Court File No.: CV-25-00738613-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI, HBC CANADA PARENT HOLDINGS INC., HBC CANADA PARENT HOLDINGS 2 INC., HBC BAY HOLDINGS I INC., HBC BAY HOLDINGS II ULC, THE BAY HOLDINGS ULC, HBC CENTERPOINT GP INC., HBC HOLDINGS GP INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., and 2472598 ONTARIO INC

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Court File No.: CV-25-00738613-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI, HBC CANADA PARENT HOLDINGS INC., HBC CANADA PARENT HOLDINGS 2 INC., HBC BAY HOLDINGS I INC., HBC BAY HOLDINGS II ULC, THE BAY HOLDINGS ULC, HBC CENTERPOINT GP INC., HBC HOLDINGS GP INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., and 2472598 ONTARIO INC

Applicants

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Court File No.: CV-25-00738613-00CL

ONTARIO
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Applicants

AFFIDAVIT OF CHARLES SAINT-PIERRE
(AFFIRMED AUGUST 9, 2025)

I, Charles Saint-Pierre, of the City of Montreal in the Province of Quebec **AFFIRM**:

1. I am senior counsel at La Caisse de dépôt et placement du Québec, one of Canada's leading institutional fund managers.[1] Ivanhoé Cambridge Inc. is a real estate subsidiary of La Caisse de dépôt et placement du Québec which, together with its subsidiaries and partnerships (collectively, "**Ivanhoe**"), holds interests in various buildings, primarily in the residential, office, retail, and logistics real estate sectors.

2. Ivanhoe currently owns Guildford Town Centre Mall in Surrey, British Columbia ("**Guildford**") and Mapleview Centre in Burlington, Ontario ("**Mapleview**"). Ivanhoe previously owned Southgate Shopping Centre in Edmonton, Alberta ("**Southgate**") and

[1] On June 16, 2025, Ivanhoé Cambridge Inc. began operating under the name "La Caisse." Prior to that date, I was senior counsel at Ivanhoé Cambridge Inc.

Oshawa Centre in Oshawa, Ontario ("**Oshawa Centre**"). Ivanhoe sold its interests in Southgate and Oshawa Centre to Primaris REIT in a transaction that closed on January 31, 2025.

3. I joined Ivanhoe in 2014 and am familiar with the relationship between Ivanhoe and the Hudson's Bay Company ULC ("**HBC**"). HBC is a tenant at Guildford, Mapleview, Southgate, and Oshawa Centre pursuant to four leases each dated February 1, 2024. As such, I have personal knowledge of the matters herein, except where I state that my knowledge is based on information and belief, in which case I believe the information to be true.

4. Nothing in this affidavit refers to or discloses any privileged information of Ivanhoe and Ivanhoe maintains, and does not waive, any applicable claim of privilege.

5. Due to the lack of notice provided by HBC that it would be seeking relief regarding sections 3.05 and 3.05(A) of the "IC Leases" in its Central Walk APA Approval Motion, I have not had the time to collect all relevant documents and correspondence for this affidavit. I will continue to search for further relevant documentation and will provide it in a supplementary affidavit if necessary.

A. Background: HBC and Ivanhoe's Relationship

6. I provide this Affidavit in response to the Applicants' Motion returnable August 28, 2025 (the "**Central Walk APA Approval Motion**"), and in particular their request for an order "declaring that certain portions of sections 3.05 and 3.05(A) of the IC Leases are in breach of section 34 of the CCAA and are therefore unenforceable." The IC Leases are

defined in the Applicants' materials as the leases at Guildford, Mapleview, Southgate, and Oshawa Centre.

7. As I will explain, sections 3.05 and 3.05(A) of the leases at Guildford, Mapleview, Southgate and Oshawa Centre are part of a much larger contractual arrangement between Ivanhoe and HBC that intertwines with a portfolio of 11 specific properties. There is a complicated factual background to these four leases and the purpose and interplay of sections 3.05 and 3.05(A) across the broader HBC/Ivanhoe portfolio. Most notably, in January 2024, Ivanhoe paid HBC $30,000,000 to exercise an option that provided for, among other things, the inclusion of sections 3.05 and 3.05(A) in the relevant leases.

8. HBC and Ivanhoe had a long-standing relationship. HBC leased retail space from centres owned and/or operated by Ivanhoe across Canada, including in Quebec, Ontario, Alberta, Manitoba, and British Columbia. The applicable contractual provisions, including sections 3.05 and 3.05(A) in the Guildford, Mapleview, Southgate, and Oshawa Centre Leases, were established pursuant to an arrangement entered into among Ivanhoe and HBC on November 14, 2023. At that time, Ivanhoe was landlord to HBC in eleven properties across the country (each a "**Property**", together the "**Properties**" or the "**Portfolio**"):

(a) six Hudson's Bay stores at,

(i) Guildford;[2]

[2] Guildford is co-owned by Guildford Town Centre Limited Partnership, which is part of Ivanhoe, and Lasalle Canada Core Real Property, L.P., which is not.

(ii) Mapleview;[3]

(iii) Southgate;[4]

(iv) Oshawa Centre;[5]

(v) Metropolis at Metrotown in Burnaby, British Columbia ("**Metrotown**");[6] and

(vi) Galeries D'Anjou in Montreal, Quebec ("**Anjou**");[7]

(b) and five Sak's OFF Fifth stores at

(vii) CrossIron Mills, in Calgary, Alberta ("**CrossIron Mills**");[8]

(viii) the Outlet Collection at Niagara, in Niagara-on-the-Lake, Ontario ("**Niagara**");[9]

(ix) Place Sainte-Foy in Quebec City, Quebec ("**Place Ste-Foy**");[10]

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[3] Mapleview is co-owned by Ivanhoe Cambridge II Inc., which is part of Ivanhoe, and Canapen (Halton) Ltd, which is not.
[4] Southgate was co-owned by Ivanhoe Cambridge II Inc., which is part of Ivanhoe, and OPB (Southgate) Inc., which is not. As noted, Ivanhoe sold its interest in Southgate to Primaris REIT in early 2025. OPB (Southgate) Inc. remains co-owner.
[5] The specific landlord entities at Oshawa Centre were Ivanhoe Cambridge II Inc. and 7503067 Canada Inc. – both part of Ivanhoe. As noted, Ivanhoe sold its interest in Oshawa Centre to Primaris REIT in early 2025.
[6] The specific landlord entity at Metrotown is Ivanhoe Cambridge II Inc. – part of Ivanhoe.
[7] The specific landlord entities at Anjou are Les Propriétés Anjou Inc. and IC Anjou Inc. – both part of Ivanhoe.
[8] The specific landlord entity at CrossIron Mills is CrossIron Mills Holdings Inc. – part of Ivanhoe.
[9] The specific landlord entity at Niagara is The Outlet Collection (Niagara) Limited – part of Ivanhoe.
[10] The specific landlord entity at Place Ste-Foy is Ivanhoé Ste-Foy Inc. – part of Ivanhoe.

(x) Vaughan Mills in Vaughan, Ontario ("**Vaughan Mills**");[11] and

(xi) the Outlet Collection Winnipeg in Winnipeg, Manitoba ("**Winnipeg**").[12]

9. Ivanhoe was not the original landlord for each of the eleven properties (some of the leases date back to as early as the 1960s and 1970s), but through Ivanhoe's acquisition of the Properties at various times, Ivanhoe assumed the role of HBC's landlord at all of them. I have attached the eleven leases that governed HBC's tenancies at each of the Properties as at November 13, 2023, as **Exhibits "A"** to **"K"**, respectively. Each of these leases will be referred to in this affidavit as an "**Original Lease**".

10. The Original Leases contained restrictive covenants including, among others, provisions prohibiting certain construction on, in or around certain areas near the relevant Hudson's Bay or Sak's store (the "**Restrictive Development Covenants**")[13] as well as multiple term extension options in HBC's favour (the "**Tenant Term Extensions**").

B. Amendment to the HBC Portfolio

11. Beginning in 2022, HBC and Ivanhoe were involved in multi-party litigation in the British Columbia Supreme Court with respect to a mixed-use residential/retail development planned for the Metrotown property (the "**Metrotown Litigation**"). HBC was

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[11] Vaughan Mills is co-owned by Ivanhoe Cambridge II Inc., which is part of Ivanhoe, and TRE2 Non-US – Bigfoot Corp., which is not.

[12] Winnipeg is co-owned by The Outlet Collection at Winnipeg Limited, which is part of Ivanhoe, and Seasons Retail Corp., which is not.

[13] For the purposes of this affidavit, when I refer to Restrictive Development Covenants I am referring to what are defined in the Option Agreement, discussed below, as "Restrictive Covenants": ""Restrictive Covenants" means any rights, consent requirements, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in a lease agreement purporting to restrict, or which has the effect of restricting a landlord's capacity to renovate, expand, develop or re-develop its property (including parceling), as well as any merchandising control rights in favor of a tenant".

relying on the Restrictive Development Covenants in the Original Metrotown Lease to seek an injunction preventing certain parts of the development from proceeding.

12. The Metrotown Litigation settled in November 2023 (the "**Settlement**").

13. As part of the Settlement, Ivanhoe and HBC underwent a review of all eleven leases within the HBC/Ivanhoe Portfolio and agreed to significant changes to their relationship across the Portfolio.

14. Settlement discussions began in mid-October 2023, when Ian Putnam, President & Chief Executive Officer of HBC Properties & Investments reached out to Julie Bourgon, Head of Retail Canada at Ivanhoe, to schedule a meeting for October 13, 2023. I understand that the meeting was attended by Mr. Putnam, Ms. Bourgon, Richard Baker, Governor, Executive Chairman & Chief Executive Officer of Hudson's Bay Company, Annie Houle, Managing Director, Real Estate, Canada at Ivanhoe, and Maxime Drouin-Allaire, Director, Asset Management at Ivanhoe, but other individuals may have been in attendance for various parts of the meeting as well. I was not in attendance at this meeting, but I understand from Mr. Drouin-Allaire and correspondence sent after the meeting that HBC was requesting a significant loan from Ivanhoe.

15. Based on the parties' discussions at this meeting and over the ensuing month or so, which I was directly involved in, it was clear to both HBC and Ivanhoe that HBC was interested in a cash injection or loan. Conversely, Ivanhoe wanted to end the Restrictive Development Covenants in the Original Leases and have shorter lease durations. HBC on the other hand wanted to keep the Restrictive Development Covenants in place if it

was able to meet its financial obligations to Ivanhoe and operate in good order across the Portfolio.

16. Of particular note in regard to the above, Ms. Bourgon wrote to Mr. Putnam in the course of the negotiations advising “Still need to find out how to protect from an insolvency perspective for the next 5 years until you can show stabilized financials, any ideas?”. A copy of this email is attached above as **Exhibit “L”**. Similarly, on November 7, 2023, Ms. Bourgon sent Mr. Putnam an email referring to a proposal that contained as a “condition precedent: amendment of the leases prior to the option’s election to protect from insolvency situation.” A copy of this email is attached above as **Exhibit “M”**.

17. Put simply, since HBC was clearly facing financial challenges and asking Ivanhoe to provide monetary support, Ivanhoe expressed that whatever structure the parties implemented needed to protect Ivanhoe in the event HBC was unable to stabilize its financial situation. This resulted, as explained in detail below, in the parties agreeing that new leases would be executed for certain Properties that did not include the Restrictive Development Covenants. If HBC operated in good order, including meeting its obligations across the Portfolio and not seeking insolvency protection, then the parties would replace the new leases with the Original Leases in the future. The reversion to the Original Leases was however conditional on HBC meeting several conditions at a chosen date in the future. This structure was chosen because it ensured that if HBC filed for insolvency protection, any leases for those Properties that were dealt with in the estate would be new leases that did not include the Restrictive Development Covenants and there would be no ability or right for the holder of such leases (HBC or otherwise) to revert back to the Original Leases in the future because the future conditions would not be met. Importantly,

HBC agreed to put in place the new leases and those are the leases that are in place between the parties. The Parties also recognized that the Original Leases would only be reverted to if HBC was able to satisfy all of the specified conditions in the future.

C. The Option Agreement

18. The final agreement was reached on November 13, 2023. The agreement was Portfolio-wide and had provisions regarding Properties in the Portfolio that are not relevant to the relief sought by the Applicants on this motion. For the purposes of this affidavit, the most important component of the agreement was that Ivanhoe had to exercise at least one of five options by February 3, 2024. A copy of the Option Agreement dated November 14, 2023 is attached to my Affidavit as **Exhibit "N"**.

19. Ivanhoe exercised the Saks Option by way of a formal notice of exercise to HBC on January 31, 2024. A copy of this notice is attached as **Exhibit "O"**.

20. On exercise, the Saks Option provided as follows:

(a) Ivanhoe paid $30MM to HBC.

(b) Each of the Sak's leases was amended to have a ten-year term and a total gross annual rent increase of $3MM distributed among the five Sak's stores at Ivanhoe's discretion, such distribution subject to change from time to time also at Ivanhoe's discretion, and no Restrictive Development Covenants (the "**Amended Sak's Leases**").

(c) HBC agreed that as a condition to Ivanhoe exercising at least one of the five options, the Mapleview, Guildford, Southgate, and Oshawa Centre

leases would be replaced with "**Current Leases**", each with a ten-year term (subject to one five-year renewal at Ivanhoe's discretion) and no Tenant Term Extensions or Restrictive Development Covenants, with the condition that the Current Leases would revert back to the Original Leases after five years unless an Event – addressed in more detail below – took place before November 13, 2028, in which case they would not revert on that date and the Current Leases and Amended Sak's Leases would stay in effect (the "**Conditional Reversion**").

21. The four Current Leases for Mapleview, Southgate, Guildford and Oshawa Centre are dated February 1, 2024. They are attached to this affidavit as **Exhibit "P"**, **Exhibit "Q"**, **Exhibit "R"**, and **Exhibit "S"**, respectively. The five Amended Sak's Leases for CrossIron Mills, Niagara, Place Ste-Foy, Vaughan Mills, and Winnipeg are also dated February 1, 2024. They are attached to this affidavit as **Exhibit "T"**, **Exhibit "U"**, **Exhibit "V"**, **Exhibit "W"**, and **Exhibit X"**, respectively.

22. Ivanhoe also agreed in the Option Agreement that notwithstanding the Current Leases or the Amended Sak's Leases, it would not breach any of the Restrictive Development Covenants that were in the Original Leases for the HBC Stores or the Sak's stores for the five-year period the Current Leases were in effect, unless an Event occurred. Standstill letter agreements were entered into for these nine Properties on or around February 1, 2024. The nine Standstill Agreements (the "**Standstill Agreements**") are attached to this affidavit as **Exhibit "Y"**, **Exhibit "Z"**, **Exhibit "AA"**, **Exhibit "BB"**, **Exhibit "CC"**, **Exhibit "DD**", **Exhibit "EE"**, **Exhibit "FF"**, and **Exhibit "GG"**, respectively.

D. The Conditional Reversion – sections 3.05 and 3.05(A) of the Current Leases – And the Events

23. The Conditional Reversion is contained in the four Current Leases (Mapleview, Southgate, Guildford and Oshawa Centre) and three Amended Sak's Leases at Ste-Foy, Niagara and Vaughan Mills.[14]

24. The termination of the Original Leases for these seven Properties and the possibility of the November 13, 2028, reversion back to the Original Leases are addressed in sections 3.05 and 3.05(A) of the Current Leases and the Amended Sak's Leases.

25. In sum, these sections provide that:

(a) the Original Leases were terminated effective January 31, 2024;

(b) The Current Leases will be replaced with the Original Leases on November 13, 2028 if, and only if, prior to that date HBC has not:

(i) defaulted under any of its monetary obligations past the applicable cure period in respect of any of the 11 Leases in the Portfolio, (the "**Cross-Default Event**")

(ii) become insolvent,

[14] The Conditional Reversion was meant to be in all five Amended Saks Lease. It is unclear to me why it is not express in section 3.05(A) in the two Amended Saks Leases at Winnipeg and CrossIron Mills, since it is contemplated in the Option Agreement and referred to in the Standstill Agreements for Winnipeg and CrossIron Mills (described in more detail below). I understand that that is not relevant for the purposes of this motion in any event, since the Amended Saks Leases are not included in the Central Walk APA.

(iii) committed an act of bankruptcy; or

(iv) become bankrupt.

(together the "**Events**")

26. This is the Conditional Reversion: the "condition" required for the reversion to occur is that none of the Events occur prior to November 13, 2028.

27. The arrangement with HBC was reached on a portfolio level and linked the various Properties/Leases to each other. Illustrative of this, on or around January 31, 2025, Ivanhoe sold its interests in Southgate and Oshawa Centre. At that time Primaris REIT assumed Ivanhoe's responsibilities as HBC's landlord at those two Properties pursuant to the Current Leases, which include sections 3.05 and 3.05(A). This meant that HBC defaulting under any of its monetary obligations at Southgate or Oshawa Centre would still constitute an Event such that the Conditional Reversion could not occur and all four Current Leases would remain in effect past November 13, 2028. Similarly, HBC defaulting under any of its monetary obligations at the nine properties where Ivanhoe remained landlord would have the same effect precluding any reversion to the Original Leases.

28. Ivanhoe provided the substantial payments that it did to HBC as part of an arrangement where the parties would only revert to the Original Leases if HBC continued to operate in good order and without disruption. Ivanhoe paid significant monetary consideration such that if HBC did not continue to operate across the portfolio in good order (i.e. all of the conditions were satisfied), then the Current Leases would remain. As explained above, Ivanhoe was concerned that HBC would become insolvent and included

the Conditional Reversion to protect itself in such an event. Ivanhoe also specifically negotiated for the cross-default provision to be included – since the Settlement was Portfolio-wide, it was important that the consequences also be Portfolio-wide so that HBC could not default under individual leases if it became advantageous to them, with no broader consequences.

29. HBC, as a sophisticated party, understood the potential value of the Restrictive Development Covenants in the Original Leases. HBC has in other instances, including the Metrotown Litigation discussed above, raised the restrictive covenants to secure payment for the release of the restrictive covenants in the leases. The Conditional Reversion is no different. HBC received monetary compensation to replace the Original Leases with the Current Leases and understood fully that the Original Leases were dead unless it continued to operate in good order across the Portfolio and did so consistently until November 13, 2028.

E. The Development Standstill

30. As explained above, notwithstanding the fact that the four Current Leases and the five Amended Sak's Leases did not contain the Restrictive Development Covenants that were in the Original Leases for those nine Properties, Ivanhoe agreed not to take any action that would breach the Restrictive Development Covenants in the nine Original Leases unless an Event occurred prior to November 13, 2028 (the "**Development Standstill**").[15] This was required on a practical level – if Ivanhoe started to develop any of the Properties but then the Conditional Reversion occurred in the future, Ivanhoe could

[15] While Metrotown and Anjou were not part of the Option Agreement and therefore do not have associated Standstill Agreements, a monetary default at Metrotown or Anjou still counts as an Event.

be in breach of the newly instated restriction. In sum, the Development Standstill is a covenant from Ivanhoe that it won't breach the Restrictive Development Covenants as long as an Event has not occurred. If an Event occurs, the Development Standstill terminates automatically, and Ivanhoe is no longer bound by it. This agreement is documented in the above noted Standstill Agreements.

F. HBC's Conduct After February 1, 2024 & Ivanhoe's Termination of the Standstill and Related Conditional Reversion

31. After Ivanhoe exercised the Saks Option on January 31, 2024, nine of the leases in the Portfolio were replaced: the four Current Leases, and the five Amended Saks Leases.

32. Beginning as early as 2023 and continuing past the exercise of the Option Agreement, HBC consistently paid its rent late across the Portfolio.

33. Rent was not due on the same day for all of the Leases, and the cure period varied between them as well. Under some Leases, rent was due 20 days following the end of the month, but under others, rent was due on the first day of the month. Under some Leases, the cure period was five business days after written notice, but under others, the cure period was 15 days after written notice.

34. When HBC did not pay its rent on the day it became due under the Leases, Ivanhoe would send written notices of default to HBC for each of the Properties. After receiving this written notice of default, HBC would consistently pay its rent on the last day of the applicable cure period for each of the Properties.

35. This went on until March of 2025. On March 1, 2025, HBC failed to pay the rent due on that day for the applicable Properties, and on March 2, 2025, Ivanhoe sent HBC a Notice of Default.

36. On March 7, 2025, Ivanhoe delivered a notice of default under the Standstill Agreements to HBC. As required by the terms of the Standstill Agreement, a copy was delivered to the Toronto office of HBC and the New York office of HBC, at 12:55 pm and 2:39 pm, respectively. A copy of this letter is attached to my Affidavit as Exhibit **"HH"**.

37. While the notice was delivered on this date, default occurred automatically under the Standstill Agreements on HBC failing to meet its obligations as they became due, which I understand must have occurred well in advance of this date. In this regard, based on my review of the material filed in the CCAA proceeding, HBC was unable to meet its obligations as they fell due for "many months" prior to March 7, 2025.[16]

38. I understand from the material filed by HBC that it formally sought protection under the *Companies Creditors Arrangement Act*, RSC 1985, c. C-36, as amended, on March 7, 2025. I do not know at what time this application was filed but believe it may have been after the close of business and believe it was after (not before) Ivanhoe delivered its notice of default and termination discussed above. In any event, this application appears to have been made well after HBC was unable to meet its obligation as they become due.

39. HBC did not notify Ivanhoe that it would be filing an application for this relief at any point before it filed.

---

[16] March 7, 2025 Affidavit of Jennifer Bewley at para 19.

40. Ivanhoe also sent, through its legal counsel, several letters to HBC raising the termination of the Development Standstill. These are attached as **Exhibit "II"**, **Exhibit "JJ"**, and **Exhibit "KK"**.

41. Ivanhoe has, through its counsel, requested various documents from the Applicants related to this matter. The requested documents include documents related to when the Applicants started to plan or first intended to file for creditor protection. This is relevant to when the Development Standstill automatically terminated and whether the Applicants were otherwise in breach of their obligations to Ivanhoe in advance of filing under the CCAA. Correspondence relating to these document requests is attached as **Exhibit "LL"**, **Exhibit "MM"**, and **Exhibit "NN"**.

42. Further, I note that even if the termination of the Standstill is found not to have occurred automatically prior to HBC filing for protection under the CCAA, it is important to understand that the Conditional Reversion to the Original Leases is a future event that has not happened, one way or the other. The business arrangement between HBC and Ivanhoe is premised on a series of conditions being met in the future and, if so, the Conditional Reversion to the Original Leases.

43. Those conditions are factual – not legal. The Conditional Revision is determined in the future based on what has happened in the past. One of the future conditions is that HBC has not filed for bankruptcy protection. From a business perspective, this clause relates back to the overarching purpose of the settlement which was structured on a portfolio basis having regard to the party's broader relationship and to ensure that Ivanhoe, which paid substantial amounts to HBC, was protected in the event of an

insolvency filing. This was clearly communicated to and understood by HBC. Ivanhoe is concerned that the Applicants are, in substance, seeking to wipe out of our agreements one of the factual bases for the future conditions by asking this Court to grant declaratory relief that makes it as if HBC never filed for insolvency. This is flatly inconsistent with the intent and purpose of the Conditional Reversion discussed above.

AFFIRMED BEFORE ME by video conference by Charles Saint-Pierre at the City of Montreal, in the Province of Quebec, before me at the City of Toronto, in the Province of Ontario, on August 9, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely

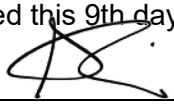
Charles Saint-Pierre

Anna White
Commissioner for Taking Affidavits
(or as may be)

CHARLES SAINT-PIERRE

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This is **Exhibit "A"** referred to in the Affidavit of **Charles Saint-Pierre** affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

58

101-1400-02D

GUILDFORD TOWN CENTRE

SURREY, B.C.

LEASE AGREEMENT

BETWEEN

LAING PROPERTY CORPORATION

and

HUDSON'S BAY COMPANY

DO NOT TAKE ORIGINAL APART
USE COPY IN FILE FOR PHOTOCOPYING

GUILDFORD TOWN CENTRE "BAY" DEPARTMENT STORE LEASE

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Site Plan Colours

Shopping Centre Lands	-	*outlined in ORANGE*
Tenant Department Store	-	*outlined in RED*
No Build Area	-	*outlined in BLUE*
Tenant Outdoor Selling Area	-	*shaded in RED*

LEASE

THIS LEASE is dated as of the 9th day of June, 1993

BETWEEN: LAING PROPERTY CORPORATION, a company incorporated under the laws of the Province of British Columbia
(hereinafter called the "Landlord")

OF THE FIRST PART

- AND - HUDSON'S BAY COMPANY, a company continued under the Canada Business Corporations Act,
(hereinafter called the "Tenant")

OF THE SECOND PART

WHEREAS:

A) The Landlord is the registered and beneficial owner in fee simple of that portion of the Shopping Centre Lands described in Schedule "A" hereto;

B) The Landlord leases that portion of the Shopping Centre Lands described in Schedule "A1" hereto from The T. Eaton Co. Limited pursuant to a ground lease between The T. Eaton Realty Company, Limited, as landlord, and Guildford Development Corporation Limited, as tenant, dated March 1, 1972 (as amended), for a term which expires on March 15, 1999, subject to a first renewal option of 13 years followed by six further renewal options of 10 years apiece (the "Ground Lease") which could extend the said term to March 15, 2072; and

C) This Lease and the respective covenants and agreements of the parties hereto are entered into by the parties in consideration of the rents, covenants and agreements herein contained.

ARTICLE 1

DEFINITIONS, SCHEDULES AND LANDLORDS REPRESENTATIONS

1.00 Definitions In this Lease the terms defined in this clause 1.00 are used with the meanings so defined, as follows:

1) ***Adjusted Gross Leasable Area"*** as applied to the Tenant Department Store means one hundred (100) percent of the Gross Leasable Area of any floor(s) directly connected to any Mall and fifty (50) percent of the Gross Leasable Area of any other floor thereof;

2) ***Common Facilities"*** means all areas, improvements and facilities in the Shopping Centre, both interior and exterior, which are appropriate and intended for common use by or benefit of the tenants and other occupants of the Shopping Centre (including the Tenant) and their employees, licensees and customers, including without limitation the Parking Facilities, common utilities and services, utility distribution systems benefiting more than one tenant, Mall and means of public access to the Shopping Centre and its component parts, but excludes all of the following: Retail Premises and portions thereof; any outdoor selling area, all kiosks in the Mall and any other portions of Parking Facilities and the Mall while being

used where expressly permitted under this Lease for retail selling and other private purposes; and all corridors, loading docks and truck receiving and delivery facilities, and electrical and mechanical vaults and rooms and facilities therein, which in each case are appropriate and intended predominantly for use only by one tenant or a limited group of tenants and its and their employees (except that the utility distribution systems shall not be excluded if serving more than one tenant);

3) ***"CPI"*** means the consumer price index as published by Statistics Canada (or a similar or replacement government agency or body), for all items excluding food items, for the City of Vancouver (or a comparable index should the aforesaid index cease to exist, with such adjustments in the replacement index as are reasonably necessary for comparison purposes, provided that, if no comparable index then exists, the parties shall, each acting reasonably, agree to a substitute index, failing which the matter shall be referred to arbitration);

4) ***"Effective Date"*** means June 9, 1993;

5) ***"Greater Vancouver Area"*** means the municipalities of Vancouver, North Vancouver, West Vancouver, Delta, Burnaby, Coquitlam, Richmond, Surrey and New Westminster;

6) ***"Gross Leasable Area"*** as applied to any interior rentable premises (including the Tenant Department Store) means the aggregate floor area thereof on each level expressed in square feet, calculated by measuring from the exterior face of all exterior walls, the centre line of all interior walls separating any leasable premises from adjoining leasable premises, and the exterior face of all other interior demising walls; and as applied to any facility in the Mall or any enclosed facility located on exterior Common Facilities used for retail selling or other private purposes, means the area occupied by such facility including in the case of a kiosk any surrounding area used in conjunction with or reasonably attributable thereto; but excluding all mezzanines, mechanical penthouses, elevator machine rooms, electrical and mechanical vaults and rooms and facilities therein;

7) ***"Gross Rent"*** means the annual rent reserved under Sections 4.00 and 4.01 of Article 4 hereof;

8) ***"Ground Lease"*** means the ground lease of that portion of the Shopping Centre Lands described in Schedule "A1" hereto and as more particularly described in Recital "B" hereto;

9) ***"Landlord"*** means Laing Property Corporation and its successors and assigns;

10) ***"Lease"*** means this lease as from time to time amended;

11) ***"Leased Premises"*** means the Tenant Department Store which is demised to the Tenant under this Lease, and includes where the context requires or permits (while, pursuant to the right of the Tenant to license or use and enjoy it, the Tenant is so occupying, using or enjoying it), the Tenant Outdoor Selling Area, all as provided in this Lease;

12) ***"Mall"*** means the enclosed pedestrian concourses, courts and arcades, which are and from time to time may be constructed as part of the Shopping Centre, and being part of the Common Facilities, as from time to time altered, reconstructed or expanded in accordance with the provisions of this Lease;

13) ***"Parking Facilities"*** means that portion of the Common Facilities which is from time to time intended and available for the parking of motor vehicles (whether at grade level or in parking decks or structures), as from time to time altered, reconstructed or expanded in accordance with the provisions of this Lease, and includes all improvements on the Shopping Centre Lands associated with parking

from time to time such as all curbs, lighting facilities, pavement, signs, entrances, exits, roads, ramps and other means of access to parking;

14) ***"Real Property Taxes"*** means any and all taxes (which includes rates, assessments, levies, charges and impositions), general or special, from time to time levied or imposed with respect to real property (including land, buildings, fixtures, and accessories and improvements to them) by municipal or other governmental authorities having jurisdiction, including without limitation such taxes levied or imposed for schools, public betterments, but the following shall be excluded: all general or local improvements charges related to a redevelopment or expansion of the Shopping Centre, all interest, fines or penalties for non-payment, and all taxes which are primarily of the nature of taxes on income, capital, business, place of business or otherwise personal to the taxpayer, and not primarily of the nature of taxes on real property;

15) ***"Retail Premises"*** means rentable premises used and occupied or designed to be used and occupied by businesses which provide goods or services to the public such as are commonly found at a mall level of a shopping centre and includes, without limiting the foregoing, in addition to retail stores (including department stores, food supermarkets, kiosks, theatres and fitness and recreational facilities) chartered banks, trust companies, dry cleaners, barber shops and restaurants and snack bars and commercial offices having frontage on the Mall, but for greater certainty excludes premises used for commercial office (other than those having frontage on the Mall), residential and hotel or motel purposes;

16) ***"Shopping Centre"*** means the Shopping Centre Lands and all the buildings and improvements from time to time erected thereon including all Common Facilities and all Retail Premises thereon, and the appurtenances thereto from time to time existing, together constituting the shopping centre known as "Guildford Shopping Centre";

17) ***"Shopping Centre Lands"*** means the lands which are the site of the Shopping Centre and shown outlined in ORANGE on the Site Plan (as such lands are more particularly described in Schedules A and A1 hereto);

18) ***"Site Plan"*** means the two plans-collectively annexed as Schedule B to this Lease; the first of which is the site and location plan of the Shopping Centre Lands and the improvements initially constructed thereon, and the second of which is a floor plan showing the outline of the levels of the Tenant Department Store;

19) ***"Tenant"*** means Hudson's Bay Company. and its successors and permitted assigns as tenant under this Lease;

20) ***"Tenant Department Store"*** means the department store building comprising approximately 162,723 square feet of Gross Leasable Area which has been constructed on the Shopping Centre Lands and is shown outlined in RED on the Site Plan, as such building may from time to time be altered, reconstructed or expanded in accordance with the provisions of this Lease (and which building shall include for greater certainty any fixed improvements on the roof thereof which are for the exclusive use of the Tenant);

21) ***"Tenant Outdoor Selling Area"*** means a portion of the area shaded in RED on the Site Plan (as such may be expanded pursuant to clause 16.00) within which the Tenant may locate and which it may from time to time use as an outdoor selling area pursuant to clauses 2.01 and 16.00;

22) ***"Term"*** means the entire term of this Lease including the original term as described under clause 3.00, every extension of the term as described under clause 3.01 resulting from the exercise of any of the Tenant's options thereunder, and any period of overholding to which clause 3.03 applies;

23) *"Unavoidable Delay"* means any prevention, delay, stoppage or interruption in the performance of any obligation of the parties hereunder due to strike, lockout, labour dispute, act of God, or the occurrence of fire or other casualty, condition or cause which is beyond the reasonable control of the party obligated to perform despite all reasonable efforts of such party to perform (but shall not include any inability to perform because of any lack of funds or any financial condition);

1.01 ***Schedules.*** The Schedules to this Lease form part hereof and are as follows:

Schedule A - Description of Shopping Centre Lands
Schedule B - Site Plan

1.02 ***Landlord's Representations.*** The Landlord warrants and represents to the Tenant that at the date of this Lease and the date of execution and delivery of the Lease:

1) The present construction of the Shopping Centre including the Tenant Department Store, the Common Facilities and Retail Premises therein, and the use of the various portions thereof for their intended purposes, in each case, to the best of the Landlord's knowledge and belief, does not contravene and is not prevented or restricted by any present provision of any statute, by-law, order or regulation of any governmental authority having jurisdiction or of any agreement to which the Landlord is a party or is bound;

2) The tenants and occupants of the Shopping Centre including the Tenant and their respective employees and those having lawful business with them, including customers, have legal pedestrian and vehicular access to the Shopping Centre and their respective premises therein, and such access, to the best of the Landlord's knowledge and belief, is not prevented or restricted by any statute, by-law, order or regulation of any governmental authority having jurisdiction or of any agreement to which the Landlord is a party or is bound;

3) The Landlord is the registered and beneficial owner of that portion of the Shopping Centre Lands described in Schedule "A" hereto and has a leasehold interest in that portion of the Shopping Centre Lands described in Schedule "A1" hereto, and its respective freehold and leasehold titles thereto are good and marketable and subject to no encumbrances which materially and detrimentally affect the Tenant's interest under this Lease;

4) There are no restrictions imposed by law or by private agreement binding upon the Landlord which conflict with the rights of the Tenant under this Lease.

1.03 ***Landlord's Covenants for Priority of Lease*** The Landlord shall, within thirty (30) days after the execution and delivery of this Lease, obtain from all holders of existing mortgages and similar encumbrances registered on title to the Shopping Centre Lands, and will obtain from any future mortgagees or holders of similar encumbrances which may be registered on title to the Shopping Centre Lands before a copy of this Lease or a memorial or caveat thereof is so registered, a written agreement in favour of and in form satisfactory to the Tenant whereby the holder of any such mortgage or similar encumbrance consents to this Lease and acknowledges the priority of the Lease over its own mortgage or encumbrance, or agrees to be bound by the terms and conditions of this Lease and agrees to do no act or thing which shall disturb the Tenant's possession of the Tenant Department Store for any reason other than one which would entitle the Landlord to terminate this Lease in accordance with the provisions hereof.

ARTICLE 2

DEMISE AND GRANT OF RIGHTS

2.00 ***Demise of Tenant Department Store.*** The Landlord leases the Tenant Department Store to the Tenant for the Term, upon and subject to the covenants and provisions expressed in this Lease, together with the benefit of all rights and privileges granted to the Tenant by this Lease.

2.01 ***Right to Tenant Outdoor Selling Area.*** The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this Lease, the exclusive right and license at any time and from time to time during the Term and not terminable by the Landlord during the Term (but subject always to the provisions of clause 16.01), to occupy and use the Tenant Outdoor Selling Area.

2.02 ***Rights to Common Facilities.*** The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this Lease, for use by the Tenant and its employees and those having lawful business with it including its customers, in common with the Landlord and other occupants of the Shopping Centre only and their respective employees and those having lawful business with them including their customers, the right and license during the Term, and not terminable by the Landlord during the Term, to use the Common Facilities for the purposes for which such Common Facilities are intended and provided; and in particular, without limiting the generality of the foregoing, such right and license of use shall include:

1) The right to use the Parking Facilities (including the means of pedestrian and vehicular access and the entrances and exits to and from the Shopping Centre included therein, but excluding those portions of the Parking Facilities which are occupied by the Tenant Outdoor Selling Area and other outdoor selling areas recognized or permitted under clause 17.01 of this Lease, while so occupied) for the purpose of pedestrian and vehicular access to, from and within the Shopping Centre and the parking of vehicles in parking spaces provided therein;

2) The right to pedestrian passage and re-passage through every portion of the Mall (excluding those portions thereof which are occupied by kiosks permitted under this Lease while so occupied) for the purpose of access to or from every portion of the Shopping Centre including the Tenant Department Store;

3) The right to the use and benefit of utilities and services as have been or may be provided by the Landlord, in accordance with the provisions of this Lease;

4) The right to use the corridors, entrances to and exits from buildings, public washrooms and all other facilities provided for common use and enjoyment as part of the Common Facilities; and

5) The exclusive right to use the truck standing area which is adjacent to and is used in conjunction with the receiving facilities of the Tenant Department Store, for the purpose of the standing of motor vehicles, trailers and garbage compactors and access to and from such receiving facilities.

ARTICLE 3

TERM, EXTENSIONS AND RIGHT OF TERMINATION

3.00 ***Original Term.*** The original term shall be for twenty (20) years commencing on the Effective Date.

3.01 ***Extensions.*** The Tenant shall have the options:

(1) first, to extend this Lease for a first extension term of ten (10) years commencing on June 9, 2013, immediately after the expiration of the original term referred to in clause 3.00, and

(2) second, if such first option shall have been exercised, to further extend this Lease for a second extension term of ten (10) years commencing on June 9, 2023, immediately after the expiration of the first extension term, and

(3) third, if such second option shall have been exercised, to extend this Lease for a third extension term of ten (10) years commencing on June 9, 2033, immediately after the expiration of the second extension term, and

(4) fourth, if such third option shall have been exercised, to extend this Lease for a fourth extension term of ten (10) years commencing on June 9, 2043, immediately after the expiration of the third extension term, and

(5) fifth, if such fourth option shall have been exercised, to extend this Lease for a fifth extension term of ten (10) years commencing on June 9, 2053, immediately after the expiration of the fourth extension term, and

(6) sixth, if such fifth option shall have been exercised, to extend this Lease for a sixth extension term of ten (10) years commencing on June 9, 2063, immediately after the expiration of the fifth extension term, and

(7) seventh, if such sixth option shall have been exercised, to extend this Lease for a seventh extension term, of ten (10) years commencing on June 9, 2073, immediately after the expiration of the sixth extension term and finally expiring on June 8, 2083.

Unless this Lease shall have been sooner terminated pursuant to clauses 3.04, 12.00(3), 24.00, 24.01 or 24.02, an option granted to the Tenant by this clause 3.01 shall be deemed to have been exercised by the Tenant, without the need for any written notice of exercise or other notice or action by the Tenant, unless the Tenant gives notice to the Landlord that it does not desire to exercise such option of extension, which notice of non-exercise by the Tenant shall be given not later than twelve (12) months prior to the end of the original term in the case of the first of such options, or not later than twelve (12) months prior to the end of the then current extension term in the case of any of the six subsequent options (and in which event only, such option shall be deemed not to have been exercised, the Term shall expire at the expiration of the original term or the then current extension term, as the case may be, and there shall be no further or other right of the Tenant to exercise any such option).

All of the covenants, conditions and provisions of this Lease, including the stipulation as to rent and other payments and contributions by the Tenant hereunder, shall apply during each extension term specified in this clause 3.01, except that there shall be no options to extend beyond the seventh extension option provided for in this clause 3.01, and any provision which expressly has application only during the original term shall not apply during any extension term.

3.02 *INTENTIONALLY DELETED*

3.03 ***Overholding.*** If the Tenant shall remain in possession as an overholding tenant after the original term or any extension term, save pursuant to an extension term which has been deemed to have been exercised or other agreement between the Landlord and the Tenant, the Tenant shall be deemed to be a tenant from month to month at a monthly rental equal to one-twelfth (1/12th) of the annual basic rent payable in the last year of the

Term immediately preceding such overholding and otherwise upon all the terms and provisions of this Lease, modified as is appropriate to such a monthly occupancy.

3.04 ***Tenant's Right to Terminate.*** During the Term if any restrictive covenant or zoning or other by-law or municipal or other governmental regulation shall have taken effect which would (i) prevent the operation of the Shopping Centre as a shopping centre, or (ii) prevent reasonable access thereto in the manner contemplated by this Lease so as to preclude the operation of the Tenant Department Store as a department store, or (iii) prevent the use of the Tenant Department Store as a department store and the Landlord shall not have commenced to rectify such situation within 60 days and thereafter is not proceeding actively and diligently to so rectify the Tenant may terminate this Lease upon notice to the Landlord. Whether or not the Landlord is attempting to so rectify, if such is not rectified within 550 days, such right of termination shall be exercisable. For greater certainty, if such operations or use may be continued as a legal non-conforming use, then such by-law or regulation shall be deemed not yet to have taken effect until such operations or use may not be continued, and the parties hereto hereby further acknowledge and agree that, in the event that the Tenant does or omits to do any act or thing which destroys or effectively ends any such legal non-conforming use, the Tenant shall not be able to exercise any right to terminate granted to the Tenant under this clause 3.04 by reason of such legal non-conforming use having been so terminated.

ARTICLE 4

RENT

4.00 ***Amount of Gross Rent for Tenant Department Store.*** From and after the Effective Date and throughout the first fifty (50) years of the Term the Tenant covenants to pay annual Gross Rent equal to $7.50 per square foot per annum of the Gross Leasable Area of the Tenant Department Store, subject to the adjustment of Gross Rent provided in clause 4.01 of this Article 4.

For the balance of the Term occurring after the first fifty (50) years of the Term, the annual Gross Rent shall be mutually agreed between the Landlord and the Tenant no later than the commencement of the fifty-first year of the Term, based upon the then current fair market rent for similar premises intended for department store usage, as if such premises were unimproved, provided that, if the Landlord and the Tenant are unable to agree on such Gross Rent, the matter shall be determined by arbitration in accordance with the provisions of Clause 22.01 of this Lease, based upon the same fair market rent criteria as hereinbefore described.

4.01 ***Gross Rent Adjustment*** Commencing at the commencement of the fourth year of the Term and at the commencement of every third year thereafter up to and including the forty-eighth (48th) anniversary of the Effective Date, the following calculation shall be made and, to the extent that the calculation results in a positive amount, such amount shall also be payable as Gross Rent by the Tenant, per square foot of Adjusted Gross Leasable Area of the Leased Premises, for the year in which the calculation is to be made and for each of the subsequent two years;

$$\$1.25 \times \frac{CPI_2 - CPI_1}{CPI_1}$$

where CPI_1 is the CPI as of the Effective Date and CPI_2 is the CPI as of the date on which the adjustment is to be made. Such annual amount per square foot of the Adjusted Gross Leasable Area of the Leased Premises if hereby defined as the "Adjustment" for the purposes of clause 6.00 of this Lease.

For the sake of clarity, the parties hereto hereby acknowledge and agree that the last such adjustment shall occur on the 48th anniversary of the Effective Date.

On or before thirty (30) days after each succeeding three-year anniversary date of the Effective Date throughout the Term, up to and including the forty-eighth (48th) such anniversary date, the Landlord shall advise the Tenant in writing of the actual adjustment to be made hereunder, using the formula hereinbefore set out.

4.02 ***Payment of Rent.*** Gross Rent in the amounts contemplated by clauses 4.00 and 4.01 shall be paid in lawful money of Canada to the Landlord at such place in Canada as the Landlord may from time to time direct in writing. Gross Rent shall be payable (a) by equal monthly instalments in advance on the first day of each calendar month, except that Gross Rent payable for any broken portion of a calendar month (at the commencement or expiration of the Term) shall be appropriately adjusted for, being calculated at a rate per day equal to 1/365th of the applicable Gross Rent for the broken portion of the calendar month involved, and (b) without any previous notice or demand of the Landlord, and without any abatement, set-off or deduction whatsoever except as specifically provided for in this Lease.

4.03 ***Additional Rent.*** In addition to the Gross Rent referred to in clauses 4.00 and 4.01, all sums of money required to be paid by the Tenant to the Landlord under this Lease and whether or not such sums of money are expressed or referred to as being rent, shall, when in default, be deemed to be additional rent and payable and recoverable as rent.

4.04 ***No Gross Rent for Tenant Outdoor Selling Area.*** It is understood that no Gross Rent (of the type referred to in clause 4.00) shall be payable by the Tenant during the Term in respect of its use and occupancy of the Tenant Outdoor Selling Area.

ARTICLE 5

GENERAL COVENANTS

5.00 ***Covenants of Tenant.*** The Tenant covenants with the Landlord:

(1) to pay when due the rent stipulated in Article 4 in the amount and manner therein provided, and all other sums from time to time due to the Landlord under this Lease; and

(2) to observe and perform all the covenants and obligations of the Tenant under this Lease.

5.01 ***Covenants of Landlord.*** The Landlord covenants with the Tenant:

(1) for quiet enjoyment; and

(2) to observe and perform all the covenants and obligations of the Landlord under this Lease.

ARTICLE 6

OCCUPANCY OF LEASED PREMISES

6.00 ***Uses of Leased Premises and Operating Covenant.*** The Tenant covenants that, except with the prior consent of the Landlord:

(1) the Tenant Department Store, while being operated, shall be operated as a department store consistent with the standards of other department stores operated by the Tenant in the Province of British Columbia and, in any event, shall not be used in whole or in part for (i) the operation of a bank or financial institution (provided that such restriction shall not prevent the Tenant from installing and operating automated banking machines in the Tenant Department Store); or (ii) the operation of a food supermarket (provided that such restriction shall not prevent the Tenant from using the Tenant Department Store for the sale of such food products as are generally sold in the other department stores operated by the Tenant in the Province of British Columbia from time to time);

(2) the Tenant Outdoor Selling Area, while used and occupied by the Tenant, may be used and operated only for the sale at retail of any type or types of merchandise permitted to be sold in the Tenant Department Store, including without limitation garden supplies and recreational and sports equipment.

The Tenant covenants that, subject to Unavoidable Delay, the Tenant Department Store shall be continuously operated as a department store throughout the first twenty (20) years of the Term, provided that, if, at any time during the said twenty-year period:

i) the Landlord ceases to operate the Shopping Centre as a first-class regional shopping centre, as provided under clause 7.00 of this Lease; or

ii) there is no department store in Shopping Centre having a Gross Leasable Area in excess of 50,000 square feet, other than the Tenant Department Store, which is occupied and open to the public for business; or

iii) more than forty percent (40%) of the Gross Leasable Area of all Retail Premises in the Shopping Centre, excluding the Tenant Department Store and any other department store in the Shopping Centre having a Gross Leasable Area in excess of 50,000 square feet, cease to be occupied and open to the public for business;

the Tenant may elect to close the Tenant Department Store for so long as one or more of the aforesaid conditions continues or continue by providing 180 days' prior written notice of such closure to the Landlord, provided that such notice of closure shall become null and void and of no further legal effect and the Tenant shall not close the Tenant Department Store if the Landlord shall rectify the said deficiency or deficiencies giving rise to the Tenant's notice of closure at any time within the said 180 day notice period.

If the Tenant closes the Tenant Department Store at any time during the first twenty (20) years of the Term while any of the conditions set out in subparagraphs (i), (ii) and (iii) of this clause 6.00 prevails or prevail, then, for so long as the condition or conditions giving rise to the Tenant's closure of the Tenant Department Store prevail and the Tenant Department Store remains closed, the Gross Rent and the Adjustment thereof stipulated in clauses 4.00 and 4.01 of Article 4, all Real Property Taxes payable by the Tenant under Article 9 and all other sums payable by the Tenant to the Landlord under this Lease shall abate entirely, and the Tenant shall not be required to re-open the Tenant Department Store for business with the public during the balance of the first twenty (20) years of the Term until six (6) months after the condition or conditions giving rise to the Tenant's closure of the Tenant Department Store has or have ceased to prevail.

For so long as the Tenant Department Store remains open for business with the public while any of the conditions set out in subparagraphs (i), (ii) and (iii) of this clause 6.00 prevails or prevail, then, in lieu of paying the Gross Rent and the Adjustment thereof pursuant to clauses 4.00 and 4.01 of Article 4 of this Lease, the Tenant shall pay to the Landlord during such period of operation of the Tenant Department Store a percentage rent equal to two percent (2%) of the gross retail sales (as hereinafter defined) made in the Leased Premises during the said period, provided that the amount of percentage rent so paid by the Tenant shall at no time exceed the amount of the Gross Rent and the Adjustment thereof that would otherwise have been paid pursuant to clauses 4.00 and 4.01 of Article 4 hereof during the said period had such condition or conditions not prevailed, and further provided that such percentage rent shall be payable monthly, in arrears, within ten (10) days after the end of each month or comparable accounting period. For the purposes of this clause 6.00, the term "gross retail sales" shall mean and include all sales of merchandise and services made in the Leased Premises, including the net amounts received as a result of sales of merchandise dispensed from machines and services provided by machines and including all orders for merchandise and services taken on the Leased Premises to be filled elsewhere, without any deduction for uncollected or uncollectible credit accounts. But the following items shall be excluded in calculating such gross retail sales:

a) all credits and refunds made to customers for merchandise returned or lost or found defective;

b) all receipts from service devices, such as public telephones, public toilets, weighing machines, stamp machines, banking machines and lockers;

c) all discounts allowed on the purchase of merchandise by charitable organizations or by the Tenant's employees or by others to whom the Tenant shall allow discounts;

d) all interest and service charges on sales of merchandise or services made on credit;

e) all accounts or credits received in settlement of claims for loss of or damage to merchandise and for merchandise transferred to other stores of the Tenant or returned to manufacturers or jobbers;

f) all taxes based upon the gross receipts of the Tenant or upon the sale or sale price of merchandise or services and which must be paid by the Tenant or collected by the Tenant from customers, whether or not such taxes are included in the price shown to the customer or are added separately, whether or not the same be commonly known as "sales tax" or "goods and services tax", and whether or not imposed in virtue of any existing or future law or ordinance;

g) for any services provided from the Leased Premises which the Tenant or its licensee or concessionaire receives a commission from a third party dealing at arm's length for the providing or sale of such services, all receipts from customers of such services will be excluded from gross retail sales, but there shall be included as gross retail sales the amount of any such commissions earned. Included in such services, without limitation are:

i) a post office
ii) a ticket office for the sale of tickets to entertainment events
iii) a travel agency
iv) a financial services department, and
v) a lottery ticket outlet;

h) all receipts from the sale of the Tenant's gift certificates (provided that the value of any gift certificates redeemed in the demised premises for merchandise shall be included in gross retail sales).

