architect”	13
Section 1.5 “Basement Areas”	14
Section 1.6 “Capital Tax”	14
Section 1.7 “Centre”	15
Section 1.8 “Claims”	16
Section 1.9 “C.P.I.”	16
Section 1.10 “Common Facilities”	16
Section 1.11 “Fixturing Period”	18
Section 1.12 “Food Court”	18
Section 1.13 “Gross Revenue”	18
Section 1.14 “H.S.T.”	24
Section 1.15 “Hazardous Substance”	24
Section 1.16 “Indemnitor”	25
Section 1.17 “Injury”	25
Section 1.18 “Jurisdiction”	25
Section 1.19 “Land Surveyor”	25
Section 1.20 “Landlord”	25
Section 1.21 “Large Corporations Tax”	26
Section 1.22 “Laws”	26
Section 1.23 “Lease”	26
Section 1.24 “Leasehold Improvements”	26
Section 1.25 “Mezzanine Areas”	32
Section 1.26 “Minimum Rent”	33

x TABLE OF CONTENTS

Section 1.27	“Mortgagee”	33
Section 1.28	“Opening Date”	33
Section 1.29	“Operating Costs”	33
Section 1.30	“Owner”	47
Section 1.31	“Percentage Rent”	47
Section 1.32	“Person”	48
Section 1.33	“P.P.S.A.”	48
Section 1.34	“Premises”	48
Section 1.35	“Prime Rate”	48
Section 1.36	“Proportionate Share”	48
Section 1.37	“Rent”	49
Section 1.38	“Rentable Area of the Premises”	49
Section 1.39	“Rental Year”	50
Section 1.40	“Representations”	51
Section 1.41	“Retail Leasable Premises”	51
Section 1.42	“Rules and Regulations”	51
Section 1.43	“Sign” or “Signs”	52
Section 1.44	“Storage Areas”	52
Section 1.45	“Taxes”	52
Section 1.46	“Tenant”	57
Section 1.47	“Term”	58
Section 1.48	“Trade Fixtures”	58
Section 1.49	“Weighted Rentable Area of the Premises”	68
Section 1.50	“Weighted Rentable Area of the Centre”	69
ARTICLE 2	INTENT AND INTERPRETATION	71
Section 2.1	Net Lease	71
Section 2.2	Obligations as Covenants	72
Section 2.3	Headings	72
Section 2.4	Extended Meanings	72
Section 2.5	Partial Invalidity	74
Section 2.6	Entire Agreement	75
Section 2.7	Governing Law	77
Section 2.8	Time of the Essence	77
ARTICLE 3	PREMISES AND TERM	79
Section 3.1	Premises	79
Section 3.2	Use of Common Facilities	80
Section 3.3	Commencement and Ending Date of the Term... ..	80
Section 3.4	Notice and Certificates	82
Section 3.5	Early Occupancy	83
Section 3.6	Delayed Possession	83

TABLE OF CONTENTS xi

Section 3.7	Acceptance of Premises	83
Section 3.8	Tenant's Work	84
ARTICLE 4	RENT	85
Section 4.1	Covenant to Pay	85
Section 4.2	Minimum Rent and Other Payments	85
Section 4.3	Percentage Rent	97
Section 4.4	Gross Revenue Reports	100
Section 4.5	Sales Trends	103
Section 4.6	Tenant's Records	103
Section 4.7	Right to Examine	104
Section 4.8	Audit	104
Section 4.9	Tenant's Failure	107
Section 4.10	Rent Past Due	108
ARTICLE 5	TAXES	111
Section 5.1	Taxes Payable by Landlord	111
Section 5.2	Taxes Payable by Tenant	111
Section 5.3	Business Taxes and Other Taxes of Tenant	115
Section 5.4	Tenant's Responsibility	115
Section 5.5	Per Diem Adjustment	116
Section 5.6	Harmonized Sales Tax	116
ARTICLE 6	CENTRE AND COMMON FACILITIES — CONTROL AND PAYMENT	119
Section 6.1	Control of Centre by Landlord	119
Section 6.2	Tenant to Bear Proportionate Share of Expense	130
Section 6.3	Food Court	130
Section 6.4	Payment of Tenant's Proportionate Share	134
ARTICLE 7	UTILITIES AND HEATING, VENTILATING AND AIR-CONDITIONING	137
Section 7.1	Charges for Utilities	137
Section 7.2	Heating, Ventilating and Air-Conditioning	139
Section 7.3	Tenant's Share of Heating, Ventilating and Air-Conditioning	139
Section 7.4	Utilities Deregulation	139
Section 7.5	Telecommunications and Data Carrier	140