For the purpose of enabling the Landlord to ascertain the amount of percentage rent payable hereunder the Tenant shall monthly, within ten (10) days of the end of each month, furnish the Landlord with a statement certified by an officer of the Tenant showing the gross retail sales made in the Tenant Department Store during the said monthly period.

6.01 ***Hours of Business.*** From and after the Opening Date and during the Term the Tenant, if obliged under clause 6.00 to be open for business, shall be open to the public for business in the Leased Premises during at least those minimum hours of business for the Shopping Centre as may from time to time be established by the regulations of the Landlord, provided that such regulations shall be reasonable, of uniform application and consistent with the provisions of this Lease, and that nothing herein shall require the Tenant Department Store to be open during hours other than those which have been generally established by the Tenant for the operation of its department stores in the Province of British Columbia, or the Leased Premises to be open for business during public holidays or when prevented by law or other legal restriction or by Unavoidable Delay; in addition, nothing herein shall prevent the Leased Premises from being open for business during those hours permitted by law and the Tenant may be so open during such hours. The Landlord shall consult periodically with the Tenant with regard to Shopping Centre hours of business and give reasonable consideration to the suggestions and recommendations of the Tenant pertaining thereto, and shall give reasonable notice to the Tenant of any change from time to time in the Landlord's regulations pertaining to Shopping Centre hours of business.

6.02 ***Display Window Lighting.*** While the Tenant is occupying and operating the Tenant Department Store for the use contemplated in clause 6.00 hereof, the Tenant shall keep any display and other windows of the Tenant Department Store suitably illuminated during the aforesaid Shopping Centre hours of business.

6.03 ***Nuisance, etc.*** The Tenant shall not use or permit any part of the Leased Premises to be used in such a manner as to cause a nuisance or cause or permit any annoying noises, vibrations or odours (having regard to the purposes for which the various portions of the Leased Premises are permitted to be used). The Tenant shall not permit any debris or refuse to accumulate in the Leased Premises, but shall cause the same to be stored in suitable receptacles and regularly removed. The Tenant will not permit to be stored in or about the Leased Premises any dangerous or inflammable thing to which the insurers of the Tenant or of the Landlord have reasonable cause for objection, having due regard to the purposes for which such parts of the Leased Premises are permitted to be used, and if the Tenant shall breach this provision the Landlord shall have the right (without limiting any other remedy it may have) to recover the amount of any additional premium cost incurred by the Landlord as a result of such breach.

6.04 ***Receiving and Shipping.*** The Tenant shall not load or unload any merchandise, supplies or other materials or any debris or refuse except in the truck receiving area forming part of the Tenant Department Store, but this shall not apply to manual deliveries or shipments of small parcels to and from the Leased Premises where it is not practical or desirable to handle them through such receiving area so long as there is no obstruction of any entrances or of the Mall.

6.05 ***Merchandising Activities in Common Facilities.*** The Tenant shall not carry on any merchandising activities or display any merchandise in the Common Facilities, other than as part of a promotion approved by the Landlord, such approval not to be unreasonably withheld.

6.06 ***Heating and Air-Conditioning.*** The Tenant shall at its own expense heat and air-condition the Tenant Department Store (other than portions thereof which are not designed to be heated or air-conditioned) whenever reasonably required from time to time and in such manner that there will be no direct or indirect appropriation of heating or cooling from the Mall, but subject to Unavoidable Delay, and maintain, repair and replace the systems for heating and air-conditioning the Tenant Department Store as required for the purpose.

6.07 ***Additional Common Facilities Operating Costs.*** If and whenever the Leased Premises or any part thereof are to be open for business during any hours which are not within the general hours of business for the Shopping Centre as established pursuant to clause 7.01 and such hours are in excess of those observed by the Tenant in a majority of its similar stores in the Province of British Columbia, the Tenant shall give reasonable prior notice to the Landlord. If the Leased Premises or any part thereof are so open for business the Landlord may require the Tenant to reimburse to the Landlord the incremental cost (or an equitable part thereof based upon Gross Leasable Area, if other occupants of rentable premises of the Shopping Centre shall similarly have remained open for business) incurred by the Landlord in operating the Common Facilities during the extra hours involved resulting therefrom.

6.08 ***Landlord's Right of Termination.*** If, at any time during the first twenty (20) years of the Term, the Tenant should elect to close the Tenant Department Store, as permitted pursuant to the provisions of clause 6.00 hereof, and should the condition or conditions which so entitle the Tenant to elect to close the Tenant Department Store not be caused by the damage or destruction of the Shopping Centre, then the Landlord shall have the right, while the Tenant Department Store remains closed as aforesaid, to terminate the Lease by providing six (6) months' prior written notice of termination to the Tenant, provided that such notice shall become null and void and of no further legal effect and the Lease shall not terminate if the Tenant should re-open the Tenant Department Store for business with the public at any time within the said six-month notice period.

ARTICLE 7

OPERATION OF SHOPPING CENTRE

7.00 ***Standards of Operation.*** Throughout the first twenty (20) years of the Term, subject only to Unavoidable Delay, the Landlord shall cause the Shopping Centre to be continuously managed, operated and maintained as a first-class regional shopping centre in accordance with the then standards of operation and maintenance which have been adopted by other first-class regional shopping centres of similar size in the Province of British Columbia.

Throughout the Term, and without limiting the generality of the foregoing, the Landlord shall:

(1) maintain or cause to be maintained at the Shopping Centre a management office and a competent full-time manager (or part-time if consented to by the Tenant, such consent not to be unreasonably withheld) and a sufficient staff of management, operating and maintenance personnel to perform the proper management, promotion, maintenance and operation of the Shopping Centre;

(2) keep or cause to be kept the Shopping Centre including the Mall, Parking Facilities and all other Common Facilities (including without limitation all landscaped areas), and all buildings and improvements thereon other than the Leased Premises, clean, tidy and well maintained, and in this connection maintain in force and take all reasonable action to

enforce provisions of all leases to tenants of the Shopping Centre requiring such tenants to keep their respective premises clean, tidy and well maintained;

(3) take all such action as may reasonably be required to prevent any use of or conduct of any business or activity in any premises in the Shopping Centre which contravenes any provision of this Lease (including Article 14) or which is a nuisance or annoyance or is not in keeping with the standards of the best regional shopping centres, and to prevent any other activity in the Shopping Centre which is not in keeping with the character of the Shopping Centre, or the display of any signs or advertising in respect of any such prohibited use, business or activity;

(4) prohibit any promotions or any display or sale of merchandise in the Common Facilities or in any other place in the Shopping Centre outside the confines of Retail Premises therein, other than:

(i) in the Tenant Outdoor Selling Area and other outdoor selling areas expressly permitted hereunder, and

(ii) the sale of merchandise (which merchandise shall be complementary to the merchandise then being sold at the Shopping Centre) as part of any general temporary shopping centre promotion which is funded or otherwise approved by any merchants' association or promotion fund formed in or for the Shopping Centre or which is otherwise provided for the general benefit of the Shopping Centre; and

(5) implement and enforce a Landlord's exterior sign policy applicable to all tenants of the Shopping Centre as contemplated by clause 23.01, and prohibit and prevent all signs in the Common Facilities other than signs which are consistent with the Landlord's sign policy.

7.01 Hours of Business. The Landlord shall use its continuing and diligent efforts to cause the whole or substantially the whole of the Shopping Centre to be open for business on those days which are consistent with the requirements of a first-class regional shopping centre and during at least those hours during which other similar shopping centres in the Greater Vancouver Area are open for business. The Landlord shall use its continuing and diligent efforts to cause as many tenants of the Shopping Centre as possible, and at least substantially all of the other merchandising tenants on the Mall, to remain open for business during such established hours of business, subject to Unavoidable Delay.

7.02 Mall. The Landlord shall maintain and operate or cause to be maintained and operated the Mall and have it and the entrances and other means of access thereto open during all hours when the Shopping Centre is open for business pursuant to clause 7.01 and shall cause the Mall to be properly lighted and heated and air-conditioned during such hours as may be required so as to maintain therein reasonable standards of comfort, subject only to Unavoidable Delay.

7.03 Parking Facilities. Throughout the Term, the Landlord shall cause the following requirements with respect to the Parking Facilities to be complied with:

(a) The Parking Facilities shall be kept:

(i) maintained and operated and open, including the means of access thereto, at all times when the Shopping Centre or the Tenant Department Store is open for business;

(ii) adequately lighted whenever required to facilitate their use during hours of darkness;

(iii) with parking spaces and aisles properly striped and otherwise marked and with the appropriate traffic and direction signs;

(iv) with adequate supervision of the flow of traffic therein whenever reasonably required and otherwise policed and supervised in accordance with the standards of the best shopping centres;

(v) free of refuse and debris and with all appropriate measures taken to keep them reasonably free of snow and ice during winter months; and

(vi) with whatever steps being taken as are appropriate and reasonable to prevent the use of the Parking Facilities either for any purpose not permitted hereunder (such as by commuters in the area using the Parking Facilities while travelling on the public transit system) or by persons other than the Landlord, occupants of the Shopping Centre and their agents, employees, invitees and customers (and in particular in order to prevent the use of the Parking Facilities by commuters).

(b) No charges shall be imposed for the use of parking spaces in the Parking Facilities without the consent of the Tenant, but the Tenant will not unreasonably withhold its consent to a moderate charge for the use of parking spaces where the Landlord has established that such is the common practice in shopping centres in the City of Surrey similar in size to the Shopping Centre, that the charges are necessary to control parking, secure turnover and discourage non-customer parking, and that the imposition of parking charges would not injuriously affect the business conducted in the Shopping Centre.

(c) The Landlord shall at all times maintain or cause to be maintained sufficient parking spaces to:

(1) meet all legal requirements as they now exist, in respect of present construction on the Shopping Centre Lands and, in the event of future construction on the Shopping Centre Lands, cause to be met all the then applicable legal requirements for the whole of the Shopping Centre in respect of such future construction, and

(2) maintain not fewer than 5.0 parking spaces for each 1,000 square feet of Gross Leasable Area in the Shopping Centre (excluding any outdoor selling areas and provided that, in computing the number of parking spaces, any parking spaces displaced by outdoor selling areas permitted by this Lease may be included) together in every case with adequate means of access thereto. A "parking space", wherever referred to in this Lease, is subject to all legal requirements therefor being met.

7.04 ***Landlord's Rules and Regulations.*** The Landlord may from time to time establish reasonable rules and regulations pertaining to the operation of the Shopping Centre, which shall not be inconsistent with the terms of this Lease. Subject to the foregoing, the Tenant shall comply with such rules and regulations so long as the same are reasonably generally enforced throughout the Shopping Centre. The Landlord shall use its reasonable efforts to enforce or cause to be enforced such rules and regulations.

7.05 ***Employee Parking.*** The Landlord shall designate, with the approval of the Tenant (such approval not to be unreasonably withheld or unduly delayed), a remote area or areas within the Parking Facilities for use by employees of the Tenant and other tenants and occupants of the Shopping Centre. The Tenant shall inform its employees of such areas and shall instruct its employees to park only in areas specifically designated for such purpose from time to time by the Landlord. The Landlord shall use its reasonable efforts

to cause all other tenants of the Shopping Centre and their employees, and the Tenant shall use its reasonable efforts to cause its employees, to park only in such designated areas, including the incorporation of a provision to this effect in all new leases to tenants of the Shopping Centre. Where both the Landlord and Tenant agree, such areas may be located outside of the Shopping Centre Lands during peak periods of retail shopping, such as during the period from November 15 to December 31 in each year (provided that the Landlord shall not be required to provide such off-site parking).

ARTICLE 8

UTILITIES AND SERVICES

8.00 ***Utilities and Services***. During the Term:

(1) the Landlord shall provide any electrical service, telephone and other communication facilities, water, gas, and storm and sanitary sewers (but only water and electrical services for the Tenant Outdoor Selling Area) required by the Tenant for the Leased Premises which are in addition to those which the Landlord provided when the Leased Premises were initially constructed and open for business, if, as and when from time to time reasonably required by the Tenant for the conduct of the Tenant's business in the Leased Premises and each and every part thereof;

(2) the Landlord shall at all times cause such repairs to be performed to those portions of the services and utilities systems serving the Leased Premises which are not contained within the boundaries of the Leased Premises and do all other acts and things as may be necessary to ensure the continuous availability and adequate capacity of such utilities and services, subject only to Unavoidable Delay;

(3) the Landlord shall grant such easements to or make such other arrangements with the utilities and services as shall facilitate the provision of such utilities and services to the Tenant;

(4) if the Tenant shall at any time require a utility or service which is in addition to those provided for and contemplated above, the Tenant shall provide it or arrange for it to be provided at its own expense, and the Landlord will not unreasonably withhold its permission for an easement, servitude or other arrangement appropriate to enable such utility or service to be brought to the Leased Premises;

(5) the Tenant shall be responsible for the payment of consumption and user charges due to public utilities or services or other suppliers for any electricity, water or other services or utilities actually consumed or used by the Tenant;

(6) the Tenant shall have the right to install (including installation prior to the commencement of the Term), and the right and obligation to maintain, repair, operate and replace on the roof of the Tenant Department Store such mechanical, electrical, plumbing, telecommunication, heating, ventilation and air-conditioning equipment and facilities and such other systems as are required by the Tenant in the operation of the Tenant Department Store.

ARTICLE 9

TAXES

9.00 ***Tenant's Taxes.*** The Tenant shall pay or cause to be paid:

(1) all Real Property Taxes imposed during the Term in respect of or attributable to the Tenant Department Store and the land thereunder, and (for the period in each year while actually being used and until such time as the Tenant shall have abandoned its use thereof) the Tenant Outdoor Selling Area and the land thereunder, including in each case all the buildings and improvements constructed thereon and all the fixtures and equipment constructed and used by the Tenant or its assignees, subtenants or concessionaires thereon; if there are separate assessment(s) of and separate tax bills for the Leased Premises or any part thereof in the manner contemplated by this Lease, such Real Property Taxes for which there are such separate assessments will be paid directly by the Tenant to the taxing authority or authorities having jurisdiction; otherwise such shall be payable to the Landlord and taxing authority jointly; and

(2) to the taxing authority or authorities having jurisdiction all business taxes imposed during the Term by municipal or other governmental authorities having jurisdiction in respect of the business and activities carried on by the Tenant and its assignees, subtenants and concessionaires in the Tenant Department Store and (until such time as the Tenant shall have abandoned its use thereof) the Tenant Outdoor Selling Area, including in each case all the buildings and improvements constructed thereon and all fixtures and equipment constructed and used by the Tenant or its assignees, subtenants or concessionaires thereon, and in respect of the use of the Common Facilities by the Tenant, its assignees, subtenants and licensees and concessionaires.

All Real Property Taxes and business taxes which the Tenant is obligated to pay or cause to be paid hereunder, including each and every instalment thereof, shall be paid when due to the Landlord or the appropriate taxing authority as the case may be subject only to the right of the Tenant to defer or permit to be deferred payment thereof in certain circumstances as provided by clause 9.03, and subject also to any delay necessitated by the requirement that the amount of Real Property Taxes payable by the Tenant must be ascertained pursuant to clause 9.02 where the appropriate separate assessments and tax bills are not available. The Tenant shall also pay or cause to be paid all penalties and interest imposed with respect to arrears of such payments to the extent such are levied by the taxing authority if such are not paid by the Tenant in accordance with the foregoing requirements. Whenever reasonably requested by either the Landlord or the Tenant, receipts or other appropriate evidence as to the due payment of such Real Property Taxes and business taxes shall be exhibited to either the Landlord or the Tenant as the case may be. In the event that the Tenant shall fail to pay or cause to be paid any Real Property Taxes or business taxes payable under this clause 9.00 when due, the Landlord, after written notice to the Tenant and if the Tenant shall fail to pay or cause to be paid the same within fifteen (15) days after receipt of such notice, may pay the same and the amount so paid by the Landlord shall be forthwith repaid by the Tenant to the Landlord.

9.01 ***Landlord's Taxes.*** The Landlord shall pay or cause to be paid:

(1) all Real Property Taxes in respect of the Shopping Centre (except those payable by the Tenant directly to taxing authorities pursuant to paragraph (1) of clause 9.00); and

(2) all business taxes (including taxes for the supply of utilities and services to Retail Premises other than the Leased Premises and other taxes personal to tenants and other occupants of the Shopping Centre other than the Tenant capable of constituting a lien against the Shopping Centre Lands) imposed by municipal or other governmental authorities having jurisdiction in respect of all business and activities carried on by such tenants and other occupants in or upon the Shopping Centre Lands, save those payable in

respect of the Leased Premises by the Tenant pursuant to paragraph (2) of clause 9.00. All Real Property Taxes and business taxes which the Landlord is obligated to pay or cause to be paid hereunder, including each and every instalment thereof, shall be paid when due to the appropriate taxing authorities, subject only to the right of the Landlord to defer or permit to be deferred payment thereof in certain circumstances as provided in clause 9.03. The Landlord shall also pay or cause to be paid all penalties and interest imposed with respect to arrears of such payments and shall use its reasonable efforts to provide the Tenant with a copy of all assessments and tax bills affecting the Leased Premises and the Common Facilities forthwith upon receipt by it and in any event at least ten (10) days prior to the expiry of any period for appeal or contesting thereof. Whenever the Tenant shall reasonably request the Landlord shall exhibit to the Tenant receipts or other appropriate evidence as to the due payment of such Real Property Taxes or business taxes payable by the Landlord under this clause 9.01. In the event that the Landlord shall fail to pay or cause to be paid any Real Property Taxes or business taxes payable under this clause 9.01 when due the Tenant, after notice to the Landlord and if the Landlord shall fail to pay or cause to be paid the same within fifteen (15) days after receipt of such notice, may pay the same and the amount so paid by the Tenant shall forthwith be repaid by the Landlord to the Tenant.

9.02 ***Determination of Assessments.*** For the purpose of establishing the amount of Real Property Taxes payable by the Tenant pursuant to clause 9.00 if the Leased Premises are not separately assessed, the parties recognize and acknowledge that it is necessary to establish the assessments upon which such Real Property Taxes are based, being the assessment of the Tenant Department Store and the land thereunder and (whenever applicable under clause 9.00) the Tenant Outdoor Selling Area and the land thereunder.

The parties to this lease acknowledge that when assessments are arrived at using the capitalized income method of valuation, there is no identifiable portion of the assessment attributable to Common Facilities. Therefore it is agreed there shall be no separate computation or allocation of taxes to Common Facilities when the capitalized income method of valuation has been used by the assessment authorities to determine the assessment of the Shopping Centre and/or the Leased Premises.

If such separate assessments or any of them are not made by the municipal or other governmental authorities, or professional assessors hired by those authorities, responsible for the determination of assessments upon which Real Property Taxes are based, the Landlord shall use its continuing and diligent efforts (with the assistance of the Tenant if the Landlord or the Tenant considers such assistance necessary or desirable) to have such separate assessments made or, failing that, to obtain sufficient official information to determine such separate assessments.

However, in the event and to the extent that such separate assessments or such official information cannot be obtained from such municipal or other governmental authorities or the professional assessors hired by them, the Landlord and the Tenant shall allocate the total assessment of the Shopping Centre Lands and the improvements thereon in a manner which is equitable and consistent with the basis of assessment in use by municipal or other governmental authorities having jurisdiction in the municipal area in which the Shopping Centre is situate so as to arrive at the separate assessments mentioned in the first sentence of this clause 9.02 and which are required for the application of the provisions of this Lease. In so doing the parties shall have regard, as far as possible, to the method of assessment and applicable elements utilized in arriving at the assessment of the whole of the Shopping Centre by the Municipal or other governmental authorities having jurisdiction. If the Landlord and the Tenant cannot agree to the required allocation of assessments, the allocation shall be determined by arbitration pursuant to the provisions of this Lease, but having regard to the basis of determination set out in this clause 9.02. The allocation which is either agreed to or determined by arbitration shall, until such time as there is a change in assessments of the Shopping Centre Lands and the improvements thereon, or a change in the methods of assessment or allocation of such assessments, be binding upon the parties and the separate assessments

so arrived at shall be applied to determine the respective obligations of the parties with respect to Real Property Taxes under this Article 9. If any Real Property Taxes or instalments thereof become due before such determination has been made, the Landlord may make a reasonable estimate of the allocation which shall not bind the parties but shall nevertheless be adopted for the basis of the interim payment of Real Property Taxes respectively payable by them, and when the allocation of assessments has been finally determined and the Real Property Taxes respectively payable by them finally computed, the parties shall promptly make the appropriate readjustment and additional payment by the Tenant or repayment to the Tenant, as the case may be.

The Landlord shall provide to the Tenant, or directly to the assessment authorities if appropriate, such written authorization as may be required by said authorities so as to enable the Tenant to obtain valuation data and assessor's calculations respecting the Leased Premises (if and to the extent the Tenant reasonably requires such information) without hindrance and on a timely basis.

9.03 ***Tax Appeals.*** The Landlord may appeal any official assessment or the amount of any Real Property Taxes or business taxes (including other taxes capable of constituting a lien) relating to the Shopping Centre Lands including the improvements (including fixtures and equipment) thereon, and the Tenant may appeal any official assessment or any Real Property Taxes or business taxes relating to the Leased Premises including the improvements thereon, or, where the Tenant's obligations are directly or indirectly affected thereby, relating to any other portion of the Shopping Centre including the Common Facilities. In connection with any such appeal, the party appealing may defer or permit to be deferred payment of any Real Property Taxes or business taxes, as the case may be, which it is obligated to pay or cause to be paid under the provisions of this Article 9 to the extent permitted by law and provided that no part of the Shopping Centre Lands is thereby rendered subject to sale or forfeiture, that such deferment does not cause a breach of the Landlord's obligations under any mortgage of the Shopping Centre Lands, that the appeal is diligently prosecuted to completion and, in the case of a deferral by the Tenant, that such security as the Landlord may reasonably require or any mortgagee of the Shopping Centre Lands may require is given for the payment of any Real Property Taxes or business taxes payable by the Tenant including penalties or interest resulting from deferred payment. If either the Landlord or the Tenant shall institute any appeal, it shall make reasonable efforts to provide notice to the other, and, where their interests do not conflict and in particular where the appeal is being made in order to achieve a re-assessment which is consistent with the basis contemplated by this Lease, each shall extend its cooperation and assistance to the other in respect to such appeal.

ARTICLE 10

COMMON FACILITIES OPERATING COSTS

10.00 ***No Contribution to Common Facilities Operating Costs.*** The parties hereto hereby acknowledge and agree that at no time during the Term of this Lease shall the Tenant be required to pay to the Landlord any contribution towards the costs, charges and expenses incurred by the Landlord for or attributable to the supervision, operation, insurance, maintenance, repair or replacement of the Common Facilities of the Shopping Centre (including, without limitation, any Real Property Taxes assessed against or attributable to all or any portion of the Common Facilities and all costs incurred by the Landlord to meet its obligations under clause 7.00 hereof).

ARTICLE 11

INSURANCE AND INDEMNITY

11.00 Tenant's Insurance

(1) The Tenant shall take out and at all times during the Term keep in force at its own expense and in respect of the Leased Premises, the use and occupancy thereof by it and its subtenants and concessionaires and licensees and the conduct of business thereon the following insurance:

(i) comprehensive general liability insurance for bodily injury or death and damage to property of others including blanket contractual liability, owners and contractors protective liability, non-owned automobile and employers liability insurance coverage with respect to all business conducted in, at, upon or from the Leased Premises, the use and occupancy thereof and the use of the Common Facilities, by the Tenant and by any other person on behalf of the Tenant and by those for whom the Tenant is in law responsible. Such policy or policies shall be written with such inclusive limits as would be carried by a prudent owner of similar property, but in any event not less than five million dollars ($5,000,000) for any one accident or occurrence, shall be primary and non-contributing with, and not in excess of, any other insurance obtained by the Landlord, and shall include severability of interests and cross liability clauses;

(ii) "all risks" property insurance (including flood and earthquake) in respect of the Leased Premises and the Tenant's leasehold improvements situated thereon, and such other property in or forming part of the Leased Premises (not being property which the Landlord is required to insure pursuant to this Lease) as the Landlord or any mortgagee of the Shopping Centre may from time to time require, all in an amount of not less than the full replacement cost thereof, with no co-insurance penalties. Notwithstanding the aforesaid, the Tenant shall not be obligated to take out or keep in force insurance in respect of loss or damage to the Tenant's trade fixtures, furniture, inventory, stock in trade including merchandise or other contents of the Leased Premises, and if the Tenant so insures the loss payable shall (notwithstanding the provisions of subclause 11.00 (2)(v)(a) hereof) be only to the Tenant without any trust provisions;

(iii) comprehensive boiler and machinery insurance in respect of boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus installed in, relating to or serving the Leased Premises or any part thereof and operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant, on a repair and replacement basis; and

(iv) business interruption insurance in such amount as will reimburse the Tenant for all direct or indirect loss of gross earnings attributable to the perils insured against in paragraphs (ii) and (iii) of subclause 11.00 (1) or attributable to prevention of access to the Leased Premises or the Shopping Centre as a result of such perils.

(2) The insurance described above shall:

(i) with the exception of the insurance referred to in paragraph (iv) of subclause 11.00(1) of this Lease, include the Landlord as an additional insured;

(ii) be placed with an insurer or insurers of recognized net worth and reputation duly licensed to carry on the business of insurance in all provinces in Canada;

(iii) be provided under a policy or policies in such form, providing for such coverage and exclusions and on such terms as are normally effected by prudent owners and/or tenants in similar circumstances;

(iv) provide that the policies shall not be invalidated by reason of any breach or violation by the Tenant of any warranties, representations, declarations or conditions in such policies or in any applications for such policies;

(v) with regard to insurances outlined in paragraphs (ii) and (iii) of subclause 11.01 (1) of this Lease, provide:

(a) that the proceeds thereof shall be payable to the Landlord, such of the Landlord's mortgagees for the Shopping Centre, if any, as requested in writing by the Landlord (and which request shall include the mortgagee's address) and the Tenant as their respective interests may appear. Notwithstanding the aforesaid, the Landlord hereby agrees with the Tenant that all proceeds of such insurance payable in the event of loss, damage or destruction to the insured property shall be made available for the repair or rebuilding of the insured property, and the Tenant shall not be required to include any such mortgagee as a loss payable unless such mortgagee has agreed in writing with the Landlord (which agreement the Landlord covenants with the Tenant to enforce on behalf of the Tenant) or is bound by the provisions of its mortgage (which particular provisions the Landlord covenants with the Tenant not to amend) that all such proceeds shall be made available for such repair or rebuilding regardless of the existence of any mortgage default (provided further that, where the proceeds which are payable thereunder do not exceed two hundred thousand dollars ($200,000), (which amount shall be adjusted at the end of each Lease year based on the percentage change which has occurred in the CPI during such Lease year), the foregoing provisions as to loss payable shall not apply and such proceeds shall be payable solely to the Tenant or as it shall otherwise direct);

(b) that the insurers specifically waive subrogation rights against the Landlord and any loss payee, including their respective employees, officers and directors, with respect to loss, damage or destruction to the insured property, and the Tenant hereby releases the Landlord and any loss payee, including their respective employees, officers and directors, from liability in regard to such loss, damage or destruction;

(vi) contain a provision by the insurers to notify in writing all named insureds and such of the Landlord's mortgagees for the Shopping Centre, if any, of whom the Landlord has given the Tenant written notice (including the mortgagee's address), not less than thirty (30) days before cancellation or reducing coverage.

(3) The Tenant shall from time to time, whenever reasonably requested, furnish to the Landlord certificates of insurance to evidence the insurance to be kept in force by the Tenant hereunder.

(4) If the Tenant shall fail to insure as required under this Lease, the Landlord after at least fifteen (15) days notice to the Tenant may (but shall not be obligated to) effect such insurance in the name of and at the expense of the Tenant, and the Tenant shall promptly repay to the Landlord all costs incurred by the Landlord in so doing.

(1) The Landlord shall take out, or cause to be taken out, and at all times during the Term keep or cause to be kept in force, without expense to the Tenant, in respect of the Shopping Centre and the Landlord's operation thereof the following insurance:

(i) comprehensive general liability insurance for bodily injury or death and damage to property of others including blanket contractual liability, non-owned automobile and employers liability insurance coverage, with respect to the Landlord's operation of the Shopping Centre including the Mall and Parking Facilities. Such policy or policies shall be written with such inclusive limits as would be carried by a prudent owner of similar property, but in any event not less than five million dollars ($5,000,000) for any one accident or occurrence, shall be primary and non-contributory with, and not in excess of, any other insurance obtained by the Tenant, and shall include severability of interest and cross liability clauses;

(ii) "all risks" property insurance (including flood and earthquake) in respect of all buildings on the Shopping Centre Lands (but excluding the Tenant Department Store), together with all building equipment and fixed improvements of or associated with such buildings (excluding tenant's trade fixtures) and upon all other fixed improvements on the Shopping Centre Lands as any mortgagee of the Shopping Centre may from time to time require, all in an amount of not less than the full replacement cost thereof, with no co-insurance penalties; and

(iii) comprehensive boiler and machinery insurance in respect of boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus installed in, relating to or serving the Shopping Centre or any part thereof and operated by the Landlord or by others (other than the Tenant) on behalf of the Landlord, on a repair and replacement basis.

(2) The insurance described above shall:

(i) with regard to the insurance referred to in paragraph (i) of subclause 11.01(1) of this Lease, include the Tenant as an additional insured, and provide for cross liability and severability of interests;

(ii) be placed with an insurer or insurers of recognized net worth and reputation duly licensed to carry on the business of insurance in all provinces in Canada;

(iii) be provided under a policy or policies in such form, providing for such coverage and exclusions and on such terms as are normally effected by prudent owners in similar circumstances;

(iv) provide that the policies shall not be invalidated by reason of any breach or violation by the Landlord of any warranties, representations, declarations or conditions in such policies or in any applications for such policies;

(v) with regard to insurances outlined in paragraphs (ii) and (iii) of subclause 11.01(1) of this Lease:

(a) provide that the proceeds thereof shall be payable to the Landlord and the Landlord's mortgagee, if any, as their respective interests may appear. Notwithstanding the aforesaid, the Landlord covenants with the Tenant that all proceeds of such insurance payable to the Landlord in the event of loss, damage or destruction to the insured property shall be made available for the repair or rebuilding of the insured property, and if any of such proceeds are

to be payable to such mortgagee the Landlord covenants with the Tenant to require such mortgagee to agree in writing, or to be bound by the terms of its mortgage, to make all such proceeds available for such repair or rebuilding regardless of the existence of any mortgage default (provided that, in the case of such mortgagees of the Landlord, if any, existing as of the Effective Date, the Landlord shall be required only to use its reasonable best efforts to require such mortgagees to agree in writing or be bound by the terms of their mortgages to make such proceeds available for this purpose); and

(b) provide that the insurers specifically waive subrogation rights against the Tenant, its employees, officers and directors with respect to loss, damage or destruction to the insured property, and the Landlord hereby releases the Tenant, its employees, officers and directors from liability in regard to such loss, damage or destruction;

(vi) contain a provision by the insurers to notify the Tenant in writing not less than thirty (30) days before cancellation or reducing coverage.

(3) The Landlord shall from time to time, whenever reasonably requested, furnish to the Tenant certificates of insurance to evidence the insurance to be kept in force by the Landlord.

(4) If the Landlord shall fail to insure as required under this Lease, the Tenant after at least fifteen (15) days notice to the Landlord may (but shall not be obligated to) effect such insurance in the name of and at the expense of the Landlord, and the Landlord shall promptly repay to the Tenant all costs incurred by the Tenant in so doing.

11.02 Indemnity. Except to the extent released by subclauses 11.00(2)(v)(b) and 11.01(2)(v)(b) hereof, each of the Landlord and the Tenant will protect, defend, indemnify and save harmless the other including the other's directors, officers, employees, agents and contractors (collectively the "indemnified party") of and from all fines, suits, claims, demands and actions of any kind or nature which the indemnified party shall or may become liable for or suffer by reason of any breach, violation or non-performance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons (including the Landlord or the Tenant, as the case may be) or any property, resulting from any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

ARTICLE 12

REPAIRS AND REBUILDING

12.00 Repairs and Rebuilding by Tenant. Save for the obligations of the Landlord with respect to the Tenant Department Store as set out in clauses 12.02 and 12.03, the Tenant shall at all times during the Term maintain and keep in a good and substantial state of repair the Tenant Department Store and (while occupied by the Tenant) any improvements erected on the Tenant Outdoor Selling Area in the same manner and to the same extent as would a prudent owner, and accordingly the Tenant will from time to time whenever necessary diligently carry out all repairs thereto, including those made necessary by age and damage or destruction by casualty or any other reason and any necessary replacements and rebuilding, but excluding reasonable wear and tear which does not affect the proper use thereof for the purposes intended; provided however that:

(1) in the course of any repair or rebuilding the Tenant may alter the Tenant Department Store to the extent permitted by, and subject to compliance with, the provisions of this Lease pertaining thereto;

(2) the Tenant shall be entitled to cease, either permanently or temporarily, its seasonal use of the Tenant Outdoor Selling Area as provided in clause 16.00 and shall remove therefrom its fixtures and improvements on each cessation of such use;

(3) if at any time during the last three (3) years of the original term or at any time during any extension period, the Tenant Department Store shall be damaged or destroyed in whole, or damaged or destroyed in part to an extent such that according to the reasonable estimate of the Tenant (which estimate may be disputed by the Landlord) the cost of repairing or rebuilding it shall exceed twenty-five percent (25%) of the replacement cost (excluding footings, foundations and pavements) of the entire Tenant Department Store, the Tenant may, by notice to the Landlord given within sixty (60) days after the happening of such destruction or damage, elect to terminate this Lease notwithstanding the prior exercise by the Tenant of its right to any extension period or periods. If it elects to so terminate, this Lease shall terminate as of the date of the giving of such notice, the Tenant shall be relieved of its obligation to repair or rebuild the Tenant Department Store, the Tenant shall assign to the Landlord all its interest in all property insurance policies required to be maintained by the Tenant hereunder in regard to the Tenant Department Store (other than insurance on fixtures, equipment or inventory) or any policies of the Landlord in which the Tenant is named, and in any proceeds which may be payable under any such policies in respect of such damage or destruction to the Tenant Department Store (other than proceeds in regard to the Tenant's fixtures, equipment or inventory), the Tenant shall within thirty (30) days after such date of termination vacate the Leased Premises and rent and all other amounts payable by the Tenant hereunder shall be paid and adjusted to the date of such termination.

The Tenant's obligation to repair, replace or rebuild hereunder shall include the obligation to keep in good and substantial repair and operating condition all building equipment and services including the heating and any air-conditioning equipment, electrical wiring and fixtures and plumbing of the Tenant Department Store and the Tenant Outdoor Selling Area (except to the extent that the Landlord has agreed to be responsible therefor pursuant to the provisions of clauses 12.02(b) and 12.03), reasonable wear and tear as aforesaid again excepted, but excluding any such equipment which is a part of the Common Facilities (unless damaged by the negligent act or omission of the Tenant and such damage is not covered by Landlord's insurance) and to make all repairs required hereunder in a good and workmanlike manner, with reasonable expedition and in accordance with all laws and regulations or governmental authorities having jurisdiction applicable thereto, but subject to Unavoidable Delay. In the event that the Tenant after reasonable notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.00, the Landlord, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required and in a reasonable manner to remedy such failure on the part of the Tenant and any reasonable costs incurred by the Landlord in so doing shall be immediately repaid by the Tenant to the Landlord.

Except in the circumstances stipulated in clause 12.00(3) giving rise to a right of the Tenant to terminate this Lease, no loss, damage, destruction or want of repair to the Tenant Department Store shall permit the Tenant to surrender or terminate this Lease or shall entitle the Tenant to any abatement, suspension or reduction of the rent and other payments and charges payable by the Tenant under this Lease.

12.01 Repairs and Rebuilding by Landlord and Others

The Landlord shall, in respect of the building and improvements on the Shopping Centre Lands, at all times during the Term maintain and keep or cause to be maintained and kept in a good and substantial state of repair all such buildings and

improvements including without limitation the Common Facilities and all utilities and services thereon necessary for the operation of the Shopping Centre (but excluding the Tenant Department Store, except to the extent that the Landlord has agreed to be responsible pursuant to the provisions of clauses 12.02 and 12.03, and excluding any improvements erected by the Tenant on the Tenant Outdoor Selling Area) consistent with the standards of a prudent owner, and accordingly the Landlord will from time to time whenever necessary diligently carry out or cause to be carried out all repairs thereto including those made necessary by age and damage or destruction by casualty or any other reason and any necessary replacements and rebuilding; provided however that in the course of any repair or rebuilding the Landlord may alter or expand the buildings and improvements on the Shopping Centre Lands other than the Tenant Department Store to the extent permitted by, and subject to compliance with, the provisions of this Lease pertaining thereto. The Landlord's obligations to repair, replace or rebuild hereunder shall include the obligation to keep in good and substantial repair and operating condition all building equipment and services including the heating, ventilating and air-conditioning equipment, electrical wiring and fixtures and plumbing of the buildings and improvements on or under the Shopping Centre Lands (other than those on, in or under, and serving exclusively, the Tenant Department Store, except to the extent that the Landlord has agreed to be responsible pursuant to the provisions of clause 12.02(b), and other than the improvements erected by the Tenant on the Tenant Outdoor Selling Area) and to keep the portion of the Mall on the Shopping Centre Lands well decorated and all paving in Parking Facilities on the Shopping Centre Lands in good repair and condition and properly striped, and to make all repairs required hereunder in a good and workmanlike manner, with reasonable expedition and in accordance with all laws and regulations of governmental authorities having jurisdiction applicable thereto, subject to Unavoidable Delay. In the event that the Landlord after reasonable notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.01, and such failure shall affect either the Tenant Department Store or the Common Facilities or cause interference with access to the Tenant Department Store, the Tenant, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required and in a reasonable manner to remedy such failure on the part of the Landlord and any reasonable costs incurred by the Tenant in so doing shall be immediately repaid by the Landlord to the Tenant.

12.02 Landlord Roof Repair Obligations and Obligations to Repair the Tenant Department Store.

The Landlord shall, at its sole cost:

(a) be responsible throughout the Term for any repairs and replacements required to the structural components of the Tenant Department Store, unless such repairs or replacements result from the negligence of the Tenant or those for whom the Tenant is responsible at law;

(b) be responsible during the first year of the Term for the repair and replacement of any major components of the heating, ventilation and air-conditioning equipment located in the Tenant Department Store and for the repair and replacement during the first year of the Term of all components of the other electrical and mechanical systems of the Tenant Department Store, unless such repairs or replacements result from the negligence of the Tenant or those for whom the Tenant is responsible at law, and except for general day to day maintenance of any such equipment and systems, which shall be the responsibility of the Tenant;

(c) be responsible throughout the first ten (10) years of the Term for any repairs and replacements required to the roof of the Tenant Department Store, including the waterproof membrane of such roof, unless such

repairs or replacements result from the negligence or wilful acts of the Tenant or those for whom the Tenant is responsible at law.

The Landlord and the Tenant hereby acknowledge and agree that, as part of a future expansion of the Shopping Centre permitted under the terms of this Lease, the Landlord shall have the right, at its sole cost and expense and subject to the rights of the Tenant set out under clause 8.00(6) hereof, to construct Parking Facilities upon the roof of the Tenant Department Store, provided and it is hereby further agreed between the said two parties that:

(i) the construction of the said Parking Facilities upon the roof of the Tenant Department Store shall be performed by the Landlord in accordance with a construction schedule which has been approved in advance by the Tenant, acting reasonably, and in such a manner as will not interfere with the Tenant's ongoing day-to-day operation of the Tenant Department Store or access to and egress from the Tenant Department Store;

(ii) effective as of the day such construction commences and thereafter throughout the balance of the Term, the Landlord shall be entirely responsible at its sole cost and expense, for any repairs and replacements of any nature whatsoever that may be required to the roof of the Tenant Department Store, unless such repairs or replacements result from the negligence of the Tenant or those for whom the Tenant is responsible at law;

(iii) in such an event, the Tenant, in its sole discretion, may delay any major repairs or replacements to the roof of the Tenant Department Store (including the waterproof membrane thereof) until such repairs or replacements can be performed in conjunction with the Landlord's construction of Parking Facilities upon the roof of the Tenant Department Store or, alternatively, may dispense with such repairs or replacements by reason of their being no longer required as a result of the construction to be so performed by the Landlord.

12.03 Warranties. To the extent within its control the Landlord covenants with the Tenant to either enforce or cause to be enforced all warranties obtained by or assigned to the Landlord or to anyone over whom the Landlord exercises control in respect of the Tenant Department Store as to the labour, materials and construction thereof, for the benefit of the Tenant or to assign such warranties to the Tenant. To the extent of the Tenant's obligation to repair the Tenant Department Store, the Landlord also hereby assigns to the Tenant any rights of action it may have against any contractors or consultants involved in the original design or construction of the Tenant Department Store for faulty or improper design, materials or construction, and confirms the right of the Tenant to bring an action in the Tenant's own name (or, if necessary, in the name of the Landlord but for the full benefit of the Tenant and at no expense to the Landlord) against any of such contractors and consultants.

ARTICLE 13

COMPLIANCE WITH STATUTES AND BY-LAWS

13.00 Tenant's Compliance with By-Laws. The Tenant shall comply with all legal requirements (including statutes, laws, by-laws, regulations, ordinances and orders of every governmental authority having jurisdiction including those binding on either or both of a tenant or owner of premises) from time to time affecting the condition, equipment, maintenance, use or occupation of the Tenant Department Store and, as to the Tenant's improvements thereon and use and occupation thereof, the Tenant Outdoor Selling Area (subject always to the obligations of the Landlord pursuant to clause 12.01).

The Tenant shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings taken to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre Lands to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Tenant shall fail to comply with the provisions of this clause, the Landlord shall have the right, after notice to the Tenant and unless the Tenant shall have within thirty (30) days thereafter commenced and proceeded diligently to remedy such failure, to take any necessary action to cause such failure to be remedied, and all costs incurred by the Landlord in so doing shall be promptly repaid by the Tenant to the Landlord.

13.01 Landlord's Compliance with By-Laws. The Landlord shall comply with or cause to be complied with all legal requirements (including statutes, laws, by-laws, ordinances, regulations and orders of every governmental authority having jurisdiction including those binding on either or both of a tenant or owner of premises) affecting the condition, equipment, maintenance, use or occupation of the Shopping Centre other than the Leased Premises. The Landlord shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre Lands to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Landlord shall fail to comply with the provisions of this clause and such failure shall materially adversely affect the Tenant, the Tenant shall have the right, after notice to the Landlord and unless the Landlord shall have within thirty (30) days thereafter commenced and proceeded diligently to remedy such failure, to take any necessary action to cause such failure to be remedied, and all costs incurred by the Tenant in so doing shall be promptly repaid by the Landlord to the Tenant.

ARTICLE 14

LEASES TO OTHER TENANTS

14.00 Merchandising Controls.

(1) In making or permitting to be made any future lease (which expression includes any lease, license or permit for use or occupancy commencing after the Effective Date) of any rentable space in the Shopping Centre which is within 50 feet of any Mall entrance to the Tenant Department Store (the "Control Area"), no lease shall be made for a type or class of use or to a tenant which or who has not been previously approved for such space or location by the Tenant in writing (which approval shall not be unreasonably withheld). The Tenant shall use reasonable efforts to respond to any such request for approval from the Landlord within fifteen (15) days of the Tenant's receipt of the Landlord's notice thereof.

(2) The Landlord shall ensure that the Shopping Centre is leased in accordance with good leasing practice for first-class major retail shopping complexes and shall ensure that tenants are secured complying with the foregoing requirement.

14.01 Assigning and Subletting by Other Tenants. To the extent that the Landlord is able to impose upon and enforce against, or cause to be imposed upon and enforced against, tenants of Retail Premises in the Control Area covenants contained in their leases implementing the provisions of this clause 14.01, the Landlord shall not permit any tenants of Retail Premises in the Control Area to assign their leases, or sublet any portion of their premises, or grant any concession or permit any person other than such tenant to occupy or carry on business in any portion of the premises leased to such tenant, if to do

any such act or thing would result in any substantial change in the use specified for the location or space leased to such tenant, without the written consent of the Landlord. Such consent of the Landlord shall not be given without the consent of the Tenant, and where such approval of the Tenant is required it shall be applied for in accordance with the provisions of clause 14.00.

14.02 Department Stores. The Landlord will take all reasonable action necessary to enforce or cause to be enforced any provisions of every lease (other than this Lease) to a tenant of a department store (which shall mean and include every other department store in the Shopping Centre in excess of 50,000 square feet of Gross Leasable Area carrying varied lines of merchandise, but shall not include a food supermarket) requiring such tenant to carry on therein the business of a department store, and not to assign or sublet without consent except where by the terms of such lease such consent is not required.

14.03 Prohibited Uses. Subject to any provisions of law limiting the validity or enforceability of covenants in leases restricting or regulating use, the Landlord will not permit any of the following businesses to be carried on in any part of the Shopping Centre (other than in the Leased Premises and any other premises operating as a department store from time to time, and other than to the extent permitted by those leases of other premises at the Shopping Centre existing as of the Effective Date):

(1) any business involving the sale of second-hand goods (except the sale of antiques, or the incidental sale of traded-in merchandise by a tenant whose principal business is the sale of new merchandise but where it is customary in the usual conduct of such business to accept trade-ins in connection with the sale of new merchandise and such traded-in merchandise was actually traded-in at the premises of such tenant in the Shopping Centre in connection with the purchase of new merchandise from such premises), war surplus articles, insurance salvage stock or merchandise (including fire sale stock) damaged by fire or purported to be damaged by a fire unless damaged by fire on the respective premises;

(2) any auction (except an antique or fine art auction conducted in the normal course of business in premises in the Shopping Centre leased in compliance with clause 14.00 to a dealer in antiques or fine art), or any pawnshop;

(3) any business which by reason of noises, odours or vibrations emanating or likely (having regard to the nature of the business) to emanate therefrom interferes or is likely to interfere unreasonably with the use and enjoyment of Common Facilities or other premises in the Shopping Centre;

(4) any business within Retail Premises which is primarily a mail order business;

(5) any business which is carried on in a fraudulent or unethical manner or any operation of a nature presently considered to be a "flea market"; and

(6) any merchandising in the Common Facilities, except to the extent permitted by subclause 7.00(4) of this Lease.

14.04 Limitations on Tenant's Controls. If the Tenant shall be in default of any obligations as specifically set out in this Lease to operate the Tenant Department Store (except a vacation or a cessation of use which is merely temporary during the repair or rebuilding of any loss, damage or destruction or during the construction of alterations or additions, or a cessation necessitated by Unavoidable Delay), the provisions of clauses 14.00, 14.01, 14.02 and 14.03 shall cease to have effect or constitute obligations of the Landlord enforceable by the Tenant until such default has been remedied.

ARTICLE 15

MERCHANTS' ASSOCIATION AND PROMOTION FUND

15.00 It is understood and agreed between the Tenant and the Landlord that the Tenant shall not be required at any time to join or to contribute to any merchants' association or to contribute to any promotion fund formed in or for the Shopping Centre.

ARTICLE 16

TENANT OUTDOOR SELLING AREA

16.00 Tenant Outdoor Selling Area. The following additional provisions shall apply to the Tenant Outdoor Selling Area, and the Tenant shall comply therewith in the exercise of the rights granted to it pursuant to clause 2.01, and in addition to compliance with the other provisions of this Lease applicable to the Tenant Outdoor Selling Area including but not restricted to the provision as to no basic rent under clause 4.04, the use thereof in subclause 6.00(2), as to Real Property Taxes thereon in clause 9.00 and as to the repair of improvements erected by the Tenant thereon in clause 12.00;

(1) The Tenant may construct and from time to time alter, reconstruct, remove and replace structures, including fences and other barriers, awnings and other shelters, kiosks and lighting fixtures, on the Tenant Outdoor Selling Area provided such structures are affixed so as to cause a minimum of damage to the surface thereon, and upon abandonment (as opposed to the ceasing of use in each year as contemplated by subclause 16.00(2)) of the Tenant's use of the Tenant Outdoor Selling Area the Tenant shall, to the extent reasonably required by the Landlord, remove all such structures and other improvements and return such to the condition existing from time to time prior to the Tenant's use as an outdoor selling area;

(2) The Tenant may at any time and from time to time during each year of the Term or at any time cease its use of the Tenant Outdoor Selling Area, without prejudice to the Tenant's right at any later time and from time to time to recommence and continue such use;

(3) The Tenant Outdoor Selling Area shall have an area of not more than 8,000 square feet; and

(4) The Tenant shall be entitled to the use of the Tenant Outdoor Selling Area, as contemplated by this clause 16.00, for the entire Term of this Lease, subject to all provisions of this Lease expressed to be applicable thereto.

ARTICLE 17

MALL KIOSKS AND OUTDOOR SELLING AREAS

17.00 Mall Kiosks. No kiosk shall be placed within that portion of the Mall which is within 50 feet of any Mall entrance to the Tenant Department Store without the consent (which may be arbitrarily withheld) of the Tenant in respect of location, use and identity of the proposed occupant. The expression "kiosk", when used in this Lease, applies to any fixture or location for the carrying on of any retail or other commercial activity in the Mall, but not to temporary general shopping centre promotions or temporary exhibits which are authorized under subclause 7.00(4).

17.01 ***Outdoor Selling Areas.*** The Landlord may from time to time permit each tenant of any department store having a Gross Leasable Area of not less than 60,000 square feet to operate an outdoor selling area in respect of its department store. Each existing or new outdoor selling area may be located as shown on the Site Plan or in the Parking Facilities at a site which is adjacent to or in close proximity to the store in the Shopping Centre occupied by the tenant thereof and shall be used only as an outdoor selling area, to be operated by such tenant seasonally for the purpose of selling any type or types of merchandise normally sold by department stores and appropriate for outdoor sale, including without limitation, garden supplies and recreational and sports equipment.

ARTICLE 18

LIENS

18.00 Liens. Each of the Landlord and the Tenant shall so conduct any construction or other work done by it so as to minimize the possibility of any claim for lien being registered against any part of the Shopping Centre Lands and if any such claim for lien shall be registered shall forthwith take all reasonable steps to have the same vacated by the court having jurisdiction or discharged, but nevertheless may defer payment of any contested claim for lien if and so long as the same is being diligently contested, and provided that nonpayment thereof does not render any part of the Shopping Centre Lands liable to forfeiture or sale. In the conduct of any construction or other work each of the Landlord and the Tenant shall comply with all the provisions of applicable statutes available to it for the protection of the Shopping Centre Lands from claims for lien. In the event that either the Landlord or the Tenant shall make default in the payment of moneys justly due in connection with any such construction or other work and a claim for lien shall be filed or registered and not promptly secured, vacated or discharged, the other party may, on not less than five (5) days prior notice to the defaulting party, obtain a court order vacating the registration of the claim for lien and in conjunction therewith may make payment into court or post security to the extent required to obtain such order, and all expenses incurred by it shall be promptly repaid to it by the party in default.

ARTICLE 19

ALTERATION OF TENANT DEPARTMENT STORE

19.00 The Tenant shall have the right at any time and from time to time to alter (but not to expand) the Tenant Department Store (including any of the improvements therein), but subject to the Tenant Department Store being architecturally compatible with the Shopping Centre and functionally integrated with the Mall in the manner in which it was so integrated prior to each such alteration (including, without limitation, maintaining the location and sizes of entrances to the Tenant Department Store from the Mall).

ARTICLE 20

EXPANSION AND ALTERATION OF SHOPPING CENTRE

20.00 Expansion and Alteration of Shopping Centre. The Landlord shall have the right at any time and from time to time, where not otherwise prohibited by any provision of this Lease, and subject to the additional conditions in clause 20.01, to alter, reconstruct or

expand the buildings and improvements on the Shopping Centre Lands including the Common Facilities but excluding the Leased Premises provided that, notwithstanding any other provisions of this Lease, no building or improvement of any nature, other than those existing buildings and improvements shown on the Site Plan and any additional Parking Facilities consisting of parking spaces at grade level and landscaped areas and walkways, shall at any time be constructed within the area outlined in BLUE on the Site Plan without the consent of the Tenant (which consent may be arbitrarily withheld, except that in regard to parking decks the Tenant shall not unreasonably withhold or unduly delay its consent).

20.01 Additional Conditions on Expansion and Alteration. In connection with any expansion, alteration or reconstruction of the buildings and improvements in the Shopping Centre permitted by clause 20.00, the following additional requirements shall be complied with:

(1) All construction shall be architecturally compatible with the buildings from time to time existing in the Shopping Centre;

(2) The Landlord shall use its best efforts to ensure that all new construction on the Shopping Centre Lands including extensions of the Mall and Retail Premises associated therewith, alterations or additions to Parking Facilities and all other new construction including the expansion of any existing premises shall be such as to maintain a fair balance among the various portions of the Shopping Centre from time to time existing, having regard to all relevant factors including customer attraction, accessibility, the type, convenience and quantity of parking available in Parking Facilities, traffic flow and the facility of access by vehicles and pedestrians;

(3) Any substantial alteration and any reconstruction or expansion permitted hereunder shall be consistent with a first-class Shopping Centre similar in size to the Shopping Centre, and be performed by the Landlord or other party performing the same with reasonable expedition and in a good and workmanlike manner and in compliance with all applicable municipal by-laws and other legal requirements pertaining thereto.

ARTICLE 21

ASSIGNMENTS, TRANSFERS AND ENCUMBRANCES OF INTEREST BY LANDLORD AND TENANT

21.00 Restrictions on Assignment, Subletting and Encumbrances by Tenant.

The Tenant shall not assign this Lease or sublet or grant concessions or other rights of use and occupancy with respect to the whole or any part of the Tenant Department Store except as set out in each of the following circumstances:

(1) The Tenant may, without the consent of the Landlord, assign this Lease:

(i) to any affiliated corporation of the Tenant (as such term "affiliated corporation" is defined in the Canada Business Corporations Act), provided that if such affiliation ceases, the Lease shall be re-assigned to the Tenant or another affiliated corporation of the Tenant; or

(ii) to any corporation or other entity to which it transfers a majority of its department stores in the Province of British Columbia operating under the name "The Bay" (or such other name as the Tenant from time to time operates the majority of its department stores in the Province of British Columbia), provided that the purchaser enters into an agreement with the Landlord under which the purchaser assumes and agrees to observe and

perform all of the terms, covenants and conditions of the Lease, including covenants as to use;

(2) The Tenant may, without the consent of the Landlord, sublease or grant concessions or licenses to use and occupy any part or parts of the Leased Premises provided that:

(i) the Tenant Department Store retains the appearance and character of being carried on as an integrated, and not a multiple lessee, business; and

(ii) the aggregate Gross Leasable Area of the Tenant Department Store occupied by subtenants, licensees and concessionaires does not exceed 25% of the total Gross Leasable Area of the Tenant Department Store;

(3) The Tenant may, without the consent of the Landlord, assign or mortgage or encumber its interest under this Lease to a mortgagee or encumbrancer which is a recognized financial institution (including a bank, life insurance, trust or mortgage company and a trustee for bondholders) as security in connection with any bona fide general corporate borrowing by the Tenant or an affiliated corporation of the Tenant as defined in subclause (1), provided that the Tenant shall provide the Landlord with written notice of such assignment, mortgage or encumbrance, and further provided that the Tenant shall cause any such mortgagee or encumbrancer to enter into an agreement with the Landlord and the Tenant whereby the mortgagee or encumbrancer covenants that at no time shall it have any greater rights under the Lease than the Tenant and that upon taking possession of the Leased Premises it shall be bound by and subject to the terms of this Lease, including responsibility for any then outstanding defaults of the Tenant, and if it sells or otherwise disposes of its security, it shall require the purchaser to covenant directly with the Landlord to be bound by the terms of this Lease, including responsibility for any then outstanding defaults of the Tenant; upon such covenant being given such mortgagee or encumbrancer shall be released from its obligations stipulated hereunder;

(4) The Tenant may assign this Lease or sublet the whole or any part of the Leased Premises in any other circumstance not permitted by subclauses (1) to (3) inclusive of this clause 21.00 for any permitted use hereunder, provided that in each case the consent of the Landlord thereto shall first have been obtained, which consent will not be unreasonably withheld or unduly delayed. The parties hereto hereby acknowledge and agree that the Landlord may withhold its consent if the proposed assignee or subtenant is not as credit-worthy, responsible and respectable as the Tenant and is not an experienced operator of department stores, and the Landlord need not consent to a sublease for part of the leased premises if as a result of such sublease the Tenant Department Store will lose the appearance and character of an integrated, as opposed to a multiple lessee, business.

In the case of any assignment of the Lease, the assignee shall covenant with the Landlord to be bound by the terms, covenants and conditions of this Lease, including covenants as to use, and each subtenant of the whole of the Tenant Department Store shall covenant with the Landlord not to breach the provisions of this Lease. No assignment, subletting, mortgaging or encumbering by the Tenant shall release the obligations of the Tenant hereunder except; as hereinafter provided, in the following circumstances where the assignee has agreed in writing with the Landlord to be bound by the terms, covenants and conditions of this Lease:

(a) an assignment of this Lease to a corporation which is a parent, subsidiary or controlled in common with or an affiliate of the Tenant on a winding up or other dissolution of the assignor provided such assignee is vested with substantially all of the assets of the Tenant following such assignment and if the credit rating of such corporation is no less than that of the Tenant immediately prior to such winding up or other dissolution; or

(b) an assignment of this Lease to a corporation or other entity to which the Tenant transfers a majority of its department stores in the Province of British Columbia, in the circumstances referred to in subclause (1)(ii) of this clause 21.00.

Upon receipt of the assignee's covenant with the Landlord to perform all of the Tenant's covenants hereunder and a request from the Tenant to grant such a release, the Landlord shall grant such a release in respect of any period following such assignment but not with respect to then existing defaults of the Tenant.

(5) If this Lease is repudiated or is disclaimed or terminated by any trustee in bankruptcy of any assignee of this Lease, other than an assignee described in (a) and (b) above of subclause 21.00(4), the original Tenant named in this Lease, upon notice from the Landlord given within 30 days of such repudiation, disclaimer or termination, shall enter into a lease with the Landlord upon the same terms and conditions as contained herein except for the duration of the Term, which shall expire on the date this Lease would have expired save for such repudiation, disclaimer or termination.

21.01 Transfers and Encumbrances by Landlord. The Landlord may assign, transfer, mortgage or encumber the Shopping Centre Lands or sublet the whole of any part of the Shopping Centre Lands subject only to the following restrictions:

(1) Every assignment, transfer, mortgage or encumbrance by the Landlord of an interest in the Shopping Centre for the purposes of giving security for an indebtedness (other than an assignment of leases of specific premises therein) shall be made expressly subject to this Lease and all the rights of the Tenant hereunder; however, if required by a mortgagee, the Tenant shall enter into a non-disturbance agreement (in form acceptable to the Tenant, acting reasonably) with such mortgagee which shall provide, without limiting the generality of the foregoing, security of tenure and the right to remain in possession of the Leased Premises under the terms and conditions of this Lease, the right to have the Landlord's covenants performed by any party in possession of the Shopping Centre from time to time including any mortgagee while in possession and any purchaser from or through the mortgagee, whether it be by way of court ordered sale or pursuant to an exercise of the mortgagee's power of sale or otherwise, until such time as this Lease shall expire, be surrendered or otherwise terminated pursuant to the terms of this Lease; and

(2) In the case of every assignment, transfer or other disposition of an interest in the Shopping Centre (other than to a mortgagee or encumbrancer or creditor as security, and other than leases of specific premises in the Shopping Centre) the assignee or transferee shall agree with the Tenant (in form acceptable to the Tenant, acting reasonably) to perform all of the obligations of the Landlord under this Lease.

No assignment, transfer, mortgage or encumbrance by the Landlord affecting the Leased Premises shall have the effect of releasing the obligations of the Landlord hereunder unless (a) a bona fide purchaser, assignee or transferee of the whole of the Landlord's interest in the Shopping Centre assumes and has become bound by the Landlord's obligations, covenants and agreements hereunder and (b) the assignee is able to perform fully all the obligations of the Landlord and is not rendered unlikely to do so by reason of any circumstance (such as, but not restricted to, inadequate assets or operating experience), and the Tenant shall grant such release if such conditions are satisfied; provided that in no event will the Landlord be released in respect of then existing defaults.

21.02 Performance of Mortgage Obligations by Tenant. The Tenant shall make all payments when due and otherwise perform all its obligations under any mortgage or encumbrance at any time permitted to be made by it pursuant to clause 21.00 upon this Lease and its leasehold interest thereunder.

21.03 ***Restrictive Covenants.*** Throughout the Term, the Landlord will not, unless the Tenant consents (which consent will not be unreasonably withheld), enter into any restrictive covenant with any other tenant of premises on the Shopping Centre Lands which has the effect of restricting the use made of the Tenant Department Store, and will whenever requested advise the Tenant in writing of the nature, extent and wording of all restrictive covenants at any time in effect which might have application to the Tenant Department Store.

ARTICLE 22

DETERMINATION OF CERTAIN MATTERS

22.00 ***Determination of Gross Leasable Area & Adjusted Gross Leasable Area.*** The Gross Leasable Area and Adjusted Gross Leasable Area of the Tenant Department Store and any other premises in the Shopping Centre in respect to which it is material under the provisions of this Lease to determine the same, shall, unless accepted and agreed by both the Landlord and the Tenant in writing, be determined at the instance of either party by a surveyor appointed by the Landlord and the Tenant acting jointly for the purpose, or if they cannot agree upon such appointment, appointed upon the application of either party by a Judge of the Supreme Court of British Columbia. Any Gross Leasable Area and Adjusted Gross Leasable Area so agreed or determined shall be binding upon the parties but subject to redetermination in the manner herein provided if there shall be any expansion, alteration, reconstruction or other change affecting the same.

22.01 ***Determination by Arbitration.*** Whenever in this Lease is it provided that any matter in dispute between the Landlord and the Tenant, if not settled or agreed between them, is to be determined by arbitration, then the dispute shall be determined by arbitration, as follows:

(1) Either party may give notice to the other of its desire to arbitrate such dispute. Within fifteen (15) days after such notice has been received, the parties shall jointly appoint a sole arbitrator;

(2) If the parties shall fail to appoint an arbitrator within such period of fifteen (15) days, then either party may apply to a Judge of the Supreme Court of British Columbia for the appointment of an arbitrator; and

(3) The arbitrator so appointed shall determine the dispute having regard to the provisions of this Lease and to any other agreements which the parties may have made respecting the arbitration or the matter in dispute and the arbitrator's decision shall bind the parties. Subject to the provisions of this clause, the arbitration shall be conducted in accordance with the provisions (if any) of the laws of British Columbia from time to time in effect pertaining to arbitration.

22.02 ***Costs.*** In any proceedings under clause 22.00 to determine any Gross Leasable Area and Adjusted Gross Leasable Area, each party shall pay one-half the fees and expenses of the surveyor appointed and of all other expenses of such proceedings. In any proceedings under clause 22.01 to determine any question or dispute, the fees and expenses of the arbitrator and all other expenses of such proceedings shall be borne in such manner as the arbitrator may determine.

22.03 ***Judicial Remedies Preserved.*** The provisions of this Article 22 regarding the determination of certain questions or matters in dispute by arbitration are acknowledged by the parties to have the intended purpose of providing, where applicable, an equitable and rapid determination, but are not intended and shall not be interpreted as excluding recourse by any party to the Courts as to any matter not expressly required to be

determined by arbitration pursuant to clause 22.01, and further provided that prior to the commencement of any arbitration hearing either party may elect to seek recourse to any of the remedies available at law or in equity including damages or injunction, and such recourse may be taken notwithstanding the provisions of clause 22.01, in which event the arbitration proceedings shall be cancelled and the party responsible for such cancellation shall pay forthwith all costs incurred by the arbitrator and the other party with respect to such arbitration proceedings.

ARTICLE 23

SIGNS

23.00 Tenant's Signs. The Tenant shall have the following rights in regard to signage and identification of and for the Leased Premises:

(1) To erect and maintain, at its expense, signs upon the exterior of the Tenant Department Store (including upon or over the entrances thereto and upon any exterior wall thereof) in each case similar in size and character to those generally used by the Tenant in connection with a majority of its other similar department stores in the Province of British Columbia, provided such signs comply with the requirements of governmental authorities having jurisdiction;

(2) To erect and maintain, at its expense, signs upon the Tenant Outdoor Selling Area consistent with the Landlord's sign policy referred to in clause 23.01;

(3) On any free standing pylon signs erected by the Landlord to promote the Shopping Centre or any occupant of the Shopping Centre, identification for the Tenant Department Store of size and location no less prominent than that provided to any other occupant (and if no other occupant is represented, then of a reasonable size and in a reasonable location of prominence) and at no cost to the Tenant except for the cost of providing its nameplates;

(4) To have the Tenant's name displayed, at no expense to the Tenant, on any directories of the Landlord located in the Mall; and

(5) Such other signs as it may desire to have and which are consistent with the sign policy referred to in clause 23.01 adopted for the Shopping Centre, as the Landlord may approve (such approval not to be unreasonably withheld).

The Tenant shall maintain all such signs or identification referred to in paragraphs (1), (2), and (5) in good repair and condition and shall keep them suitably illuminated (to the extent designed to be illuminated) as and when required during the hours when the Tenant Department Store or the applicable part thereof shall be open for business. The Landlord shall maintain its signs and identification, including those referred to in paragraphs (3) and (4), in good repair and condition and shall keep them suitably illuminated (to the extent designed to be illuminated) as and when required during the hours when the Shopping Centre is open for business.

23.01 Landlord's Sign Policy. The Landlord shall implement, and shall also enforce or cause to be enforced, a sign policy applicable to all tenants of the Shopping Centre and governing signs (including pylon signs and their respective locations) which may be displayed on or in their premises and in the Shopping Centre and which shall represent good shopping centre practice for a first-class regional centre and shall maintain the dignity and appearance of the Shopping Centre.

ARTICLE 24

REMEDIES AND DEFAULTS

24.00 Particular Remedies of Landlord. The Landlord, in addition to all other remedies it may have under the express provisions of this Lease and (to the extent not expressly excluded hereby) under the general law, shall have the following rights:

(1) In the event of any default by the Tenant in the payment of annual basic rent or other amount payable by the Tenant to the Landlord hereunder, the Landlord shall have available to it all remedies for the recovery of the same as are available in the case of the non-payment of annual basic rent. If the Tenant shall have failed to remedy such default by making payment thereof within thirty (30) days after receipt of notice from the Landlord, the Landlord at its option may enter into and upon the Leased Premises and terminate this Lease, subject to such equitable or other relief, including relief from forfeiture, as may be available to the Tenant under the laws of the Province of British Columbia;

(2) In the event of any default by the Tenant of any of its covenants, agreements or undertakings in this Lease, other than a default under subclause (1) hereof, which the Tenant fails to remedy within sixty (60) days after receipt of notice from the Landlord specifying such default (or such longer period as may be reasonably necessary therefor having regard to the nature of such default and the occurrence of any Unavoidable Delay), the Landlord may, in addition to such other remedies as it may have hereunder, including the right to damages or specific performance, take such reasonable steps as may be necessary to remedy such default, and for that purpose the Landlord shall have entry to all parts of the Leased Premises, and any costs incurred by the Landlord in so doing shall be promptly repaid to it by the Tenant, provided further that the Landlord may at its option enter into and upon the Leased Premises and terminate this Lease, subject to such equitable or other relief, including relief from forfeiture, as may be available to the Tenant under the laws of the Province of British Columbia;

(3) As an alternative to its right under subclause (1) or (2) to enter into and upon the Leased Premises and terminate this Lease, the Landlord shall, as an alternative to such remedy if it so elects, without terminating this Lease or relieving the Tenant of any of its covenants or obligations under this Lease, have the right to enter into and upon the Leased Premises to take possession of all property of the Tenant in the Leased Premises without being liable for any prosecution or damage therefor, and as the agent of and in the name and at the risk and expense of the Tenant to repair or alter the Leased Premises as may be necessary or appropriate and to sublet the Leased Premises and sell or lease as the Landlord shall see fit all or any of such property, all at the expense of the Tenant (the Tenant agreeing to promptly reimburse the Landlord for all costs and expenses including legal fees and realtors' commissions if any incurred by it in so doing), and to receive and apply all rents and other proceeds derived therefrom against the then and continuing indebtedness and obligation of the Tenant to the Landlord (the Tenant remaining liable for the payment to the Landlord of any deficiency then or thereafter arising, and to indemnify and save harmless the Landlord from all loss, cost and expense arising by reason of the Tenant's default and any action lawfully taken by the Landlord hereunder consequent thereon).

24.01 Particular Remedies of Tenant. The Tenant, in addition to all other remedies it may have under the express provisions of this Lease and (to the extent not expressly excluded hereby) under the general law, shall have the following rights:

(1) In the event of the failure of the Landlord to pay any amount due to the Tenant under any provision of this Lease when due, and if such failure shall not have been remedied within thirty (30) days after receipt of notice from the Tenant specifying the

default, the Tenant shall have the right to deduct such amount from amounts due or to accrue due to the Landlord under Article 10 of this Lease.

(2) In the event the Landlord is in default under this Lease, other than a default under subsection (1) hereof, and the Landlord shall fail to remedy such default within sixty (60) days after receipt of notice from the Tenant to the Landlord (or such longer period as may reasonably be necessary therefor having regard to the nature of such default and the occurrence of any Unavoidable Delay), the Tenant may take such reasonable steps as may be necessary to remedy such default, and any costs incurred by the Tenant in so doing shall be promptly repaid to it by the Landlord.

24.02 Bankruptcy or Insolvency of Tenant. If the interest of the Tenant under this Lease shall be taken or seized in execution or attachment by any creditor of the Tenant, or if the Tenant shall make any general assignment for the benefit of creditors or shall wind up (save and except in pursuance of a bona fide corporate reorganization) or be adjudicated bankrupt or insolvent, or its affairs and assets shall be placed in trusteeship, receivership or liquidation, then in each such case, unless (a) the Tenant is taking reasonable steps to dispute such actions and is able to have such set aside within sixty (60) days of initiation of such actions or (b) a mortgagee or encumbrancer of the Tenant having security upon the Tenant's interest under this Lease which complies with clause 21.00 shall take possession of the Leased Premises and agree to remedy the Tenant's defaults and perform all the obligations of the Tenant hereunder while in possession in compliance with clause 21.00, annual rent for the three (3) months next ensuing after the then current month shall immediately become due and payable and the Landlord may at its option and after reasonable notice to such mortgagees and encumbrancers re-enter and terminate this Lease.

24.03 Interest on Sums in Default. If the Tenant fails to pay any rent or other sum owing to the Landlord when it is due or payable or the Landlord fails to pay any sum owing to the Tenant when it is due or payable, in each case such sum so owing shall bear interest from the date such sum so owing was due and payable under the applicable provision of this Lease until such sum is actually paid, at a rate equal to 2% plus the Prime Rate (as hereinafter defined) then in effect, compounded semi-annually, not in advance, and such interest shall accrue on, be added to and be recoverable in the same manner as the principal sum upon which it is calculated. "Prime Rate" means the reference rate of interest announced from time to time by Canadian Imperial Bank of Commerce (or its successor bank) for the purpose of determining interest rates on Canadian dollar commercial loans in Canada, commonly known as its "prime rate".

ARTICLE 25

MISCELLANEOUS PROVISIONS

25.00 Unavoidable Delay. Whenever in this Lease it is provided that any act or things to be done or performed is subject to Unavoidable Delay, the time for the doing or performance thereof shall be extended for a period equal to the period for which such Unavoidable Delay operates to delay or prevent the act or thing required to be done or performed from being done or performed, and the party obligated to do or perform such act or thing shall not be deemed to be in default until the expiration of such time as so extended. Each party shall promptly notify the other of the occurrence of any Unavoidable Delay which might prevent or delay the doing or performance of acts or things required to be done or performed by such party.

25.01 Waiver. Any condoning or overlooking by the Landlord or the Tenant of any default, breach or non-performance by the other at any time or times in respect of any obligation contained in this Lease shall not operate as a waiver of such default, breach or

non-performance, and any waiver of a particular default, breach or non-performance shall not operate as a waiver of any subsequent or continuing default, breach or non-performance.

25.02 ***Certificates.*** The Tenant agrees that it will from time to time whenever reasonably required by the Landlord for the purpose of giving assurance to any third party interested (including any prospective or actual assignee or mortgagee of the Landlord) execute and deliver to the Landlord or as the Landlord may direct a statement in writing certifying to such third party whether this Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and Tenant, whether or not there are any existing defaults on the part of the Landlord of which the Tenant has notice (and if so, specifying them) and as to any other matters in connection with this Lease in respect of which such a certificate is reasonably requested. The Landlord agrees that it will from time to time whenever reasonably requested for the purpose of giving assurance to any interested third party (including any proposed or actual assignee or mortgagee of the Tenant) execute and deliver to the Tenant or as the Tenant may direct a statement in writing certifying to such third party whether this Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and the Tenant, whether or not there are any existing defaults on the part of the Tenant of which the Landlord has notice (and if so, specifying them) and as to any other matters in connection with this Lease in respect of which such a certificate is reasonably requested. Such statements may be relied upon by (but only by) the third party for whose benefit they are given.

25.03 ***Approvals.*** Except insofar as it is otherwise provided in this Lease, any approval or consent which either party is entitled or required to request of the other hereunder shall, unless a shorter period is otherwise designated or contemplated, be either given or refused in writing within twenty (20) days of a written request therefor, and if refused and if such approval or consent is one which the requested party can withhold only on reasonable grounds, the requested party shall also give reasons for such refusal, and if the requested consent or approval is neither granted or refused within the aforementioned time limitation, such consent or approval shall thereupon be deemed to have been granted. Any request for approval or consent shall be in writing and shall specify the aforementioned time limitation.

25.04 ***Registration.*** Neither party may register this Lease, but if required by either party, the parties shall enter into an agreement, memorial, caveat for registration against the Shopping Centre Lands, and which will be appropriate for the protection and recording of the interests of the parties hereunder, in accordance with the laws of the Province of British Columbia, and which either party may register.

25.05 ***Notices.*** Any notice which a party is entitled or required to give or make under any provision of this Lease shall be given or made in writing and shall be deemed to have been duly given or made, where intended for the Landlord, if delivered to an officer of the Landlord or mailed in Canada by prepaid registered post addressed to the Landlord at 1860 Granville Square, 200 Granville Street, Vancouver, B.C. V6C 1S4; and, where intended for the Tenant, if delivered to an officer of the Tenant or mailed in Canada by prepaid registered post addressed to the Tenant at 401 Bay Street, Suite 600, Toronto, Ontario M5H 2Y4, Attention: Vice-President, Real Estate & Development. Any such notice or request shall be deemed to have been given or made, if so delivered, when delivered, or if so mailed, except in the case of publicized postal interruptions (during which any notice or request shall be delivered), on the fourth next business day (excluding Saturdays) following its mailing. Any party may by notice in writing to the other change the address to which any notice or request is to be given or made. All payments required to be made under this Lease shall be delivered or mailed to the above addresses of the Landlord or the Tenant, as the case may be, unless the party entitled to such payment shall otherwise direct in writing.

25.06 ***Ownership of Tenant's Improvements and Removal of Fixtures.*** It is agreed between the Landlord and the Tenant that, notwithstanding any lease and demise herein, the title to and ownership of all improvements erected by or at the expense of the Tenant in the Tenant Department Store, the Tenant Outdoor Selling Area and the Tenant Licensed Parking Area shall notwithstanding the manner or degree of their affixation to the freehold remain vested in the Tenant and shall not pass to or become vested in the Landlord until thirty (30) days after the expiration or sooner termination of the Term, and that upon or within thirty (30) days after the expiration or sooner termination of the Term the Tenant may remove any or all of its fixtures and improvements of the nature of trade or tenants' fixtures which are ordinarily removable by a tenant, but not any improvements of a fixed and permanent nature.

25.07 ***Interpretation and Construction.*** All of the provisions of this Lease are to be construed as covenants and agreements. If any provision of this Lease is illegal, invalid or unenforceable it shall be considered as separate and severable from the remaining provisions, which shall remain in force and binding as though the said provision had never been included. No provision of this Lease which imposes or requires a party to impose or enforce a restriction against any third party shall be read or interpreted as contemplating any violation of the Competition Act (Canada) or any similar legislation, but if and to the extent such imposition or enforcement would cause any such violation, such provision shall be deemed modified to the extent necessary to avoid such violation. The headings and marginal sub-headings of Articles and clauses are for convenience of reference, and are not intended to limit, enlarge or otherwise affect their meanings. References in the singular shall include the plural, where the context reasonably so requires, and vice versa, and references herein to the parties shall mean the Landlord and the Tenant.

25.08 ***Successors.*** This Lease shall be binding upon the Landlord and the Tenant and their respective successors and assigns, and shall also enure to the benefit of their respective successors and assigns provided such successors and assigns are permitted successors and assigns under the provisions of Article 21.

25.09 ***Applicable Law.*** This Lease shall be governed and interpreted by and in accordance with the laws of the Province of British Columbia and the laws of the Dominion of Canada applicable thereto.

25.10 ***Entire Agreement.*** This Lease ~~and the Letter Agreement between the Landlord and Hudson's Bay Company dated March 15, 1993, a copy of which is attached hereto as Schedule "D"~~, constitutes the only agreements between the Landlord and the Tenant relating to the subject matter hereof. This Lease may be amended only by an agreement in writing signed by the parties hereto and, with respect to the subject matter hereof, neither party is bound by any representations, warranties, promises, agreements or inducements not embodied herein. ~~The parties hereby acknowledge and agree that where there is a conflict between the provisions of this Lease and the provisions of the said Letter Agreement, dated March 15, 1993, the provisions of the Lease shall always prevail, and that the only provisions of the said Letter Agreement which are not subsumed by and incorporated into the Lease and continue independently of the Lease are those contained in Section 8 ("Allowance"), Section 12 ("Temporary Store Closure") and Section 13 ("Landlord's Work") of the Letter Agreement.~~

25.11 ***Confirming Agreements.*** As and when information becomes known to the parties hereunder which was unknown at the time of execution and delivery of this Lease and which is the proper subject matter of this Lease, the parties shall enter into an appropriate agreement confirming the information then known from time to time.

25.12 ***Transfer Taxes.*** The Tenant shall be responsible for the payment of any transfer taxes resulting from the granting of this Lease, including without limitation those transfer taxes which are payable at the time of registration of this Lease.

25.13 ***Termination of Existing Lease.*** The Landlord and the Tenant hereby acknowledge and agree that, as of midnight of the day immediately preceding the Effective Date, the Tenant surrendered to the Landlord the lease between the Landlord and the Tenant (the "Existing Lease"), dated as of February 7, 1967 (the original parties to which Existing Lease are identified therein as Guildford Development Corporation Limited as landlord, and Woodward Stores (Surrey) Limited, as tenant), covering the lease of those certain department store premises located at the Shopping Centre which were previously operated as a "Woodwards" department store, and the Existing Lease thereupon ceased to be of any further force and effect and each of the parties released, remised and forever discharged the other from any and all claims arising thereunder (except for and in respect of those obligations of either party which are expressly set out in the Existing Lease to survive the expiry or sooner termination thereof).

25.14 ***Restricted Operation Clause*** - The Tenant hereby covenants and agrees with the Landlord that, throughout the first ten (10) years of the Term, it shall not operate any "Bay" department store within the municipality of Surrey, British Columbia, other than (i) the Tenant Department Store, and (ii) the existing "Bay" department store operated by the Tenant at the shopping centre known as "Surrey Place" and located at 10151 King George Highway, Surrey, B.C.

25.15 ***Landlord's Covenant to Maintain Ground Lease.*** The Landlord hereby covenants that, throughout the term of the Ground Lease, the Landlord shall observe and perform all obligations, covenants and responsibilities which the Landlord is required to observe and perform pursuant to the terms and conditions of the Ground Lease, and the Landlord shall use its reasonable best efforts to enforce against the landlord under the Ground Lease and its successors and assigns thereunder, for the benefit of the Tenant, the obligations of such parties under the terms of the said Ground Lease which materially affect the Tenant's use and occupation of the Tenant Department Store under the Lease or which are required to ensure the continued operation of the Shopping Centre as a single, integrated shopping centre complex in compliance with the terms of the Lease or which are prerequisite to the performance or observance of the Landlord's covenants, warranties and representations hereunder.

The Landlord shall indemnify the Tenant and save it harmless from and against any and all claims, actions, damages, liabilities, loss, costs and expenses whatsoever, including, without limitation, legal expenses and those expenses incurred in respect of loss of business or diminution of value in the Tenant's leasehold interest under the Lease arising from any occurrence or situation occasioned by the Landlord's failure to perform or honour the covenants contained in this Section 25.15 or by any action or course of conduct taken in compliance with the terms and conditions of the Ground Lease by any party thereto which effectively causes a breach of the Landlord's covenants, warranties and agreements contained in this Lease or which prevents the Landlord from performing or observing the same.

IN WITNESS WHEREOF the Landlord and the Tenant have executed this Lease.

LAING PROPERTY CORPORATION

per: _____

per: _____

(Landlord)

We have the authority to bind the corporation

HUDSON'S BAY COMPANY

per: _____

per: _____

(Tenant)

We have the authority to bind the corporation

SCHEDULE A

Description of Owned Portion of Shopping Centre Lands
GUILDFORD TOWN CENTRE

All and singular those certain parcels or tracts of lands and premises situate, lying and being in the Municipality of Surrey, in the Province of British Columbia and more particularly described as:

a) Lot 48 of Section 20, Block 5 North, Range 1 West, Plan 30380, except part of Plan 42258, New Westminster District;

b) Lot 76 of Section 29 Block 5 North, Range 1 West, Plan 36944, New Westminster District;

c) Lots 108 and 109 of Section 29, Block 5 North, Range 1 West, Plan 54837, New Westminster District;

d) Lots 1 and 2, Section 29, Block 5 North, Range 1 West, Plan 75756, New Westminster District;

e) Lots 71 and 73 of Section 29, Block 5 North, Range 1 West, Plan 29202, New Westminster District;

f) Remainder of Lot 74 of Section 29, Block 5 North, Range 1 West, Plan 29848, New Westminster District;

g) Remainder of Lot 67 of Section 29, Block 5 North, Range 1 West, Plan 28520, New Westminster District;

h) Lot 104 of Section 29, Block 5 North, Range 1 West, Plan 54348, New Westminster District

i) Lot 65 of Section 20, Block 5 North, Range 1 West, Plan 42258, New Westminster District

(i) together with any additional areas used in conjunction therewith or

(ii) excluding any areas now included in the description aforesaid which may be deleted by any minor amendment of boundaries which may be carried out from time to time;

SCHEDULE "A1"

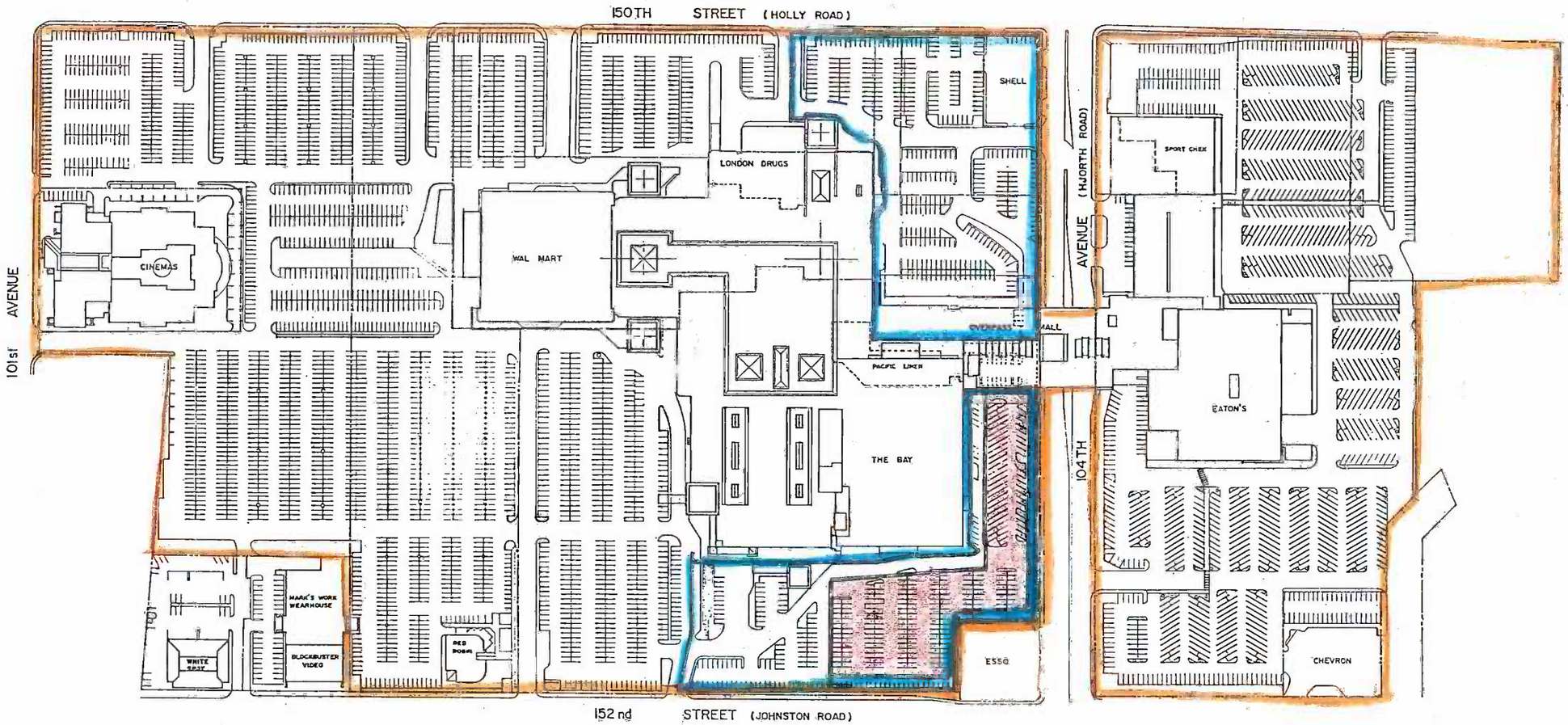
Description of Leased Portion of Shopping Centre Lands (Guildford Town Centre)

All and singular those certain parcels or tracts of lands and premises situate, lying and being in the Municipality of Surrey in the Province of British Columbia and more particularly described as follows:

Lot 66 Except part dedicated Road on Plan 54688, Section 20, Block 5 North, Range 1 West, New Westminster District, Plan 42258.

Lot 67 Except part shown on By-Law Plan 54892, Section 20, Block 5 North, Range 1 West, New Westminster District, Plan 42258.

Lot 54 of Section 20, Block 5 North, Range 1 West, New Westminster District, Plan 31513.



Ivanhoé Cambridge
Caisse de dépôt et placement du Québec

GUILDFORD TOWN CENTRE

106

SITE PLAN SCALE: 1" = 80'-0"

GUILDFORD TOWN CENTRE SURREY BC.

DIRASSAR JAMES JORGENSON ARCHITECTS
JULY 11th/1997

EXPLANATORY PLAN OVER A PORTION OF LOT 74, PLAN 29848, EXCEPT :
FIRSTLY : PART SUBDIVIDED BY PLAN 36944, AND
SECONDLY : PART SUBDIVIDED BY PLAN 54837, ALL OF
SECTION 29, BLOCK 5 NORTH, RANGE 1 WEST,
NEW WESTMINSTER DISTRICT.

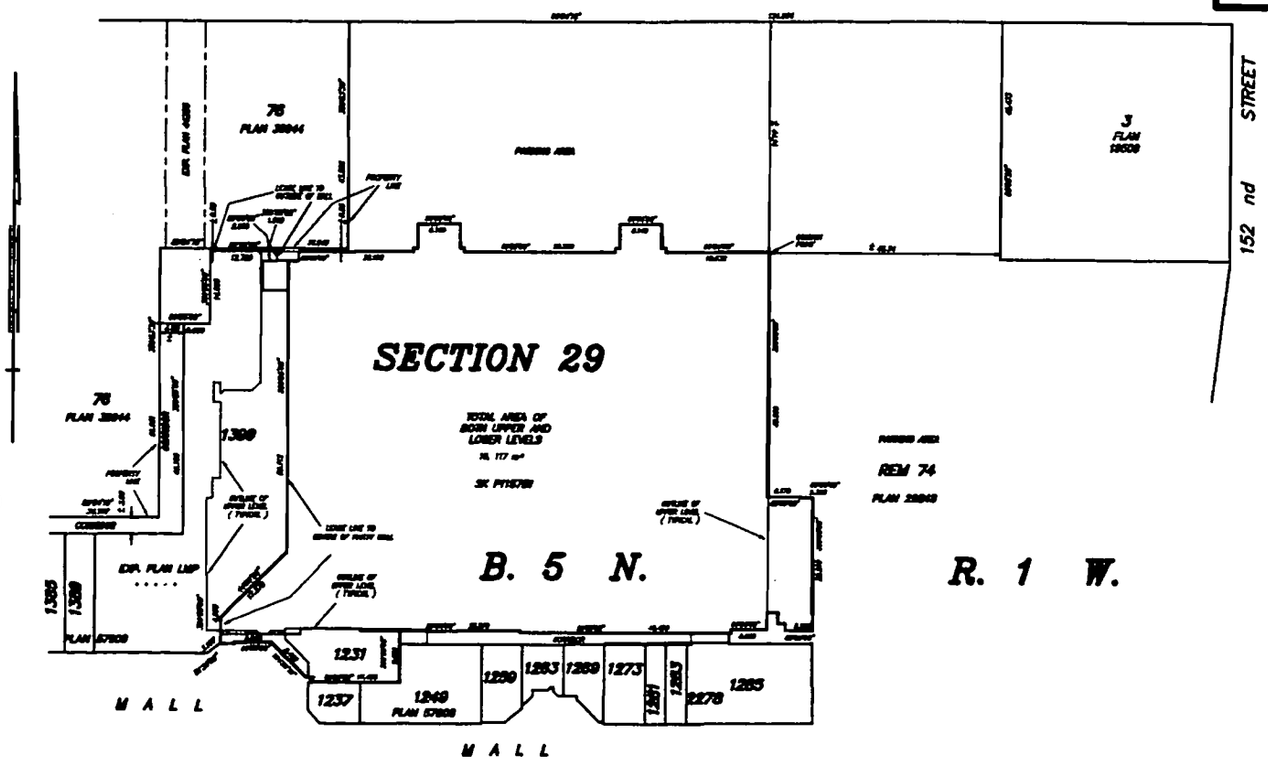
B.C.G.S. 92G . 016

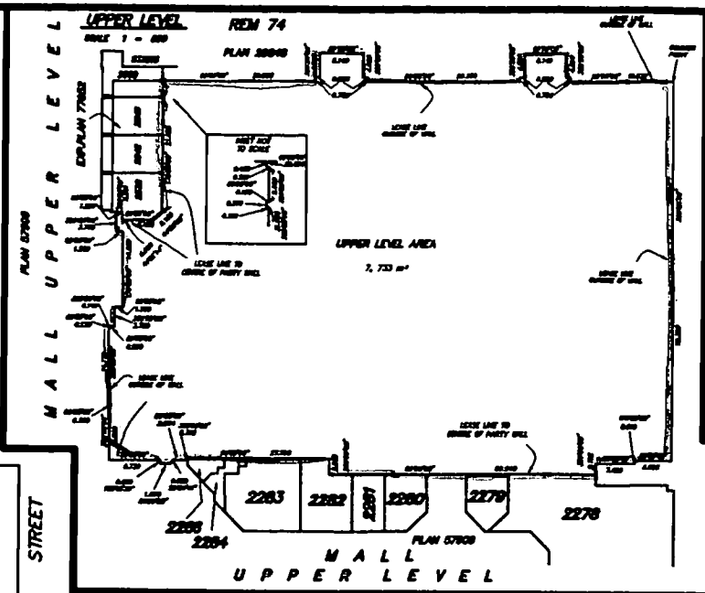
ACCORDING TO PLAN 36944 AND 29848
FOR LEASEHOLD PURPOSES
PURSUANT TO SECTION 99 (1) (k) OF THE LAND TITLE ACT

SCALE 1 : 600

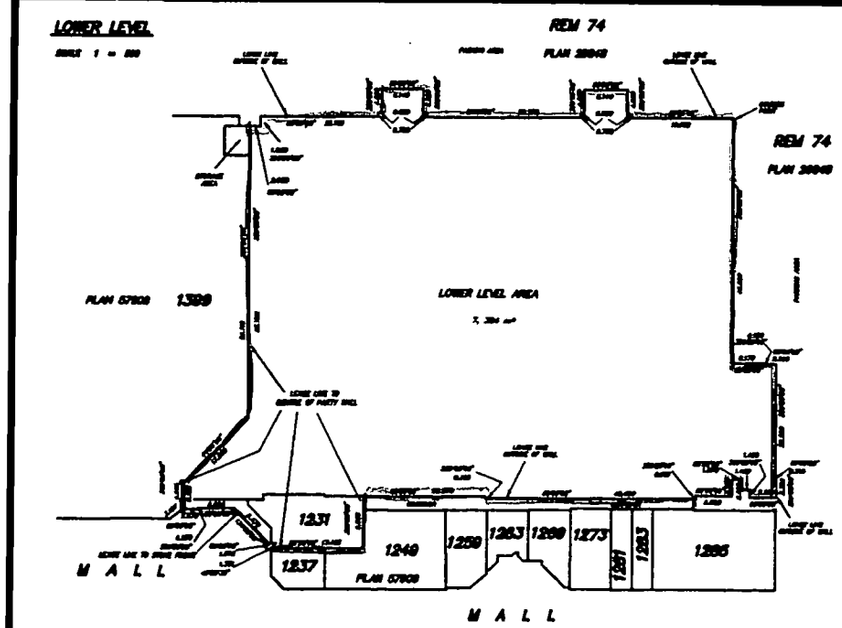
LEASE AREA KNOWN AS " THE BAY " OCCUPIES AREAS ON BOTH LOWER AND UPPER LEVELS OF THE SOUTH PART OF GUILDFORD MALL, LOCATED IN SURREY B.C.

104 th AVENUE





PLAN LMP
DEPOSITED IN THE LAND TITLE OFFICE
AT NEW WESTMINSTER B.C.
THIS DAY OF , 199 .
REGISTRAR



SCHEDULE "B"
page 2 of 2

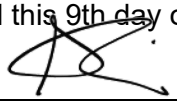
MANNING & ASSOCIATES
201-9440 202nd STREET
SURREY, B.C.
V4N 3S8
604/513-1158

THIS PLAN LIES WITHIN THE GREATER VANCOUVER REGIONAL DISTRICT
(CITY OF SURREY)

CERTIFIED CORRECT ACCORDING TO SURVEY
DATED THIS 8 th DAY OF SEPTEMBER , 1997.
B.C.L.S.
FILE 6443 (143)

107

This is **Exhibit "B"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

109

85-059

BAY LEASE

MAPLEVIEW CENTRE

BURLINGTON

See Also
March 15/95
Amendment

ORIGINAL
DO NOT
TAKE APART

MAPLEVIEW CENTRE, BURLINGTON

HUDSON'S BAY DEPARTMENT STORE LEASE

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Site Plan Colours

No Build Area	-	*Outlined in brown (clause 20.01)*
Second Department Store	-	*Outlined in blue*
Shopping Centre Lands	-	*Outlined in orange*
Tenant Department Store	-	*Outlined in red*
Tenant Outdoor Selling Area	-	*Shaded in red*

L E A S E

THIS LEASE is made as of the 18th day of November, 1988,

AMONGST:

CAMBRIDGE LEASEHOLDS LIMITED, a company incorporated under the laws of the Province of Ontario as to an undivided thirty-five percent (35%) interest, **CANAPEN (HALTON) LIMITED,** a company incorporated under the laws of Canada as to an undivided thirty-five percent (35%) interest, and **MARKBOROUGH PROPERTIES INC.,** a company incorporated under the laws of Canada as to an undivided thirty percent (30%) interest

(hereinafter called the "Landlord")

OF THE FIRST PART

- AND -

HUDSON'S BAY COMPANY, a company continued under the Canada Business Corporation Act

(hereinafter called the "Tenant")

OF THE SECOND PART

WHEREAS:

(A) The Landlord is the registered and beneficial owner in fee simple of the Shopping Centre Lands; and

(B) This Lease and the respective covenants and agreements of the parties hereto are entered into by the parties in consideration of the rents, covenants and agreements herein contained.

ARTICLE 1

DEFINITIONS, SCHEDULES AND LANDLORDS REPRESENTATIONS

1.00 "Definitions". In this Lease the terms defined in this clause 1.00 are used with the meanings so defined, as follows:

(1) "Adjusted Gross Leaseable Area" as applied to the Tenant Department Store means one hundred (100) percent of the Gross Leaseable Area of the lowest floor which is connected to a main Mall and fifty (50) percent of the Gross Leaseable Area of any other floors thereof;

(2) "**Common Facilities**" means all areas, improvements and facilities in the Shopping Centre, both interior and exterior, which are appropriate and intended for common use by or benefit of the tenants and other occupants of the Shopping Centre (including the Tenant) and their employees, licensees and customers, including without limitation the Parking Facilities, common utilities and services, utility distribution systems benefiting more than one tenant, Mall and means of public access to the Shopping Centre and its component parts, but excludes all of the following: Retail Premises and portions thereof; the Tenant Outdoor Selling Area and any other outdoor selling area, the Tenant Licensed Parking Area, all kiosks in the Mall and any other portions of Parking Facilities and the Mall while being used where expressly permitted under this Lease for retail selling and other private purposes; and all corridors, loading docks and truck receiving and delivery facilities, and electrical and mechanical vaults and rooms and facilities therein, which in each case are appropriate and intended predominantly for use only by one tenant or a limited group of tenants and its and their employees (except that the utility distribution systems shall not be excluded if serving more than one tenant);

(3) "**Common Facilities Operating Costs**" means all costs, charges and expenses incurred by the Landlord in accordance with good shopping centre practice for and properly attributable to the supervision, operation and maintenance of Common Facilities (including the Tenant Licensed Parking Area whether or not being used by the Tenant) without any duplication, and includes without limitation:

(i) the cost of operating and maintaining the system for the supply of utilities (including electricity for lighting) to, and of the utilities consumed in, the Common Facilities and the operating cost of heating, ventilating and air-conditioning enclosed portions of the Common Facilities;

(ii) the cost of wages and salaries (including fringe benefits) paid to personnel (including the on-site manager of the Shopping Centre and on-site managerial staff) to the extent engaged in the maintenance, operation and supervision of Common Facilities and Tenant Licensed Parking Area, except those in a managerial or an overhead capacity (with respect to whom costs are recovered as a pre-estimated amount as provided in paragraph (x) of this subclause);

(iii) the cost of cleaning and other janitor services in removing snow and refuse from, and supervising and policing the Common Facilities and Tenant Licensed Parking Area;

(iv) the cost of operating and maintaining fixtures and other machinery, equipment and building services in Common Facilities and of maintaining (including re-striping) Parking Facilities and Tenant Licensed Parking Area and maintaining landscaped areas which are in each case part of such Common Facilities;

(v) the cost of repairs to Common Facilities and Tenant Licensed Parking Area including replacements necessarily made to renovate or maintain such Common Facilities so as to cause them to be in good and substantial repair to the extent that such replacements do not constitute an expense of a capital nature but are wholly chargeable to operating expense in a fiscal period in accordance with generally accepted accounting principles, but excluding all repairs or replacements made to remedy defects in construction or made to improve the standard of such Common Facilities (if and to the extent by way of new construction,

capital additions or replacements or otherwise of a capital nature, and not just to maintain then existing facilities);

(vi) the cost of operating and maintaining public address and background music systems, information facilities and other facilities for the general benefit of customers of the Shopping Centre in Common Facilities;

(vii) the cost of Real Property Taxes (excluding business taxes, if any) applicable to the Common Facilities (including any Real Property Taxes allocated pursuant to Article 9) and Tenant Licensed Parking Area, including the cost or expense of appealing such taxes, (to be determined, if not separately assessed, as provided in this Lease);

(viii) the cost of premiums for fire and all insurance in respect of Common Facilities and Tenant Licensed Parking Area which the Landlord is required to maintain pursuant to this Lease or shall reasonably maintain or be required by any mortgagee of the Landlord to maintain (which may include, without limitation, fire insurance with extended coverage, supplementary perils, multi-perils and/or all risks endorsements, boiler and machinery insurance where applicable, and public liability insurance pertaining to the use and operation of Common Facilities);

(ix) periodic depreciation at standard rates upon equipment used for cleaning and maintaining Common Facilities (excluding equipment of and for the heating and air conditioning of the Common Facilities);

(x) as an agreed pre-estimate of the cost of overhead and administration costs incurred in connection with the operation and maintenance of Common Facilities, a sum equal to 10% of the aggregate of all Common Facilities Operating Costs excluding Real Property Taxes referred to in paragraph (vii) and excluding this paragraph (x));

but there shall be deducted therefrom (prior to the computation of the aforementioned administration fee):

(a) all monies recovered (which, if the Landlord fails to comply with its obligations to insure under this Lease, includes monies which would reasonably have been recoverable if the Landlord had so complied and used its reasonable efforts to recover) under policies of insurance, or recovered under claims for damage or indemnity from third parties responsible, with respect to damage to Common Facilities to the extent applicable to repairs to such Common Facilities the cost of which repairs is, or would otherwise be, included hereunder;

(b) recoveries made by the Landlord under construction warranties relating to Common Facilities to the extent applicable to defects the cost of repair of which is or would otherwise be included hereunder;

(c) all revenues and contributions whatsoever derived from the imposition of parking charges permitted to be imposed pursuant to subclause 7.04; and other revenues and contributions whatsoever derived from the Common Facilities including general shopping centre promotions conducted in and any temporary use of Common Facilities and permitted under subclause 7.04(b);

and there shall be excluded therefrom:

(A) the cost of improvements, additions, capital replacements, depreciation (except to the extent permitted under paragraph (ix) of this subclause) and other expenses which are in each case of a capital nature in accordance with generally accepted accounting principles; the costs of overhead and administration (other than as provided in paragraph (x) of this subclause); and Merchants' Association contributions by the Landlord, interest, debt service, and other similar costs;

(B) all costs of operating and maintaining kiosks and other facilities in the Mall or elsewhere in the Common Facilities which are of a commercial nature and produce revenue for the Landlord;

(C) any arbitration costs incurred in the determination of any dispute respecting Common Facilities Operating Cost as contemplated by clause 10.01 of this Lease unless the decision of such arbitrator(s) favours the Landlord;

(4) "**Effective Date**" means the 24th day of September, 1990;

(5) "**Greater Toronto Area**" means the area comprised by the Municipality of Metropolitan Toronto and the Regions of York, Durham, Halton and Peel.