xii TABLE OF CONTENTS

ARTICLE 8	PROMOTION FUND, MERCHANTS' ASSOCIATION AND ADVERTISING	145
Section 8.1	Promotion Fund	145
Section 8.2	Merchants' Association	147
Section 8.3	Advertising.....	148
ARTICLE 9	USE OF THE PREMISES	149
Section 9.1	Use of the Premises	149
Section 9.2	Prohibited Activities	169
Section 9.3	Conduct of Business.....	170
Section 9.4	Concessions, Franchises and Licences.....	191
Section 9.5	Observance of Law	194
Section 9.6	Investment Canada Act	203
Section 9.7	Radius Clause	203
ARTICLE 10	INSURANCE AND INDEMNIFICATION.....	207
Section 10.1	Tenant's Insurance	207
Section 10.2	Increase in Insurance Premiums	216
Section 10.3	Cancellation of Insurance	217
Section 10.4	Loss or Damage.....	218
Section 10.5	Landlord's Insurance.....	220
Section 10.6	Indemnification of Landlord	224
ARTICLE 11	MAINTENANCE, REPAIRS AND ALTERATIONS	229
Section 11.1	Maintenance and Repairs by Tenant	229
Section 11.2	Landlord's Approval of Tenant's Alterations	234
Section 11.3	Maintenance and Repairs by Landlord.....	236
Section 11.4	Repair on Notice	237
Section 11.5	Surrender of the Premises.....	238
Section 11.6	Repair Where Tenant at Fault	240
Section 11.7	Tenant Not to Overload Facilities	241
Section 11.8	Tenant Not to Overload Floors.....	242
Section 11.9	Removal and Restoration by Tenant.....	242
Section 11.10	Notice by Tenant	247
Section 11.11	Tenant to Discharge all Liens.....	247
Section 11.12	Signs and Advertising.....	248
Section 11.13	Pest Extermination	250
ARTICLE 12	DAMAGE AND DESTRUCTION AND EXPROPRIATION	253
Section 12.1	Destruction of the Premises.....	253

TABLE OF CONTENTS xiii

Section 12.2	Destruction of the Centre	256
Section 12.3	Expropriation.....	261
Section 12.4	Architect's Certificate	262
ARTICLE 13	ASSIGNMENT, SUBLETTING AND CHANGE OF CONTROL.....	265
Section 13.1	Consent Required.....	265
Section 13.2	Landlord's Option.....	279
Section 13.3	No Advertising of Premises	286
Section 13.4	Corporate Ownership	286
Section 13.5	Disposition by Landlord	288
ARTICLE 14	ACCESS AND ALTERATIONS	299
Section 14.1	Right of Entry	299
Section 14.2	Excavation	301
ARTICLE 15	STATUS STATEMENT, ATTORNMENT AND SUBORDINATION.....	303
Section 15.1	Status Statement	303
Section 15.2	Subordination and Attornment	304
Section 15.3	Execution of Documents	309
Section 15.4	Financial Information	310
Section 15.5	Personal Information	310
ARTICLE 16	DEFAULT	311
Section 16.1	Right to Re-enter	311
Section 16.2	Right to Relet	336
Section 16.3	Expenses	344
Section 16.4	Distress	346
Section 16.5	Landlord May Cure Tenant's Default or Perform Tenant's Covenants	366
Section 16.6	Security Agreement	367
Section 16.7	Charges Collectible as Rent.....	371
Section 16.8	Failure of Tenant to Carry on Business.....	372
Section 16.9	Remedies Generally.....	374
Section 16.10	Default Under Other Lease	390
ARTICLE 17	MISCELLANEOUS	393
Section 17.1	Rules and Regulations.....	393
Section 17.2	Overholding	393
Section 17.3	Successors	397
Section 17.4	Constitution of Tenant.....	397

xiv TABLE OF CONTENTS

Section 17.5	Waiver	398
Section 17.6	Accord and Satisfaction	403
Section 17.7	Brokerage Commissions	405
Section 17.8	No Partnership or Agency.....	405
Section 17.9	Force Majeure.....	405
Section 17.10	Notices.....	406
Section 17.11	Limited Assets.....	410
Section 17.12	Registration	410
Section 17.13	Compliance with the Planning Act (Ontario).....	412
Section 17.14	Metric Conversion.....	418
Section 17.15	No Option	418
Section 17.16	No Obligation	418
Section 17.17	Corporate Tenancy	419
Section 17.18	Confidentiality	419
Section 17.19	Quiet Enjoyment	419
Section 17.20	Indemnity.....	424
ADDITIONAL CLAUSES.....		425
SCHEDULES AND APPENDICES		439
SCHEDULE “A”	Legal Description of the Centre.....	439
SCHEDULE “B”	Floor Plan of the Centre	439
SCHEDULE “C”	Construction of the Premises — Landlord’s and Tenant’s Work	439
SCHEDULE “D”	Charges for Heating, Ventilating and Air-Conditioning Services.....	448
SCHEDULE “E”	Rules and Regulations.....	449
SCHEDULE “F”	Environmental Questionnaire	454
SCHEDULE “G”	Automatic Rent Payment Service Authori- zation Form	456
APPENDIX “A”	Indemnity Agreement	458
APPENDIX “B”	Option to Renew.....	465
APPENDIX “C”	Alternative Clause — Assignment, Subletting and Change of Control	490
APPENDIX “D”	Extension of Term	490
CONCLUSION		501
AN INVITATION TO ALL OF YOU		503
SHOPPING CENTRE RETAIL LEASE		507

TABLE OF CONTENTS xv

NOTICE OF RENT DEFAULT (WHERE THERE IS NO GUARANTOR OR INDEMNITOR)	703
NOTICE OF RENT DEFAULT (WHERE THERE IS A GUARANTOR OR INDEMNITOR)	705
SECTION 19(2) NOTICE TO TENANT OF BREACH OF COVENANT	707
NOTICE OF DISTRESS	711
NOTICE OF TERMINATION (WHERE THERE IS NO GUARANTOR OR INDEMNITOR)	713
NOTICE OF TERMINATION (WHERE THERE IS A GUARANTOR OR INDEMNITOR)	715
CANADIAN SHOPPING CENTRE PERCENTAGE RENTS	717
Index	725