(6) "**Gross Building Area**" as applied to the Tenant Department Store means the aggregate floor area thereof expressed in square feet, calculated by measuring from the exterior face of all perimeter walls, but excluding all mezzanines (other than mezzanines open to the public for retailing purposes) and penthouses and excluding any loading docks and truck receiving and delivery facilities which are unenclosed; and the parties hereto agree that the Gross Building Area of the Tenant Department Store as of the Opening Date is 140,750 square feet;

(7) "**Gross Leaseable Area**" as applied to any interior rentable premises (including the Tenant Department Store), means the aggregate floor area thereof (excluding, in the case of mezzanine floor area, any portion of such floor area not open to the public for retailing purposes) on each level expressed in square feet, calculated by measuring from the exterior face of all exterior walls and the centre line of common walls; and as applied to any facility in the Mall or any enclosed and heated facility located on exterior Common Facilities used for retail selling or other private purposes, means the area occupied by such facility including in the case of a kiosk any surrounding area used in conjunction with or reasonably attributable thereto (excluding outdoor selling areas); but excluding all penthouses, elevator machine rooms, electrical and mechanical vaults and rooms (including telephone rooms) and facilities therein, vertical transportation facilities (including stairways), public washrooms, vestibules, unenclosed loading docks and truck receiving and delivery facilities and any areas not enclosed and heated;

(8) "**Landlord**" means collectively Cambridge Leaseholds Limited and Canapen (Halton) Limited each as to an undivided thirty-five percent (35%) interest, and Markborough Properties Inc. as to an undivided thirty percent (30%) interest, and their respective successors and assigns;

(9) "**Lease**" means this Lease as from time to time amended;

(10) "**Leased Premises**" means the Tenant Department Store which is demised to the Tenant under this Lease, and includes where the context requires or permits (while pursuant to the right of the Tenant to lease, license or use and enjoy them, the Tenant is so occupying, using or enjoying them) the Tenant Shop, the Tenant Outdoor Selling Area and the Tenant Licensed Parking Area, all as provided in this Lease;

(11) "**Mall**" means the enclosed pedestrian concourses, courts and arcades, which are and from time to time may be constructed as part of the Shopping Centre, and being part of the Common Facilities, as from time to time altered, reconstructed or expanded;

(12) "**Merchandising Plan**" means the plans allocating permitted types of use to each of the various premises in the Shopping Centre, which plans have been prepared by the Landlord and approved by the Tenant and are annexed as Schedule C to this Lease, as from time to time amended;

(13) "**Opening Date**" means the 24th day of September, 1990;

(14) "**Parking Facilities**" means that portion of the Common Facilities which is from time to time intended and available for the parking of motor vehicles (whether at grade level or in parking decks or structures), as from time to time altered, reconstructed or expanded, and includes all improvements on the Shopping Centre Lands associated with parking from time to time such as all curbs, lighting facilities, pavement, signs, entrances, exits, roads, ramps and other means of access to parking;

(15) "**Real Property Taxes**" means any and all taxes (which includes rates, assessments, levies, charges and impositions), general or special, from time to time levied or imposed with respect to real property (including land, buildings, fixtures, and accessories and improvements to them including any commercial concentration tax) by municipal or other governmental authorities having jurisdiction, including without limitation such taxes levied or imposed for schools, public betterments and, in respect of construction commenced following the Opening Date, general or local improvements, and levied or imposed in addition to or substitution for any of the foregoing, on whatever basis levied or imposed, if the intent and effect of such addition or substitution is to effect an imposition on real property; interest, fines or penalties for non-payment shall be excluded, and costs of contesting the amount or validity of any such taxes shall be included (only to the extent reasonably incurred in the common interests of the persons liable to pay or contribute to them), but taxes which are primarily of the nature of taxes on income, capital, business, place of business or otherwise personal to the taxpayer, and not primarily of the nature of taxes on real property, shall also be excluded;

(16) "**Retail Premises**" means rentable premises used and occupied or designed to be used and occupied by businesses which provide goods or services to the public such as are commonly found at a mall level of a shopping centre and includes, without limiting the foregoing, in addition to retail stores (including department stores, food supermarkets, kiosks and theatres) chartered banks, trust companies, dry cleaners, barber shops and restaurants and snack bars and commercial offices having frontage on the Mall, but for greater certainty excludes premises used for commercial office (other than those having frontage on the Mall), residential and hotel or motel purposes;

(17) "**Second Department Store**" means the department store building comprising 125,707 square feet of Gross Leaseable Area on two levels which is being constructed on the Shopping Centre Lands and is shown outlined in BLUE on the Site Plan, as such building may from time to time be altered, reconstructed or expanded in accordance with the provisions of this Lease;

(18) "**Shopping Centre**" means the Shopping Centre Lands and all the buildings and improvements from time to time erected thereon including all Common Facilities and all Retail Premises thereon, and the appurtenances thereto from time to time existing, together constituting the shopping centre known as "Mapleview Centre";

(19) "**Shopping Centre Lands**" means the lands comprising approximately 43.62 acres which are the site of the Shopping Centre and shown outlined in ORANGE on the Site Plan (as such lands are more particularly described in Schedule A);

(20) "**Site Plan**" means the site and location plan of the Shopping Centre Lands and the improvements initially constructed thereon, and which is annexed as Schedule B to this Lease;

(21) "**Tenant**" means Hudson's Bay Company and its successors and permitted assigns as tenant under this Lease;

(22) "**Tenant Department Store**" means the department store building on two levels which the parties hereto acknowledge comprises as at the Opening Date 129,066 square feet of Gross Leaseable Area, which is being constructed on the Shopping Centre Lands and is shown outlined in RED on the Site Plan, as such building may from time to time be altered, reconstructed or expanded in accordance with the provisions of this Lease (and which building shall include for greater certainty any fixed improvements on the roof thereof which are for the exclusive use of the Tenant);

(23) "**Tenant Licensed Parking Area**" means the ten (10) car parking spaces licensed for the exclusive use of the Tenant pursuant to clause 2.01 and as determined pursuant to clause 16.02;

(24) "**Tenant Outdoor Selling Area**" means the area shaded in RED on the Site Plan (as such may be expanded pursuant to clause 16.01) within which the Tenant may locate and which it may from time to time use as an outdoor selling area pursuant to clauses 2.01 and 16.01;

(25) "**Tenant Shop**" means the fast food store of approximately 360 square feet of Gross Leaseable Area located in the food court of the Shopping Centre which the Tenant leases for use for selling purposes pursuant to clauses 2.02 and 16.00, and which is shown outlined in RED on the Merchandising Plan;

(26) "**Term**" means the entire term of this Lease including the original term as described under clause 3.00, every extension of the term as described under clause 3.01 resulting from the exercise of any of the Tenant's options thereunder, and any period of overholding to which clause 3.02 applies;

(27) "**Unavoidable Delay**" means any prevention, delay, stoppage or interruption in the performance of any obligation of the parties hereunder due to strike, lockout, labour dispute, act of God, or the occurrence of fire or other casualty, condition or cause which is beyond the reasonable control of the party obligated to perform despite all reasonable efforts of such party to perform (but shall not include any inability to perform because of any lack of funds or any financial condition);

1.01 Schedules. The Schedules to this Lease form part hereof and are as follows:

Schedule "A"	-	Description of Shopping Centre Lands
Schedule "B"	-	Site Plan
Schedule "C"	-	Merchandising Plan
Schedule "D"	-	Common Facilities Operating Costs Breakdown (see Article 10)

1.02 Landlord's Representations. The Landlord warrants and represents to the Tenant that at the date of this Lease and the date of execution and delivery of the Lease:

(1) The construction of the Shopping Centre, the Common Facilities and Retail Premises herein but excluding the Tenant Department Store, and the use of the various portions thereof for their intended purposes including the intended use of the Tenant Department Store, in each case does not contravene in any material way and is not prevented or restricted by any present provision of any statute, by-law, order or

(1) The right to use the Parking Facilities (including the means of pedestrian and vehicular access and the entrances and exits to and from the Shopping Centre included therein, but excluding those portions of the Parking Facilities which are occupied by the Tenant Outdoor Selling Area and other outdoor selling areas recognized or permitted under clause 17.01 of this Lease, while so occupied) for the purpose of pedestrian and vehicular access to and from the Shopping Centre and the parking of vehicles in parking spaces provided therein;

(2) The right to pedestrian passage and re-passage through every portion of the Mall (excluding those portions thereof which are occupied by kiosks permitted under this Lease while so occupied) for the purpose of access to or from every portion of the Shopping Centre including the Tenant Department Store;

(3) The right to the use and benefit of utilities and services as have been or may be provided by the Landlord, in accordance with the provisions of this Lease;

(4) The right to use the corridors, entrances to and exits from buildings, public washrooms and all other facilities provided for common use and enjoyment as part of the Common Facilities; and

(5) The exclusive right to use the truck standing area which is adjacent to and is used in conjunction with the receiving facilities of the Tenant Department Store, for the purpose of the standing of motor vehicles, trailers and garbage compactors and access to and from such receiving facilities.

ARTICLE 3

TERM, EXTENSIONS, OVERHOLDING AND RIGHT OF TERMINATION

3.00 Original Term. The original term shall be for thirty (30) years and 6 days commencing on the 24th day of September, 1990 and ending on the last day of September, 2020. For greater certainty, the first year of the original term for all purposes in this Lease shall commence on September 24, 1990 and end on September 30, 1991.

3.01 Extensions. The Tenant shall have the options:

(1) first, to extend this Lease for a first extension term of ten (10) years commencing on October 1, 2020 immediately after the expiration of the original term referred to in clause 3.00, and

(2) second, if such first option shall have been exercised, to further extend this Lease for a second extension term of ten (10) years commencing on October 1, 2030, immediately after the expiration of the first extension term, and

(3) third, if such second option shall have been exercised, to extend this Lease for a third extension term of ten (10) years commencing on October 1, 2040, immediately after the expiration of the second extension term, and

(4) fourth, if such third option shall have been exercised, to extend this Lease for a fourth extension term of ten (10) years commencing on October 1, 2050, immediately after the expiration of the third extension term, and

(5) fifth, if such fourth option shall have been exercised, to extend this Lease for a fifth extension term of ten (10) years commencing on October 1, 2060, immediately after the expiration of the fourth extension term, and

(6) sixth, if such fifth option shall have been exercised, to extend this Lease for a sixth extension term of ten (10) years commencing on October 1, 2070, immediately after the expiration of the fifth extension term, and

(7) seventh, if such sixth option shall have been exercised, to extend this Lease for a seventh extension term of ten (10) years commencing on October 1, 2080, immediately after the expiration of the sixth extension term and finally expiring on September 30, 2090 . Unless this Lease shall have been sooner terminated pursuant to clauses 3.03, 12.00(3), 24.00, 24.01 or 24.02, an option granted to the Tenant by this clause 3.01 shall be deemed to have been exercised by the Tenant, without the need for any written notice of exercise or other notice or action by the Tenant, unless the Tenant gives written notice to the Landlord that it does not desire to exercise such option of extension, which notice of non-exercise by the Tenant shall be given not later than twelve (12) months prior to the end of the original term in the case of the first of such options, or not later than twelve (12) months prior to the end of the then current extension term in the case of any of the six subsequent options (and in which event only, such option shall be deemed not to have been exercised, the Term shall expire at the expiration of the original term or the then current extension term, as the case may be, and there shall be no further or other right of the Tenant to exercise any such option).

All of the covenants, conditions and provisions of this Lease, including the stipulation as to rent and other payments and contributions by the Tenant hereunder, shall apply during each extension term specified in this clause 3.01, except that there shall be no options to extend beyond the seventh extension option provided for in this clause 3.01, and any provision which expressly has application only during the original term shall not apply during any extension term. The Landlord agrees, upon request from the Tenant and by notice to the Tenant, to promptly advise whether or not the tenant of the Second Department Store has advised the Landlord of its intention to renew or extend, or not to renew or extend, its lease for the Second Department Store for the then impending renewal or extension term if it has been so advised by the tenant of the Second Department Store.

3.02 Overholding. If the Tenant shall remain in possession as an overholding tenant after the original term or any extension term, save pursuant to an extension term which has been deemed to have been exercised or other agreement between the Landlord and the Tenant, the Tenant shall be deemed to be a tenant from month to month at a monthly rental equal to one-twelfth (1/12th) of the annual basic rent payable in the last year of the Term immediately preceding such overholding and otherwise upon all the terms and provisions of this Lease, including, without limitation, the obligation to pay additional rent modified as is appropriate to such a monthly occupancy.

3.03 Tenant's Right to Terminate. The Tenant shall have the option to terminate this Lease if at any time after the expiration of the original term specified in clause 3.00 (and notwithstanding the exercise of any right of extension under clause 3.01) fifty (50) percent or more of the Gross Leaseable Area of Retail Premises (excluding the Tenant Department Store and the Second Department Store) cease to be open for business and remain so for one hundred and eighty (180) days (exclusive of periods when business is prevented by fire damage or other like Unavoidable Delay) upon thirty (30) days prior written notice of termination to the Landlord.

ARTICLE 4

RENT

4.00 Amount of Rent for Tenant Department Store. From and after the Effective Date the Tenant covenants to pay annual basic rent equal to:

(a) $ 6.30 per square foot per annum of Gross Building Area of the Tenant Department Store (excluding the Gross Building Area of any expansion) for the first, second and third years of the Term; and

(b) $ 6.83 per square foot per annum of Gross Building Area of the Tenant Department Store (excluding the Gross Building Area of any expansion) for the fourth and fifth years of the Term; and

(c) $ 7.35 per square foot per annum of Gross Building Area of the Tenant Department Store (excluding the Gross Building Area of any expansion) for the sixth to tenth years of the Term, both inclusive; and

(d) $ 7.88 per square foot per annum of Gross Building Area of the Tenant Department Store (excluding the Gross Building Area of any expansion) for the eleventh to thirtieth years of the Term, both inclusive; and

(e) $ 3.94 per square foot per annum of Gross Building Area of the Tenant Department Store (excluding the Gross Building Area of any expansion) for each year of an extension term.

The annual basic rent, if any, applicable to an expansion of the Tenant Department Store shall be determined pursuant to the provisions of Article 19 hereof.

4.01 Amount of Rent for Tenant Shop. The Tenant covenants and agrees to pay to the Landlord from and after the Opening Date, until termination pursuant to clause 16.00, an annual basic rent, for each square foot of Gross Leaseable Area of the Tenant Shop, equal to the annual basic rent per square foot of Gross Building Area from time to time payable for the Tenant Department Store during such year.

4.02 Payment of Rent. Rent in the amount contemplated by clauses 4.00 and 4.01 shall be paid in lawful money of Canada to the Landlord at such place in Canada as the Landlord may from time to time direct in writing. Rent shall be payable (a) by equal monthly instalments in advance on the first day of each calendar month, except that rent payable for any broken portion of a calendar month (at the commencement or expiration of the Term) shall be appropriately adjusted for, being calculated at a rate per day equal to 1/365th of the applicable annual rent for the broken portion of the calendar month involved, and (b) without any previous notice or demand of the Landlord, and without any abatement, set-off or deduction whatsoever except as specifically provided for in this Lease.

4.03 Additional Rent. In addition to the basic rent referred to in clauses 4.00 and 4.01 all sums of money required to be paid by the Tenant to the Landlord under this Lease and whether or not such sums of money are expressed or referred to as being rent, shall, when in default, be deemed to be additional rent and payable and recoverable as rent.

4.04 Abatement of Rent. If at any time during the Term either (i) the Second Department Store (provided that the tenant, subtenant or operator of the Second Department Store at the time is not an affiliated corporation of the Tenant, as such term "affiliated corporation" is defined in clause 21.00 of this Lease) ceases to be operated as a major department store and to be open to the public for business, or (ii) on or before

regulation of any governmental authority having jurisdiction or of any agreement to which the Landlord is a party or is bound;

(2) The tenants and occupants of the Shopping Centre including the Tenant and their respective employees and those having lawful business with them including customers have legal pedestrian and vehicular access to the Shopping Centre and their respective premises therein, and such access is not prevented or restricted by any statute, by-law, order or regulation of any governmental authority having jurisdiction or of any agreement to which the Landlord is a party or is bound;

(3) Any mortgages, charges and other similar encumbrances registered against and affecting the Shopping Centre Lands shall require the holder, while in possession, to observe and perform the obligations of the Landlord, in each case in accordance with the terms of this Lease, and any such mortgagee or chargee ranking in priority to this Lease shall provide a non-disturbance agreement in a form reasonably satisfactory to such lender and the Tenant;

(4) The title to the Shopping Centre Lands is subject to no encumbrances which materially and detrimentally affect the Tenant's interest under this Lease; and

(5) There are no restrictions imposed by law or by private agreement binding upon the Landlord which conflict with the rights of the Tenant under this Lease.

ARTICLE 2

DEMISE AND GRANT OF RIGHTS

2.00 Demise of Tenant Department Store. The Landlord leases the Tenant Department Store to the Tenant for the Term, upon and subject to the covenants and provisions expressed in this Lease, together with the benefit of all rights and privileges granted to the Tenant by this Lease.

2.01 Right to Tenant Outdoor Selling Area and Tenant Licensed Parking Area. The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this Lease, (a) the exclusive right and license at any time and from time to time during the Term and not terminable by the Landlord during the Term (but subject always to the provisions of clause 16.01), to occupy and use the Tenant Outdoor Selling Area and (b) the exclusive right and license at any time and from time to time during the Term and not terminable by the Landlord during the Term to occupy and use the Tenant Licensed Parking Area.

2.02 Demise of Tenant Shop. The Landlord leases the Tenant Shop to the Tenant for the Term (but subject to prior termination as provided in clause 16.00), upon and subject to the covenants and provisions of clause 16.00, to occupy and use for the Tenant's benefit.

2.03 Rights to Common Facilities. The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this Lease, for use by the Tenant and its employees and those having lawful business with it including its customers, in common with the Landlord and other occupants of the Shopping Centre only and their respective employees and those having lawful business with them including their customers, the right and license during the Term, and not terminable by the Landlord during the Term, to use the Common Facilities for the purposes for which such Common Facilities are intended and provided; and in particular, without limiting the generality of the foregoing, such right and license of use shall include:

July 17, 1993 50% or more, and after July 17, 1993 25% or more, of the Gross Leaseable Area of Retail Premises on any level of the Shopping Centre (excluding the Tenant Department Store and the Second Department Store) shall cease to be occupied and open to the public for retail business and remain so for one hundred and eighty (180) days, or (iii) the Landlord ceases to operate a first-class regional shopping centre, and if the Tenant should, while any of such conditions (i), (ii) and (iii) persists, cease the conduct of business in the Tenant Department Store, all rent and other amounts payable to the Landlord under this Lease in respect of the Tenant Department Store shall cease and abate until the earlier of:

(a) the date the Tenant shall re-commence the conduct of business in the Tenant Department Store; and

(b) the date on which each of the following shall have occurred: (i) the Second Department Store shall again be open for business, (ii) on or before July 17, 1993 no less than 50%, and after July 17, 1993 no less than 75%, of the Gross Leaseable Area of Retail Premises on each level of the Shopping Centre (excluding the Tenant Department Store and the Second Department Store) shall again be open for business, and (iii) the Landlord shall be operating a first-class regional shopping centre.

4.05 No Basic Rent for Tenant Outdoor Selling Area or Tenant Licensed Parking Area. It is understood and agreed that no basic rent (of the type referred to in clause 4.00) shall be payable by the Tenant during the Term in respect of its use and occupancy of either the Tenant Outdoor Selling Area or the Tenant Licensed Parking Area.

ARTICLE 5

GENERAL COVENANTS

5.00 Covenants of Tenant. The Tenant covenants with the Landlord:

(1) to pay when due the rent stipulated in Article 4 and the contributions in respect of the Common Facilities Operating Costs stipulated in Article 10 in the amount and manner therein provided, and all other sums from time to time due to the Landlord under this Lease; and

(2) to observe and perform all the covenants and obligations of the Tenant under this Lease.

5.01 Covenants of Landlord. The Landlord covenants with the Tenant:

(1) for quiet enjoyment; and

(2) to observe and perform all the covenants and obligations of the Landlord under this Lease.

ARTICLE 6

OCCUPANCY OF LEASED PREMISES

6.00 Uses of Leased Premises. Except with the prior written consent of the Landlord:

(1) so long as the Second Department Store (while the tenant, subtenant or operator thereof is not an affiliated corporation of the Tenant, as such term "affiliated corporation" is defined in clause 21.00 of this Lease) continues to be operated as a major department store and to be open to the public for business, so long as on or before July 17, 1993 50% or more, and after July 17, 1993 75% or more, of the Gross Leaseable Area of Retail Premises on each level of the Shopping Centre (excluding the Tenant Department Store and the Second Department Store) continue to be occupied and open to the public for retail business (subject to a period of 180 days for the Landlord to remedy such occupancy deficiency), and so long as the Landlord continues to operate the Shopping Centre as a first-class regional shopping centre, the Tenant agrees that the Tenant Department Store will (subject to Unavoidable Delay) be continuously used and operated in a manner consistent with the standards of a majority of the other first-class major department stores operated by the Tenant in the Greater Toronto Area; where the Tenant ceases operating as a result of the conditions as first set out in this subclause 6.00(1) not being met, the Tenant shall have six (6) months after such conditions are met before it shall be required to re-open the Tenant Department Store; furthermore, where the Tenant ceases operating as a result of such conditions not being met for reasons other than damage or destruction to the Shopping Centre, the Landlord shall have the right (in addition to any other rights which the Landlord may have at law) while the Tenant Department Store remains closed as aforesaid to give written notice to the Tenant that this Lease will terminate should the Tenant fail to re-open the Tenant Department Store within six months of receipt of such notice, and should the Tenant fail to re-open the Tenant Department store for business with the public during such six month period this Lease shall at the expiry of such six month period terminate;

(2) the Tenant Outdoor Selling Area, while used and occupied by the Tenant, may be used and operated only for the sale at retail of any type or types of merchandise permitted to be sold in the Tenant Department Store, including without limitation garden supplies and equipment and recreational and sports equipment; the Tenant Licensed Parking Area, while used and occupied by the Tenant, may be used only for the parking of vehicles;

(3) the Tenant Shop, during that portion of the Term following the Opening Date until terminated pursuant to clause 16.00, while used and occupied by the Tenant, may in addition to the uses set out in clause 16.00 be continually used and operated for the sale of any department store type of merchandise permitted in the Tenant Department Store appropriate for sale from such a facility.

6.01 Name of Business. Unless and until the Tenant shall assign this Lease or sublet the whole of the Tenant Department Store in accordance with the provisions of clause 21.00, the name under which the Tenant Department Store shall be operated by the Tenant shall be "the Bay" (with or without additional references to the words "Hudson's Bay Company") or such other word or words as shall be the dominant word or words in the name under which a majority of the Tenant's other similar department stores are from time to time being carried on in the Greater Toronto Area (but this shall not apply to the Tenant Shop, the Tenant Outdoor Selling Area or the Tenant Licensed Parking Area).

6.02 Hours of Business and Mall Access. From and after the Opening Date and during the Term the Tenant, if obliged under clause 6.00 to be open for business, shall be open to the public for business in the Tenant Department Store and the Tenant Shop during at least those minimum hours of business for the Shopping Centre as may from time to time be established by the regulations of the Landlord, provided that such regulations shall be reasonable, of uniform application and consistent with the provisions of this Lease, and that nothing herein shall require the Tenant Department Store or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its department stores in the Greater Toronto Area, or to be open for business when prevented by law or other legal restriction or by Unavoidable Delay. The Landlord shall consult periodically with the Tenant with regard

to Shopping Centre hours of business and give reasonable consideration to the suggestions and recommendations of the Tenant pertaining thereto, and shall give reasonable notice to the Tenant of any change from time to time in the Landlord's regulations pertaining to Shopping Centre hours of business. While the Tenant Department Store is open for business with the public and the Malls adjoining the Tenant Department Store are open to the public, the Tenant shall keep its entrances to such Malls open for customer access (subject to Unavoidable Delay).

6.03 Display Window Lighting. The Tenant shall keep any display and other windows of the Tenant Department Store suitably illuminated during all hours when such shall be open to the public for business.

6.04 Nuisance, etc. The Tenant shall not use or permit any part of the Leased Premises to be used in such a manner as to cause a nuisance or cause or permit any annoying noises, vibrations or odours (having regard to the purposes for which the various portions of the Leased Premises are permitted to be used)or conduct any business or activity in the Leased Premises which is not in keeping with the standards of first-class regional shopping centres. The Tenant shall not permit any debris or refuse to accumulate in the Leased Premises, but shall cause the same to be stored in suitable receptacles and regularly removed. The Tenant will not permit to be stored in or about the Leased Premises any dangerous or inflammable thing or conduct any activity in or about the Leased Premises to which the insurers of the Tenant or of the Landlord have reasonable cause for objection, having due regard to the purposes for which such parts of the Leased Premises are permitted to be used, and if the Tenant shall breach this provision the Landlord shall have the right (without limiting any other remedy it may have) to recover the amount of any additional premium cost incurred by the Landlord as a result of such breach.

6.05 Receiving and Shipping. The Tenant shall not load or unload any merchandise, supplies or other materials or any debris or refuse except in the truck receiving area forming part of the Tenant Department Store, but this shall not apply to deliveries to and shipments from the Tenant Outdoor Selling Area.

6.06 Merchandising Activities in Common Facilities. The Tenant shall not carry on any merchandising activities or display any merchandise in the Common Facilities, other than as permitted in the Tenant Outdoor Selling Area or as part of a promotion approved by the Landlord, such approval not to be unreasonably withheld.

6.07 Heating and Air-Conditioning. The Tenant shall at its own expense heat and air-condition the Tenant Department Store (other than portions thereof which are not designed to be heated or air-conditioned) whenever reasonably required from time to time and in such manner that there will be no direct or indirect appropriation of heating or cooling from the Mall, but subject to Unavoidable Delay, and maintain, repair and replace the systems for heating and air-conditioning the Tenant Department Store as required for the purpose. The Tenant Shop shall be heated and air-conditioned as provided in clause 16.00.

6.08 Additional Common Facilities Operating Costs. If and whenever the Leased Premises or any part thereof are to be open for business during any hours which are not within the general hours of business for the Shopping Centre as established pursuant to clause 7.02 and such hours are in excess of those observed by the Tenant in a majority of its similar stores in the Greater Toronto Area, the Tenant shall give reasonable prior notice to the Landlord. If the Leased Premises or any part thereof are so open for business the Landlord may require the Tenant to reimburse to the Landlord the incremental cost (or an equitable part thereof based upon Gross Leaseable Area, if other occupants of rentable premises of the Shopping Centre shall similarly have remained open for business) incurred by the Landlord in operating the Common Facilities during the extra hours involved resulting therefrom. Consistent with the foregoing, if the Tenant Department Store is closed for business during any hours which are not within

the general hours of business for the Shopping Centre as established pursuant to clause 7.02, the Landlord shall not include in Common Facilities Operating Costs the incremental cost incurred by it in operating the Common Facilities during such extra hours involved resulting therefrom.

6.09 Hazardous Substances.

(1) "**Hazardous Substance**" means any substance declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority having jurisdiction over the Landlord, the Tenant, the Leased Premises or the Shopping Centre.

(2) The Tenant shall not cause or permit any Hazardous Substance to be brought upon, kept or used in or about the Leased Premises unless such Hazardous Substance is reasonably necessary for the Tenant's permitted use of the Leased Premises and unless the Hazardous Substance is used, kept, stored and disposed of in a manner that complies with all federal, provincial and municipal laws regulating any such Hazardous Substance.

(3) The Tenant authorizes the Landlord to make reasonable enquiries from time to time of any government or governmental agency in order to determine the Tenant's compliance pursuant to paragraph 2 hereof with any and all laws and regulations pertaining to Hazardous Substances. The Tenant covenants and agrees that it will from time to time, upon not less than 10 days prior notice from the Landlord, provide to the Landlord such written authorization as the Landlord may reasonably require in order to facilitate the obtaining of such information.

(4) Without limiting the generality of the provisions contained in clause 13.00, the Tenant shall at the Tenant's own expense comply with all laws and regulations from time to time in force regulating the manufacture, use, storage, transportation and disposal of Hazardous Substances as may be applicable from time to time to the Tenant and the business carried on by the Tenant in the Leased Premises and shall make, obtain and deliver all reports and studies required by governmental authorities having jurisdiction.

(5) The Landlord may during normal business hours of the Tenant upon prior reasonable notice to Tenant inspect the Leased Premises for the purpose of identifying the existence, nature and extent of Hazardous Substances on the Leased Premises and the Tenant's use, storage and disposal of such Hazardous Substances on the Leased Premises and the Tenant's use, storage and disposal of such Hazardous Substances, and the Tenant agrees to cooperate with the Landlord in its performance of each such inspection. If the Landlord, acting reasonably, determines following any such inspection that further testing or investigation is required in order to monitor the Tenant's compliance with all applicable laws relating to the use, storage and disposal of Hazardous Substances, the Landlord may, at its own expense, arrange for such testing or investigation. The Landlord agrees that in pursuing such investigation it will not interrupt or interfere with the Tenant's business operation.

(6) If the Tenant is using, keeping or storing Hazardous Substances in or about the Leased Premises in contravention of any federal, provincial or municipal laws regulating any such Hazardous Substances, the Tenant shall, as soon as reasonably possible after being notified by the Landlord of such contravention, comply with all federal, provincial and municipal laws regulating any such Hazardous Substances.

(7) If any governmental authority having jurisdiction shall require the clean-up of any Hazardous Substances held, released, spilled, abandoned or placed upon the Leased Premises or the Shopping Centre by the Tenant or released into the environment by the Tenant in the course of the Tenant's business or as a result of the Tenant's use or occupancy of the Leased Premises, then the Tenant shall carry out the work required and keep the Landlord fully informed of the progress of such work in a timely manner.

(8) In the event of any release or spill of any Hazardous Substance at or from the Leased Premises, whether under the circumstances referred to in clause 6.09(7) above, the Tenant shall, upon becoming aware of such release or spill, immediately notify the Landlord, such notice to include all information known to the Tenant regarding such release or spill.

(9) The parties hereto acknowledge and agree that if the Tenant creates or brings to the Shopping Centre or the Leased Premises any Hazardous Substance or if the Tenant shall cause there to be any Hazardous Substance at the Shopping Centre or the Leased Premises then, notwithstanding any rule of law to the contrary, such Hazardous Substance shall not become the property of the Landlord notwithstanding the degree of affixation to the Leased Premises or the Shopping Centre of the Hazardous Substance or the goods containing the Hazardous Substance, and notwithstanding the expiry or earlier termination of this Lease, and, to the extent required by law, the Tenant shall, at the Tenant's own cost remove any such Hazardous Substance or goods containing such Hazardous Substance in compliance with all governmental laws, regulating such Hazardous Substance, upon or before the expiry or earlier termination of the Lease.

(10) The Landlord shall not cause or permit any Hazardous Substance to be brought upon, kept or used in or about the Shopping Centre unless such Hazardous Substance is reasonably necessary for the Landlord's operation of the Shopping Centre or the proper use of Retail Premises by the occupants thereof and unless the Hazardous Substance is used, kept, stored, and disposed of in a manner that complies with all federal, provincial and municipal laws regulating any such Hazardous Substance, and any cost to the Landlord in complying herewith shall not be included in Common Facilities Operating Costs.

(11) The Landlord authorizes the Tenant to make reasonable enquiries from time to time of any government or governmental agency in order to determine the Landlord's compliance with any and all laws and regulations pertaining to Hazardous Substances. The Landlord covenants and agrees that it will from time to time, upon not less than 10 days prior notice from the Tenant, provide to the Tenant such written authorization as the Tenant may reasonably require in order to facilitate the obtaining of such information.

(12) Without limiting the generality of the provisions contained in clause 13.01, the Landlord shall, at no expense to the Tenant, comply with, or cause to be complied with, all laws and regulations from time to time in force regulating the manufacture, use, storage, transportation and disposal of Hazardous Substances as may be applicable from time to time to the Shopping Centre (excluding the Leased Premises) and shall make, obtain and deliver all reports and studies required by governmental authorities having jurisdiction.

ARTICLE 7

OPERATION OF SHOPPING CENTRE

7.00 Operation of Shopping Centre. So long as the Tenant Department Store is used and operated as a department store, the Landlord covenants that it will enforce the rights of the Landlord under the lease for the Second Department Store pertaining to any use and operating covenants in order that, to the extent within the control of the Landlord, the Second Department Store will be continuously used and operated as a major retail department store; provided, however, that in enforcing such lease:

(i) the Landlord will not be obligated to act imprudently having regard to the effect of any such enforcement or attempted enforcement;

(ii) any requirement of the Landlord's mortgagee directing enforcement or non-enforcement of such lease may be complied with by the Landlord and such will not be deemed to be a breach of the foregoing covenants of the Landlord contained in this clause 7.00; and

(iii) the Landlord shall not be required to terminate such lease unless it has obtained an enforceable agreement to lease or lease from a third party for the premises under which such third party has agreed to lease such premises upon terms which are in the opinion of the Landlord, acting reasonably, no less favourable to the Landlord than those terms contained in the lease for the Second Department Store. Subject to the foregoing, the Landlord shall throughout the Term specified in clause 3.00 and any renewal term specified in clause 3.01, so long as the Tenant Department Store is used and operated as a department store, (other than when business is prevented by Unavoidable Delay) cause the Shopping Centre to be continuously used and operated as a first-class regional shopping centre in accordance with good shopping centre practice and not for any other purpose without the consent of the Tenant.

Subject to the foregoing, the Landlord covenants that during the first thirty years of the Term, and during successive extension periods provided that the Tenant and the tenant of the Second Department Store have both exercised their corresponding options to renew or extend their respective leases and have agreed or are obligated to operate the Tenant Department Store and Second Department Store during such ten year renewal or extension period and provided that the Shopping Centre can still be operated on a reasonable and economic basis, it shall cause the Shopping Centre to be continuously used and operated as a first-class regional shopping centre (for comparable shopping centres of comparable age) in accordance with good shopping centre practice and not for any other purpose without the consent of the Tenant (subject always to Unavoidable Delay).

7.01 Standards of Operation. The Landlord shall cause the Shopping Centre to be managed, operated and maintained in accordance with the then standards of operation and maintenance which have been adopted by other first-class shopping centres of similar size in the Greater Toronto Area, and without limiting the generality of the foregoing the Landlord shall:

(1) maintain or cause to be maintained at the Shopping Centre a management office and a competent full-time manager (or part-time if consented to by the Tenant, such consent not to be unreasonably withheld) and a sufficient staff of management, operating and maintenance personnel to perform the proper management, promotion, maintenance and operation of the Shopping Centre;

(2) keep or cause to be kept the Shopping Centre including the Mall, Parking Facilities and all other Common Facilities (including without limitation all landscaped areas), and all buildings and improvements thereon other than the Leased Premises, clean, tidy and well maintained, and in this connection maintain in force and take all reasonable action to enforce provisions of all leases to tenants of the Shopping Centre requiring such tenants to keep their respective premises clean, tidy and well maintained;

(3) take all such action as may reasonably be required to prevent any use of or conduct of any business or activity in any premises in the Shopping Centre which contravenes any

provision of this Lease (including Article 14) or which is a nuisance or annoyance or is not in keeping with the standards of first-class regional shopping centres, and to prevent any other activity in the Shopping Centre which is not in keeping with the character of the Shopping Centre, or the display of any signs or advertising in respect of any such prohibited use, business or activity;

(4) prohibit any promotions or any display or sale of merchandise in the Common Facilities or in any other place in the Shopping Centre outside the confines of Retail Premises therein, other than:

(i) in the Tenant Outdoor Selling Area and other outdoor selling areas expressly permitted hereunder, and

(ii) any temporary use which is in accordance with good shopping centre practice and which does not materially conflict with business of other tenants of the Shopping Centre and which, with respect to any such use within 150 feet of any Mall entrance to the Tenant Department Store, has been approved by the Tenant in writing;

(5) for the purposes of this Lease, apply any revenue which may be derived by the Landlord from general shopping centre promotions in the Common Facilities, after deduction of expenses, in reduction of Common Facilities Operating Costs (but this provision shall have no application to license fees or other revenues derived by the Landlord from kiosks in the Mall permitted under clause 17.00 or from outdoor selling areas permitted under clause 17.01); and

(6) implement and enforce a Landlord's exterior sign policy applicable to all tenants of the Shopping Centre as contemplated by clause 23.01, and prohibit and prevent all signs in the Common Facilities other than signs which are consistent with the Landlord's sign policy.

7.02 Hours of Business. The Landlord shall use its continuing and diligent efforts to cause the whole or substantially the whole of the Shopping Centre to be open for business on those days which are consistent with the requirements of a first-class regional shopping centre and during at least those hours during which other similar shopping centres in the Greater Toronto Area are open for business. The Landlord shall use its continuing and diligent efforts to cause as many tenants of the Shopping Centre as possible including the tenant of the Second Department Store, and at least substantially all of the other merchandising tenants on the Mall, to remain open for business during such established hours of business, subject to Unavoidable Delay.

7.03 Mall. The Landlord shall maintain and operate or cause to be maintained and operated the Mall and have it and the entrances and other means of access thereto open during all hours when the Shopping Centre is open for business pursuant to clause 7.02, and shall cause the Mall to be properly lighted and heated and air-conditioned during such hours as may be required so as to maintain therein reasonable standards of comfort, subject only to Unavoidable Delay.

7.04 Parking Facilities. For so long as the Landlord is obligated to operate or cause to be operated a shopping centre on the Shopping Centre Lands or any part thereof pursuant to clause 7.00 the Landlord shall cause the following requirements with respect to the Parking Facilities to be complied with:

(a) The Parking Facilities shall be kept:

(i) maintained and operated and open, including the means of access thereto, at all times when the Shopping Centre or the Tenant Department Store is open for business;

(ii) adequately lighted whenever required to facilitate their use during hours of darkness;

(iii) with parking spaces and aisles properly striped and otherwise marked and with the appropriate traffic and direction signs;

(iv) with adequate supervision of the flow of traffic therein whenever reasonably required and otherwise policed and supervised in accordance with the standards of first-class regional shopping centres;

(v) free of refuse and debris and with all appropriate measures taken to keep them reasonably free of snow and ice during winter months; and

(vi) with whatever steps being taken as are appropriate and reasonable to prevent the use of the Parking Facilities either for any purpose not permitted hereunder (such as by commuters in the area using the Parking Facilities while travelling on the public transit system) or by persons other than the Landlord, occupants of the Shopping Centre and their agents, employees, invitees and customers (and in particular in order to prevent the use of the Parking Facilities by commuters).

(b) No charges shall be imposed for the use of parking spaces to the Parking Facilities without the written consent of the Tenant, but the Tenant will not unreasonably withhold its consent to a moderate charge for the use of parking spaces where the Landlord has established that such is the common practice in shopping centres in the Greater Toronto Area similar in size to the Shopping Centre, that the charges are necessary to control parking, secure turnover and discourage non-customer parking, and that the imposition of parking charges would not injuriously affect the business conducted in the Shopping Centre; if the Tenant shall consent to the imposition of reasonable parking charges all revenue derived from the imposition of such charges shall be applied and credited as and when received wholly to reduce Common Facilities Operating Costs. Notwithstanding the aforesaid, the Landlord shall be entitled, without Tenant consent, to impose a charge on tenants and invitees of any office building for the use of the parking spaces which serve the parking requirements for such office building.

(c) The Landlord shall at all times maintain or cause to be maintained sufficient parking spaces to:

(1) meet all legal requirements as they now exist, in respect of present construction on the Shopping Centre Lands and, in the event of future construction on the Shopping Centre Lands, cause to be met all the then applicable legal requirements for the whole of the Shopping Centre in respect of such future construction; and

(2) maintain not fewer than 5.0 parking spaces for each 1,000 square feet of Gross Leaseable Area of Retail Premises in the Shopping Centre (excluding from Retail Premises any outdoor selling areas and the Tenant Licensed Parking Area and provided that, in computing the number of parking spaces, any parking spaces displaced by outdoor selling areas and the Tenant Licensed Parking Area may be included) together in every case with adequate means of access thereto. A "parking space", wherever referred to in this Lease and subject to legal requirements being met, is agreed to consist, for two such parking spaces including the means of access between the two spaces, of an area of not less than 8.5 feet in width by not less than 58 feet in length; and

(3) for rentable space which is not Retail Premises, maintain the number of parking spaces which meets the greater of all legal requirements and 1.5 car parking spaces for each 1,000 square feet of Gross Leaseable Area of such non-Retail Premises in the Shopping Centre (provided, however, that where the municipal requirements permit office space to be constructed and operated without the need for parking, the Landlord need not provide parking to the extent that it is so exempted so long as the aggregate area of office space so exempted does not in any event exceed ten (10) percent of the Gross Leaseable Area of Retail Premises in the Shopping Centre); and

(4) maintain, as part of its compliance with the foregoing, not fewer than an aggregate of 710 car parking spaces within a radius of 300 feet from the exterior public entrances to the Tenant Department Store (including any parking spaces within such 300 foot radius which are displaced by the Tenant Outdoor Selling Area and the Tenant Licensed Parking Area).

7.05 Landlord's Rules and Regulations. The Landlord may from time to time establish reasonable rules and regulations pertaining to the operation of the Shopping Centre, which shall not be inconsistent with the terms of this Lease but are consistent with the requirements of a first-class shopping centre in the Greater Toronto Area. Subject to the foregoing, the Tenant shall comply with such rules and regulations so long as the same are reasonably generally enforced throughout the Shopping Centre. The Landlord shall use its reasonable efforts to enforce or cause to be enforced such rules and regulations.

7.06 Employee Parking. The Landlord, with the approval of the Tenant (such approval not to be unreasonably withheld or unduly delayed),shall designate a remote area or areas within the Parking Facilities for use by employees of the Tenant and other tenants and occupants of the Shopping Centre. The Tenant shall inform its employees of such areas and shall instruct its employees to park only in areas specifically designated for such purpose from time to time by the Landlord. The Landlord shall use its reasonable efforts to cause all other tenants of the Shopping Centre and their employees, and the Tenant shall use its reasonable efforts to cause its employees, to park only in such designated areas, including the incorporation of a provision to this effect in all new leases to tenants of the Shopping Centre. Where both the Landlord and Tenant, both acting reasonably, agree, such areas may be located outside of the Shopping Centre Lands during peak periods of retail shopping, such as during the period from November 15 to December 31 in each year (provided that the Landlord shall not be required to provide such off-site parking).

ARTICLE 8

UTILITIES AND SERVICES

8.00 Utilities and Services. During the Term:

(1) the Landlord shall provide any electrical service, telephone and other communication facilities, water, gas, and storm and sanitary sewers (but only water and electrical service for the Tenant Outdoor Selling Area) required by the Tenant for the Leased Premises (excepting the Tenant Licensed Parking Area) which are in addition to those which the Landlord provided when the Leased Premises (excepting the Tenant Licensed Parking Area) were initially constructed and open for business, if, as and when from time to time reasonably required by the Tenant for the conduct of the Tenant's business in the Leased Premises (excluding the Tenant Licensed Parking Area) and each and every part thereof (including the providing of necessary utilities and services for every expansion of the Tenant Department Store which is permitted hereunder);

(2) the Landlord shall at all times cause such repairs to be performed to those portions of the services and utilities systems referred to in clause 8.00(1) serving the Leased Premises (excluding the Tenant Licensed Parking Area) which are not contained within the boundaries of the Leased Premises (it being understood that those contained within the boundaries of the Leased Premises shall be the responsibility of the Tenant) and do all other acts and things as may be necessary to ensure the continuous availability and adequate capacity of such utilities and services, subject only to Unavoidable Delay;

(3) the Landlord shall grant such easements to or make such other arrangements with the utilities and services as reasonably required in order to facilitate the provision of such utilities and services to the Tenant;

(4) if the Tenant shall at any time require a utility or service which is in addition to those provided for and contemplated above, the Tenant shall provide it or arrange for it to be provided at its own expense, and the Landlord will not unreasonably withhold its permission for an easement, servitude or other arrangement appropriate to enable such utility or service to be brought to the Leased Premises, provided the Tenant shall agree to indemnify and hold the Landlord harmless from any cost in providing such utility or service and the Tenant shall use its reasonable efforts to minimize disruption to the balance of the Shopping Centre;

(5) the Tenant shall be responsible for the payment of non-capital consumption and user charges due to public utilities or services or other suppliers for any electricity, water or other services or utilities actually consumed or used by the Tenant;

(6) the Tenant shall have the right at its sole cost to install (including installation prior to the commencement of the Term), maintain, repair, operate and replace on the roof of the Tenant Department Store such mechanical, electrical, plumbing, telecommunication, heating, ventilation and air-conditioning equipment and facilities and such other systems as are required by the Tenant in the operation of the Tenant Department Store, subject to the prior approval of the Landlord (not to be unreasonably withheld or unduly delayed) and subject to the approval (to the extent required) of all municipal and other governmental and regulatory bodies having jurisdiction.

ARTICLE 9

TAXES

9.00 Tenant's Taxes. The Tenant shall pay or cause to be paid:

(1) All Real Property Taxes imposed during the Term in respect of the Tenant Department Store and the land thereunder (including any value of Common Facilities which is included by the assessing authorities in the value of the Tenant Department Store) and (for the period in each year while actually being used and until such time as the Tenant shall have abandoned its use thereof) the Tenant Outdoor Selling Area and the land thereunder and (until such time as the Tenant's rights thereto have been terminated) the Tenant Shop and the land attributable thereto, including in each case all the buildings and improvements constructed thereon and all the fixtures and equipment constructed and used by the Tenant or its assignees, subtenants or concessionaires thereon; if there are separate assessment(s) of and separate tax bills for the Leased Premises or any part thereof in the manner contemplated by this Lease, such Real Property Taxes for which there are such separate assessments and separate tax bills will be paid directly to the taxing authority or authorities having jurisdiction; otherwise such shall be payable to the Landlord and taxing authority jointly; and

(2) To the taxing authority or authorities having jurisdiction all business taxes imposed upon and to be paid by the Tenant during the Term by municipal or other governmental authorities having jurisdiction in respect of the business and activities carried on by the Tenant and its assignees, subtenants and concessionaires in the Tenant Department Store and (until such time as the Tenant shall have abandoned its use thereof) the Tenant Outdoor Selling Area and Tenant Licensed Parking Area and (until such time as the Tenant's rights thereto have been terminated) the Tenant Shop, including in each case all the buildings and improvements constructed thereon and all fixtures and equipment constructed and used by the Tenant or its assignees, subtenants or concessionaires thereon including the Tenant's use of the Common Facilities;

All Real Property Taxes and business taxes which the Tenant is obligated to pay or cause to be paid hereunder, including each and every instalment thereof, shall be paid when due to the Landlord or the appropriate taxing authority as the case may be subject only to the right of the Tenant to defer or permit to be deferred payment thereof in certain circumstances as provided by clause 9.03, and subject also to any delay necessitated by the requirement that the amount of Real Property Taxes payable by the Tenant must be ascertained or allocated pursuant to clause 9.02 where the appropriate separate assessments and tax bills are not available. The Tenant shall also pay or cause to be paid all penalties and interest imposed with respect to arrears of such payments to the extent such are levied by the taxing authority if such are not paid by the Tenant in accordance with the foregoing requirements. Whenever reasonably requested by either the Landlord or the Tenant, receipts or other appropriate evidence as to the due payment of such Real Property Taxes and business taxes shall be exhibited to either the Landlord or the Tenant as the case may be. In the event that the Tenant shall fail to pay or cause to be paid any Real Property Taxes or business taxes payable under this clause 9.00 when due, the Landlord, after written notice to the Tenant and if the Tenant shall fail to pay or cause to be paid the same within fifteen (15) days after receipt of such notice, may pay the same and the amount so paid by the Landlord shall be forthwith repaid by the Tenant to the Landlord.

9.01 Landlord's Taxes. The Landlord shall pay or cause to be paid:

(1) All Real Property Taxes in respect of the Shopping Centre (except those payable by the Tenant directly to taxing authorities pursuant to paragraph (1) of clause 9.00); and

(2) All business taxes (including taxes for the supply of utilities and services to Retail Premises other than the Leased Premises and other taxes personal to tenants and other occupants of the Shopping Centre other than the Tenant capable of constituting a lien against the Shopping Centre Lands) imposed by municipal or other governmental authorities having jurisdiction in respect of all business and activities carried on by such tenants and other occupants in or upon the Shopping Centre Lands, save those payable in respect of the Leased Premises by the Tenant pursuant to paragraph (2) of clause 9.00.

All Real Property Taxes and business taxes which the Landlord is obligated to pay or cause to be paid hereunder, including each and every instalment thereof, shall be paid when due to the appropriate taxing authorities, subject only to the right of the Landlord to defer or permit to be deferred payment thereof in certain circumstances as provided in clause 9.03. The Landlord shall also pay or cause to be paid all penalties and interest imposed with respect to arrears of such payments and, upon written request, shall provide the Tenant with a copy of all assessments and tax bills affecting the Leased Premises and the Common Facilities forthwith upon receipt by it and (provided that the Tenant's written request has been given) in any event at least seven (7) days prior to the expiry of any period for appeal or contesting thereof. Whenever the Tenant shall reasonably request the Landlord shall exhibit to the Tenant receipts or other appropriate evidence as to the due payment of such Real Property Taxes or business taxes payable by the Landlord under this clause 9.01. In the event that the Landlord shall fail to pay or cause to be paid any Real Property Taxes or business taxes payable under this clause

9.01 when due the Tenant, after written notice to the Landlord and if the Landlord shall fail to pay or cause to be paid the same within fifteen (15) days after receipt of such notice, may pay the same and the amount so paid by the Tenant shall forthwith be repaid by the Landlord to the Tenant.

9.02 Determination of Assessments. For the purpose of establishing the amount of Real Property Taxes payable by the Tenant pursuant to clause 9.00 and the amount of Real Property Taxes to be included in the Common Facilities Operating Costs to which the Tenant contributes under clause 10.00, the parties recognize and acknowledge that it is necessary to establish the assessments upon which such Real Property Taxes are based, being the assessment in the first case of the Tenant Department Store and the land thereunder and (whenever applicable under clause 9.00) the Tenant Outdoor Selling Area and the land thereunder and the Tenant Shop and the land attributable thereto including in each case the buildings, improvements, fixtures and equipment thereon, and in the second case of the Common Facilities including the lands attributable thereto.

If such separate assessments or any of them are not made by the municipal or other governmental authorities, or professional assessors hired by those authorities, responsible for the determination of assessments upon which Real Property Taxes are based, the Landlord shall use its continuing and diligent efforts (with the assistance of the Tenant if the Landlord or the Tenant considers such assistance necessary or desirable) to have such separate assessments made or, failing that, to obtain sufficient official information to determine such separate assessments.

However, in the event and to the extent that such separate assessments or such official information cannot be obtained from such municipal or other governmental authorities or the professional assessors hired by them, the Landlord shall allocate the total assessment of the Shopping Centre Lands and the improvements thereon in a manner which is equitable and consistent with the basis of assessment in use by municipal or other governmental authorities having jurisdiction in the municipal area in which the Shopping Centre is situate so as to arrive at the separate assessments mentioned in the first sentence of this clause 9.02 and which are required for the application of the provisions of this Lease. In so doing the Landlord shall have regard, as far as possible, to the method of assessment and applicable elements utilized in arriving at the assessment of the whole of the Shopping Centre by the Municipal or other governmental authorities having jurisdiction. In the event that the Tenant disputes the required allocation of assessments, the allocation shall be determined by arbitration pursuant to the provisions of this Lease, but having regard to the basis of determination set out in this clause 9.02. The allocation which is either agreed or determined by arbitration shall, until such time as there is a change in assessments, or methods of assessment or allocation of such assessments, be binding upon the parties and the separate assessments so arrived at shall be applied to determine the respective obligations of the parties with respect to Real Property Taxes, if any, under this Article 9 and also the amount of Real Property Taxes allocatable to Common Facilities for the purpose of computing Common Facilities Operating Costs pursuant to clause 10.00.

If any Real Property Taxes or instalments thereof become due before such determination has been made, the Landlord may (prior to the due date for such Real Property Taxes) make a reasonable estimate of the allocation which shall not bind the parties but shall nevertheless be adopted for the basis of the interim payment prior to the due date of such Real Property Taxes respectively payable by them, and when the allocation of assessments has been finally determined and the Real Property Taxes respectively payable by them finally computed, the parties shall promptly make the appropriate readjustment and additional payment by the Tenant or repayment to the Tenant, as the case may be.

Notwithstanding the foregoing sections of Article 9, if, for Real Property Tax purposes, any value of Common Facilities or land occupied thereby has been included by the assessing authorities in the value of other components of the Shopping Centre by

virtue of using market rents, then, for the purpose of determining the amount of Real Property Taxes to be included in Common Facilities Operating Costs pursuant to Clause 10.00, such value as included in other components shall not be included in the value of Common Facilities.

9.03 Tax Appeals. The Landlord may appeal any official assessment or the amount of any Real Property Taxes or business taxes (including other taxes capable of constituting a lien) relating to the Shopping Centre Lands including the improvements (including fixtures and equipment) thereon, and the Tenant may appeal any official assessment or any Real Property Taxes or business taxes relating to the Leased Premises including the improvements thereon or, where the Tenant's obligations are directly or indirectly affected thereby, relating to any other portion of the Shopping Centre including the Common Facilities. In connection with any such appeal, the party appealing may defer or permit to be deferred payment of any Real Property Taxes or business taxes, as the case may be, which it is obligated to pay or cause to be paid under the provisions of this Article 9 to the extent permitted by law and provided that no part of the Shopping Centre Lands is thereby rendered subject to sale or forfeiture, that such deferment does not cause a breach of the Landlord's obligations under any mortgage of the Shopping Centre Lands, that the appeal is diligently prosecuted to completion and, in the case of a deferral by the Tenant, that such security as the Landlord may reasonably require or any mortgagee of the Shopping Centre Lands may require is given for the payment of any Real Property Taxes or business taxes payable by the Tenant including penalties or interest resulting from deferred payment. Neither the Landlord nor the Tenant shall institute any appeal without notice to the other and, where their interests do not conflict and in particular where the appeal is being made in order to achieve a re-assessment which is consistent with the basis contemplated by this Lease, each shall extend its co-operation and assistance to the other in respect to such appeal.

ARTICLE 10

COMMON FACILITIES OPERATING COSTS

10.00 Contribution to Operating Costs. During each year of the Term of this Lease from and after the Effective Date the Tenant shall pay to the Landlord an amount equal to a proportion of the Common Facilities Operating Costs incurred by the Landlord from time to time during each year of the Term. Such proportion shall be computed with reference to a fraction, the numerator of which is the sum of the Adjusted Gross Leaseable Area of the Tenant Department Store and, until such time as the Tenant's rights thereto have been terminated, the Gross Leaseable Area of the Tenant Shop and the denominator of which is the sum of the Adjusted Gross Leaseable Area of the Tenant Department Store and the Gross Leaseable Area of all other rentable premises in the Shopping Centre (excluding unenclosed rentable areas such as the Tenant Outdoor Selling Area and all other outdoor selling areas) as from time to time constituted. Notwithstanding the foregoing, it is understood that the Tenant's annual contribution to Common Facilities Operating Costs until the end of the first full fiscal year of the Landlord occurring after the commencement of the Term shall not exceed one dollar and fifty cents ($1.50) multiplied by the Adjusted Gross Leaseable Area of the Tenant Department Store and (provided such is used in excess of six (6) months in any fiscal year, but only until such time as the Tenant's rights thereto have been terminated) the Gross Leaseable Area of the Tenant Shop; such maximum contribution shall be reviewed at the end of the aforesaid fiscal year and every fiscal year thereafter and increased or decreased for each such subsequent fiscal year by a percentage equal to the lesser of: (a) the actual percentage increase or decrease in Common Facilities Operating Costs (expressed as a cost per square foot of Gross Leaseable Area of all Retail Premises in the Shopping Centre) during the immediately preceding fiscal year, and (b) the percentage increase or decrease in the Consumer Price Index for the Greater Toronto

Area as determined by Statistics Canada, excluding food items, during such immediately preceding fiscal year (provided that if such an index should cease to be provided by Statistics Canada or a similar governmental agency or body, the parties agree that a comparable index shall be substituted therefor, with such adjustments in the replacement index as are reasonably necessary for comparison purposes). Such amount shall be payable by periodic instalments and subject to adjustment all as provided by clause 10.01.

10.01 Payments and Adjustments. The Tenant's contributions to Common Facilities Operating Costs shall be paid and adjusted with reference to a fiscal year of 12 calendar months, which shall be a calendar year unless the Landlord shall have selected a fiscal year which is not a calendar year. On or before the Opening Date the Landlord shall advise the Tenant in writing of its estimate of Common Facilities Operating Costs to be incurred for the fiscal year or broken portion of the fiscal year, as the case may be, and each quarter thereof to commence upon the Opening Date using the breakdown of accounting information set out in Schedule D (including a detailed breakdown of the allocation of costs as between Common Facilities and Retail Premises) which Schedule D shall be adapted, if necessary, to be consistent with the provisions of clause 1.00(3). On or before thirty (30) days prior to the commencement of each succeeding fiscal year which commences thereafter during the Term, the Landlord shall advise the Tenant in writing of its estimate of Common Facilities Operating Costs to be incurred in such fiscal year or (if applicable) the broken portion of a fiscal year immediately prior to the end of the Term and each quarter thereof using the breakdown of accounting information set out in Schedule D. Such estimate shall in every case be a reasonable estimate and based wherever possible upon previous operating experience and shall be accompanied by reasonable particulars of the manner in which it was arrived at. In addition, within thirty (30) days of the end of each quarter of each such fiscal year the Landlord shall provide a statement to the Tenant of the actual expenditures on each of the items contemplated in Schedule D with a cumulative total of the amounts so expended and an explanation of variations from the budget previously submitted; with the third such quarterly statement the Landlord shall provide a revised projection of the year end totals for each such item. Within seven (7) days of being so requested by the Tenant the Landlord shall provide such further information on any item(s) of actual expenditure so that the Tenant may monitor the Common Facilities Operating Costs with a view to suggesting ways to the Landlord of controlling such costs, provided that should the Landlord fail to provide such information, the Tenant shall have the right to inspect the accounts of the Landlord pertaining to the Common Facilities Operating Costs. The Tenant shall be entitled to make reasonable suggestions to the Landlord for the purpose of controlling Common Facilities Operating Costs, and provided such suggestions are consistent with good shopping centre practice, are of general benefit to the Shopping Centre and do not unreasonably increase the Landlord's capital costs, the Landlord shall, unless the Landlord has alternative suggestions or practices which achieve the same or a better result, implement such suggestions as soon as is reasonably possible. The contributions to Common Facilities Operating Costs payable by the Tenant pursuant to clause 10.00 shall, subject to the limitations contemplated by clause 10.00, be paid in equal monthly instalments in advance on the first day of each and every month during every such fiscal period or (if applicable) broken portion thereof, based on the Landlord's estimate of the Common Facilities Operating Costs to be incurred during such fiscal period or (if applicable) broken portion thereof with appropriate adjustments at the end of the third quarter in order that the remaining instalments in such fiscal year will include only sufficient amounts to pay the revised projection for the whole fiscal period. Within ninety (90) days after the end of each such fiscal period or (if applicable) broken portion thereof the Landlord shall pay to the Tenant the amount by which any amount found payable as aforesaid is less than the aggregate of such monthly payments, but if the Landlord and the Tenant fail to agree upon the proper amount of the adjustment, any dispute shall be settled by arbitration pursuant to clause 22.01 of this Lease provided that

the arbitrators shall be chartered accountants authorized to practice in the Province of Ontario.

ARTICLE 11

INSURANCE

11.00 Tenant's Insurance.

(1) The Tenant shall take out and at all times during the Term keep in force at its own expense and in respect of the Leased Premises, the use and occupancy thereof by it and its subtenants and concessionaires and licensees and the conduct of business thereon the following insurance:

(i) comprehensive general liability insurance for bodily injury or death and damage to property of others including blanket contractual liability, owners and contractors protective liability, non-owned automobile and employers liability insurance coverage with respect to all business conducted in, at, upon or from the Leased Premises, the use and occupancy thereof and the use of the Common Facilities, by the Tenant and by any other person on behalf of the Tenant and by those for whom the Tenant is in law responsible. Such policy or policies shall be written with inclusive limits of not less than ten million dollars ($10,000,000) for any one accident or occurrence and shall be primary and non-contributing with, and not in excess of, any other insurance obtained by the Landlord, and shall include severability of interests and cross liability clauses;

(ii) "all risks" property insurance (including flood and earthquake) in respect of the Leased Premises and the Tenant's leasehold improvements situated thereon, and such other property in or forming part of the Leased Premises (not being property which the Landlord is required to insure pursuant to this Lease) as the Landlord or any mortgagee of the Shopping Centre may from time to time require, all in an amount of not less than the full replacement cost thereof, with no co-insurance penalties. Such policy or policies shall be primary and non-contributing with, and not in excess of, any other insurance obtained by the Landlord or the Landlord's mortgagees. Notwithstanding the aforesaid, the Tenant shall not be obligated to take out or keep in force insurance in respect of loss or damage to the Tenant's trade fixtures, furniture, inventory, stock in trade including merchandise or other contents of the Leased Premises, but shall be deemed for the purposes of this Lease to have satisfactorily taken out such insurance and if the Tenant so insures the loss payable shall (notwithstanding the provisions of subclause 11.00 (2) (v) (a) hereof) be only to the Tenant without any trust provisions;

(iii) "comprehensive" boiler and machinery insurance in respect of boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus installed in, relating to or serving the Leased Premises or any part thereof and operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant, on a repair and replacement basis. Such policy or

policies shall be primary and non-contributing with, and not in excess of, any other insurance obtained by the Landlord or the Landlord's mortgagees;

(iv) business interruption insurance in such amount as will reimburse the Tenant for all direct or indirect loss of gross earnings, with an indemnity period of not less than 12 months, attributable to the perils insured against in paragraphs (ii) and (iii) of subclause 11.00 (1) or attributable to prevention of access to the Leased Premises or the Shopping Centre as a result of such perils; and

v) any other form of insurance as a Landlord or the mortgagee(s) of the Shopping Centre Lands or the Shopping Centre, acting reasonably, may require from time to time in such form, in such amounts and for such insurance risks as a reasonable tenant would insure if carrying on a similar business to that of the Tenant. Notwithstanding the foregoing, but without derogation from the Tenant's obligations to maintain insurance pursuant to clause 11.00(1)(i) through (iv) inclusive, the Tenant shall not be required to maintain any insurance beyond that which the Tenant maintains for other similar premises in the Greater Toronto Area.

(2) The insurance described above shall:

(i) in the case of insurance referred to in paragraphs (i), (ii) and (iii) of subclause 11.00(1) of this Lease, include as an additional insured the Landlord and, in the case of insurance referred to in paragraphs (ii) and (iii) of subclause 11.00(1) of this Lease provided that subclause 11.00 (2)(v)(a) has been complied with, such of the Landlord's mortgagees for the Shopping Centre as are requested in writing by the Landlord;

(ii) be placed with an insurer or insurers of recognized net worth and reputation duly licensed to carry on the business of insurance in all provinces in Canada;

(iii) be provided under a policy or policies in such form, providing for such coverage and exclusions and on such terms as are normally effected by prudent owners and/or tenants in similar circumstances;

(iv) provide that the policies shall not be invalidated by reason of any breach or violation by the Tenant of any warranties, representations, declarations or conditions in such policies or in any applications for such policies;

(v) with regard to insurances outlined in paragraphs (ii) and (iii) of subclause 11.00 (1) of this Lease, provide:

(a) that the proceeds thereof shall be payable to the Landlord, such of the Landlord's mortgagee for the Shopping Centre, if any, as requested in writing by the Landlord (and which request shall include the mortgagee's address) and the Tenant as their respective interests may appear. Notwithstanding the aforesaid, the Landlord hereby agrees with the Tenant that all proceeds of such insurance payable in the event of loss, damage or destruction to the insured property shall be made available to the party obligated to repair for the repair or rebuilding of the insured property, and the Tenant shall not be required to include any such mortgagee as an

additional insured or as a loss payee unless such mortgagee has agreed in writing with the Landlord (which agreement the Landlord covenants with the Tenant to enforce on behalf of the Tenant) or is bound by the provisions of its mortgage (which particular provisions the Landlord covenants with the Tenant not to amend) that all such proceeds shall be made available for such repair or rebuilding regardless of the existence of any mortgage default (provided further that, where the proceeds which are payable thereunder do not exceed one hundred and fifty thousand dollars ($150,000), the foregoing provisions as to loss payable shall not apply and such proceeds shall be payable solely to the Tenant or as it shall otherwise direct); any shortfall in insurance proceeds in meeting the costs of repair and rebuilding for which the Tenant is responsible pursuant to this Lease shall be for the Tenant's account; and

(b) that the Tenant's insurers specifically waive subrogation rights against the Landlord and any loss payee, including their respective employees, officers and directors, with respect to loss, damage or destruction and in regard to any loss, damage or destruction of the Tenant's trade fixtures, furniture, inventory or stock in trade, including merchandise or other contents of the Leased Premises, which the Tenant chooses not to insure, and in support thereof the Tenant hereby releases the Landlord and any loss payee, including their respective employees, officers and directors, from liability in regard to such loss;

(vi) contain a provision by the insurers to notify in writing all named insureds and such of the Landlord's mortgagees for the Shopping Centre, if any, of whom the Landlord has given the Tenant written notice (including the mortgagee's address), not less than thirty (30) days before cancellation or reducing coverage.

(3) The Tenant shall from time to time, whenever reasonably requested, furnish to the Landlord certificates of insurance to evidence the insurance to be kept in force by the Tenant hereunder, and the Tenant will make available for review by the Landlord at the Tenant's head office a copy of the policy or policies of insurance in the event of a loss and will allow the Landlord to make a photocopy thereof.

(4) If the Tenant shall fail to insure as required under this Lease, the Landlord after at least fifteen (15) days written notice to the Tenant may (but shall not be obligated to) effect such insurance in the name of and at the expense of the Tenant, and the Tenant shall promptly repay to the Landlord all costs incurred by the Landlord in so doing.

(5) The Tenant's obligation to repair and rebuild shall not be limited by any deficiency in insurance proceeds resulting from the Tenant's failure to insure in accordance with this Lease.

11.01 Landlord's Insurance.

(1) The Landlord shall take out, or cause to be taken out, and at all times during the Term keep or cause to be kept in force, without expense to the Tenant (but subject to the payments and contributions in respect of such expense which the Tenant is obligated to make under clause 10.00) in respect of the Shopping Centre and the Landlord's operation thereof the following insurance:

(i) comprehensive general liability insurance for bodily injury or death and damage to property of others including blanket contractual liability, non-owned automobile and employers liability insurance coverage, with respect to the Landlord's operation of the Shopping Centre including the Common

Facilities. Such policy or policies shall be written with inclusive limits of not less than ten million dollars ($10,000,000) for any one accident or occurrence, shall be primary and non-contributory with, and not in excess of, any other insurance obtained by the Tenant (except in relation to liability in respect of which the Tenant is required to insure under Section 11.00 (1)(i) hereof), and shall include severability of interest and cross liability clauses;

(ii) "all risks" property insurance (including flood and earthquake) in respect of all buildings on the Shopping Centre Lands (but excluding the Tenant Department Store and the Tenant Shop), together with all building equipment and fixed improvements of or associated with such buildings (excluding tenant's trade fixtures and excluding any equipment, fixed improvements or personalty of the Tenant) and upon all other fixed improvements on the Shopping Centre Lands (including the Tenant Licensed Parking Area) as any mortgagee of the Shopping Centre may from time to time require, all in an amount of not less than the full replacement cost thereof, with no co-insurance penalties; and

(iii) comprehensive boiler and machinery insurance in respect of boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus installed in, relating to or serving the Shopping Centre or any part thereof and operated by the Landlord or by others (other than the Tenant) on behalf of the Landlord, on a repair and replacement basis.

(2) The insurance described above shall:

(i) be placed with an insurer or insurers of recognized net worth and reputation duly licensed to carry on the business of insurance in all provinces in Canada;

(ii) be provided under a policy or policies in such form, providing for such coverages and exclusions and on such terms as are normally effected by prudent owners in similar circumstances;

(iii) provide that the policies shall not be invalidated by reason of any breach or violation by the Landlord of any warranties, representations, declarations or conditions in such policies or in any applications for such policies;

(iv) with regard to insurances outlined in paragraphs (ii) and (iii) of subclause 11.01(1) of this Lease, provide:

(a) that the proceeds thereof shall be payable to the Landlord and the Landlord's mortgagee, if any, as their respective interests may appear. Notwithstanding the aforesaid, the Landlord covenants with the Tenant that all proceeds of such insurance payable in the event of loss, damage or destruction to the insured property shall be made available for the repair or rebuilding of the insured property, and if any of such proceeds are to be payable to such mortgagee the Landlord covenants with the Tenant to require such mortgagee to agree in writing, or to be bound by the terms of its mortgage, to make all such proceeds available for such repair or rebuilding regardless of the existence of any mortgage default; and

(b) that the Landlord's insurers specifically waive subrogation rights against the Tenant, its employees, officers and directors with respect to loss, damage and destruction, and in support thereof the Landlord hereby releases the Tenant, its employees, officers and directors from liability in regard to such loss;

(v) contain a provision by the insurers to notify the Tenant in writing not less than thirty (30) days before cancellation or reducing coverage; and

(vi) in respect of any insurance required under paragraph (i) of subclause 11.01(1), include the Tenant as an additional insured.

(3) The Landlord shall from time to time, whenever reasonably requested, furnish to the Tenant certificates of insurance to evidence the insurance be kept in force by the Landlord.

(4) If the Landlord shall fail to insure as required under this Lease, the Tenant after at least fifteen (15) days written notice to the Landlord may (but shall not be obligated to) effect such insurance in the name of and at the expense of the Landlord, and the Landlord shall promptly repay to the Tenant all costs incurred by the Tenant in so doing.

(5) The Landlord's obligation to repair and rebuild shall not be limited by any deficiency in insurance proceeds resulting from the Landlord's failure to insure in accordance with this Lease.

11.02 Indemnity.

Except to the extent released in subclause 11.00 (2) (v) (b) and subclause 11.01 (2) (iv) (b), each of the Landlord and the Tenant will protect, defend, indemnify and save harmless the other including the other's directors, officers, employees, agents and contractors (collectively the "indemnified party") of and from all damages, costs (including without limitation legal costs), fines, suits, claims, demands and actions of any kind or nature which the indemnified party shall or may become liable for or suffer by reason of any breach, violation or non-performance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its directors, agents, employees, officers or contractors. This indemnity shall survive the expiration or termination of this Lease.

ARTICLE 12

REPAIRS AND REBUILDING

12.00 Repairs and Rebuilding by Tenant. Save for the obligations of the Landlord with respect to the Tenant Department Store, the Tenant Shop and the Tenant Licensed Parking Area as set out in subclause 12.01(b), the Tenant shall at all times during the Term maintain and keep in a good and substantial state of repair the Tenant Department Store and (while leased by the Tenant) the Tenant Shop (including in the case of the Tenant Shop, only those utilities exclusively serving and within the Tenant Shop), and (while occupied by the Tenant) any improvements erected by the Tenant on the Tenant Outdoor Selling Area consistent with the standards of a careful owner, and accordingly the Tenant will from time to time whenever necessary diligently carry out all repairs thereto, including those made necessary by age and damage or destruction by casualty

or any other reason and any necessary replacements and rebuilding, but excluding reasonable wear and tear which does not affect the proper use thereof for the purposes intended and provided that the cumulative effect of reasonable wear and tear does not result in a state of disrepair; provided however that:

(1) in the course of any repair or rebuilding the Tenant may alter or expand the Tenant Department Store to the extent permitted by, and subject to compliance with, the provisions of this Lease pertaining thereto;

(2) the Tenant shall be entitled to cease, either permanently or temporarily, its use of the Tenant Licensed Parking Area, its seasonal use of the Tenant Outdoor Selling Area as provided in clause 16.01 and to remove therefrom its fixtures and improvements on each cessation of such use, and to terminate its lease of the Tenant Shop as provided in clause 16.00 and to remove therefrom its fixtures and improvements on such termination;

(3) if at any time during the last three (3) years of the original term or at any time during any renewal term, the Tenant Department Store shall be damaged or destroyed in whole or in part to an extent such that according to the reasonable estimate of the Tenant (which estimate may be disputed by the Landlord) the cost of repairing or rebuilding it shall exceed thirty-five percent (35%) of the replacement cost (excluding footings, foundations and pavements) of the Tenant Department Store, the Tenant may, by notice in writing to the Landlord given within sixty (60) days after the happening of such destruction or damage, elect to terminate this Lease notwithstanding the prior exercise by the Tenant of its right to any renewal term or terms. If it elects to so terminate, this Lease shall terminate as of the date of the giving of such notice, the Tenant shall be relieved of its obligation to repair or rebuild the Tenant Department Store and the Tenant Shop, the Tenant shall assign to the Landlord all its interest in all property insurance policies required to be maintained by the Tenant hereunder in regard to the Tenant Department Store and the Tenant Shop (other than insurance on fixtures, equipment or inventory) or any policies of the Landlord in which the Tenant is named, and in any proceeds which may be payable under any such policies in respect of such damage or destruction to the Tenant Department Store and the Tenant Shop (other than proceeds in regard to the Tenant's fixtures, equipment or inventory), the Tenant shall within sixty (60) days after such date of termination vacate the Leased Premises and rent and all other amounts payable by the Tenant hereunder shall be paid and adjusted to the date of such termination.

The Tenant's obligation to repair, replace or rebuild hereunder shall include the obligation to keep in good and substantial repair and operating condition all building equipment and services including without limitation the heating and any air-conditioning equipment, electrical wiring and fixtures and plumbing of the Tenant Department Store, the Tenant Outdoor Selling Area and the Tenant Shop, but excluding any such equipment which is a part of the Common Facilities (unless damaged by the negligent act or omission of the Tenant and such damage is not covered by Landlord's insurance) and to make all repairs required hereunder in a good and workmanlike manner, with reasonable expedition and in accordance with all laws and regulations or governmental authorities having jurisdiction applicable thereto, but subject to Unavoidable Delay. In the event that the Tenant after reasonable written notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.00, the Landlord, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required and in a reasonable manner to remedy such failure on the part of the Tenant and any reasonable costs incurred by the Landlord in so doing shall be immediately repaid by the Tenant to the Landlord.

Except in the circumstances stipulated in subclause 12.00(3) giving rise to a right of the Tenant to terminate this Lease, and subject to the provisions of Article 16 in the case of the Tenant Shop, no loss, damage, destruction or want of repair to the Leased Premises including the Tenant Department Store and the Tenant Shop shall permit the Tenant to surrender or terminate this Lease or shall entitle the Tenant to any abatement,

suspension or reduction of the rent and other payments and charges payable by the Tenant under this Lease.

12.01 Repairs and Rebuilding by Landlord and Others.

The Landlord shall:

(a) in respect of the building and improvements on the Shopping Centre Lands, at all times during the Term maintain and keep or cause to be maintained and kept in a good and substantial state of repair all such buildings and improvements including without limitation the Common Facilities and all utilities and services thereon necessary for the operation of the Shopping Centre (but excluding the Tenant Department Store, the Tenant Licensed Parking Area and the Tenant Shop (except as hereinafter provided in clause 12.01(b)) and any improvements erected by the Tenant on the Tenant Outdoor Selling Area) consistent with the standards of a careful owner, and accordingly the Landlord will from time to time whenever necessary diligently carry out or cause to be carried out all repairs thereto including those made necessary by age and damage or destruction by casualty or any other reason and any necessary replacements and rebuilding; provided however that in the course of any repair or rebuilding the Landlord may alter or expand the buildings and improvements on the Shopping Centre Lands other than the Tenant Department Store to the extent permitted by, and subject to compliance with, the provisions of this Lease pertaining thereto. The Landlord's obligations to repair, replace or rebuild hereunder shall include the obligation to keep in good and substantial repair and operating condition all building equipment and services including the heating, ventilating and air-conditioning equipment, electrical wiring and fixtures and plumbing of the buildings and improvements on or under the Shopping Centre Lands (other than those on, in or under, and serving exclusively, the Tenant Department Store or the Tenant Shop and other than the improvements on the Tenant Outdoor Selling Area), and to keep the portion of the Mall on the Shopping Centre Lands well decorated and all paving in Parking Facilities (including the Tenant Licensed Parking Area) on the Shopping Centre Lands in good repair and condition and properly striped, and to make all repairs required hereunder in good and workmanlike manner, with reasonable expedition and in accordance with all laws and regulations of governmental authorities having jurisdiction applicable thereto but, subject to Unavoidable Delay. In the event that the Landlord after reasonable written notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.01, and such failure shall affect either the Leased Premises or the Common Facilities or cause interference with access to the Leased Premises, the Tenant, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required and in a reasonable manner to remedy such failure on the part of the Landlord and any reasonable costs incurred by the Tenant in so doing shall be immediately repaid by the Landlord to the Tenant; and

(b) at all times during the Term keep or cause to be kept in good repair, order and condition (A) the Tenant Licensed Parking Area and the Tenant Shop and (B) utilities within the Tenant Shop not exclusively serving the Tenant Shop. In addition, at the expense of the Tenant the Landlord shall keep in good order and condition the heating, cooling, utility and other services exclusively serving the Tenant Shop and located outside the Tenant Shop and not forming part of Common Facilities Operating Costs.

12.02 Warranties. To the extent within its control the Landlord covenants with the Tenant to either enforce or cause to be enforced all warranties, if any, obtained by or assigned to the Landlord or to anyone over whom the Landlord exercises control in respect of the Tenant Department Store as to the labour, materials and construction thereof, for the benefit of the Tenant or to assign such warranties to the Tenant. To the extent of the Tenant's obligation to repair the Tenant Department Store, the Landlord also hereby assigns to the Tenant any rights of action, it may have against any contractors or consultants involved in the original design or construction of the Tenant Department Store for faulty or improper design, materials or construction, and confirms the right of the Tenant to bring an action in the Tenant's own name (or, if necessary, in the name of the Landlord but for the full benefit of the Tenant and at no expense to the Landlord) against any of such contractors and consultants.

ARTICLE 13

COMPLIANCE WITH STATUTES AND BY-LAWS

13.00 Tenant's Compliance with By-Laws. The Tenant shall comply with all legal requirements (including statutes, laws, by-laws, regulations, ordinances and orders of every governmental authority having jurisdiction including those binding on either or both of a tenant or owner of premises) from time to time affecting the condition, equipment, maintenance, use or occupation of the Tenant Department Store, the Tenant Shop and, as to the Tenant's improvements thereon and use and occupation thereof, the Tenant Outdoor Selling Area. The Landlord represents that all such legal requirements have been complied with in connection with work completed by the Landlord in the Tenant Shop as at the date of this Lease. The Tenant shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings taken to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre Lands to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Tenant shall fail to comply with the provisions of this clause, the Landlord shall have the right, after written notice to the Tenant and unless the Tenant shall have within thirty (30) days or such longer period as may be reasonable in the circumstances, thereafter commenced and proceeded diligently to remedy such failure, to take any necessary action to cause such failure to be remedied, and all costs incurred by the Landlord in so doing shall be promptly repaid by the Tenant to the Landlord.

13.01 Landlord's Compliance with By-Laws. The Landlord shall comply with or cause to be complied with all legal requirements (including statutes, laws, by-laws, ordinances, regulations and orders of every governmental authority having jurisdiction including those binding on either or both of a tenant or owner of premises) affecting the condition, equipment, maintenance, use or occupation of the Shopping Centre other than the Leased Premises. The Landlord shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre Lands to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Landlord shall fail to comply with the provisions of this clause and such failure shall materially adversely affect the Tenant, the Tenant shall have the right, after written notice to the Landlord and unless the Landlord shall have within thirty (30) days or such longer period as may be reasonable in the circumstances, thereafter commenced and proceeded diligently to remedy such failure,

to take any necessary action to cause such failure to be remedied, and all costs incurred by the Tenant in so doing shall be promptly repaid by the Landlord to the Tenant.

ARTICLE 14

LEASES TO OTHER TENANTS

14.00 Merchandise Plan.

(1) The Landlord represents that the Merchandising Plan, which has been approved by the Tenant, has also been approved by all other parties having a right of approval thereto and that all leases of space in the Shopping Centre which have been made up to and are in existence at the date of this Lease are consistent therewith. In making or permitting to be made any lease (which expression includes any license or permit for use or occupancy) of any rentable space in the Shopping Centre other than the Leased Premises including all kiosks in the Mall and all outdoor selling areas, the Landlord agrees that without the written consent of the Tenant (such consent not to be unreasonably withheld except as otherwise provided herein) no lease of any space or location in the Shopping Centre shown on the Merchandising Plan shall be made other than for a type and class of use which is the same as or in substantial conformity with the type and class of use designated for such space or location on the Merchandising Plan. In the case of such space or location on the Merchandising Plan which is within 100 feet of any Mall entrance to the Tenant Department Store, no lease shall be made for a type or class of use or to a tenant whose identity shall not have been previously approved (which approval may be arbitrarily withheld) by the Tenant for such space or location. The Tenant shall respond to any written request for approval within ten (10) business days of such request, giving reasons for any refusal, provided that such written request had included therein a notice to the Tenant that a response is required by the terms of this Lease to be made by the Tenant within the aforesaid ten (10) day period.

(2) Upon any expansion of the Shopping Centre occurring as permitted by this Lease, the Landlord and the Tenant shall agree upon amendments to the Merchandising Plan extending it to apply to all newly constructed space intended for occupancy by retail and service tenants, and such amendments shall be made in accordance with good leasing practice for major retail shopping complexes and so as to maintain in all material respects a fair balance of customer attraction throughout the Shopping Centre, and shall be consistent with the principles adopted by the parties in agreeing upon the original Merchandising Plan and with all the provisions of this Lease, and both parties shall act reasonably in reaching such agreement.

(3) The Landlord shall ensure that the Shopping Centre is leased in accordance with good leasing practice for major retail shopping complexes and shall ensure that tenants are secured complying with the foregoing requirement, and will inform the Tenant (and consult with the Tenant where advisable and where expressly required) regularly in the course of such leasing and in the course of its negotiations with specific tenants.

(4) If the Landlord (acting reasonably) is of the opinion that a space should be leased for a type or class of use which is not the same as or in substantial conformity with the use designated for such location or space on the Merchandising Plan, the Landlord may apply in writing to the Tenant requesting the Tenant's consent to a change in the Merchandising Plan as to the type or class of use for which such location or space is to be leased. Such application shall be accompanied by all information necessary to enable the application to be fairly considered, including particulars of the proposed type and class of use and shall state the Landlord's opinion that the requested change or lease would be in the best interests of the Shopping Centre and in accordance with good leasing practice for major retail shopping complexes. The Tenant acting reasonably shall

promptly consider every such application and shall within seven (7) days of its receipt of such application either consent thereto in writing or decline to give its consent, and where it declines to consent for space which is not within 100 feet of any Mall entrance to the Tenant Department Store it shall state its reasons in writing for declining.

(5) Except for space within 100 feet of any Mall entrance to the Tenant Department Store, the Tenant's consent to any application or approval of any matter under this clause shall not be unreasonably withheld and in particular shall not be withheld on the grounds that any type or class of use is one competitive with the activities of the Tenant so long as such use is not one which is prohibited by any provision of this Lease and is in accordance with good leasing practice in major retail shopping complexes, but nevertheless the Tenant's consent or approval may be arbitrarily withheld to anyone or all of the type or class of use and identity of tenant if the space or location in question is within 100 feet of any Mall entrance to the Tenant Department Store.

14.01 Required Lease Provisions and Enforcements. In every lease to any tenant of Retail Premises in the Shopping Centre the location or space leased shall be required to be used only for a type and class of use which is the same as or in substantial conformity with the use designated for such location or space on the Merchandising Plan (as from time to time amended pursuant to clause 14.00) and for no other use whatsoever. The Landlord will take all reasonable action necessary to enforce such compliance including appropriate and prompt action to restrain or cure any breach thereof. The foregoing provisions of this clause 14.01 shall not apply to the lease between the Landlord and the tenant of the Second Department Store.

14.02 Assigning and Subletting by Other Tenants. To the extent that the Landlord is able to impose upon and enforce against, or cause to be imposed upon and enforced against, tenants of Retail Premises in the Shopping Centre covenants contained in their leases implementing the provisions of this clause 14.02, the Landlord shall not permit any tenant of Retail Premises in the Shopping Centre (other than the Tenant, whose rights and obligations are governed by this Lease, the occupant of the Second Department Store and other than tenants of other department stores, whose respective rights are governed by their respective leases and to which clause 14.03 applies) to assign their leases, or sublet any portion of their premises, or grant any concession or permit any person other than such tenant to occupy or carry on business in any portion of the premises leased to such tenant, if to do any such act or thing would result in any substantial change in the type or class of use specified for the location or space leased to such tenant or (for any tenant space located within 100 feet of any Mall entrance to the Tenant Department Store) a change in the identity of the person occupying or carrying on business therein, without the written consent of the Landlord. Such consent of the Landlord shall not be given without the written consent of the Tenant in any circumstance where the type or class of use and (where relevant) the identity of the tenant or occupant is a matter in respect of which the Tenant has an express right of approval pursuant to clause 14.00, and where such approval of the Tenant is required it shall be applied for in accordance with the provisions of clause 14.00 and the circumstances in which the Tenant may give or withhold its consent shall apply thereto.

14.03 Department Stores. The Landlord will take all reasonable action necessary to enforce or cause to be enforced any provisions of every lease (other than this Lease) to a tenant of a department store (which shall mean and include the Second Department Store, and every other department store in the Shopping Centre in excess of 50,000 square feet of Gross Leaseable Area carrying varied lines of merchandise, but shall not include a food supermarket or specialty department store) requiring such tenant to carry on therein the business of a department store, and not to assign or sublet without consent, except where by the terms of such lease such consent is not required, and except where by the terms of such lease the Landlord is not permitted to unreasonably withhold its consent and the granting of consent is reasonable in the circumstances.

14.04 Prohibited Uses. Subject to any provisions of law limiting the validity or enforceability of covenants in leases restricting or regulating use, the Landlord will not permit any of the following businesses to be carried on in any part of the Shopping Centre (other than in the Leased Premises, and the Second Department Store to the extent the agreements in connection therewith permit such business to be carried on therein):

(1) any business involving the sale of second-hand goods (except the sale of antiques, or the incidental sale of traded-in merchandise by a tenant whose principal business is the sale of new merchandise but where it is customary in the usual conduct of such business to accept trade-ins in connection with the sale of new merchandise and such traded-in merchandise was actually traded-in at the premises of such tenant in the Shopping Centre in connection with the purchase of new merchandise or to obtain a refund from such premises), war surplus articles, insurance salvage stock or merchandise (including fire sale stock) damaged by fire or purported to be damaged by a fire unless damaged by fire on the respective premises;

(2) any auction (except an antique or fine art auction conducted in the normal course of business in premises in the Shopping Centre leased in compliance with clause 14.00 to a dealer in antiques or fine art or an auction being carried out as part of a Shopping Centre promotional event), or any pawnshop;

(3) any business which by reason of noises, odours or vibrations emanating or likely (having regard to the nature of the business) to emanate therefrom interferes or is likely to interfere unreasonably with the use and enjoyment of Common Facilities or other premises in the Shopping Centre;

(4) any business within Retail Premises which is primarily a mail order business;

(5) any business which is carried on in a fraudulent or unethical manner or any operation of a nature presently considered to be a "flea market"; and

(6) any merchandising in the Common Facilities, except to the extent permitted by Subclause 7.01(4) of this Lease.

14.05 Limitations on Tenant's Controls. If the Tenant shall default on its obligations to operate as those obligations are specifically set out in the Lease (except a cessation of use which is merely temporary and only to the extent necessary during the repair or rebuilding of any loss, damage or destruction or during the construction of alterations or additions, provided the Tenant proceeds expeditiously to complete such repairs, rebuilding or construction and except a cessation necessitated by Unavoidable Delay) the provisions of clause 14.00, 14.01, 14.02 and 14.03 shall cease to have effect or constitute obligations of the Landlord enforceable by the Tenant until such default has been remedied; any breach by the Landlord of its obligations under clause 14.00, 14.01, 14.02 or 14.03 during any period while the Tenant is in default shall be deemed not to be a breach by the Landlord of such obligations.

ARTICLE 15

MERCHANTS' ASSOCIATION

15.00 Merchants' Association. The Landlord shall cause a Merchant's Association of the Shopping Centre to be formed by incorporation, the objects of which shall be to encourage its members in fair and courteous dealing with the public, to foster ethical business practices, to advertise and promote the Shopping Centre and in general to aid the common interest of its members. The Merchants' Association shall be constituted so as to entitle each member to a number of votes which shall be fair and equitable, and

shall entitle the Landlord to be a member and have one vote, and its constitution, including its by-laws, permanent rules and regulations and policies shall be fair, reasonable and not discriminatory. The Landlord shall use its reasonable efforts to require that all other tenants of Retail Premises in the Shopping Centre join and maintain membership in the Merchants' Association.

15.01 Tenant's Membership in Merchants' Association. The Tenant will upon Opening Date (or as soon thereafter as it is formed and incorporated) join and thereafter maintain membership in the Merchants' Association of the Shopping Centre, abide by its constitution including its by-laws and permanent rules, regulations and policies as approved by the Merchants' Association and by its other reasonable rules and regulations and policies, and contribute during the Term from and after the Effective Date to its annual budget an amount per square foot of Gross Leaseable Area of the Tenant Department store of fifteen cents (15¢) (which annual contribution shall be increased at the commencement of each extension period of the Term by a further five cents (5¢) per sq. ft. of Gross Leaseable Area of the Tenant Department Store), but provided:

(i) the Merchants' Association shall be incorporated and constituted as contemplated by clause 15.00 and the Tenant shall have a permanent seat on the directorate or steering committee thereof;

(ii) the Landlord is contributing to the Merchants' Association in accordance with clause 15.02 of this Lease, and is using its reasonable efforts to require that all of the other tenants of Retail Premises of the Shopping Centre join and maintain membership in the Merchants' Association, abide by its constitution, by-laws and rules and regulations and contribute to its annual budget on an equitable basis; and

(iii) the maintenance of the Tenant's membership in the Merchants' Association or the compliance by the Tenant with the constitution, by-laws, rules or regulations of the Merchants' Association shall not require the Tenant to adopt business practices inconsistent with its established standards or inhibit it in the full exercise of its rights under this Lease.

15.02 Landlord's Support of Merchants' Association. So long as the Tenant is a member, the Landlord shall actively support the Merchants' Association, maintain membership therein, and shall contribute to it an amount not less than 25% of its total annual budget.

15.03 Promotion Fund. In lieu of the Tenant contributing toward the Merchants' Association, the Landlord shall have the right to require the Tenant to make its contribution under clause 15.01 of this Lease to a promotion fund to be operated by the Landlord, provided that:

(a) the purpose of the promotion fund shall be to promote the Shopping Centre and the common interests of tenants of Retail Premises in the Shopping Centre, all in accordance with good shopping centre practice for first-class shopping centres of similar size in the Greater Toronto Area, including without limiting the generality of the foregoing for print campaigns, various other media campaigns and other special events which promote the Shopping Centre and such tenants;

(b) the Landlord, in lieu of its contribution pursuant to clause 15.02 of this Lease to the Merchants' Association, shall contribute to the promotion fund not less than 25% of its total annual budget and at least 90% of tenants of its Retail Premises shall contribute annually to the promotion fund; and

(c) the Tenant shall not be required to contribute to both the Merchants' Association and the promotion fund.

ARTICLE 16

TENANT SHOP AND TENANT OUTDOOR SELLING AREA

16.00 Tenant Shop. The following additional provisions shall apply to the Tenant Shop, and the Tenant shall comply therewith in the exercise of the rights granted to it as lessee pursuant to clause 2.02, and in addition to compliance with the other provisions of this Lease applicable to the Tenant Shop including the provisions as to the amount of basic rent under clause 4.01, as to the use thereof in subclause 6.00(3), as to Real Property Taxes thereon in clause 9.00, as to contributions to Common Facilities Operating Costs in clause 10.00 and as to the repair thereof in clause 12.00:

(1) At all times while the Tenant Shop is open for business the Landlord shall heat and air-condition the Tenant Shop in accordance with the standards therefor applicable to similar Retail Premises in the Shopping Centre; the Tenant shall pay to the Landlord a share of the Landlord's costs and expenses for the provision of the system or systems providing such heating and air-conditioning (excluding any costs of a capital nature) and the supply of utilities therefor to rentable premises (including the Tenant Shop), which share shall be computed with reference to a fraction, the numerator of which is the Gross Leaseable Area of the Tenant Shop and the denominator of which is the Gross Leaseable Area of all rentable premises being provided with heating and air conditioning from such system or systems. The Tenant shall upon reasonable prior notice be permitted to inspect the records of the Landlord pertaining to such costs and expenses during the Landlord's normal business hours and not more than twice per lease year;

(2) Rent for the Tenant Shop shall commence upon the Opening Date and continue until the sooner of the termination of this Lease or the surrender by the Tenant of its lease of and rights in respect of the Tenant Shop;

(3) The Tenant's lease of, and the respective rights and obligations of the Landlord and Tenant in respect of, the Tenant Shop may be terminated (without affecting any other rights of the parties under this Lease in respect of the Tenant Department Store or the Tenant Outdoor Selling Area) by the Tenant at any time during the Term by no less than ninety (90) days prior notice to the Landlord. Upon any such termination occurring, the Tenant shall promptly vacate and surrender to the Landlord the Tenant Shop, and shall, if requested by the Landlord, remove at its own expense any tenant's fixtures and improvements in the Tenant Shop;

(4) The Tenant may from time to time alter, reconstruct, remove and replace the fixtures and improvements in the Tenant Shop subject to the prior approval of the Landlord as to plans and specifications of any material alteration, reconstruction, removal or replacement of improvements (such approval not to be unreasonably withheld or unduly delayed), provided that such fixtures and improvements shall always be suitable for their intended use, of good quality, attractive appearance and compatible with the design and architecture of the Mall; and

(5) The Tenant Shop, while located in a food court of the Shopping Centre shall be used and operated only for, and if located elsewhere in the Shopping Centre may be used and operated for, the sale at retail of all or any of the following items: malts, fruit juleps or similar drinks, hot dogs (including weiners and sausages) and hamburgers together with various toppings, french fried potatoes, fried onion rings, coffee, tea and carbonated beverages. The Landlord will not withhold or delay its consent unreasonably to the retail sale of such other food items as the Tenant may request from time to time, acting

reasonably, provided that the retail sale of such other food items is complementary to the general merchandising policy in the general area in which the Tenant Shop is located and does not materially conflict with those food items which other fast food operators in the Shopping Centre are then entitled to sell.

16.01 Tenant Outdoor Selling Area. The following additional provisions shall apply to the Tenant Outdoor Selling Area, and the Tenant shall comply therewith in the exercise of the rights granted to it pursuant to clause 2.01, and in addition to compliance with the other provisions of this Lease applicable to the Tenant Outdoor Selling Area including but not restricted to the provision as to no basic rent under clause 4.05, the use thereof in subclause 6.00(2), as to Real Property Taxes thereon in clause 9.00 and as to the repair of improvements erected by the Tenant thereon in clause 12.00:

(1) The Tenant may at its cost construct and from time to time alter, reconstruct, remove and replace structures, including fences and other barriers, awnings and other shelters, kiosks and lighting fixtures, on the Tenant Outdoor Selling Area provided (i) the Landlord has approved the plans and specifications for such structure (such approval not to be unreasonably withheld or unduly delayed), (ii) such structures are affixed so as to cause a minimum of damage to the surface thereon, (iii) when not in use on a seasonable basis the Tenant shall at its cost remove any enclosures and other improvements to the extent necessary to enable the Landlord to use the area for parking purposes, to the extent that such area is intended for use as part of the Parking Facilities, and (iv) upon abandonment (as opposed to the ceasing of use in each year as contemplated by subclause 16.01(2) and (3)) of the Tenant's use of the Tenant Outdoor Selling Area the Tenant shall, at its cost and to the extent reasonably required by the Landlord, remove all such structures and other improvements and return such to the condition existing from time to time prior to the Tenant's use as an outdoor selling area;

(2) The Tenant may at any time and from time to time during each year of the Term or at any time cease its use of the Tenant Outdoor Selling Area, without prejudice to the Tenant's right at any later time and from time to time to recommence and continue such use (provided that if the Tenant Outdoor Selling Area is closed for a period of more than 12 months the Tenant will give the Landlord not less than 6 months prior notice before commencing to use same);

(3) The Tenant Outdoor Selling Area shall have an area of not more than 8,000 square feet;

(4) The Tenant shall be entitled to the use of the Tenant Outdoor Selling Area, as contemplated by this clause 16.01, for the entire Term of this Lease, subject to all provisions of this Lease expressed to be applicable thereto and provided that the Landlord has obtained, using its reasonable efforts, any required municipal zoning approvals for use of the Tenant Outdoor Selling Area for the purposes intended; and

(5) The Tenant shall be responsible for obtaining any building and occupancy permits for the Tenant Outdoor Selling Area.

(6) The Landlord shall have the right on not less than six months notice to relocate the Tenant Outdoor Selling Area to a location acceptable to the Tenant, acting reasonably. The Landlord shall be responsible for all reasonable costs of such relocation, including without limitation, the cost of relocating the services serving the Tenant Outdoor Selling Area.

16.02 Tenant Licensed Parking Area. The Tenant Licensed Parking Area shall be located in a remote area of the Shopping Centre, provided that such location shall still be within a reasonable distance of the Tenant Department Store. If the location of the Tenant Licensed Parking Area cannot be agreed upon by the Landlord and Tenant, each acting reasonably, such location shall be determined by arbitration pursuant to the

provisions of Article 22.01 hereof. The Tenant acknowledges that the Landlord shall have no responsibility or obligation to police or provide other security for the Tenant Licensed Parking Area to ensure exclusive use as contemplated by clause 2.01.

ARTICLE 17

MALL KIOSKS AND OUTDOOR SELLING AREAS

17.00 Mall Kiosks. No kiosk shall be placed within that portion of the Mall which is within 125 feet of any Mall entrance to the Tenant Department Store without the consent (which may be arbitrarily withheld) of the Tenant in respect of location, use and identity of the proposed occupant. The Landlord may, subject to the provisions of Article 14 herefor, from time to time place or permit kiosks in the Mall outside of the aforesaid 125 foot area(s) in such locations outside the aforesaid 125 foot area(s) as are compatible with pedestrian traffic flow, good merchandising practice and the maintenance of a fair balance of customer attraction. The expression "kiosk", when used in this Lease, applies to any fixture or location for the carrying on of any retail or other commercial activity in the Mall, but not to temporary general shopping centre promotions or temporary exhibits which are authorized and approved under subclause 7.01(4).

17.01 Outdoor Selling Areas. The Tenant acknowledges the rights of the occupant of the Second Department Store to operate an outdoor selling area for use primarily as a centre for the sale of types of merchandise appropriate for outdoor sales in conjunction with its department store in the Shopping Centre, and the right of the Landlord to grant to any occupant of restaurant space the right to use an outdoor selling area of reasonable size abutting the restaurant as part of the restaurant seating area. The Landlord may in addition from time to time permit each tenant of any other department store having a Gross Leaseable Area of not less than 50,000 square feet to operate an outdoor selling area in respect of its department store. Each existing or new outdoor selling area may be located as shown on the Site Plan or in the Parking Facilities at a site which is adjacent to or in close proximity to the store in the Shopping Centre occupied by the tenant thereof and shall be used only as an outdoor selling area, to be operated by such tenant seasonally for the purpose of selling any type or types of merchandise normally sold by department stores and appropriate for outdoor sale, including without limitation, garden supplies and recreational and sports equipment. The Landlord covenants that no outdoor selling area permitted hereunder will exceed the lesser of ten (10) percent of the Gross Leaseable Area of the premises related thereto and 10,000 square feet.

ARTICLE 18

LIENS

18.00 Liens. Each of the Landlord and the Tenant shall so conduct any construction or other work done by it so as to minimize the possibility of any claim for lien being registered against any part of the Shopping Centre Lands or the Leased Premises and, if any such claim for lien shall be registered, shall forthwith take all reasonable steps to have the same discharged, but nevertheless may upon posting appropriate security therefore or obtaining a court order vacating the lien defer payment of any contested claim for lien if and so long as the same is being diligently contested, and provided that nonpayment thereof does not render any part of the Shopping Centre Lands liable to forfeiture or sale. In the conduct of any construction or other work each of the Landlord and the Tenant shall comply with all the provisions of applicable statutes available to it for the protection of the Shopping Centre Lands from claims for lien. In the event that

either the Landlord or the Tenant shall make default in the payment of moneys due in connection with any such construction or other work and a claim for lien shall be filed or registered and not promptly secured or discharged, or the lien is not being diligently contested thereby rendering any part of the Shopping Centre Lands or the Leased Premises liable to forfeiture or sale the other party may obtain a court order vacating the registration of the claim for lien and in conjunction therewith may make payment into court or post security to the extent required to obtain such order, and all expenses incurred by it shall be promptly repaid to it by the party in default. In the event of default in payment by the Tenant, the Landlord shall have the same remedies as for non-payment of rent hereunder.

ARTICLE 19

EXPANSION AND ALTERATION OF TENANT DEPARTMENT STORE

19.00 Expansion and Alteration of Tenant Department Store. The Tenant shall have the right at any time and from time to time to alter, reconstruct or expand the Tenant Department Store (including any of the improvements therein), but subject to the following provisions:

(1) The Tenant Department Store shall be architecturally compatible with the Shopping Centre and shall be functionally integrated with the Mall in the manner in which it was so integrated immediately prior to each such alteration, reconstruction or expansion;

(2) There shall be no right of horizontal expansion;

(3) Any vertical expansion of the Tenant Department Store shall be limited to a third floor of not less than 35,000 square feet of Gross Building Area; the Landlord warrants that it has constructed the remainder of the Shopping Centre so as to enable a third level Mall to be constructed at a future date;

(4) In the case of any substantial alteration or any reconstruction or expansion of the Tenant Department Store, the plans and specifications therefor shall be submitted to the Landlord for its approval, but such approval shall not be unreasonably withheld provided the requirements of this clause are otherwise complied with; no alteration of the Tenant Department Store shall have the result of reducing its Gross Building Area or Gross Leaseable Area from that which it had when initially constructed;

(5) Any substantial alteration and any reconstruction or expansion of the Tenant Department Store shall be performed substantially in accordance with the plans and specifications which have been approved by the Landlord. In the performance of any alteration, reconstruction or expansion the Tenant will perform all work involved with reasonable expedition (but subject to Unavoidable Delay), in a good and workmanlike manner and at least in accordance with the general standards which were applicable to the initial construction of the Tenant Department Store and will comply with all applicable municipal by-laws and other legal requirements pertaining to such work (including all applicable zoning and building regulations), and the Tenant shall provide such evidence of insurance during construction showing the Landlord as named insured as Landlord may reasonably require;

(6) If the Tenant desires to expand the Tenant Department Store it shall, subject to the provisions of clause 19.00(8), notify the Landlord not less than one year prior to commencing construction of such expansion and, if the Landlord so desires, shall negotiate with the Landlord for a reasonable period of time with a view to arriving at an agreement whereby the Landlord will perform such construction of the Tenant Department Store expansion for an agreed price or in consideration of an agreed increase

in rent under this Lease or for other consideration. If such an agreement cannot be reached within a reasonable time, the Tenant shall be free to construct the expansion at its own expense, in which case no annual basic rent shall be payable by the Tenant in regard to the expansion area but all other provisions of the Lease shall apply to the expansion; and

(7) The Tenant will provide, at its expense, any additional Parking Facilities required for an expansion of the Tenant Department Store of not less than 5.0 cars per 1,000 square feet of additional Gross Leaseable Area by any or all of or any combination of:

(a) the construction at the expense of the Tenant (and for which purpose the Landlord will extend its full co-operation in connection with design, the re-orientation of parking and access, and other matters as may be required) of parking decks or structures, to be located within the Shopping Centre Lands and to include the additional number of parking spaces required in respect of the expansion of the Tenant Department Store. Before commencing construction of parking decks or structures the Tenant shall obtain the Landlord's approval of its plans and specifications (which approval will not be unreasonably withheld or unduly delayed); and/or

(b) the restriping of existing Parking Facilities, subject to prior approval of the Landlord (such approval not to be unreasonably withheld or unduly delayed) and all governmental and regulatory bodies having jurisdiction; and/or

(c) the construction of Parking Facilities on lands adjacent to the Shopping Centre Lands provided such construction does not result in a breach of any lease or other occupancy agreement or other agreement affecting the Landlord's obligations in respect of the Shopping Centre;

(d) the use of existing spaces on the Shopping Centre Lands that are in excess of the spaces required from time to time by clause 7.04(c) or that are not required by the Landlord to accommodate any permitted expansion of the Shopping Centre, until such spaces are required by the Landlord to satisfy its obligations as aforesaid, at which time the Tenant shall provide the additional spaces required by any or all of or any combination of the methods set out in (a), (b) and (c) of this clause 19.00(7).

(8) Notwithstanding the provisions of clauses 19.00(3) and (6), where the Landlord has provided the Tenant with the notice referred to in clause 20.00(3), the Tenant shall have the right, to be exercised by written notice to the Landlord to be given within three (3) months of receipt of the Landlord's notice (which notice from the Tenant shall include the approximate size, configuration and location of the Tenant's expansion) to expand the Tenant Department Store, concurrently with the Landlord's expansion. Should the Tenant fail to give notice to the Landlord as aforesaid the Tenant's right of expansion shall be lost to the extent that the Landlord constructs its third level expansion above the second level of the Tenant Department Store; and

(9) Where a third level expansion to the Tenant Department Store is constructed prior to the Landlord's third level expansion, the Landlord shall be responsible for all reasonable costs of connecting the third level Mall to the Tenant Department Store, including all reasonable costs within the Tenant Department Store attributable to such connection and the tying of such connection in to the closest major pedestrian aisle within the Tenant Department Store. In constructing and laying out its various departments to be located on such third level of the Tenant Department Store, the Tenant shall do what is both reasonably necessary and practicable within the Tenant Department Store to enable such third level to be connected at a future date to a third level Mall and so as to minimize to the extent reasonably possible the future cost of changes within the Tenant Department Store third floor which are necessary to accommodate the connection. As an example, the Tenant shall not locate restaurant facilities in front of the proposed

connection unless the required opening and corridor within the Tenant Department Store can be created without having to relocate the restaurant or any material portion thereof.

ARTICLE 20

See March 15/95 Amendment

EXPANSION AND ALTERATION OF SHOPPING CENTRE

20.00 Expansion and Alteration of Shopping Centre. The Landlord shall have the right at any time and from time to time, where not otherwise prohibited by any provision of this Lease, and subject to the additional conditions in clause 20.01, to alter, reconstruct or expand the buildings and improvements on the Shopping Centre Lands including the Common Facilities but excluding the Leased Premises as follows:

(1) No additional department stores, other than one promotional department store (which is expected to be but need not be operated by Zellers Inc.) and one department store or specialty department store of not more than 50,000 square feet of Gross Leaseable Area, shall be constructed in the Shopping Centre without the consent of the Tenant, which consent shall not be unreasonably withheld or unduly delayed; without limiting the generality of the foregoing, it shall not be unreasonable for the Tenant to withhold its consent if the arrangement between the Landlord and the proposed occupant of such department store is unfairly competitive by reason of the fact that the net costs of occupancy per square foot of Gross Leaseable Area to be payable by the occupant thereof (based upon relative costs of construction and all other relevant matters) are more favourable than those then payable by the Tenant under this Lease and the Landlord shall not have agreed with the Tenant to reduce the net costs of occupancy per square foot payable by the Tenant under the terms of this Lease to a level which is equally favourable; the Landlord shall provide the Tenant with all necessary information to disclose whether or not such net costs of occupancy are more favourable;

(2) The premises in the Shopping Centre intended for occupancy by tenants for Retail Premises (other than any department store or food supermarket) may from time to time be altered, reconstructed or expanded, including construction of additional Retail Premises, subject as follows:

(i) the Retail Premises existing at the Opening Date shall not be reduced in size or substantially altered, either as to design or location except in the course of any alterations or expansions to the Shopping Centre being completed in accordance with good shopping centre practice and in compliance with the requirements of governmental authorities having jurisdiction; and

(ii) any expansion of Retail Premises and any additional Retail Premises constructed shall be designed and located in accordance with the Site Plan or in accordance with plans which have been approved by the Tenant (such approval not to be unreasonably withheld provided the criteria applicable thereto as set out in this clause 20.00 and in clause 20.01 are complied with), shall be appropriate for their intended use and suitable for a first-class regional shopping centre, shall be architecturally compatible with the Shopping Centre and suitably integrated therewith and with the Mall, and shall be constructed and leased for purposes and to tenants which are compatible with a first-class regional shopping centre and in accordance with the Merchandising Plan and the provisions of Article 14;

(3) No third level expansion of the Shopping Centre shall be constructed without the Landlord first giving the Tenant not less than one year's prior written notice, which notice shall be accompanied by preliminary plans for such expansion;

(4) The Landlord may, subject to compliance with all other provisions of this clause 20.00 and with the criteria set out in clause 20.01, construct or permit to be constructed on the Shopping Centre Lands buildings for other uses provided such uses are fully compatible with a regional shopping centre (and if any proposed use is other than retail, shopping centre commercial or office use it shall first have been approved by the Tenant, such approval not to be unreasonably withheld or unduly delayed); and

(5) The Common Facilities may from time to time be altered, reconstructed or expanded, subject as follows:

(i) the Common Facilities shall be at all times suitable for their intended purpose, appropriate for a first-class regional shopping centre and in compliance with all the provisions of this Lease, including as to the number of parking spaces to be available from time to time as provided in subclause 7.04(c);

(ii) the Mall as it existed on Opening Date shall not be substantially altered without the consent of the Tenant (not to be unreasonably withheld), but may be extended subject to the criteria set out in clause 20.01; and

(iii) additional parking spaces may be provided in the Parking Facilities by means of grade level or deck parking, but the design and location of the Parking Facilities including any parking structures shall be such as to maintain a fair balance of the availability of parking in the Shopping Centre and an adequate and unimpeded traffic flow and access to such parking and to all Retail Premises in the Shopping Centre including the Leased Premises, and shall have been approved by the Tenant (such approval not to be unreasonably withheld or unduly delayed).

20.01 Additional Conditions on Expansion and Alteration. In connection with any expansion of the buildings and improvements in the Shopping Centre permitted by clause 20.00, the following additional requirements shall be complied with:

(1) All construction shall be architecturally compatible with the buildings from time to time existing in the Shopping Centre;

(2) The Landlord shall use its reasonable efforts to ensure that all new construction on the Shopping Centre Lands including extensions of the Mall and Retail Premises associated therewith, alterations or additions to Parking Facilities and all other new construction including the expansion of any existing premises shall be such as to maintain a fair balance among the various portions of the Shopping Centre from time to time existing, having regard to all relevant factors including customer attraction, accessibility, the type, convenience and quantity of parking available in Parking Facilities, traffic flow and the facility of access by vehicles and pedestrians;

(3) Notwithstanding any other provisions of this Lease, no building or improvement of any nature other than additional Parking Facilities consisting of parking spaces at grade level and access thereto, landscaped areas, walkways and Shopping Centre signage shall at any time be constructed within the area outlined in BROWN on the Site Plan (other than an expansion and related improvements thereto by the Tenant of the Tenant Department Store) without the consent of the Tenant (which consent may be arbitrarily

withheld, except that in regard to parking decks the Tenant shall not unreasonably withhold or unduly delay its consent);

(4) Outline plans and specifications for any expansion or substantial alteration which the Landlord is entitled to make or permit hereunder shall be submitted to the Tenant for the Tenant's approval (such approval not to be unreasonably withheld provided all applicable criteria set out in this Article have been complied with); however this provision shall not apply to an expansion of the Second Department Store;

(5) Any substantial alteration and any reconstruction or expansion permitted hereunder shall be consistent with a first-class Shopping Centre similar in size to the Shopping Centre, and be performed by the Landlord or other party performing the same with reasonable expedition and in a good and workmanlike manner and in accordance with the general standards which were applicable to the initial construction of the Shopping Centre and in compliance with all applicable municipal by-laws and other legal requirements pertaining thereto;

(6) Any material variations in the Site Plan which detrimentally affect:

(a) visibility of the Tenant Department Store (both externally and within the Mall);

(b) parking for the Tenant Department Store;

(c) vehicular access to and from the Shopping Centre Lands by way of the public streets abutting the Shopping Centre; or

(d) access to the Tenant Department Store either externally or through the Mall

shall have been approved by the Tenant (which approval may be arbitrarily withheld); and any other material changes to the Site Plan shall require the Tenant's approval, such approval not to be unreasonably withheld or unduly delayed.

20.02 Tenant Opportunity. Before proceeding with the construction of any major expansion or major alteration to the Shopping Centre, the Landlord shall afford to the Tenant a reasonable opportunity to expand the Tenant Department Store at least contemporaneously with any expansion of the Shopping Centre provided such shall not materially delay the Landlord's expansion or alteration.

ARTICLE 21

ASSIGNMENTS, TRANSFERS AND ENCUMBRANCES OF INTEREST BY LANDLORD AND TENANT

21.00 Restrictions on Assignment, Subletting and Encumbering by Tenant. The Tenant may at any time and from time to time assign this Lease or sublet or grant concessions or other rights of use and occupancy with respect to the whole or any part of the Leased Premises in each of the following circumstances (but not otherwise):

(1) The Tenant may, upon notice to but without the consent of the Landlord, assign this Lease or sublet the whole or any part of the Leased Premises to, and may in any event permit the Leased Premises to be used and occupied in whole or in part by, any affiliated corporation of the Tenant (as such term "affiliated corporation" is defined by the Canada Business Corporations Act);

(2) The Tenant may, upon notice to but without the consent of the Landlord, assign this Lease:

(i) to any corporation with which the Tenant merges or consolidates, or

(ii) to any corporation to which it transfers a majority of its comparable department stores in the Greater Toronto Area;

(3) The Tenant may, upon notice to but without the consent of the Landlord, assign this Lease or sublet the whole or any part of the Leased Premises to any corporation which is then operating a first-class department store (as hereinafter defined) save and except to a corporation which is then operating a store in excess of 50,000 square feet of Gross Leaseable Area in the Shopping Centre. For purposes of this section "first-class department store" means and includes, without limitation, the type of department store (in excess of 50,000 square feet of Gross Leaseable Area) generally being operated, as at the Opening Date, by Hudson's Bay Company, Eatons, Simpsons, Sears and Woodwards;

(4) The Tenant may, without the consent of the Landlord, sublease or grant concessions or licenses to use and occupy any part or parts of the Leased Premises provided that:

(i) the Tenant Department Store continues to be carried on, and retains the appearance to the public of being carried on, as an integrated department store;

(ii) any such subtenant, concessionaire, licensee or other occupant within the Tenant Department Store is subject to the day-to-day operational control of the Tenant in matters related to the general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general business standards of the Tenant itself; and

(iii) not more than forty (40) percent of the Gross Leaseable Area of the Tenant Department Store in aggregate is so sublet or has rights granted as aforesaid;

(5) The Tenant may, without the consent of the Landlord, assign, sublease or mortgage or encumber its interest under this Lease to a mortgagee or encumbrancer which is a recognized financial institution (including a bank, life insurance, trust or mortgage company and a trustee for bondholders) as security in connection with any bona fide general corporate borrowing by the Tenant or an affiliated corporation of the Tenant as defined in subclause (1); it is understood that, prior to any such mortgagee or encumbrancer entering into possession of the Leased Premises, it shall undertake to the Landlord to be bound by the terms of this Lease but only for so long as it remains in possession, and if it sells or otherwise disposes of its security to a transferee permitted under subclauses 21.00 (2) (ii) and (3), it shall require the purchaser to covenant directly with the Landlord to be bound by the terms of this Lease; upon such covenant being given such mortgagee or encumbrancer shall be released from its obligations stipulated hereunder;

(6) If the Landlord (in breach of its covenant) has ceased to operate the Shopping Centre as a first-class regional shopping centre and the Shopping Centre remains so for one hundred and eighty (180) days (exclusive of periods when the Landlord is prevented from doing so by Unavoidable Delay) after the Tenant has notified the Landlord of such breach, or if twenty five (25%) percent or more of the Gross Leaseable Area of Retail Premises on either level of the Shopping Centre (other than the Tenant Department Store and the Second Department Store) shall become vacant or cease to be open for business

and remain so for one hundred and eighty (180) days (exclusive of periods when business is prevented by Unavoidable Delay) after the Tenant has notified the Landlord in writing of such breach, the Tenant may assign this Lease or sublet the whole or any part of the Leased Premises without any approval or consent of the Landlord and without any restriction as to use; and

(7) The Tenant may assign this Lease or sublet the whole or any part of the Leased Premises in any other circumstance not permitted by subclauses (1) to (6) inclusive of this clause 21.00 for any permitted use hereunder, provided that in each case the written consent of the Landlord thereto shall first have been obtained which consent will not be unreasonably withheld or unduly delayed.

In the case of any permitted assignment of the Lease, other than to a mortgagee or encumbrancer not in possession as contemplated by subclause (5) hereof, the assignee shall covenant with the Landlord to be bound by the terms and conditions of this Lease and each subtenant of the whole of the Tenant Department Store shall covenant with the Landlord not to breach the provisions of this Lease. No assignment, subletting, mortgaging or encumbering by the Tenant shall release the obligations of the Tenant hereunder except, as hereinafter provided, in the following circumstances where the assignee has agreed in writing with the Landlord to be bound by the terms and conditions of this Lease:

(a) an assignment of this Lease to a corporation which is a parent corporation of the Tenant on a winding up or other dissolution of the assignor provided such assignee is vested with substantially all of the assets of the Tenant following such assignment or if the credit rating of such corporation is no less than that of the Tenant immediately prior to such winding up or other dissolution;

(b) an assignment of this Lease to a national major department store such as Eatons, Simpsons, Woodwards or Sears provided the credit rating of such assignee is no less than that of the Tenant immediately prior to such assignment;

(c) an assignment of this Lease in the circumstances referred to in subclause (6) of this clause 21.00;

(d) an assignment of this Lease to a corporation or other entity to which the Tenant transfers a majority of its comparable department stores in the Greater Toronto Area, provided that the assignee has at the date of the assignment the financial capability to comply with the Tenant's obligations under this Lease;

(e) an assignment of this Lease to an assignee whose financial status is such that it can borrow substantial amounts of money from Canadian financial institutions on an unsecured basis at an interest rate not greater than that rate that would be paid by the Tenant in comparable circumstances.

Upon receipt of the assignee's covenant with the Landlord to perform all of the Tenant's covenants hereunder and a request from the Tenant to grant such a release, other than in respect of then existing defaults, the Landlord shall grant such a release in respect of any period following such assignment.

21.01 Transfers and Encumbrances by Landlord. The Landlord may assign, transfer, mortgage or encumber the Shopping Centre Lands or sublet the whole of any part of the portion of the Shopping Centre Lands subject only to the following restrictions:

(1) Every assignment, transfer, mortgage or encumbrance by the Landlord of its interest in the Shopping Centre or any part thereof and any lease by the Landlord of the

Shopping Centre Lands (other than leases of specific premises therein) shall be made expressly subject to this Lease and all the rights of the Tenant hereunder; however, if required by the first mortgagee, the Tenant shall enter into a non-disturbance agreement with such first mortgagee which shall provide, without limiting the generality of the foregoing, security of tenure and the right to remain in possession of the Leased Premises under the terms and conditions of this Lease, the right to have the Landlord's covenants performed by any party in possession of the Shopping Centre from time to time including any mortgagee while in possession and any purchaser from or through the mortgagee, whether it be by way of court ordered sale or pursuant to an exercise of the mortgagee's power of sale or otherwise, until such time as this Lease shall expire, be surrendered or otherwise terminated pursuant to the terms of this Lease; and

(2) In the case of every assignment or transfer of the Shopping Centre Lands other than to a mortgagee or encumbrancer or creditor as security, the assignee or transferee shall agree with the Tenant to perform all the obligations of the Landlord under this Lease. No assignment, transfer, mortgage or encumbrance by the Landlord affecting the Leased Premises shall have the effect of releasing the obligations of the Landlord hereunder unless a bona fide purchaser, assignee or transferee of the whole of the Landlord's interest in the Shopping Centre assumes and has become bound by the Landlord's obligations, covenants and agreements hereunder in which case the Landlord shall be released of its covenants hereunder provided that in no event will the Landlord be released in respect of then existing defaults.

21.02 Performance of Mortgage Obligations by Tenant. The Tenant shall make all payments when due and otherwise perform all its obligations under any mortgage or encumbrance at any time permitted to be made by it pursuant to clause 21.00 upon this Lease and its leasehold interest thereunder. The Tenant shall obtain an undertaking from any such mortgagee or other encumbrancer to give written notice to the Landlord from time to time of any default under such mortgage or other encumbrance specifying with reasonable particularity the nature and extent of the default (and if the default continues, to provide periodic reports on a monthly basis on the nature and extent of such default).

21.03 Performance of Mortgage and Other Obligations by Landlord. The Landlord shall make all payments when due and otherwise perform all its obligations under any mortgage or encumbrance at any time made by it upon the Shopping Centre Lands and its interest therein, and shall duly perform, to the extent reasonable under the circumstances, all its obligations under all leases to tenants of portions of the Shopping Centre. The Landlord shall obtain an undertaking from any such mortgagee or other encumbrancer to give written notice to the Tenant from time to time of any default under such mortgage or other encumbrance specifying with reasonable particularity the nature and extent of the default (and if the default continues, to provide periodic reports on a monthly basis on the nature and extent of such default).

21.04 Restrictive Covenants. The Landlord will not, unless the Tenant consents (which consent will not be unreasonably withheld), enter into any restrictive covenant with any other tenant of premises on the Shopping Centre Lands which has the effect of restricting the use made of the Tenant Department Store, and will whenever requested advise the Tenant in writing of the nature, extent and wording of all restrictive covenants at any time in effect which might have application to the Tenant Department Store (the Landlord hereby representing that there are at the date of this Lease no such restrictive covenants).

ARTICLE 22

DETERMINATION OF CERTAIN MATTERS

22.00 Determination of Gross Building Area, Gross Leaseable Area & Adjusted Gross Leaseable Area. The Gross Building Area, Gross Leaseable Area and Adjusted Gross Leaseable Area of the Tenant Department Store and the Tenant Shop and any other premises in the Shopping Centre in respect to which it is material under the provisions of this Lease to determine the same, shall, unless accepted and agreed by both the Landlord and the Tenant in writing, be determined at the instance of either party by a surveyor or architect appointed by the Landlord and the Tenant acting jointly for the purpose, or if they cannot agree upon such appointment, appointed upon the application of either party by a Judge of the Supreme Court of Ontario. Any Gross Building Area, Gross Leaseable Area and Adjusted Gross Leaseable Area so agreed or determined shall be binding upon the parties but subject to redetermination in the manner herein provided if there shall be any expansion, alteration, reconstruction or other change affecting the same.

22.01 Determination by Arbitration. Wherever in this Lease it is provided that any matter in dispute between the Landlord and the Tenant, if not settled or agreed between them, is to be determined by arbitration, then the dispute shall be determined by arbitration, as follows:

(1) Either party may give written notice to the other of its desire to arbitrate such dispute, and shall in such written notice give notice of the appointment of an arbitrator chosen by the party giving such notice. The party receiving such notice shall within fifteen (15) days after the receipt thereof give a written notice to the party giving the first notice of the appointment of an arbitrator chosen by the party giving the second notice. The two arbitrators so chosen shall jointly appoint a third arbitrator;

(2) If a party required to appoint an arbitrator shall fail to do so within such period of fifteen (15) days, or if each party has appointed an arbitrator and such arbitrators fail to agree upon a third arbitrator within fifteen (15) days after both have been appointed, then any party not in default of appointing an arbitrator may apply to a Judge of the Supreme Court of Ontario for the appointment of an arbitrator on behalf of the party in default, or the appointment of the third arbitrator, as the case may require; and

(3) The three arbitrators so appointed shall determine the dispute having regard to the provisions of this Lease and to any other agreements in writing which the parties may have made respecting the arbitration or the matter in dispute and the decision of any two of them shall bind the parties. Subject to the provisions of this clause, the arbitration shall be conducted in accordance with the provisions (if any) of the laws of Ontario from time to time in effect pertaining to arbitration.

22.02 Costs. In any proceedings under clause 22.00 to determine any Gross Building Area, Gross Leaseable Area and Adjusted Gross Leaseable Area each party shall bear one-half of the fees and expenses of the surveyor or architect appointed and of the costs of such proceedings. In any proceedings under clause 22.01 to determine any question or dispute, the fees and expenses of the arbitrators and all other expenses of such proceedings shall be borne in such manner as the arbitrators may determine.

22.03 Judicial Remedies Preserved. The provisions of this Article 22 regarding the determination of certain questions or matters in dispute by arbitration are acknowledged by the parties to have the intended purpose of providing, where applicable, an equitable and rapid determination, but are not intended and shall not be interpreted as excluding recourse by any party to the Courts as to any matter not expressly required to be determined by arbitration pursuant to clause 22.01, or recourse by any party to any of the remedies available at law or in equity including damages or injunction, and such

recourse may be taken notwithstanding the provisions of clause 22.01 in respect of any matter where the substantial rights of a party are involved and might be prejudiced or impaired if such recourse is not taken, notwithstanding that the determination of such matter may involve a question for determination by the Court which would otherwise fall for its determination within the provisions of clause 22.01, but in such case any determination which has already been made pursuant to clause 22.01 shall be binding upon the parties. Provided that neither party shall institute proceedings in a court of competent jurisdiction to adjudicate any dispute arising under this Lease if arbitration of such dispute has already commenced pursuant to Clause 22.01, in which event any determination made pursuant to such arbitration shall be binding upon the parties as provided in subparagraph (3) of clause 22.01. During the continuation of any such arbitration or court proceedings the Landlord and the Tenant shall continue to be responsible for the full performance of the terms of this Lease, except no default shall be deemed to have occurred in the performance of the covenants, obligations or agreements contained in this Lease which are the subject matter of such arbitration or court proceedings.

ARTICLE 23

SIGNS

23.00 Tenant's Signs. The Tenant shall have the following rights in regard to signage and identification of and for the Leased Premises:

(1) To erect and maintain, at its expense, subject to the approval of the Landlord as to size and location (not to be unreasonably withheld or unduly delayed) signs upon the exterior of the Tenant Department Store (including upon or over the entrances thereto and upon any exterior wall thereof) in each case similar in size and character to those generally used by the Tenant in connection with a majority of its other similar department stores in the Province of Ontario, provided such signs comply with the requirements of governmental authorities having jurisdiction;

(2) To erect and maintain, at its expense, subject to the approval of the Landlord (not to be unreasonably withheld or unduly delayed) signs upon the Tenant Shop, the Tenant Outdoor Selling Area and the Tenant Licensed Parking Area consistent with the Landlord's sign policy referred to in clause 23.01;

(3) On any free standing pylon signs erected by the Landlord on which any other occupant of the Shopping Centre is identified, identification for the Tenant Department Store of size and location no less prominent than that provided to such other occupant and on terms no less favourable than the best terms offered by the Landlord to others identified with similar prominence on such signs, provided that the plans and specifications for the Tenant's sign shall be subject to the approval of the Landlord (not to be unreasonably withheld or unduly delayed);

(4) To have the Tenant's name displayed, at the expense of the Tenant, on any directories of the Landlord located in the Mall; and

(5) Such other signs as it may desire to have and which are consistent with the sign policy referred to in clause 23.01 adopted for the Shopping Centre and approved by the Tenant, as the Landlord may approve (such approval not to be unreasonably withheld).

The Tenant shall maintain all such signs or identification referred to in paragraph (1), (2) and (5) in good repair and condition consistent with the standards of a first-class regional shopping centre and shall keep them suitably illuminated (to the extent designed to be illuminated) as and when required during the hours when the Leased Premises or

the applicable part thereof shall be open for business. The Landlord shall maintain its signs and identification, including those referred to in paragraphs (3) and (4), in good repair and condition consistent with the standards of a first-class regional shopping centre and shall keep them suitably illuminated (to the extent designed to be illuminated) as and when required during the hours when the Shopping Centre is open for business. In the event the signs to be maintained by the Tenant as aforesaid are not so maintained Landlord may repair the same at Tenant's expense after 30 days written notice (or such greater period as is reasonably required under the circumstances) to repair.

23.01 Landlord's Sign Policy. The Landlord shall implement, and shall also enforce or cause to be enforced, a sign policy applicable to all tenants of the Shopping Centre and governing signs (including pylon signs and their respective locations) which may be displayed on or in their premises and in the Shopping Centre and which shall represent good shopping centre practice for a first-class regional centre and maintain the dignity and appearance of the Shopping Centre. The Tenant hereby approves of the sign policy existing as at the Opening Date. Any material changes thereto shall be subject to the approval of the Tenant (not to be unreasonably withheld). Notwithstanding the aforesaid, the Tenant hereby acknowledges that the Landlord's signage control in regard to any signs of and for the Second Department Store, the promotional department store referred to in clause 20.00(1) and the junior department store referred to in clause 20.01(1) shall be limited to the rights of the Landlord as contained in the lease for each of such stores.

ARTICLE 24

REMEDIES AND DEFAULTS

24.00 Particular Remedies of Landlord. The Landlord, in addition to all other remedies it may have under the express provisions of this Lease and (to the extent not expressly excluded hereby) under the general law, shall have the following rights:

(1) In the event of any default by the Tenant in the payment of annual basic rent or other amount payable by the Tenant to the Landlord hereunder, the Landlord shall have available to it all remedies for the recovery of the same as are available in the case of the non-payment of annual basic rent. If the Tenant shall have failed to remedy such default by making payment thereof within thirty (30) days after receipt of written notice from the Landlord, and such default constitutes a major monetary default, the Landlord at its option may enter into and upon the Leased Premises and terminate this Lease, subject to such equitable or other relief, including relief from forfeiture, as may be available to the Tenant under the laws of the Province of Ontario;

(2) In the event of any default by the Tenant of any of its covenants, agreements or undertakings in this Lease, other than a default under subclause (1) hereof, which the Tenant fails to remedy within thirty (30) days after receipt of written notice from the Landlord specifying such default (or such longer period as may be reasonably necessary therefor having regard to the nature of such default and the occurrence of any Unavoidable Delay provided that the Tenant is proceeding diligently and in a bona fide manner to remedy such default), the Landlord may, in addition to such other remedies as it may have hereunder, including the right to damages or specific performance, take such reasonable steps as may be necessary to remedy such default, and for that purpose the Landlord shall have entry to all parts of the Leased Premises, and any costs incurred by the Landlord in so doing shall be promptly repaid to it by the Tenant;

(3) As an alternative to its right under subclause (1) or (2) to enter into and upon the Leased Premises and terminate this Lease, the Landlord shall, as an alternative to such remedy if it so elects, without terminating this Lease or relieving the Tenant of any of its covenants or obligations under this Lease, have the right to enter into and upon the

Leased Premises to take possession of all property of the Tenant in the Leased Premises without being liable for any prosecution or damage therefor, and as the agent of and in the name and at the risk and expense of the Tenant to repair or alter the Leased Premises as may be necessary or appropriate and to sublet the Leased Premises and sell or lease as the Landlord shall see fit all or any of such property, all at the expense of the Tenant (the Tenant agreeing to promptly reimburse the Landlord for all costs and expenses including legal fees and realtors' commissions if any incurred by it in so doing), and to receive and apply all rents and other proceeds derived therefrom against the then and continuing indebtedness and obligation of the Tenant to the Landlord (the Tenant remaining liable for the payment to the Landlord of any deficiency then or thereafter arising, and to indemnify and save harmless the Landlord from all loss, cost and expense, including without limitation legal fees incurred on a solicitor and client basis, arising by reason of the Tenant's default and any action lawfully taken by the Landlord hereunder consequent thereon).

24.01 Particular Remedies of Tenant. The Tenant, in addition to all other remedies it may have under the express provisions of this Lease and (to the extent not expressly excluded hereby) under the general law, shall have the following rights:

(1) In the event of the failure of the Landlord to pay any amount due to the Tenant under any provision of this Lease when due, and if such failure shall not have been remedied within thirty (30) days after receipt of written notice from the Tenant specifying the default, the Tenant shall have the right to deduct such amount from amounts due or to accrue due to the Landlord under Article 10 of this Lease.

(2) In the event the Landlord is in default under this Lease, other than a default under subsection (1) hereof, and the Landlord shall fail to remedy such default within thirty (30) days after receipt of written notice from the Tenant to the Landlord (or such longer period as may reasonably be necessary therefor having regard to the nature of such default and the occurrence of any Unavoidable Delay provided that the Landlord is proceeding diligently and in a bona fide manner to remedy such default), the Tenant may take such reasonable steps as may be necessary to remedy such default, and any costs incurred by the Tenant in so doing shall be promptly repaid to it by the Landlord.

24.02 Bankruptcy or Insolvency of Tenant. If the interest of the Tenant under this Lease shall be taken or seized in execution or attachment by any creditor of the Tenant, or if the Tenant shall make any general assignment for the benefit of creditors or shall wind up (save and except in pursuance of a bona fide corporate reorganization) or be adjudicated bankrupt or insolvent, or its affairs and assets shall be placed in trusteeship, receivership or liquidation, then in each such case, unless (a) the Tenant is taking reasonable steps to dispute such actions and is able to have such set aside within thirty (30) days of initiation of such actions or (b) a mortgagee or encumbrancer of the Tenant having security upon the Tenant's interest under this Lease which complies with clause 21.00 shall take possession of the Leased Premises and agree to remedy the Tenant's defaults and perform all the obligations of the Tenant hereunder while in possession in compliance with clause 21.00, the Landlord may at its option and after reasonable notice to such mortgagees and encumbrancers re-enter and terminate this Lease, without prejudice to any other rights of the Landlord under this Lease or at law.

24.03 Interest on Sums in Default. If the Tenant fails to pay any rent or other sum owing to the Landlord when it is due or payable or the Landlord fails to pay any sum owing to the Tenant when it is due or payable, in each case such sum so owing shall bear interest from the date such sum so owing was due and payable under the applicable provision of this Lease until such sum is actually paid, at a rate equal to 3% plus the Prime Rate (as hereinafter defined) then in effect, compounded semi-annually, not in advance, and such interest shall accrue on, be added to and be recoverable in the same manner as the principal sum upon which it is calculated. "Prime Rate" means the reference rate of interest announced from time to time by Canadian Imperial Bank of

Commerce (or its successor bank) for the purpose of determining interest rates on Canadian dollar commercial loans in Canada, commonly known as its "prime rate".

ARTICLE 25

MISCELLANEOUS PROVISIONS

25.00 Unavoidable Delay. Whenever in this Lease it is provided that any act or things to be done or performed is subject to Unavoidable Delay, the time for the doing or performance thereof shall be extended for a period equal to the period for which such Unavoidable Delay operates to delay or prevent the act or thing required to be done or performed from being done or performed, and the party obligated to do or perform such act or thing shall not be deemed to be in default until the expiration of such time as so extended. Each party shall promptly notify the other of the occurrence of any Unavoidable Delay which might prevent or delay the doing or performance of acts or things required to be done or performed by such party.

25.01 Waiver. Any condoning or overlooking by the Landlord or the Tenant of any default, breach or non-performance by the other at any time or times in respect of any obligation contained in this Lease shall not operate as a waiver of such default, breach or non-performance, and any waiver of a particular default, breach or non-performance shall not operate as a waiver of any subsequent or continuing default, breach or non-performance.

25.02 Certificates. The Tenant agrees that it will from time to time whenever reasonably required by the Landlord for the purpose of giving assurance to any third party interested (including any prospective or actual assignee or Mortgagee of the Landlord) execute and deliver to the Landlord or as the Landlord may direct a statement in writing certifying to such third party whether this Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and Tenant, whether or not there are any existing defaults on the part of the Landlord of which the Tenant has notice (and if so, specifying them) and as to any other matters in connection with this Lease in respect of which such a certificate is reasonably requested. The Landlord agrees that it will from time to time whenever reasonably requested for the purpose of giving assurance to any third party interested (including any proposed or actual assignee or mortgagee of the Tenant) execute and deliver to the Tenant or as the Tenant may direct a statement in writing certifying to such third party whether this Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and the Tenant, whether or not there are any existing defaults on the part of the Tenant of which the Landlord has notice (and if so, specifying them) and as to any other matters in connection with this Lease in respect of which such a certificate is reasonably requested. Such statements given by the Landlord or Tenant as the case may be, may be relied upon by but only by) the third party for whose benefit they are given.

25.03 Approvals. Except insofar as it is otherwise provided in this Lease, any approval or consent which either party is entitled to request of the other hereunder shall, unless a shorter period is otherwise designated or contemplated, be either given or refused in writing within twenty (20) days of a written request therefor, and if refused and if such approval or consent is one which the requested party can withhold only on reasonable grounds, the requested party shall also give reasons for such refusal. Any such approval or consent requested shall specify the aforementioned time limitation.

25.04 Registration. Either party may register this Lease, or if required by either party, the parties shall enter into an agreement, memorial, caveat for registration against the

Shopping Centre Lands, and which will be appropriate for the protection and recording of the interests of the parties hereunder, in accordance with the laws of the Province of Ontario, and which either party may register.

25.05 Notices. Any notice which a party is entitled or required to give under any provision of this Lease shall be deemed to have been duly given if made in writing and, if intended for the Landlord, delivered to an officer of the Landlord or mailed in Canada by prepaid registered post addressed to the Landlord c/o Cambridge Leaseholds Limited, Suite 300, 95 Wellington Street West, Toronto, Ontario, M5J 2R2, Attention: Secretary, and if intended for the Tenant, if delivered to an officer of the Tenant or mailed in Canada by prepaid registered post addressed to the Tenant at 401 Bay Street, Suite 600, Toronto, Ontario M5H 2Y4, Attention: Vice-President, Real Estate & Development. Any such notice shall be deemed to have been given, if so delivered, when delivered, or if so mailed, except in the case of publicized postal interruptions (during which notice shall be delivered), on the fourth next business day (excluding Saturdays) following its mailing. Any party may by notice in writing to the other change the address to which any notice is to be given. All payments required to be made under this Lease shall be delivered or mailed to the above addresses of the Landlord or the Tenant, as the case may be, unless the party entitled to such payment shall otherwise direct in writing.

25.06 Ownership of Tenant's Improvements and Removal of Fixtures. It is agreed between the Landlord and the Tenant that, notwithstanding any lease and demise herein, the title to and ownership of all improvements erected by or at the expense of the Tenant in the Tenant Department Store, the Tenant Outdoor Selling Area, the Tenant Shop and the Tenant Licensed Parking Area shall notwithstanding the manner or degree of their affixation to the freehold remain vested in the Tenant and shall not pass to or become vested in the Landlord until thirty (30) days after the expiration or sooner termination of the Term, and that within thirty (30) days after the expiration or sooner termination of the Term the Tenant may remove any or all of its fixtures and improvements of the nature of trade or tenants' fixtures which are ordinarily removable by a tenant, but not any improvements of a fixed and permanent nature. Where the Tenant has not removed such fixtures and improvements in the nature of trade or tenant's fixtures by the expiration or sooner termination of the Term, it shall continue to be responsible for the payment of basic rent and Real Property Taxes on the premises not vacated until the earlier of the date on which it has completed such removal or the expiry of the aforesaid thirty (30) days period. Upon the expiration of the thirty (30) day period, any such fixtures and improvements not so removed shall become the property of the Landlord.

25.07 Interpretation and Construction. All of the provisions of this Lease are to be construed as covenants and agreements. If any provision of this Lease is illegal, invalid or unenforceable it shall be considered as separate and severable from the remaining provisions, which shall remain in force and binding as though the said provision had never been included. No provision of this Lease which imposes or requires a party to impose or enforce a restriction against any third party shall be read or interpreted as contemplating any violation of the Competition Act (Canada) or any similar legislation, but if and to the extent such imposition or enforcement would cause any such violation, such provision shall be deemed modified to the extent necessary to avoid such violation. The headings and marginal sub-headings of Articles and clauses are for convenience of reference, and are not intended to limit, enlarge or otherwise affect their meanings. References in the singular shall include the plural, where the context reasonably so requires, and vice versa, and references herein to the parties shall mean the Landlord and the Tenant.

25.08 Successors. This Lease shall be binding upon the Landlord and the Tenant and their respective successors and assigns, and shall also enure to the benefit of their respective successors and assigns provided such successors and assigns are permitted successors and assigns under the provisions of Article 21.

25.09 Applicable Law. This Lease shall be governed and interpreted by and in accordance with the laws of the Province of Ontario and the laws of the Dominion of Canada applicable thereto.

25.10 Entire Agreement. This Lease constitutes the entire agreement between the Landlord and the Tenant relating to the subject matter hereof and may be amended only by an agreement in writing signed by the parties hereto and, with respect to the subject matter hereof, neither party is bound by any representations, warranties, promises, agreements or inducements not embodied herein.

25.11 Confirming Agreements. As and when information becomes known to the parties hereunder which was unknown at the time of execution and delivery of this Lease and which is the proper subject matter of this Lease, the parties shall enter into an appropriate agreement confirming the information then known from time to time.

25.12 Planning Act. It is a condition of this Lease that it is to be effective only if the provisions of Section 49 of the Planning Act (Ontario), as amended from time to time, or any legislation in substitution therefor are complied with. The Landlord shall apply for and utilize its endeavours (with the assistance of the Tenant to the extent required) to obtain any consent required of the appropriate authority to this Lease (including any necessary appeals required if consent is not given on terms satisfactory to the Tenant, acting reasonably). Upon the obtaining of such consent the said condition shall have been fully complied with and this Lease shall be fully effective. If consent to this Lease is unable to be obtained in accordance with the foregoing and such continues to be required, notwithstanding anything contained in this Lease the Term shall be deemed to be for a period of twenty-one (21) years less one (1) day. Either the Landlord or the Tenant shall, on demand, cooperate in making such applications or representations to the appropriate authority or authorities and shall do all such other acts and things as may appear necessary or desirable from time to time to make effective the provisions of this Lease which are dependant upon compliance with section 49 of the Planning Act (Ontario), as amended from time to time, or any legislation in substitution therefor.

25.13 Directors, etc. In any section of this Lease where a release or other exculpatory provision is provided for in favour of the Landlord or the Tenant, the meaning of "Landlord" or "Tenant", as the case may be, shall be deemed to include the directors, officers, employees and agents of the Landlord or the Tenant, as the case may be.

IN WITNESS WHEREOF the Landlord and the Tenant have executed this Lease on this 12th day of ~~June, 1991.~~ July, 1994

HUDSON'S BAY COMPANY

per: _____

per: _____

We have the authority to bind the corporation

CAMBRIDGE LEASEHOLDS LIMITED

per: _____

per: _____

We have the authority to bind the corporation

CANAPEN (HALTON) LIMITED

per: _____

per: frank j. smith GENERAL MANAGER
We have the authority to bind the corporation

MARKBOROUGH PROPERTIES INC.

per: _____

per: _____

We have the authority to bind the corporation

SCHEDULE "A"
Description of Shopping Centre Lands
Mapleview Centre, Burlington

Firstly:

Parcel Block 7-1 Section 20M-273

Block 7 on Plan 20M-273 (City of Burlington), registered in the Land Registry Office No. 20 for the Land Titles Division of Halton at Milton.

Subject to an easement in favour of The Corporation of the City of Burlington over that part of Block 7 on Plan 20M-273, designated as Part 10 on Plan 20R-5833 for the purposes as set out in Instrument No. 188475.

Secondly:

Parcel Block 8-1 Section 20M-273

Block 8 on Plan 20M-273 (City of Burlington) registered in the Land Registry Office No. 20 for the Land Titles Division of Halton at Milton.

Subject to an easement in favour of The Corporation of the City of Burlington over that part of Block 8 on Plan 20M-273, within the limit of the lands designated as Part 5 on Plan 20R-3477 for the purposes as set out in Instrument No. 304474.

Subject to an easement in favour of The Corporation of the City of Burlington over that part of Block 8 on Plan 20M-273 designated as Part 13 on Plan 20R-5833 for the purposes as set out in Instrument No. 188475.

Thirdly:

Parcel 30-1 Section H-99

Part of Lot 30, registered Plan 99 (City of Burlington) registered in the Land Registry Office No. 20 for the Land Titles Division of Halton at Milton, more particularly described as Part 1 on Plan 20R-5866.

(parcel abstract to be delivered to confirm no easements)

Fourthly:

Part of Lot 40, Plan 99, City of Burlington, Regional Municipality of Halton, being designated as Part 2 on Plan 20R-4241, deposited in the Land Registry Office for the Registry Division of Halton (No. 20).

Fifthly:

Part of Lot 43, Plan 99, City of Burlington, Regional Municipality of Halton, being designated as Part 7 on Plan 20R-4240 deposited in

the Land Registry Office for the Registry Division of Halton (No. 20).

Sixthly:

That part of Maple Avenue shown as Sand Road on Plan 99, City of Burlington, Regional Municipality of Halton, closed by By-Law 63-1980, registered as Instrument No. 559766, being designated as parts 1,3,4,5,6 and 7 on Plan 20R-4241 deposited in the Land Registry Office for the Registry Division of Halton (No. 20).

Seventhly:

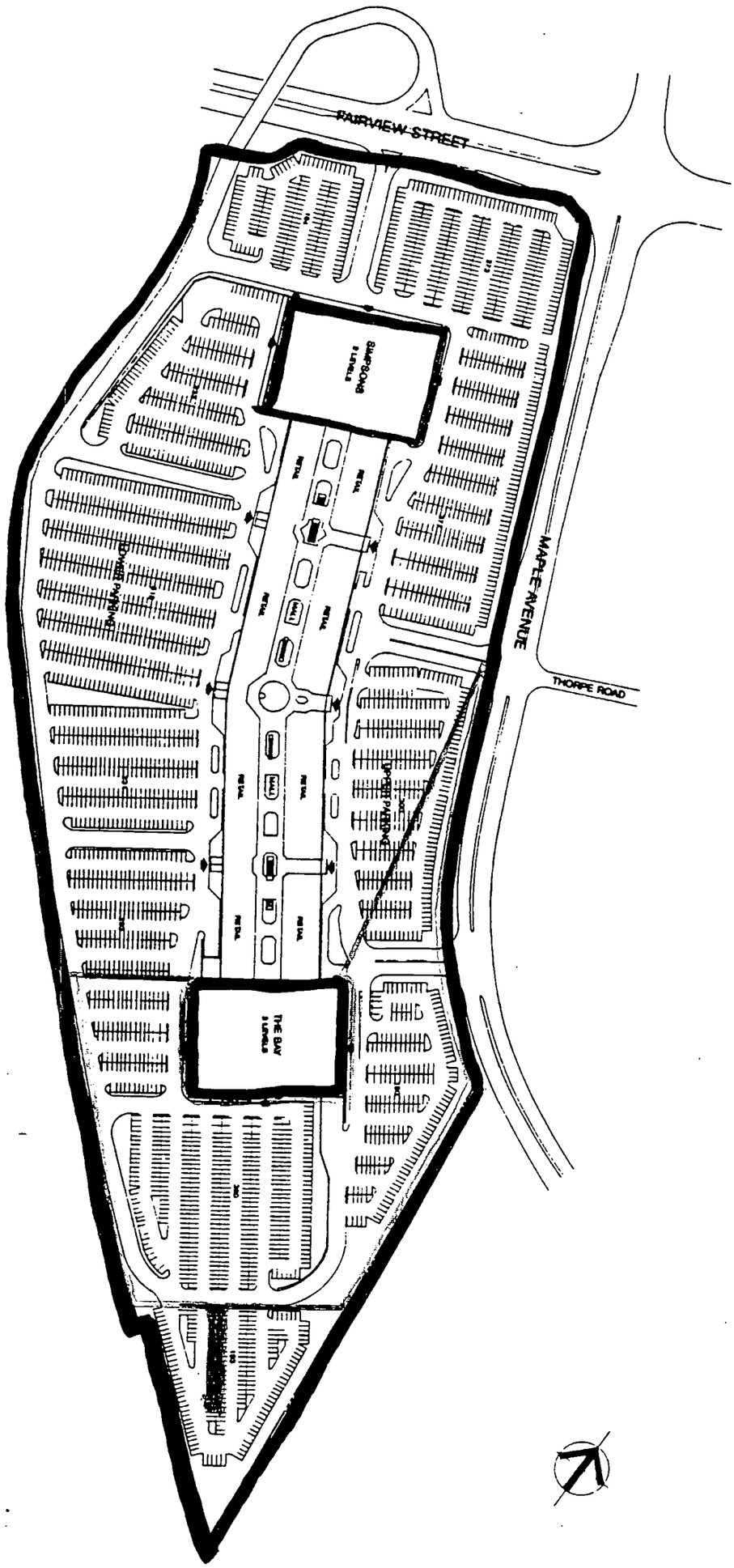
That part of Thorpe Road closed by By-Law 63-1980, registered as Instrument No. 559766 being part of Lot 41, Plan 99 (Brant's Block) designated as parts 2 and 4 on Plan 20R-4240 deposited in the Land Registry Office for the Registry Division of Halton (No. 20).

Eighthly:

That part of Lot 43, registered Plan 99, Brant's Block, for the Township of Nelson designated as Part 8 on Plan 20R-4240 deposited in the Land Registry Office for the Registry Division of Halton (No. 20).

Ninthly:

That part of Thorpe Road closed by By-Law 63-1980, registered as Instrument No. 559766 being part of Lot 41, Plan 99 (Brant's Block) designated as Part 3 on Plan 20R-4240 deposited in the Land Registry Office for the Registry Division of Halton (No. 20).



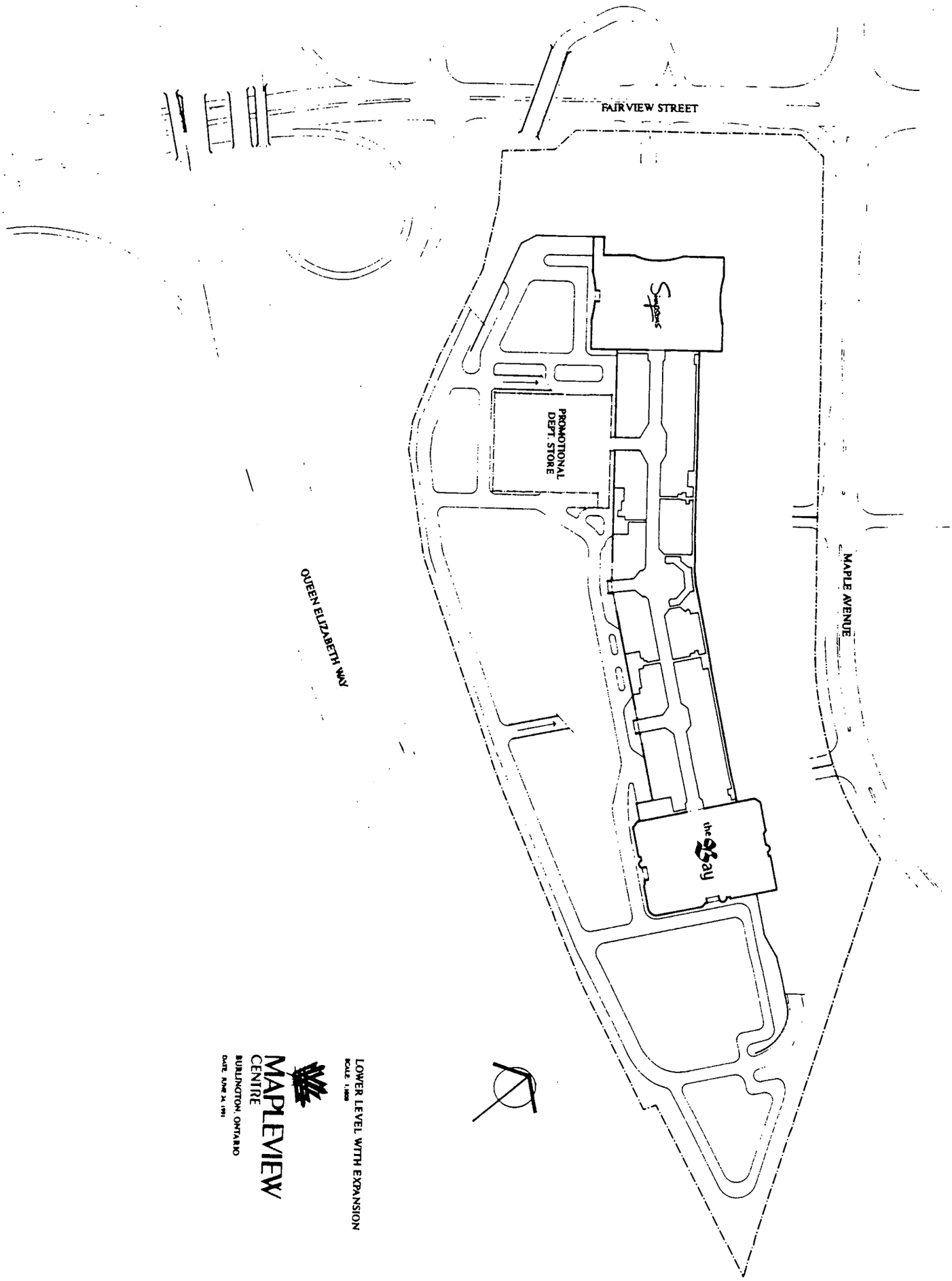
MAPLEVIEW CENTRE
BURLINGTON ONTARIO
FOR CAMBRIDGE SHOPPING CENTRES LTD

SITE PLAN

87067

Schedule B

(page 1 of 4)



LOWER LEVEL WITH EXPANSION

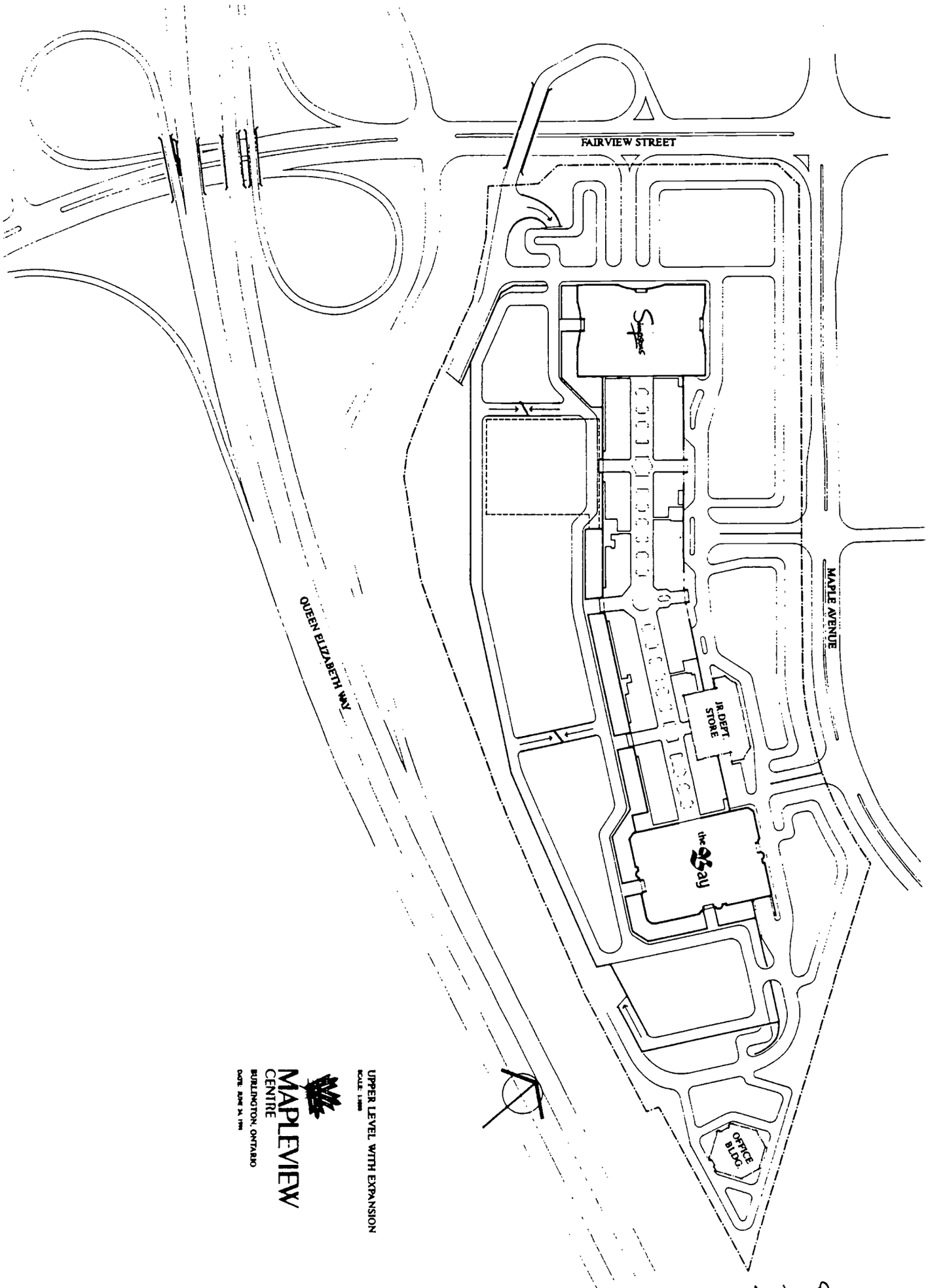
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MAPLEVIEW CENTRE

BURLINGTON, ONTARIO

DATE: JUNE 24, 1991

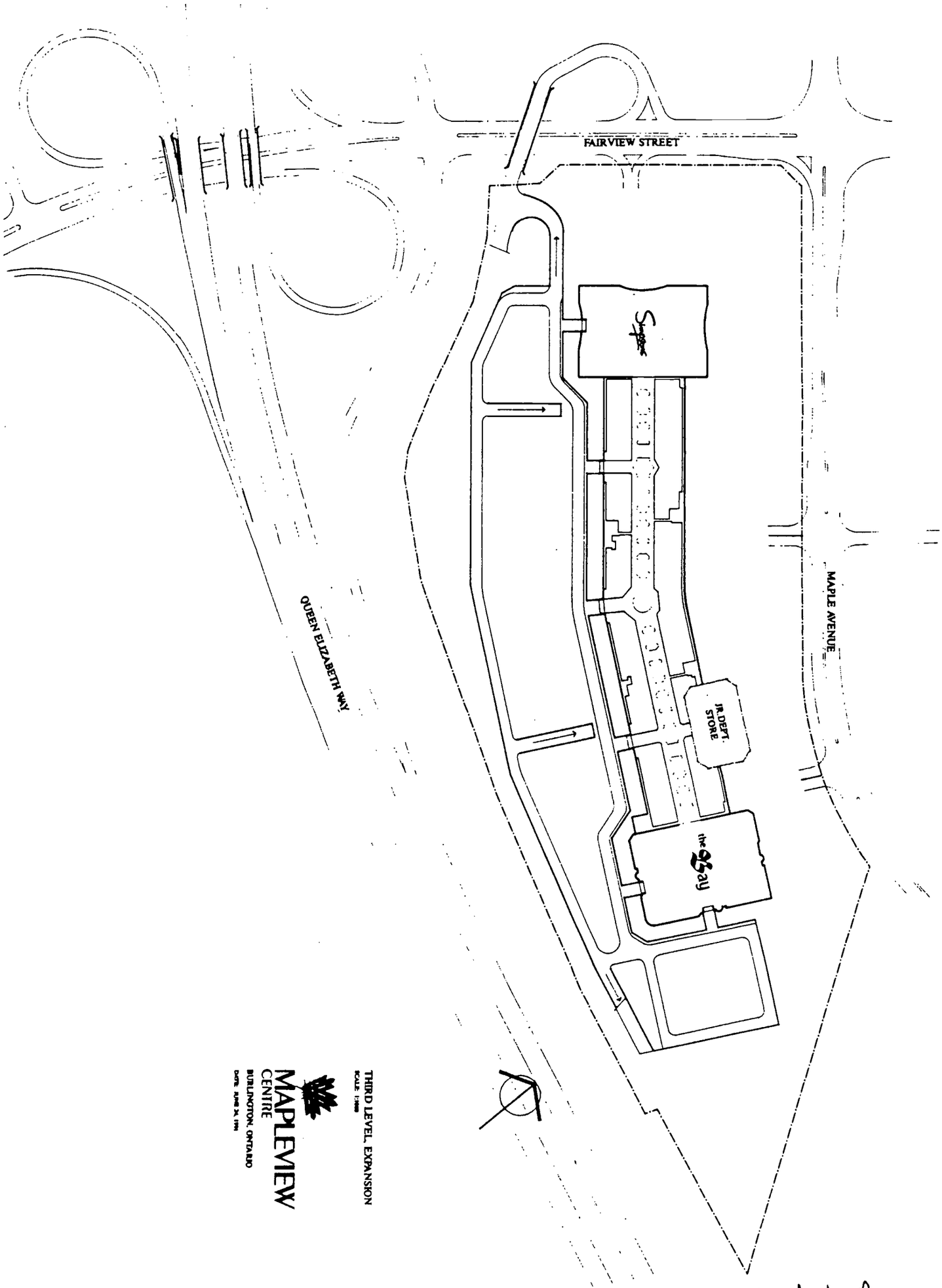
Schedule B
(page 2 of 4)



MAPLEVIEW CENTRE
BURLINGTON, ONTARIO

UPPER LEVEL WITH EXPANSION

Schedule B
(page 3 of 4)

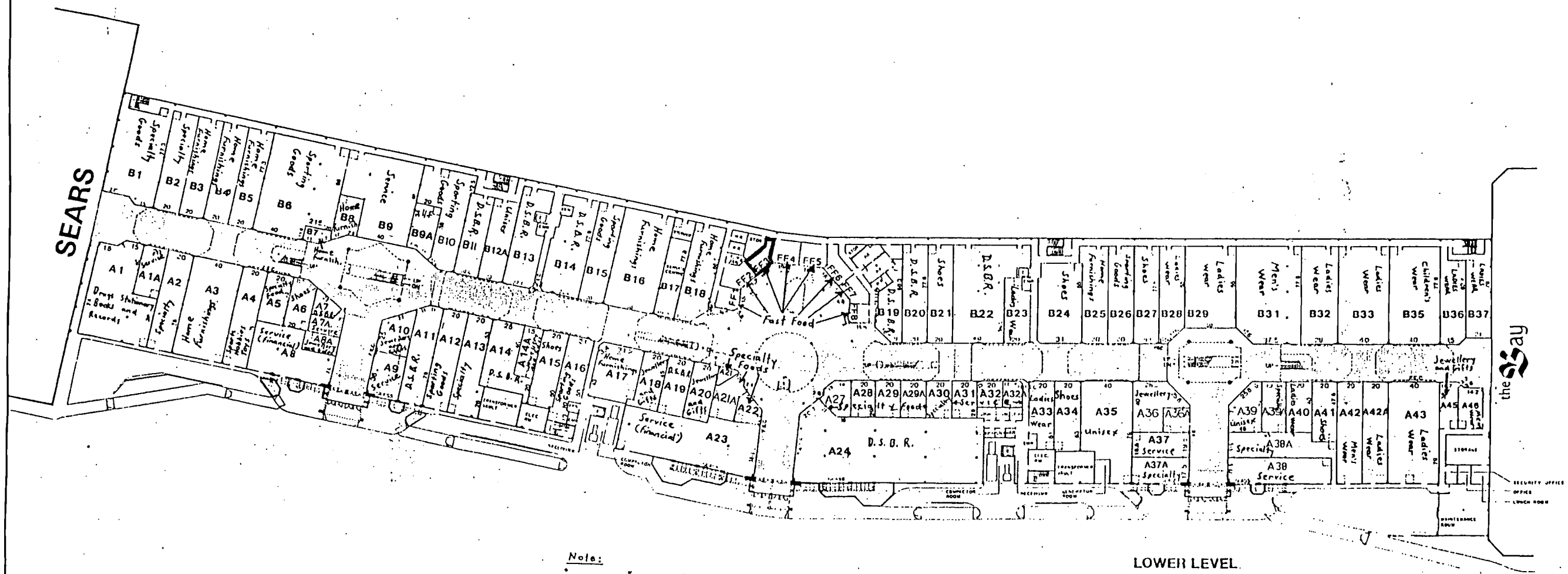


THIRD LEVEL EXPANSION
SCALE: 1:1000

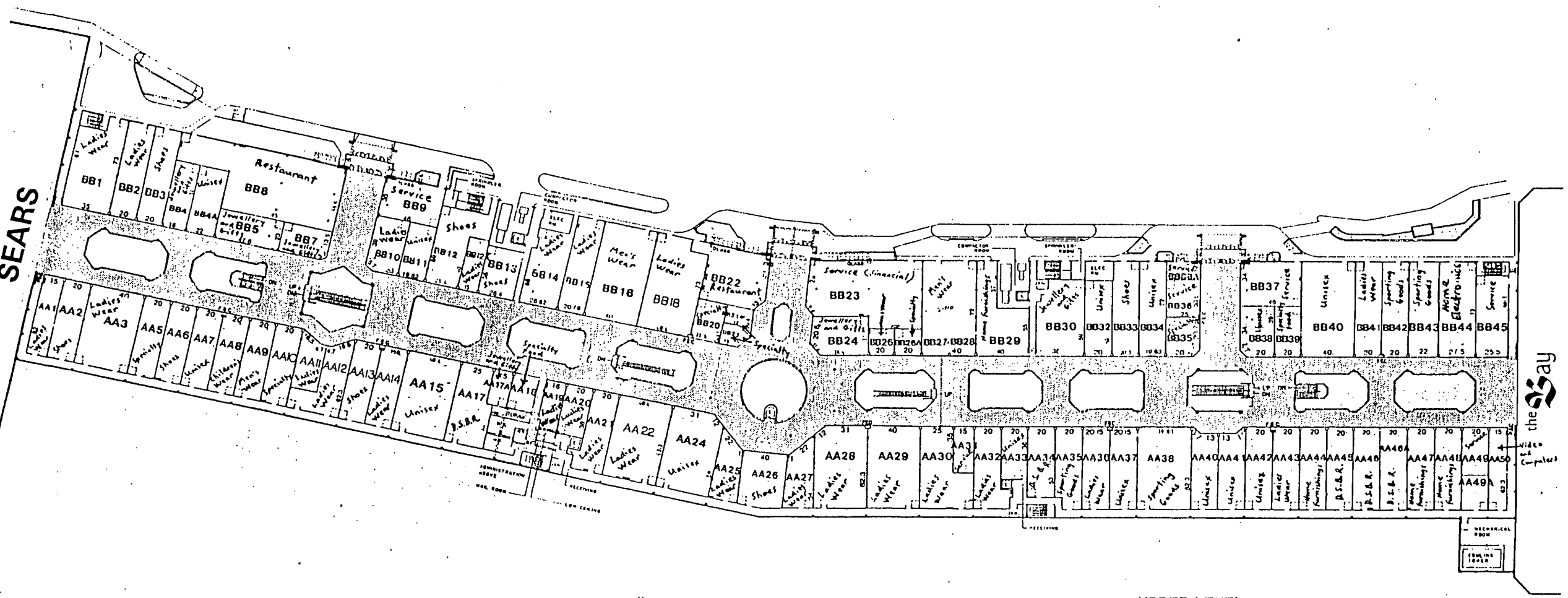
MAPLEVIEW CENTRE
BURLINGTON, ONTARIO
DATE: JUNE 24, 1991

Schedule B
(page 4 of 4)

SCHEDULE "C"
Merchandising Plan
(page 1 of 2)

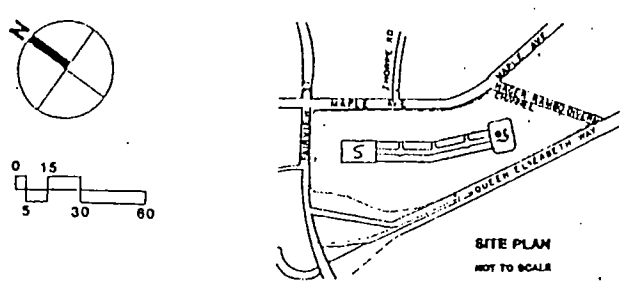


SCHEDULE "C"
Merchandising Plan
(page 2 of 2)



Note:
"D.S.B.R." means "Drugs, Stationery, Books and Records"

UPPER LEVEL



MAPLEVIEW CENTRE
BURLINGTON ONTARIO

CAMBRIDGE SHOPPING CENTRES

NUMBERS ARE NOT CERTIFIED
JAN. 1, 1991

Merchandising Plan

SCHEDULE "D"
BAY DEPARTMENT STORE LEASE
Information Relating to Common Facilities Operating Costs (CFOC) to be provided by the Landlord (See Article 10)

HVAC

WAGES AND BENEFITS
UTILITIES
(i) Gas (fuel)
(ii) Electricity
(iii) Water
MAINTENANCE AND REPAIRS
SUPPLIES
TELEPHONE
INSURANCE
DEPRECIATION
TRANSFER TO CFOC
ADMINISTRATION FEE

TOTAL HVAC

INSIDE COMMON FACILITIES

CLEANING - Wages & Benefits
- Contracts
SECURITY - Wages & Benefits
- Contracts
MAINTENANCE - Wages & Benefits
- Contracts
UTILITIES
- Electricity
- Gas (fuel)
- Water Sewage

REPAIRS & MAINTENANCE
- Building
- Equipment
- Lamp Replacement
- Supplies
- General Common Facilities

LANDSCAPING
GARBAGE REMOVAL
ESCALATOR/ELEVATOR
TELEPHONE
TOOLS & UNIFORMS
MUSIC & SIGNS
COMMON AREA HVAC
INSURANCE
REAL PROPERTY TAXES (if applicable)
AGREED COMMON FACILITIES
REPLACEMENT COSTS
DEPRECIATION
ADMINISTRATION FEE

TOTAL INSIDE CFMC

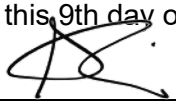
OUTSIDE COMMON FACILITIES

MAINTENANCE - Wages & Benefits
SECURITY - Wages & Benefits
REPAIRS & MAINTENANCE
- Building
- Equipment
- Parking Lot
SNOW REMOVAL & SANDING
EQUIPMENT RENTALS
EQUIPMENT OPERATING COSTS
LANDSCAPING
UTILITIES
LAMP REPLACEMENT
TRAFFIC CONTROL
TOOLS & UNIFORMS
SIGNS
REAL PROPERTY TAXES (if applicable)
AGREED COMMON FACILITIES
REPLACEMENT COSTS
DEPRECIATION
ADMINISTRATION FEE

TOTAL OUTSIDE CFMC

TOTAL CFOC

This is **Exhibit "C"** referred to in the Affidavit of **Charles Saint-Pierre** affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

THIS INDENTURE made this 12th day of August, A.D. 1970,

BETWEEN:

SOUTHGATE SHOPPING CENTRE LIMITED, a company duly incorporated under the laws of the Province of Alberta, having its registered office in the City of Edmonton, Province aforesaid;

(hereinafter called the "Lessor")

OF THE FIRST PART

AND:

THE GOVERNOR AND COMPANY OF ADVENTURERS OF ENGLAND TRADING INTO HUDSON'S BAY, commonly known as Hudson's Bay Company having its principal office in Canada at the City of Winnipeg, Province of Manitoba;

(hereinafter called the "Lessee")

OF THE SECOND PART

W I T N E S S E T H:

1. DEMISE: That in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Lessee to be paid, observed and performed the Lessor doth demise and lease unto the Lessee the building and areas (hereinafter called "the premises") situate in the City of Edmonton, in the Province of Alberta more particularly described in Schedule "A" attached hereto and shown outlined in brown on the plan attached hereto as Schedule "B" forming part of the Southgate Shopping Centre (hereinafter called the "Shopping Centre") comprising all that land more particularly described in Schedule "A" hereto and shown outlined in red and purple on plan annexed as Schedule "B" hereto.

2. HABENDUM: TO HAVE AND TO HOLD the premises from the 1st day of September, 1970 for and during the term of thirty-five (35) years subject to the rights of renewal hereinafter provided.

3. RENT: YIELDING AND PAYING therefor for each lease year during the term hereof the annual net rent in the amount of

$432,406.00
~~$434,406.00~~ payable to the Lessor at its place of business in the City of Edmonton, in the Province of Alberta by equal monthly instalments of $36,033.83 each, subject to the provisions of a certain agreement made between the Lessor, the Lessee, and Woodward Stores (Southgate) Limited dated May 1, 1968.

4. PAYMENT OF RENT: The Lessee shall pay its monthly instalments of rent to the Lessor on the first day of each calendar month during the term hereof.

5. TAXES:

(a) The Lessee shall in each year of the term hereof pay all taxes, rates, duties, assessments, licence fees and other charges whatsoever (all of which are hereafter called "taxes") that may be levied, rated, charged, assessed or imposed by any governmental authority against or attributable to the premises and tenant's fixtures, equipment, machinery and installations therein or thereon together with a part of all such taxes levied, rated, charged, assessed or imposed against or attributable to the common areas (hereinafter defined) which part shall be in the same proportion to the whole of such taxes attributable to the common areas as the gross leasable area of the premises bears to the total gross leasable area in the Shopping Centre;

(b) For the purposes of this lease

(i) "common areas" are defined as being and including all those portions of the Shopping

Centre shown hatched in green on Schedule "B" hereto and consisting of parking area, driveways, sidewalks, malls, corridors and all features and facilities comprised therein and as part thereof; and

(ii) "gross leasable area" is defined as the total floor area designed for tenant occupancy including basements, mezzanines and upper floors expressed in square feet measured from the centre line of joint partitions and from outside wall faces of exterior walls and partitions separating leasable and common areas including when and if constructed the area of any third storey enlargement of Hudson's Bay premises but excluding 15,955 square feet, more or less, of food floor basement in Woodward's premises which will be constructed at Woodward's cost;

(c) If there shall be no separate assessment of or demand for taxes in respect of the premises and the common areas then the taxes which are attributable thereto (other than taxes levied with respect to tenant's fixtures, equipment, machinery and installations if owned or brought thereon by the Lessee) shall be ascertained from the appropriate taxing authority failing which the taxes payable by the Lessee shall be calculated according to generally accepted accounting principles using actual capital costs as a basis for such calculation;

(d) The Lessee shall have the right at its own expense to contest by appropriate legal proceedings the validity of any taxes, licence fees or other charges referred to in this lease and if the payment of any such taxes, licence fees or other charges may legally be held in abeyance without subjecting the Lessor or the Lessee to any liability therefor the Lessee may postpone the payment of such taxes, fees or charges until final determination of any

such proceedings provided that all such proceedings shall be prosecuted with due diligence and dispatch and that the amount in contest shall have been deposited with the Lessor pending determination of the proceedings.

6. UTILITIES: The Lessee shall pay all charges for electricity, gas, heat, air conditioning, water, telephone and other utility services and any other rates in connection with the Lessee's business on or from the premises (including charges for depreciation of machinery and equipment) and will indemnify the Lessor from and against payment of all loss, costs, charges and expenses occasioned by or arising from all charges hereinbefore referred to. Upon termination of this lease or any renewal hereof if not occasioned by the Lessee's default the Lessee shall be required to pay only such portion of such charges hereinbefore referred to which shall have become due for that part of the calendar year in which the lease is terminated as such part of such calendar year during which the lease is in effect bears to the whole of the said calendar year.

7. REPAIRS: During the term of this lease or any renewal thereof the Lessee shall at its own expense, operate, maintain and keep in good and tenantable order and condition except as and to the extent referred to in clauses 13, 26 and 27 hereof, the premises including structural features and canopies or similar projections therefrom and any outdoor selling area operated by the Lessee on the common areas with the consent of the Lessor, if any, and promptly make all needed repairs or replacements including repainting when necessary.

8. COMPLIANCE WITH LAWS: The Lessee will observe and perform all of its obligations and all matters and things necessary or expedient to be done, observed or performed by it by virtue of any law, statute, by-law, ordinance, regulation or lawful requirements of any governmental authority or any public utility lawfully

acting under statutory powers and in any degree affecting the exercise or fulfilment in any manner of any right or obligation arising under or as a result of this lease and affecting the premises and the use thereof by the Lessee and all demands and notices in pursuance of the same whether made or served upon the Lessor or upon the Lessee. In the event of the service of any statutory notice lawfully requiring the execution of works by reason of anything done, omitted or permitted by the Lessee on the premises during the term of this Lease, the following provisions shall (notwithstanding anything in this lease contained) have effect:

(a) If such notice is served upon the Lessee, the Lessee shall forthwith forward the same or a copy thereof to the Lessor and shall (unless a certificate of exemption be obtained) forthwith, at its own expense, execute to the satisfaction of the Lessor such works as the Lessor may approve in order to comply with the requirements of the said notice;

(b) If such notice is served upon the Lessor, the Lessor shall notify the Lessee and thereupon the Lessee shall, at its own expense, forthwith execute to the satisfaction of the Lessor such works as the Lessor may require in order to comply with such notice.

9. INSPECTION OF PREMISES: It shall be lawful for the Lessor and its agents at all reasonable times during normal business hours during the term of this lease and renewals hereof to enter the premises to inspect the condition thereof. Where an inspection reveals that repairs or replacements are necessary, the Lessor shall give the Lessee notice in writing, and thereupon the Lessee will, on receipt of the notice make the necessary repairs or replacements provided that if the necessity for such repairs or replacements is referred to arbitration, the Lessee shall not be in breach of this lease in respect thereof until the arbitrator's

decision has been received and not acted upon by the Lessee within sixty (60) days thereafter.

10. ASSIGNMENT AND SUBLETTING: The Lessee shall not assign or transfer this lease or underlease or sublet the whole or any part of the premises except to licensees and concessionaires and except to an associated company, parent or subsidiary company of the Lessee without obtaining the consent in writing of the Lessor, and if approved shall be subject to such documentation as the Lessor may require from a sub-tenant or assignee by way of covenant or covenants to observe, perform and be subject to the terms and conditions of this lease. Any right or rights to this lease acquired by any such associated company, parent or subsidiary company shall automatically expire upon any such company ceasing to be an associated company, parent or subsidiary company of the Lessee.

11. TERMINATION REPAIRS: At the end of the term of this lease or the last renewal term exercised hereunder or upon earlier termination of this lease for any cause the Lessee will peacefully surrender and yield possession of the premises to the Lessor together with all buildings, and improvements thereon and fixtures therein in good and tenantable repair and condition PROVIDED that if the Lessee be not in default hereunder, or having been in default has cured such default to the satisfaction of the Lessor, then the Lessee upon such termination may remove all fixtures, equipment, machinery and other installations in the nature of trade or tenants' fixtures installed on or in or brought to the premises by the Lessee PROVIDED that in so doing the Lessee repairs all damage to the premises occasioned by such removal.

12. RE-ENTRY: Provided that in case default is made in any payment of rent or any other sums required to be paid by the

Lessee under the terms of this lease as the same fall due or in case default is made in the fulfilment of any term, covenant or condition, whether expressed herein or implied by law in this lease on the part of the Lessee to be observed and performed and such default shall continue for ninety (90) days after written notice of such default shall have been previously given to the Lessee, the Lessor (in addition to any other remedy it may have) may at its option forthwith re-enter and take possession of the premises as though the Lessee or its servants or any other occupant of the premises were holding over after the expiration of the term of this lease, and the said term shall, at the option of the Lessor, forthwith become forfeited and determined.

13. FIRE INSURANCE:

(a) In the event of damage or destruction to or of the premises by reason of fire or other risk against which the Lessor has insured, the Lessor shall subject as hereinafter provided immediately undertake the repair or reconstruction of the premises and shall apply all proceeds of insurance to the cost of such repair or reconstruction;

(i) provided that if any such event of damage or destruction shall occur during the last five (5) years of the original term or of any renewal term and of such damage being so substantial as to interfere to any material degree with the Lessee's use and enjoyment of the premises, then the Lessor shall not be required to repair or reconstruct the premises unless the Lessee shall first execute its option for the then ensuing renewal term and for such purpose the Lessee shall within the space of not more than sixty (60) days following the happening of such event give notice to the Lessor of its execution or otherwise of such option and in the absence of any such notice the Lessee shall be deemed not to have executed such option;

(ii) and further provided that in the event of any such damage or destruction occurring during the last two (2)

years of the original term or any renewal term then the Lessee shall have the right forthwith to determine this lease;

(iii) and further provided that in the event of any such damage or destruction occurring during the last five (5) years of the last renewal term the Lessor shall have the right forthwith to determine this lease.

(b) In the event of any such damage or destruction to or of the premises as contemplated in sub-clause (a) of this paragraph occurring during the last years of the original or any renewal term and of the Lessor electing to repair or reconstruct the premises then the rent payable by the Lessee for the remainder of the then current term shall, subject to the provisions for abatement hereunder set forth, continue to be payable by the Lessee to the Lessor at the same rate and on the same terms as subsist immediately prior to the event of such damage or destruction, PROVIDED that if such damage or destruction be of such extent as to render the premises unfit for the use and enjoyment of the Lessee or to the extent thereof as the case may be, the rent payable hereunder during the period of repair or reconstruction shall abate or shall abate proportionately as the case may be.

(c) The ~~Lessor~~ Lessee shall at all times during the term of this lease keep in effect insurance on the buildings comprised in the ~~premises~~ leased premises (excluding any fixtures, fittings, furnishings or equipment of the Lessee) to the full insurable replacement value thereof against loss or damage from fire, lightning, explosion, smoke, windstorm, hail, riot, malicious damage, sprinkler leakage (if applicable) and impact by aircraft or vehicles. All such insurance shall be carried in a reputable company or reputable companies which are of good financial standing;

(d) The Lessor shall at all times during the term of this lease keep in respect of the remaining rental units and all

common and service areas of the Shopping Centre insurance to the full insurable replacement value thereof against loss or damage from the perils and to the extent set forth in sub-clause (c) of this clause 13 and will maintain public liability and property damage insurance to the amounts and under the terms provided in clause 14 of this lease with respect to the whole of the Shopping Centre;

(e) The Lessee shall from time to time during the term of this lease, pay to the Lessor on demand ~~the amounts expended by the Lessor in affecting or maintaining insurance on the buildings comprised in the premises in accordance with the provisions of clause 13 (c) of this lease and shall also pay~~ the Lessee's share of insurance costs of common and service areas of the Shopping Centre as referred to in clause 13 (d) on the same basis as is provided for cost sharing of maintenance of common areas as set forth in clause ~~20~~ 19 hereof.

14. PUBLIC LIABILITY INSURANCE: The Lessee agrees that it shall at all times during the term of this lease maintain general public liability insurance in a company or companies satisfactory to the Lessor for an amount of at least Two Million Dollars ($2,000,000.00) for injury to one person in one accident and at least Two Million Dollars ($2,000,000.00) for injury to more than one person in one accident, and at least Two Million Dollars ($2,000,000.00) for property damage subject in the case of each insurance to a provision whereby the sum of Five Hundred Dollars ($500.00) for each claim is deductible, and the Lessee shall furnish the Lessor during the term of this lease satisfactory evidence that such insurance is in full force and effect. Evidence of renewal or replace-

ment of each such policy shall be in the hands of the Lessor at least ten (10) days before the expiration of such policy. All such insurance shall extend to and name the Lessor as additional insured and may contain provision exempting the insurance company from liability to the Lessor in the event of claims for injury or damage caused by the negligence of the Lessor, its servants or agents and the extent of such exemption shall be in the same proportion of the monetary amount of the said claims as the negligence of the Lessor is to all negligence attributable to any person or persons, PROVIDED that the apportionment of such negligence shall be as agreed upon between the respective insurers of the Lessor and Lessee and provided that no cancellation or material change thereof shall be made without thirty (30) days' prior written notice to the Lessor. The Lessor agrees to carry public liability insurance in the same amounts and costs and same risks as hereinbefore referred to and arising out of Lessor's negligence.

15. INVALIDATION OF INSURANCE: The Lessee will not do or permit anything to be done upon the premises whereby any policy of insurance against loss or damage to the premises or against legal liability for damage to persons or property caused by the ownership, maintenance, use or occupancy of the premises, or by reason of the conduct of any business carried on thereon, for the time being subsisting may be invalidated, and for such purpose, upon receipt of notice in writing by the Lessee from any insurer of the premises requiring the execution of works or a discontinuance of any operations, which would otherwise invalidate the policy, in order to correct such situation, the Lessee will forthwith comply therewith.

16. INCREASE OF PREMIUM ON NEIGHBOURING BUILDING: The Lessee will not do or permit anything to be done upon the premises whereby the rate of premium quoted by an insurance company in respect of the insurance against damage by fire or other insured peril of any building or part of a building or the contents thereof adjoining or near the premises shall at any time be higher than the rate usually charged in respect of such adjoining or neighbouring building. In the event of any breach by the Lessee of the covenant contained in this clause then without restricting the rights of the Lessor arising from any such breach, the Lessee will repay to the Lessor on demand from time to time during the term of this lease all amounts representing the increase in the rate of premium above the usual rate and such amounts shall be deemed to be payments made by the Lessor pursuant to the provisions of Clause 13 of this lease. The Lessee shall be given immediate notice of any breach of the covenant referred to in this clause.

17. INDEMNITY: The Lessee shall indemnify and save harmless the Lessor from and against any and all manner of actions or causes of action, damages, costs, loss or expenses of whatsoever kind which the Lessor may sustain, incur or be put to by reason of or arising out of this lease, or from the use or occupation of the premises in whole or in part, and, without limiting the generality of the foregoing, from the non-observance or non-performance by the Lessee, its servants or agents, of any of the obligations imposed under the provisions of any laws, ordinances, regulations or requirements of any and all federal, provincial, municipal or other authorities, unless caused by the negligence of the Lessor, its servants or agents and such liability to indemnify and save harmless shall survive any termination of this lease, anything in this lease to the contrary notwithstanding.

18. ALTERATIONS TO PREMISES: The Lessee shall not remove, alter or change the position or style of any buildings or structure on the premises or make or suffer any alterations or additions

whatsoever (other than non-structural interior partitioning) to any building or structure now or hereafter erected upon the premises or erect any new buildings or structures on the premises or unite or annex the premises or any part thereof to any adjoining or neighbouring premises without in any and every such case having first submitted a plan and specifications thereof to the Lessor and obtained its consent thereto in writing, such consent not to be unreasonably withheld.

19. MAINTENANCE OF COMMON AREAS:

(a) The Lessor undertakes to repair and maintain the common areas including all operational and service facilities installed for the use of and supplied to the Lesssee and others in common to a standard compatible with a regional shopping centre of the highest quality;

(b) The Lessee shall pay to the Lessor in the manner provided and defined hereinafter its pro rata share of all costs and expenses of every kind and nature paid or incurred by the Lessor during the term of this lease in operating, managing, equipping, policing and protecting, lighting, heating, air conditioning, repairing, replacing, and maintaining the common areas. Such costs and expenses shall include but not be limited to maintaining the enclosed mall area and other common areas and facilities incidental to the centre's operation, cleaning, fire protection, snow and ice removal, costs and expenses of planting, replanting and replacing flowers and landscaping, all taxes and local improvements related to common areas and facilities incidental to the centre's operation, water and sewage charges, premiums for liability insurance, property damage, wages, fees for required licences and permits, supplies, operation of loudspeakers and any other equipment supplying music to the common areas, interest calculated at rates charged from time to time to borrowers regarded as prime credit risks by chartered banks in Canada, upon the undepreciated capital cost of all maintenance and cleaning equipment

or at such other rate as is actually paid by the Lessor in respect of any particular item or items of such equipment, and standard depreciation of equipment used in the repair and maintenance of the common areas and administrative costs.

(c) The Lessee's pro rata share of the costs and expenses referred to in clause (b) of paragraph 19 hereof shall be the same portion of the whole of such costs as the gross leasable area of the premises bears to the total gross leasable area in the shopping centre excluding premises, if any, leased to the Alberta Liquor Control Board. The annual charge to the Lessee shall be paid in monthly instalments on the first day of each calendar month in advance in an amount estimated by the Lessor. Within ninety (90) days after the end of each lease year or partial lease year the Lessor shall furnish the Lessee a statement in reasonable detail of the actual common area costs and expenses paid or incurred by the Lessor during such period prepared in accordance with generally accepted accounting principles by the Lessor's accountant and thereupon there shall be an adjustment between the Lessor and Lessee with payment to or repayment by the Lessor, as the case may require, to the end that the Lessor shall receive the entire amount of the Lessee's pro rata share of such costs and expenses for such period and no more.

(d) Unless otherwise agreed the Lessor will include in all leases of each of such other premises a lessee's covenant to maintain each of such other premises in good and tenantable condition and repair together with a commitment to pay that proportion of the costs of operating and maintaining the common areas which bears the same relation to the total of such costs as the gross leasable area of each of such other premises bears to the total gross leasable area in the shopping centre; and the Lessor will enforce such covenant and commitment; PROVIDED HOWEVER that this sub-clause (d) will not apply to any lease entered into with the Alberta Liquor Control Board.

(e) In the event that the Lessee's premises are enlarged then the Lessee's pro rata share of the costs and expenses

payable hereunder shall be adjusted accordingly.

20. USE OF PREMISES: The Lessee shall use the premises only for the purpose of operating a department store and related services together with such service facilities as may be usual and customary for such purposes during the term of this lease; and the Lessee covenants that it shall receive its supplier's materials and ship its merchandise only through the service doors of the premises and shall refrain from parking its trucks or other delivery vehicles in the areas set aside by the Lessor for customers' parking and the Lessee shall use its best endeavours to prevent trucks or other delivery vehicles belonging to suppliers and others making deliveries to or receiving shipments from the premises from being parked in any such areas reserved for customers' parking and if part or parts of the parking area are allocated by the Lessor for the use of tenants and the employees, the Lessee shall not park or permit its employees to park vehicles in other than such parking area as allocated by the Lessor.

21. DISTRESS: Whenever the Lessor is entitled to levy distress against the goods and chattels of the Lessee it may use such force as it may deem necessary for that purpose and for gaining admittance to the premises without being liable to any action in respect thereof, or for any loss or damage occasioned thereby and the Lessee hereby expressly releases the Lessor from all actions, proceedings, claims or demands whatsoever for or on account of or in respect of any such forcible entry or any loss or damage sustained by the Lessee in connection therewith.

22. SPECIAL COVENANTS OF LESSEE: The Lessee agrees with the Lessor as follows:

(a) Advertising signs: That the Lessee will not erect, instal, put up, paint or display any exterior window, door or roof signs or advertising media or window or door lettering or placards without the previous written consent of the Lessor. PROVIDED HOWEVER that the Lessor agrees that it will approve a suitable sign,

advertising the name of the Lessee which conforms in all respects to the architectural design of the Shopping Centre and is of suitable quality. The parties hereto agree that the use of all such signs, media and lettering of all tenants in the Shopping Centre will be under the control of the Lessor for the purpose of uniformity of display, good taste and maintenance of display.

(b) Use of name of shopping centre: That the Lessee in connection with its advertising in relation to the business carried on in the premises shall use and promote the name "Southgate Shopping Centre".

(c) Use of trade name of Lessee: That the Lessee shall use a name incorporating the words "The Bay" or "Hudson's Bay" in connection with the business operated on the premises and will only change such name with the prior written consent of the Lessor.

(d) Noise: That it will not use any advertising media such as loudspeakers, phonograph or radio audible outside the premises if the Lessor shall object thereto. The parties hereto agree that the use of all such media shall be under the control of the Lessor insofar as all tenants in the Shopping Centre are concerned.

(e) Other tenants: That the Lessee will give all reasonable help and advice to the Lessor in the selection and introduction of merchants to the Shopping Centre.

(f) Heating of premises: That the Lessee shall manage heat supplied by the Lessor to the premises in order that the buildings thereon shall not be damaged by frost and shall be responsible for any damage which may arise from failure to heat.

(g) Damage to plumbing: That the plumbing facilities in the premises shall not be used for any other purpose than that for which they were constructed, and no foreign matter of substance of any kind shall be thrown therein, and the expense of breakage

stoppage or damage shall be borne by the Lessee unless caused by the Lessor or its employees, servants or agents.

(h) Injury to shopping centre: That the Lessee will not in respect of the premises perform any acts or carry on any practice which may injure the shopping centre or its facilities or parking area.

(i) Refuse disposal: That the Lessee shall at its own expense arrange for the disposal of refuse or garbage emanating from the premises and shall not place any refuse or garbage or form any rubbish dump outside the premises except in the place provided for the purpose and shall not burn any refuse or garbage in or about the premises or anywhere within the shopping centre except in the incinerator, if any, provided for the purpose.

(j) Obstruction of common area: That except as consented to in writing by the Lessor in respect to outdoor selling areas or otherwise, as the case may be, the Lessee shall not keep or display any merchandise on or otherwise obstruct the mall, sidewalks or any other part of the parking or common area.

(k) Overloading floors: That the Lessee will not overload any floor of the premises.

(l) Hours of business: That the Lessee shall operate its business on the whole of the premises continuously during those business hours which the Lessee shall advise are its normal business hours in the shopping centre unless prevented by law from so doing.

(m) Sanitary condition of premises: That the Lessee shall at all times keep the premises in a clean and sanitary condition in accordance with the laws and directions, rules and regulations of any governmental or municipal agency having jurisdiction with respect to the premises.

(n) Lighting of premises: That unless prevented by causes beyond its control the Lessee shall keep all display windows of the premises well lighted after dusk until 11 o'clock in the evening or as otherwise agreed between the Lessor and the Lessee.

(o) Control of parking: That if requested by the Lessor for the purpose of control of tenants and their employees' parking, the Lessee shall within a period of seven (7) days after requested so to do furnish the Lessor with the current provincial licence numbers of any vehicles owned or used by the Lessee and any vehicles owned or used by the employees of the Lessee and shall notify the Lessor of all changes occurring to such licence numbers from time to time; and that upon request by the Lessor it will direct its employees to park only in such area or areas as shall be prescribed by the Lessor.

(p) Auction sales: That the Lessee will not conduct any auction sales on the premises.

(q) Removal of signs: That the Lessee will at its own expense at the termination of this lease or any renewal thereof remove its signs from the premises.

(r) Responsibility for damage to service connections and installations

That the Lessee will not damage or allow to be damaged any vents, equipment, ducts, duct work, piping and electrical conduits and wiring in the premises which are constructed for the benefit and use of the premises of the Lessor under or adjacent to the premises and will reimburse to the Lessor the cost of making good any such damage which may be caused by the wilful act or the negligence of the Lessee or its servants, agents, invitees or licensees.

(s) Cooking: The Lessee shall not conduct or permit cooking on the premises except in respect of areas specifically constructed

for the purpose such as in restaurants or coffee shops.

23. QUIET ENJOYMENT: The Lessor covenants with the Lessee for quiet enjoyment.

AND THE LESSOR COVENANTS WITH THE LESSEE AS FOLLOWS:

24. EASEMENT: The Lessor hereby grants to the Lessee by way of easement and right-of-way on and over all those parts of the said land shown hatched in green on Exhibit "B" hereto as appurtenant to the leased premises, the free right and liberty for the Lessee, its permitted successors and assigns, employees, agents, servants, workmen, tenants, visitors, invitees and licensees in common with all others having a like right at all times hereafter by night or day with or without motor vehicles or other vehicles of any description to enter, use, go, return, pass and repass over and on the said easement area for the purpose of going to and from or using the said leased premises together with a right of parking motor vehicles and other vehicles of any description on the said easement area in order that the said right-of-way and liberty may be enjoyed more fully to the intent that the burden of this easement will run with and bind the said land; PROVIDED ALWAYS and notwithstanding the foregoing that the Lessor shall have the right to lay out the easement area as a landscaped parking area for the Shopping Centre and provided that mall areas, sidewalks and the like shall be reserved exclusively for pedestrian use.

25. LEASE RENEWAL: Provided the Lessee be not in default hereunder it shall be entitled to extend the term of this lease for two consecutive periods of ten (10) years each after the expiration of the term hereof on the same terms as are herein set forth save as to rental and the amount of such rental to be paid in each of the extended terms shall be such as may be agreed upon by the Lessor and the Lessee and failing such agreement the amount of such rental shall be referred for decision to arbitration as contemplated by paragraph 34 hereof, it being expressly understood and agreed

that the amount of such rental shall be determined on the same basis for both of the major tenants in the Shopping Centre. Rights of renewal shall be exercised by notice in writing mailed or delivered to the Lessor at the address at which the rent is then payable at least one (1) year before the expiration of the term hereof or the termination date of any lease renewal period then in effect, as the case may be.

26. LESSOR'S OBLIGATION FOR DEFECTS: The Lessor will at its own expense make good any defects which may appear within one (1) year after the opening date of the Shopping Centre; PROVIDED always the Lessor shall not be responsible for the sufficiency of any safe or vault.

27. WATER DAMAGE: Subject to the provisions of paragraph 26 hereof the Lessor shall not be responsible for any loss, damage or expense caused by any overflow or leakage of water from any part of the demised buildings or any adjoining buildings, occasioned by the use, misuse or abuse of water or by the breaking or bursting of any pipes or plumbing fixtures or in any other manner or by any accident arising from the use or operation of machinery, elevator, escalator, heating apparatus, steam boiler, electrical wiring or appliances, gas or other pipes or any other fixtures or by reason of any structural defects in the building on the demised premises or by any other matter or thing unless such loss, damage or expense shall have been caused by the negligent or wilful act of the Lessor, its servants or employees.

28. ENFORCEMENT OF TERMS: It is expressly understood and agreed that the remedies of the Lessor under this lease are cumulative and the exercise by the Lessor of any right or remedy for the default or breach of any term, covenant, condition or agreement herein contained shall not be deemed to be a waiver of or to alter, affect, or prejudice any other right or remedy or other rights or remedies to which the Lessor may be lawfully entitled for the same default or breach, and any waiver by the Lessor of the strict observance,

performance or compliance by the Lessee of or with any term, covenant, condition or agreement herein contained, or any indulgence granted by the Lessor to the Lessee shall not be deemed to be a waiver of any subsequent default or breach by the Lessee nor entitle the Lessee to any similar indulgence theretofore granted.

29. DEFAULT: The Lessee and Lessor agree that if either of them shall be in default under any term of this lease or performance of the covenants herein then at the election of the other of them such other shall be entitled to perform the defaulting party's covenants and to cure such default, PROVIDED ALWAYS that upon default or failure in performance of either of their covenants the other shall give notice of default or failure in writing stipulating a reasonable time in which the defaulting party may cure such default or perform such covenant, failing which such other may proceed to cure such default or perform such covenant as hereinbefore provided and charge the costs thereof to the defaulting party (as additional rent if Lessee is the defaulting party) together with interest thereon at the then current prime commercial bank rate per annum from the date of incurring such costs. All such amounts shall be payable on demand or if treated by the Lessor as additional rental hereunder may at the option of the Lessor be added to any monthly rental payment then due or thereafter to become due under this lease and the Lessee hereby covenants to pay such sum or sums with interest as aforesaid and the Lessor shall have (in addition to any other right or remedy of the Lessor) the same rights or remedies in the event of nonpayment thereof by the Lessee as in the case of default by Lessee in the payment of any monthly instalment of rent. For all purposes under this lease and subject to Lessee's right to contest taxes as provided in paragraph 5 hereof any receipts showing payment by either the Lessor or the Lessee of any item signed by any public official authorized to give similar receipts shall be conclusive evidence against the other of them that the amount of such payment was due and payable and was made by the Lessor or Lessee as the case may be and that the same was a valid and existing charge at the time of such payment unless the other of them produces earlier receipts showing the payment thereof.

30. CITY OF EDMONTON FUTURE HIGHWAY REQUIREMENTS: It is understood and agreed that the rights of the parties hereto over the area outlined in purple on Schedule "B" hereto are subject to use by the City of Edmonton for future highway purposes.

31. MANAGEMENT REGULATIONS: The Lessee will comply with and cause its employees to observe, obey and conform to all reasonable rules and regulations from time to time made by the Lessor with regard to the management of the demised premises and the other buildings and parking places in said Lessor's shopping areas.

32. MERCHANTS' ASSOCIATION: The Lessee will, as soon as the same shall be formed, become a member of and maintain its membership in an Association of Merchants or lessees comprising occupants of premises in the said Shopping Centre. The objects of the Association shall be for the general welfare of all lessees and more particularly to develop, promote and advertise and improve the business to be carried on in the said Shopping Centre. Nothing in the by-laws or regulations of the said Association shall be in conflict with the provisions of this lease and no rules, regulations and by-laws of any such Association shall become binding upon the members thereof if opposed by the vote or votes of members occupying twenty (20%) percent or more of the gross leasable area, nor shall they be binding upon the members unless approved by the Lessor. Notwithstanding anything to the contrary herein contained or implied, it is understood and agreed that the Lessee's financial obligation, unless voluntary on its part, shall not exceed Ten Dollars ($10) per year.

The Lessor and any lessee occupying twenty

(20%) percent or more of the gross leasable area shall have the right to appoint one member of the Board of Directors of the said Association when formed.

33. ADDITION TO PREMISES: The Lessee shall have the right to require the Lessor to construct an addition to the premises consisting of a third floor thereto provided that the gross leasable area of such addition shall not exceed 69,155 square feet; PROVIDED that in the event of the Lessee making such request the Lessor shall have the right to elect as to whether it shall itself pay the cost of construction of such addition or to require the Lessee to pay the same and if the Lessor shall elect to pay such cost the rent hereunder shall be adjusted accordingly; PROVIDED HOWEVER that if the Lessee does not agree upon such adjustment of rent then it shall have the option of bearing the cost of such expansion.

34. LANDLORD AND TENANT RELATIONSHIP: No provision contained herein, nor any acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of Lessor and Lessee.

35. ATTORNMENT AND SUBORDINATION: The Lessee will consent to the subordination of this lease to a mortgage or other like security document, provided that the mortgagee or trustee thereunder shall first enter into a non-disturbance agreement with the Lessee providing for the performance of the Lessor's covenants as a condition of such subordination and providing for waiver or indemnification of foreclosure rights against the Lessee so long as the Lessee is not in default under the terms of this lease.

36. REGISTRATION: This lease shall not be registered but

the Lessee may register by way of caveat or caveats those rights and interests conferred by the terms of this lease which are susceptible to registration by way of caveat for the purpose of all necessary protection of the Lessee against the Lessor and third party interests. Except as may otherwise be agreed such caveat or caveats shall be registered prior to all other charges, liens and interests.

37. NOTICES: Any notice to be given pursuant to this lease shall be sufficiently given if served personally or mailed by registered mail with postage prepaid in the case of the Lessor addressed to 101st Street & 102nd Avenue, Edmonton, Alberta and in the case of the Lessee to Hudson's Bay House, Winnipeg, Man. or to such other places as the Lessor or Lessee may from time to time designate by notice in writing mailed or delivered to the other as aforesaid. The date of receipt of any such notice shall be deemed to be the next business day after mailing thereof. A copy of any notice to be given hereunder shall also be furnished to Woodward Stores Limited.

38. OVERHOLDING: If at the expiration of the term of this lease the Lessee shall hold over for any reason, the tenancy of the Lessee thereafter shall be from month to month only, and shall be subject to all terms and conditions of this lease, except as to duration, in the absence of written agreement to the contrary.

39. ARBITRATION: In the event that any dispute shall arise between the parties hereto as to any matter arising under the terms of this lease then the matter shall be referred for decision to arbitration in accordance with the Arbitration Act of the Province of British Columbia or any legislation which shall amend or replace such Act.

40. HEADINGS: The insertion of headings to clauses or sub-clauses is for the purpose of reference only and shall not affect the construction or interpretation of this lease.

41. INTERPRETATION: Unless the contrary intention appears the words "Lessor" and "Lessee" shall mean respectively "Lessor, its successors and assigns" and "Lessee, its successors and assigns".

42. This lease shall enure to the benefit of and be binding upon the parties hereto, their successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have caused their corporate seals to be hereunto affixed in the presence of their proper officers duly authorized in that behalf the day and year first above written.

THE CORPORATE SEAL of SOUTHGATE SHOPPING CENTRE LIMITED was hereunto affixed in the presence of:

VICE - PRESIDENT

ASSISTANT SECRETARY

THE GOVERNOR AND COMPANY OF ADVENTURERS OF ENGLAND TRADING INTO HUDSON'S BAY by their Attorneys:

MANAGING DIRECTOR

SECRETARY

SCHEDULE A

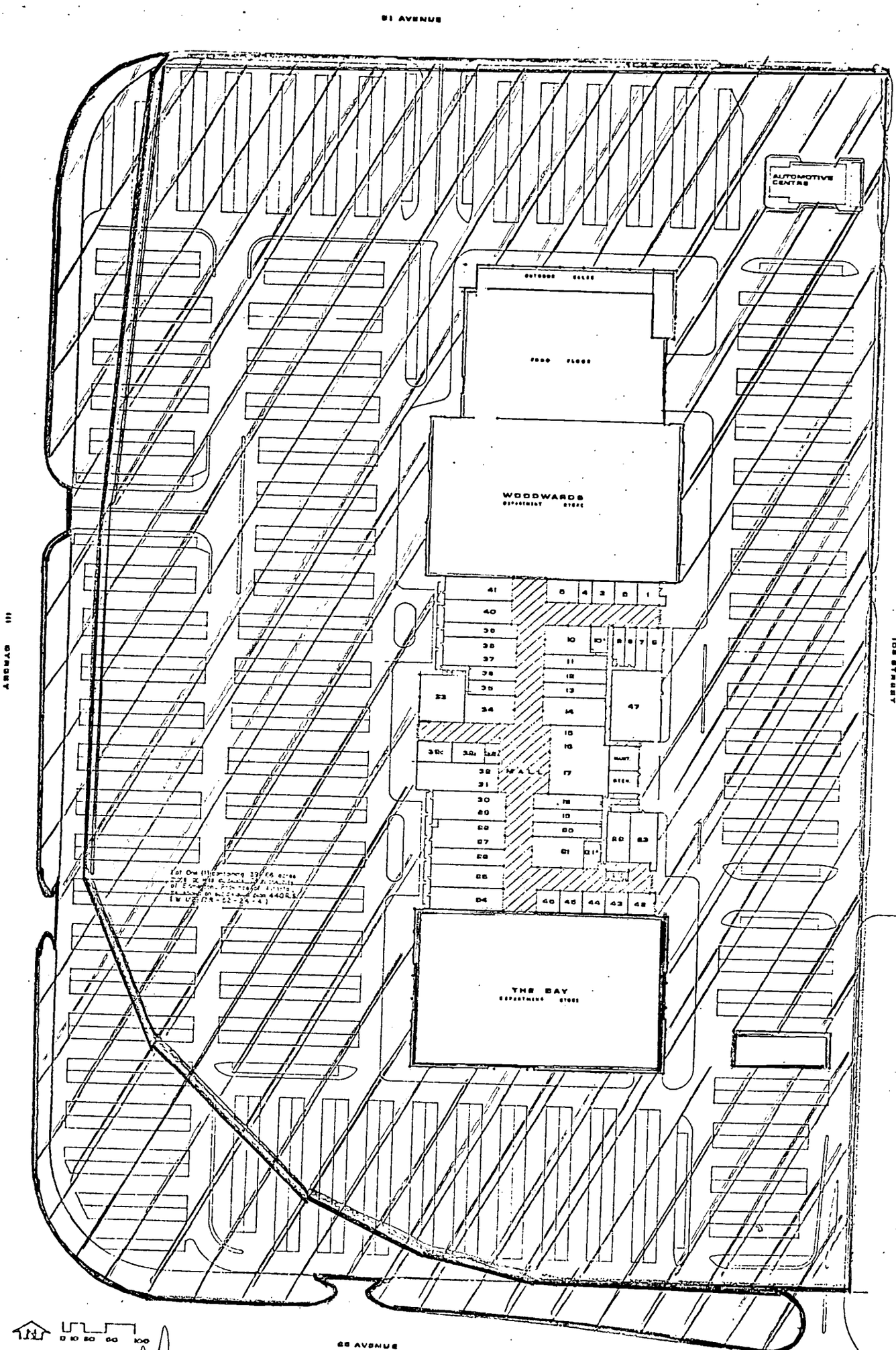
DESCRIPTION OF LAND COMPRISING THE FREEHOLD LAND

Lot One (1) containing 39.86 acres more or less in Block "D" in the City of Edmonton, Province of Alberta, as shown on subdivision plan 440 R.S. (W½-17R-52-24-4). Reserving thereout all mines and minerals.

DESCRIPTION OF LAND COMPRISING THE LEASEHOLD LAND

Lot Two U (2 U) in said Block "D" of record in the Land Titles Office for the North Alberta Land Registration District as Plan 2978 R.S. (W½ of 17-52-24-4). Reserving thereout all mines and minerals.

204



SCHEDULE "B"

Plan - Shoot 1

205

Bay Case

DATED: AUGUST 12, A.D. 1970

SOUTHGATE SHOPPING CENTRE LIMITED

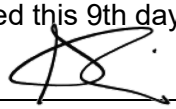
- and -

THE GOVERNOR AND COMPANY OF ADVENTURERS OF ENGLAND TRADING INTO HUDSON'S BAY

INDENTURE OF LEASE

DAVIS & COMPANY ATRC
BARRISTERS AND SOLICITORS
VANCOUVER 5, B.C.

This is **Exhibit "D"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

88-046

OSHAWA SHOPPING CENTRE

HBC LEASE

I N D E X

Article 1 - Definitions, Schedules and Landlord's Representations

1.00 Definitions:

(1) "Adjusted Gross Leaseable Area"

(2) "Common Facilities"

(3) "Common Facilities Lands"

(4) "Common Facilities Maintenance Cost"

(5) "Common Utilities"

(6) "Development Agreement"

(7) "Gross Leaseable Area"

(8) "HBC Automotive Centre"

(9) "HBC Automotive Centre Lands"

(10) "HBC Department Store"

(11) "HBC Department Store Lands"

(12) "HBC Lease"

(13) "HBC Malt Stop"

(14) "HBC Outdoor Selling Area"

(15) "HBC Rent Agreement"

(16) "Landlord"

(17) "Lease Commencement Date"

(18) "Leased Premises"

(19) "Mall"

(20) "Merchandising Plan"

(21) "Parking Facilities"

(22) "Real Property Taxes"

(23) "Shopping Centre"

(24) "1978 Shopping Centre Expansion

(25) Shopping Centre Lands

(26) "Site Plan"

(27) "Tenant"

(28) "Term"

(29) "Unavoidable Delay"

1.01 Schedules:

Schedule A - Description of Shopping Centre Lands

Schedule B - Site Plan

1.02 Landlord's Representations

Article 2 - Demise and Grant of Rights

2.00 Demise of HBC Department Store

2.01 Rights to HBC Malt Stop

2.02 Rights to HBC Outdoor Selling Area

2.03 Right to Lease HBC Automotive Centre Lands

2.04 Rights to Common Facilities

Article 3 - Term, Renewals and Right of Termination

3.00 Term

3.01 Renewal Options

3.02 Overholding

3.03 Tenant's Right to Terminate

Article 4 - Rent

4.00 Rent

Article 5 - General Covenants

5.00 Covenants of Tenant

5.01 Covenants of Landlord

Article 6 - Occupancy of Leased Premises

6.00 Use of Leased Premises

6.01 Name of Business

6.02 Hours of Business

6.03 Display Window Lighting

6.04 Nuisance, etc.

6.05 Receiving and Shipping

6.06 Merchandising Activities in Common Facilities

6.07 Signs

6.08 Heating, Ventilating and Air-Conditioning

Article 7 - Operation of Shopping Centre

7.00 Operation of Shopping Centre

7.01 Standards of Operation

7.02 Hours of Business

7.03 Mall

7.04 Parking Facilities

7.05 Landlord's Rules and Regulations

Article 8 - Utilities and Services

8.00 Utilities and Services

Article 9 - Taxes

9.00 Tenant's Taxes

9.01 Landlord's Taxes

9.02 Determination of Assessments

9.03 Tax Appeals

9.04 Tax Notices

Article 10 - Common Facilities Maintenance Cost

10.00 Tenant's Contribution

10.01 Payments and Adjustments

Article 11 - Insurance

11.00 Tenant's Insurance

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HBC LEASE - OSHAWA SHOPPING CENTRE

THIS LEASE is made as of the 9th day of August 1978,

B E T W E E N :

CAMPEAU CORPORATION

(hereinafter called the "Landlord")

OF THE FIRST PART

- and -

HUDSON'S BAY COMPANY

(hereinafter called the "Tenant")

OF THE SECOND PART

This HBC Lease and the respective covenants and agreements of the parties hereto is entered into by the parties in consideration of the rents, covenants and agreements herein contained.

ARTICLE 1

DEFINITIONS, SCHEDULES AND LANDLORD'S REPRESENTATIONS

Definitions

1.00 In this HBC Lease the terms defined in this clause are used with the meanings so defined, as follows:

(1) "Adjusted Gross Leaseable Area", as applied to any major department store (which term includes only the HBC Department Store and any department store in excess of 120,000 square feet of Gross Leaseable Area), means one hundred percent (100%) of the Gross Leaseable Area of any floor of such store having direct access on the same level to the main or primary Mall, and fifty percent (50%) of the Gross Leaseable Area of any other floor of such store;

(2) "Common Facilities" means all improvements and facilities in the Shopping Centre, both interior and exterior, which are from time to time in existence and are appropriate and intended for common use by the tenants of the Shopping Centre including the Tenant and their employees and customers from time to time, including without limitation the Parking Facilities, Mall, Common Utilities and means of public access to the Shopping Centre and its component parts, but excluding: all rentable premises and portions thereof; the HBC Automotive Centre Lands while leased by the Tenant, the HBC Outdoor Selling Area while used by the Tenant, all kiosks in the Mall including the HBC Malt Stop and all other portions of Parking Facilities and the Mall used for retail selling and other private purposes while so used; all corridors, loading and access facilities including docks and truck receiving and delivery facilities, and all electrical and mechanical vaults and rooms and facilities therein, which in each case are used predominantly by one tenant or a limited group of tenants and its and their employees; and any plant and equipment which provides heating, ventilating and air-conditioning to rentable areas or, in the case of any plant or equipment providing heating, ventilating and air-conditioning to both rentable areas and Common Facilities, that portion, equitably determined, of such plant and equipment which is attributable to rentable areas;

(3) "Common Facilities Lands" means the lands which are the site of Common Facilities, but in the case of lands which are the site of both Common Facilities and rentable areas or other improvements which are not Common Facilities, shall include only that portion of such lands, equitably determined, which is attributable to Common Facilities;

(4) "Common Facilities Maintenance Cost" means all costs, charges and expenses reasonably incurred by the Landlord for and properly attributable to the operation, maintenance and supervision of all Common Facilities, all computed on a net basis and without any duplication, and includes without limitation:

(i) the cost of operating and maintaining the Common Utilities including the cost of utilities (including electricity for lighting) supplied thereby to, and consumed in, Common Facilities, and the operating cost of heating, ventilating and air-conditioning the Mall and other enclosed portions (if any) of the Common Facilities;

(ii) the cost of wages and salaries (including the usual fringe benefits) paid to personnel engaged in the operation and maintenance of Common Facilities, except those in an overhead, administrative or general management capacity (with respect to whom costs are recovered as a pre-estimated amount as provided in paragraph (xi) of this subclause);

(iii) the cost of cleaning and other janitorial services in, removing snow and refuse from and supervising and policing the Common Facilities;

(iv) the cost of operating and maintaining fixtures and other machinery, equipment and building services in Common Facilities and of operating and maintaining (including re-striping) Parking Facilities and maintaining landscaped areas which are part of Common Facilities;

(v) the cost of keeping the Common Facilities clean, tidy, well maintained and attractively decorated and the cost of repairs to Common Facilities including replacements necessarily made to maintain Common Facilities in a first class state of repair to the extent such replacements do not constitute an expense of a capital nature but are chargeable to operating expense in a fiscal period in accordance

with normal accounting practice, but excluding all repairs made to remedy defects in construction or shortcomings in design, or made not merely to maintain but to expand or reconstruct Common Facilities, or to alter or improve Common Facilities beyond the extent of alteration or improvement which is reasonably incidental to repairing and maintaining them (it being recognized that in the course of such repair and maintenance it may be necessary or appropriate and reasonable to replace old or obsolete materials which are damaged, worn or have become unserviceable with new materials of a different and improved type);

(vi) the cost of operating and maintaining public address and background music systems, information facilities and other facilities for the general benefit of customers of the Shopping Centre in Common Facilities;

(vii) the direct costs to the extent allocable of direct and immediate supervision (as distinguished from overhead, administrative or general managerial functions) in connection with the operation and maintenance of Common Facilities;

(viii) the cost of Real Property Taxes applicable to the Common Facilities Lands and the Common Facilities (to be determined, if not separately assessed, as provided in this HBC Lease) and business taxes levied against the Landlord in respect of Common Facilities except those levied in respect of kiosks, outdoor selling areas or other facilities used for the particular benefit of any tenant or licensee thereof and not for the benefit of tenants of the Shopping Centre generally;

(ix) the cost of premiums for fire and other property damage insurance in respect of, and public liability insurance in respect of the use and operation of, Common Facilities, and which the Landlord is required to maintain pursuant to this HBC Lease or shall reasonably maintain;

(x) depreciation, at rates which are reasonably determined by the Landlord based upon estimates of useful life and generally recognized accounting practices, upon (1) equipment used for cleaning and maintaining Common Facilities, (2) replacements of heating, ventilating and air-conditoning equipment (as distinguished from the equipment originally provided and installed) used for the heating, ventilating and air-conditioning of Common Facilities (determined upon the basis of a reasonable allocation if such equipment serves portions of the Shopping Centre which are not part of the Common Facilities) and (3) furnishings in the Mall, provided in each case the replacement of such equipment, replacement equipment or furnishings as the case may be is not chargeable to operating expense pursuant to paragraph (v) of this subclause but is nevertheless normally required periodically; and

(xi) as an agreed pre-estimate of the cost of overhead, administration and general management and other indirect or unallocable costs incurred in connection with the operation and maintenance of Common Facilities, a sum equal to and limited to ten percent (10%) of the aggregate of the costs referred to in paragraphs (i) to (vii) inclusive of this subclause;

but there shall be excluded therefrom (or deducted therefrom to the extent otherwise included):

(a) all monies recovered under policies of insurance, or recovered under claims for damage or indemnity from third parties responsible, with respect to damage to Common Facilities, to the extent applicable to repairs or replacements to Common Facilities the cost of which has been included hereunder;

(b) recoveries made by the Landlord under warranties and construction warranties relating to Common Facilities, to the extent applicable to defects the cost of repair of which has been included hereunder;

(c) all recoveries, contributions, rebates and savings whatsoever in respect of any costs and expenses included hereunder (other than contributions by the Tenant and other tenants or licensees which are of a shared portion of net cots of operating, maintaining and supervising Common Facilities);

(d) the costs of improvements, additions, capital replacements and other expenses which are in each case of a capital nature in accordance with normal accounting practice, the costs of management and supervision (other than as provided in paragraph (vii) of this subclause), the costs of overhead, administration and general management (other than as provided in paragraph (xi) of this subclause), depreciation (except as provided in paragraph (x) of this subclause), and other overhead and indirect costs, interest, debt service, capital amortization and other similar costs;

(e) all costs of operating, maintaining and supervising Common Facilities which are (1) generated by or associated with the use of portions of the Common Facilities for bazaars, flea markets, farmers' markets and other markets of a similar character, or (2) attributable to portions of Parking Facilities in respect of which the Landlord receives revenue by means of parking charges or the licensing of parking spaces; and

(f) ten percent (10%) of all revenue of every nature generated by or derived from the Common Facilities or the use thereof (other than recoveries and contributions in respect of costs of operation and maintenance referred to in paragraph (c) of this subclause, but including rents, licence fees and charges for use and occupancy derived by the Landlord from the Common Facilities except from (1) kiosks in the mall and outdoor selling areas which in each case are of a permanent nature and permitted hereunder, and (2) Parking Facilities);

(5) "Common Utilities" means the plant, systems and equipment provided by the Landlord for the distribution within the Shopping Centre of utilities including water, electricity, drains and sewers, gas and such other utilities as may from time to time be provided, but excludes plant and equipment providing heating, ventilating or air-conditioning, all utility systems within any rentable areas, and all systems for the supply to any one or more tenants of the Shopping Centre of any utility which is not generally available to tenants of the Shopping Centre but fulfills special requirements of those receiving it;

(6) "Development Agreement" means the letter agreement between the Landlord and the Tenant dated on or about September 30, 1977, providing for the construction of an expansion of the Shopping Centre including the HBC Department Store and the entry by the parties into this HBC Lease;

(7) "Gross Leaseable Area", as applied to any interior rentable premises (including the HBC Department Store), means the aggregate floor area thereof (in square feet) on each level, excluding the floor area of basement space used exclusively for storage but including 50% of the floor area of any mezzanine space which has been constructed so as to form part of the building, calculated by measuring from the face exterior to the premises of all outside walls and interior walls separating areas intended to be leased from Common Facilities and other space not intended to be leased and from the centre line of common walls separating areas intended to be leased from other areas intended to be leased, but excluding all penthouses, elevator machine rooms, electrical and mechanical vaults and rooms and facilities therein, loading docks and truck receiving and delivery facilities and any areas not enclosed and heated and, as applied to any facility other than a kiosk in the mall or in the Parking Facilities used for retail selling or other private purposes, means the area occupied by such facility and in the case of a kiosk means twice the area actually occupied by such kiosk;

(8) "HBC Automotive Centre" means the facility of a size designated by the Tenant but of no more than 12,000 square feet of Gross Leaseable Area which may be constructed and used by the Tenant as an automotive centre upon the HBC Automotive Centre Lands pursuant to the terms of this HBC lease;

(9) "HBC Automotive Centre Lands" means the land (being part of the Shopping Centre Lands) which is allocated as the site of the HBC Automotive Centre and which shall be the land shown outlined in blue on the Site Plan (unless the Landlord and Tenant shall agree upon an alternative site, in which case such land shall be the alternative site so agreed upon), as it may be from time to time relocated and constituted under the terms of this HBC Lease;

(10) "HBC Department Store" means the department store building which is or is to be constructed on the HBC Department Store Lands, as from time to time altered, reconstructed or expanded;

(11) "HBC Department Store Lands" means the land (being part of the Shopping Centre Lands) which is the site of the HBC Department Store and which is shown outlined in red on the Site Plan;

(12) "HBC Lease" means this lease as from time to time amended;

(13) "HBC Malt Stop" means the facility for use by the Tenant for retail selling purposes having an area of approximately 400 square feet (25 feet by 16 feet), located in the Mall as shown on the Site Plan, as it may be from time to time relocated and constituted under the terms of this HBC Lease;

(14) "HBC Outdoor Selling Area" means the area for use by the Tenant for retail selling purposes adjacent to the HBC Department Store having an area of approximately 8,000 square feet, and located as shown on the Site Plan, as it may be from time to time relocated and constituted under the terms of this HBC Lease;

(15) "HBC Rent Agreement" means the agreement between the Landlord and Tenant of even date with this HBC Lease and which specifies the annual rent for the Leased Premises which is payable by the Tenant to the Landlord pursuant to clause 4.00;

(16) "Landlord" means Campeau Corporation and its successors and assigns as owners of the Shopping Centre Lands and as landlord under this HBC Lease;

(17) "Lease Commencement Date" means the 9th day of August , 1978.

(18) "Leased Premises" means the HBC Department Store which is demised to the Tenant under this HBC Lease, and

includes where the context requires or permits the right and licence of the Tenant to use and enjoy the HBC Malt Stop and the HBC Outdoor Selling Area, and upon exercise by the Tenant of its rights under clause 18.00 the HBC Automotive Centre Lands and the HBC Automotive Centre to be demised to the Tenant thereunder, and the appurtenant rights, easements and licences of the Tenant in respect of Common Facilities, all as provided in this HBC Lease;

(19) "Mall" means the enclosed pedestrian concourses which are from time to time constructed as part of the Shopping Centre, and being part of the Common Facilities, as from time to time altered, reconstructed or expanded, including enclosed pedestrian concourses initially constructed and shown hatched in brown on the Site Plan;

(20) "Merchandising Plan" means the plan allocating permitted types of use to various store locations and specifying permitted tenants and occupants therefor, and which is initially applicable only to the 1978 Shopping Centre Expansion but is to be supplemented to include future expansions of the Shopping Centre as provided in clause 20.00, and which has been prepared by the Landlord and approved by the Tenant and identified by an appropriate endorsement initialled by officers of the Landlord and Tenant as being the initial such plan referred to herein, as from time to time supplemented or amended by the Landlord with the approval of the Tenant pursuant to the provisions of this HBC Lease;

(21) "Parking Facilities" means the improvements and facilities from time to time in the Shopping Centre, and being part of the Common Facilities, which are from time to time intended and available for the parking of motor vehicles (whether on pavement at grade level or in parking decks or structures), as from time to time altered, reconstructed or expanded, and includes such parking decks or structures, all improvements associated

with parking, and all entrances, exits, roads, ramps and other means of access to parking which are within the Shopping Centre, and includes the parking areas and roads and other means of access thereto at grade level initially constructed in the Shopping Centre and which are shown outlined in brown on the Site Plan;

(22) "Real Property Taxes" means all general, school and local improvement taxes, levies, rates and charges from time to time imposed against real property by municipal or other governmental authorities having jurisdiction, but excludes business taxes and local improvement rates and taxes which are imposed for public improvements undertaken in connection with or in order to service the 1978 Shopping Centre Expansion;

(23) "Shopping Centre" means the Shopping Centre Lands and all the buildings and improvements from time to time erected thereon including all Common Facilities and all rentable premises thereon, and the appurtenances thereto from time to time existing, together constituting Oshawa Shopping Centre, as from time to time altered, reconstructed or expanded;

(24) "1978 Shopping Centre Expansion" means the buildings and improvements including the HBC Department Store which were constructed by the Landlord as an expansion of the Shopping Centre and completed or substantially completed in 1978, and which are shown coloured green on the Site Plan;

(25) "Shopping Centre Lands" means the lands which are the site of the Shopping Centre, and which are shown outlined in yellow on the Site Plan and are more particularly described in Schedule A annexed to this HBC Lease;

(26) "Site Plan" means the site and location plan of the Shopping Centre Lands including the buildings and

improvements constructed thereon at the date of this HBC Lease, and which is annexed as Schedule B to this HBC Lease;

(27) "Tenant" means the Hudson's Bay Company and its successors and assigns as tenant under this HBC Lease;

(28) "Term" means the entire term of this HBC Lease including the original term as described under clause 3.00, every renewal term as described under clause 3.01 resulting from the exercise of any of the Tenant's options thereunder, and any period of overholding to which clause 3.02 applies;

(29) "Unavoidable Delay" means any prevention, delay, stoppage or interruption in the performance of any obligation of the parties hereunder due to strike, lockout, labour dispute, act of God, inability to obtain labour or materials, application of laws, regulations or orders of governmental authorities, or the occurrence of fire or other casualty, condition or cause which is beyond the reasonable control of the party obligated to perform despite all reasonable efforts of such party to perform (but shall not include any inability to perform because of any lack of funds or any financial condition).

Schedules 1.01 The Schedules to this HBC Lease form part hereof and are as follows:

Schedule A - Description of Shopping Centre Lands

Schedule B - Site Plan

Landlord's Representations 1.02 The Landlord represents to the Tenant at the date of this HBC Lease:

(1) The Landlord is the owner in fee simple of the Shopping Centre Lands, subject only to leases, agreements to lease, easements, rights and mortgage encumbrances which accord with the Landlord's representations herein; the Shopping Centre Lands are subject to (i) no leases or agreements

to lease pertaining to portions of the rentable space in the Shopping Centre which conflict with the rights of the Tenant under this HBC Lease, other than to the extent, if any, in each case expressly stated and referred to in this HBC Lease, (ii) no easements or other rights which materially adversely affect the Shopping Centre or its use for its intended purposes, or interfere with the rights of the Tenant under this HBC Lease, and (iii) no mortgage encumbrances on the Shopping Centre Lands other than those which are or shall be made expressly subject and subordinate to this HBC Lease and the rights of the Tenant hereunder;

(2) The construction of the Shopping Centre (including the HBC Department Store but except for aspects of the design and construction of the HBC Department Store in respect of which the Tenant assumed responsibility for compliance with statutes, by-laws, orders and regulations of governmental authorities pursuant to the Development Agreement, and relating to which the Landlord accordingly assumed no responsibility and makes no representations), and including the Common Facilities and rentable premises in the Shopping Centre and the use of the various portions thereof for their intended purposes, in each case does not contravene and is not prevented or materially restricted by any provision of any statute, by-law, order or regulation of any governmental authority having jurisdiction or of any agreement to which the Landlord is a party or is bound; and

(3) The tenants and occupants of the Shopping Centre including the Tenant and their respective employees and those having lawful business with them including customers have legal access to the Shopping Centre and their respective premises therein, by pedestrians and vehicles, over the portions of the Common Facilities in the Shopping Centre provided for such access including access to public streets, and such access is not prevented or materially restricted by any statute, by-law, order or regulation of any governmental authority having jurisdiction or of any agreement to which the Landlord is a party or is bound.

ARTICLE 2

DEMISE AND GRANT OF RIGHTS

Demise of HBC Department Store

2.00 The Landlord leases the HBC Department Store to the Tenant for the Term, upon and subject to the covenants and provisions expressed in this HBC Lease, together with the benefit of all rights and privileges granted to the Tenant by this HBC Lease.

Rights to HBC Malt Stop

2.01 The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this HBC Lease, the right and licence at any time and from time to time during the Term (but subject to the provisions of clause 16.00) to occupy and use for the Tenant's exclusive benefit the HBC Malt Stop.

Rights to HBC Outdoor Selling Area

2.02 The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this HBC Lease, the right and licence at any time and from time to time during the Term (but subject to the provisions of clause 17.00) to occupy and use for the Tenant's exclusive benefit the HBC Outdoor Selling Area.

Right to lease HBC Automotive Centre Lands

2.03 The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this HBC Lease, the right to lease the HBC Automotive Centre Lands for the purpose of the HBC Automotive Centre pursuant to the provisions of clause 18.00.

Rights to Common Facilities

2.04 The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this HBC Lease, for use by the Tenant and its employees and those having lawful business with it including its customers, in common with the Landlord and other tenants of the Shopping Centre and their respective employees and those having lawful business with them including their customers, the right and licence, irrevocable during the Term, to use the Common Facilities for the purposes for which such Common Facilities are intended and provided at all reasonable times including while the HBC Department Store is open for business; and in particular, without limiting the generality of the foregoing, such right and licence of use include:

(1) the right to use the Parking Facilities (including

the means of pedestrian and vehicular access and the entrances and exits to and from the Shopping Centre included therein, but excluding those portions of the Parking Facilities which are occupied by the HBC Outdoor Selling Area and other outdoor selling areas permitted under this HBC Lease, while so occupied) for the purpose of pedestrian and vehicular access to and from the Shopping Centre and the parking of vehicles in parking spaces provided therein (but notwithstanding this grant of a right and licence of use to the Tenant, the Tenant acknowledges that in certain circumstances as provided in clause 7.04 the Landlord may have the right to impose parking charges upon persons using the Parking Facilities, and that in certain circumstances as provided or referred to in clause 7.01 (4) portions of the Parking Facilities may be used for purposes other than parking);

(2) the right of pedestrian passage and re-passage through every portion of the Mall (excluding those portions thereof which are occupied by kiosks including the HBC Malt Stop permitted under this HBC Lease while so occupied) for the purpose of access to or from every portion of the Shopping Centre including the HBC Department Store;

(3) the right to the use and benefit of the Common Utilities in accordance with the provisions of this HBC Lease; and

(4) the right to use the corridors, entrances and exits to buildings, public washrooms and all other facilities provided for common use and enjoyment as part of the Common Facilities.

ARTICLE 3

TERM, RENEWALS AND RIGHT OF TERMINATION

Term

3.00 The original term shall be for thirty (30) years plus, if the Lease Commencement Date is not the first day of a calendar month, that number of days equal to the number of

days in the broken portion of a month from the Lease Commencement Date to the end of the calendar month in which the Lease Commencement Date occurs, commencing on the Lease Commencement Date and ending on the last day of the calendar month in which the thirtieth (30th) anniversary of the day immediately preceding the Lease Commencement Date occurs.

Renewal Options

3.01 The Tenant shall have the options:

(1) first, to renew this HBC Lease for a first renewal term of ten (10) years commencing on the expiration of the original term referred to in clause 3.00, and

(2) second, if such first option shall have been exercised, to further renew this HBC Lease for a second renewal term of ten (10) years commencing on the expiration of the first renewal term, and

(3) third, if such first and second options shall both have been exercised, to renew this HBC Lease for a third renewal term of ten (10) years commencing on the expiration of the second renewal term, and

(4) fourth, if such first, second and third options shall all have been exercised, to renew this HBC Lease for a fourth renewal term of ten (10) years commencing on the expiration of the third renewal term, and

(5) fifth, if such first, second, third and fourth options shall all have been exercised, to renew this HBC Lease for a fifth and final renewal term of nine (9) years commencing on the expiration of the fourth renewal term;

Each option of renewal granted to the Tenant by this clause 3.01 shall be deemed to have been exercised by the Tenant, without the need for any written notice of exercise or other notice or action by the Tenant, unless the Tenant gives written notice to the Landlord that it does not desire the exercise of such option of renewal, which notice of non-exercise by the

Tenant shall be given not later than one (1) year prior to the end of the original term in the case of the first of such options, or prior to the end of the then current renewal term in the case of any of the four subsequent options (and in which event only, such option of renewal shall be deemed not to have been exercised, the Term shall expire at the expiration of the original term or the then current renewal term, as the case may be, and there shall be no further or other right of the Tenant to exercise any option of renewal). All of the covenants, conditions and provisions of this HBC Lease, including the stipulation as to rent and other payments and contributions by the Tenant hereunder shall apply during each renewal term specified in this clause 3.01, except that there shall be no options to renew beyond the five renewal options provided for in this clause 3.01.

Over-holding

3.02 If the Tenant shall remain in possession as an overholding tenant after the original term or any renewal term, save pursuant to a renewal term which has been deemed to have been exercised or other agreement between the Landlord and the Tenant, the Tenant shall be deemed to be a tenant from month to month at a monthly rental equal to one-twelfth (1/12th) of the annual rent pursuant to clause 4.00 and applicable to the period immediately preceding the period of overholding and otherwise upon all the terms and provisions of this HBC Lease, modified as is appropriate to such a monthly tenancy.

Tenant's Right to Terminate

3.03 If at any time during a renewal term referred to in clause 3.01 (but not during the original term referred to in clause 3.00) there shall cease to be open for business and in bona fide operation in the Shopping Centre retail premises (other than the HBC Department Store) which shall comprise at least fifty percent (50%) of the Gross Leaseable Area of all retail premises from time to time existing in the Shopping Centre (excluding the HBC Department Store) and which shall include at least one major department store (other than the HBC Department Store), and if such condition shall continue for ninety (90) days (exclusive of periods when

business and actual and active operation is prevented or interfered with by Unavoidable Delay), the Tenant shall have the option to terminate this HBC Lease upon thirty (30) days prior written notice to the Landlord.

ARTICLE 4

RENT

Rent 4.00

(1) The Tenant covenants and agrees to pay to the Landlord during the Term (including as to the original term referred to in clause 3.00 and each and every renewal term referred to in clause 3.01) annual rent in respect of the Leased Premises consisting of the HBC Department Store, the HBC Malt Stop, the HBC Outdoor Selling Area and (if and when applicable) the HBC Automotive Centre Lands, all as provided in the HBC Rent Agreement.

(2) The annual rent shall be paid in twelve (12) equal and consecutive monthly instalments each in advance on the first day of each and every month during the Term, commencing on the Lease Commencement Date if that date is the first day of a calendar month but otherwise commencing on the first day of the first calendar month next ensuing after the Lease Commencement Date (in which latter case the first such instalment of rent shall also include rent, calculated on a per diem basis, for the broken portion of a calendar month next after the Lease Commencement Date).

(3) Rent shall be paid, in lawful money of Canada, by cheque to the Landlord at the Landlord's address for notices pursuant to clause 24.09, or at such other address in Canada as the Landlord may otherwise direct in writing.

(4) All rent payable under this HBC Lease shall be net, without abatement, set-off or deduction, except as otherwise expressly provided in this HBC Lease.

ARTICLE 5

GENERAL COVENANTS

Covenants of Tenant

5.00 The Tenant covenants with the Landlord:

(1) to pay the rent as provided to be paid under clause 4.00 and all other sums from time to time due to the Landlord under this HBC Lease, and

(2) to observe and perform all the covenants and obligations of the Tenant under this HBC Lease.

Covenants of Land-Lord

5.01 The Landlord covenants with the Tenant:

(1) for quiet enjoyment, and

(2) to observe and perform all the covenants and obligations of the Landlord under this HBC Lease.

ARTICLE 6

OCCUPANCY OF LEASED PREMISES

Use of Leased Premises

6.00 Except with the prior written consent of the Landlord the Leased Premises shall be used for the following purposes:

(1) The HBC Department Store shall be operated by the Tenant as a first class full-line department store and which, unless and until the Tenant shall assign this HBC Lease in accordance with the provisions hereof, shall be similar to the other stores operated by the Tenant located in the Toronto region in shopping centres similar to the Shopping Centre, and the Tenant shall (subject to Unavoidable Delay) continuously operate the HBC Department Store for such purposes except that:

(i) if at any time during the original term of the HBC Lease referred to in clause 3.00 either of Simpson-Sears Limited or The T. Eaton Company Limited or their respective

affiliates or assignees who are comparable department store operators shall cease to operate their respective department store premises in the Shopping Centre as major full-line retail department stores, or shall permit their respective department stores to be closed for business on days (whether or not consecutive) which are not Sundays, public or statutory holidays, or days when business is prevented by circumstances of Unavoidable Delay, and which in the aggregate exceed 180 days during the Term, or

(ii) if at any time during the Term (whether the original term referred to in clause 3.00 or a renewal term referred to in clause 3.01) the circumstances referred to in clause 3.03 which, if they had occurred during a renewal term would have entitled the Tenant to terminate at its election pursuant to clause 3.03, shall occur, or

(iii) at any time during any renewal term of the HBC Lease referred to in clause 3.01,

the Tenant shall in each such case have the right to cease to operate the HBC Department Store for such purpose and to leave it vacant for such period or periods as the Tenant may elect, but where paragraph (i) is applicable, or where paragraph (ii) is applicable during such original term, the Tenant shall recommence its use and occupancy of the HBC Department Store in any event when the conditions referred to in paragraphs (i) and (ii) entitling the Tenant to cease such occupancy no longer subsist. Except if and to the extent it is otherwise expressly provided in this HBC Lease including subclause 23.01 (3), no cessation of such

occupancy by the Tenant shall relieve the Tenant of any of its other obligations under this HBC Lease, including payment of rent, or permit the Tenant to operate the HBC Department Store for any purpose other than that specified in this subclause;

(2) The HBC Malt Stop, while operated by the Tenant, shall be operated for the retail sale of any type or types of food and beverages; it is the intention of the Tenant (although not a binding obligation on the Tenant) during the initial period of its occupancy of the HBC Malt Stop to sell therefrom items limited to dairy malt drinks, orange juleps, carbonated drinks, hot dogs and other fast-food items, and if the Landlord desires to give exclusive rights to any other tenant or tenants for the sale of other items of food and beverages of a specialized nature not currently being sold by the Tenant from the HBC Malt Stop and for the purpose shall request the Tenant to agree not to sell such items of a specialized nature from the HBC Malt Stop, the Tenant, although not bound to enter into any such agreement, shall nevertheless give serious consideration to any such request;

(3) The HBC Outdoor Selling Area, while operated by the Tenant, shall be operated for the retail sale of any type or types of merchandise normally sold in department stores or outdoor selling areas associated with department stores, and which (without limitation) may include plants, shrubs, gardening supplies and outdoor living, sports and recreational merchandise; and

(4) The HBC Automotive Centre (including the HBC Automotive Centre Lands), while occupied by the Tenant, shall be operated for all or any of the purposes of selling gasoline, oil, tires, batteries and automotive accessories, and servicing (including washing) motor vehicles.

Name of Business

6.01 Unless and until the Tenant shall assign this HBC Lease in accordance with the provisions hereof, the name under which the HBC Department Store shall be operated by the Tenant shall contain the words "Bay" or "Hudson's Bay Company" or such other word or words as shall be the dominant word or words in the name under which the department store business of the Hudson's Bay Company is from time to time being carried on in the Toronto region in shopping centres similar to the Shopping Centre.

Hours of Business

6.02 During the Term the Tenant shall actively and diligently carry on business in and be open for business with the public in the whole or substantially the whole of the HBC Department Store during at least those minimum hours of business applicable to tenants whose principal business is retail merchandising and the provision of services closely allied thereto in the Shopping Centre as may from time to time be established by the regulations of the Landlord pursuant to clause 7.02, provided that (1) such regulations shall be reasonable, of uniform application to tenants whose principal business is of the type above mentioned, and consistent with the requirements of a first-class regional shopping centre and with the provisions of this HBC Lease, and (2) the other major department store tenants in the Shopping Centre shall whether by obligation or election, be open for business during such minimum hours of business; but nothing herein shall require the HBC Department Store to be operated and open to the public for business during periods when the Tenant is entitled to cease its use and occupancy thereof pursuant to clause 6.00, or during public holidays, or when prevented by by-law or other legal restriction or by Unavoidable Delay, or prevent the Tenant being open for business

during such additional hours of business as may be established generally by the Tenant for its other comparable department stores, particularly those in the Toronto region in shopping centres similar to the Shopping Centre.

Display Window Lighting

6.03 The Tenant shall keep the display and other windows of the HBC Department Store suitably illuminated during all hours when the Shopping Centre shall be open to the public for business.

Nuisance, etc.

6.04 The Tenant shall not use or permit any part of the Leased Premises to be used in such a manner as to cause a nuisance or cause or permit any annoying noises or vibrations (having regard to the purposes for which the various portions of the Leased Premises are permitted to be used). The Tenant shall not permit any debris or refuse to accumulate in the Leased Premises, but shall cause the same to be stored in suitable receptacles and regularly removed. The Tenant will not permit to be stored in or about the HBC Department Store any dangerous or inflammable thing to which the insurers of the Tenant or of the Landlord have reasonable cause for objection, having due regard to the purposes for which such parts of the Leased Premises are permitted to be used, and if the Tenant shall breach this provision the Landlord shall have the right (without limiting any other remedy it may have) to recover the amount of any additional premium cost incurred by the Landlord as a result of such breach.

Receiving and Shipping

6.05 The Tenant shall not load or unload any merchandise, supplies or other materials or any debris or refuse except in the truck receiving area forming part of the HBC Department Store, but this shall not apply to manual deliveries or shipments of small parcels to and from the HBC Department Store where it is not practical or desirable to handle them through such receiving area so long as there is no obstruction of any entrances or of the Mall, nor shall it apply to deliveries to and shipments from the HBC Malt Stop or the HBC Outdoor

Selling Area but the Tenant, when making or permitting such deliveries and shipments during general Shopping Centre Hours of business shall take reasonable measures consistent with the Landlord's operation of a first-class shopping centre to minimize interference with the use by customers of the Shopping Centre of the Common Facilities.

Merchandising Activities in Common Facilities

6.06 The Tenant shall not carry on any merchandising activities or display any merchandise in the Common Facilities other than in the HBC Malt Stop and the HBC Outdoor Selling Area as permitted by this HBC Lease, or as part of a promotion approved by the Landlord.

Signs

6.07 The Tenant shall be entitled to have identification signs which it may desire to have associated with any part of the Leased Premises and which have first been approved by the Landlord; it being agreed by the Landlord that such approval shall not be unreasonably withheld and that such approval shall in any event be given to:

(i) identification signs upon or associated with any part of the Leased Premises which are consistent in size, number and character with the Landlord's general sign policy referred to in subclause 7.01 (5);

(ii) identification and other signs upon or associated with any part of the Leased Premises which are comparable to those which any other major department store tenant in the Shopping Centre is permitted or entitled to have;

(iii) identification signs upon the exterior of the HBC Department Store (including upon or over the entrances to the HBC Department Store from the Mall) similar in size, number and character to those generally used by the Tenant in association with other department stores operated in Canada by the Tenant or its subsidiaries;

(iv) identification signs upon or associated with the HBC Malt Stop, HBC Outdoor Selling Area and HBC Automotive Centre similar in size, number and

character to those generally used by the Tenant in association with similar facilities operated by the Tenant or its subsidiaries; and

(v) identification signs upon sign pylons and other display formats in the Shopping Centre of a size, number and character similar to those permitted to any other major tenant or tenants in the Shopping Centre; the Landlord shall at the request of the Tenant (but provided applicable laws permit) construct additional pylons appropriate for such identification signs at all major entrances to the Shopping Centre removed by more than 500 feet from the HBC Department Store where such pylons do not already exist at the Lease Commencement Date, and the Tenant shall in every case be entitled to have an identification sign thereon and shall contribute its fair proportion (based upon the number of tenants having identification signs thereon) of the cost of constructing such additional pylons.

The Tenant shall indemnify and save harmless the Landlord from all claims, demands, loss or damage to any person or property arising out of or in any way caused by the erection, maintenance or removal of any indentification sign or other sign or similar installation erected or installed by the Tenant upon any pylon or the exterior of the HBC Department Store or upon or associated with the HBC Malt Stop, HBC Outdoor Selling Area or HBC Automotive Centre or otherwise pursuant to this clause.

Illuminated signs shall be lighted during all hours when the Shopping Centre is open to the public.

Heating, Ventilating and Air-Conditioning

6.08 The Tenant shall heat, ventilate and air-condition the HBC Department Store (other than portions thereof which are not designed to be heated, ventilated or air-conditioned) whenever reasonably required and in such manner that there will be no direct or indirect appropriation of heating, ventilation or cooling from the Mall, but subject to Unavoidable Delay.

ARTICLE 7

OPERATION OF SHOPPING CENTRE

Operation of Shopping Centre

7.00 The Landlord shall throughout the Term cause the Shopping Centre to be continuously used and operated as a first-class regional shopping centre, and not for any other purpose without the consent of the Tenant, and in so doing will comply with all its other obligations under this Article 7. However if, without any default of the Landlord, any of the circumstances referred to in paragraphs (i) and (ii) of subclause 6.00 (1) shall occur entitling the Tenant to cease to operate the HBC Department Store and the Tenant shall elect to do so, or if the Tenant shall elect pursuant to paragraph (iii) of subclause 6.00 (1) to cease to operate the HBC Department Store, and where in all the circumstances it is inappropriate or uneconomic or otherwise unreasonable for the Landlord to continue to operate the Shopping Centre as a first-class regional shopping centre and maintain all the standards incidental thereto as required by Article 7 during the period in which the Tenant shall cease such operation, the Landlord may, notwithstanding the provisions of Article 7, adopt changes in the standards of operation of the Shopping Centre, which are to apply until such time as the Tenant either is required pursuant to clause 6.00 to recommence operation of the HBC Department Store or gives sixty (60) days notice to the Landlord of its intended election to do so. Such changes must be reasonable and appropriate in all the circumstances, although the Tenant recognizes that such changes may, to a greater or lesser extent, but not to any greater extent than is reasonable and necessary, involve a lack of compliance with the standards of a first-class regional shopping centre as contemplated by Article 7 (and which standards shall be deemed to be waived to the extent necessary to permit such changes as are expressly permitted hereby), but nevertheless the use of the Shopping Centre for retail shopping centre purposes shall continue. Moreover, if the Landlord shall become entitled to and wish to adopt any

such changes within the initial term of this HBC Lease referred to in clause 3.00, the Landlord shall first submit the proposed changes to the Tenant and obtain its approval, but the Tenant's approval thereto shall not be unreasonably withheld.

Stand-ards of Opera-tion

7.01 The Landlord shall manage, operate and maintain the Shopping Centre in accordance with standards of shopping centre management, operation and maintenance at least a high as those which have been generally adopted for first-class regional shopping centres in Canada, and without limiting the generality

of the foregoing, but subject to certain minor non-compliances which are excused by clause 24.10, the Landlord shall:

(1) provide competent full-time management and a sufficient staff of management, operating and maintenance personnel to adequately perform the proper management, maintenance and operation of the Shopping Centre;

(2) keep or cause to be kept the Shopping Centre including the Mall, Parking Facilities and all other Common Facilities, and all buildings and improvements thereon other than the Leased Premises clean, tidy, well maintained and attractively decorated, and in this connection maintain in force and take all reasonable action as required under this clause to enforce provisions of all leases to tenants of the Shopping Centre requiring such tenants to keep their respective premises clean, tidy, well-maintained and attractively decorated;

(3) take all such action as may reasonably be required to prevent any use of or conduct of any business or activity in any premises in the Shopping Centre which contravenes any provision of this HBC Lease (including clause 14.06) or which is a nuisance or annoyance or is not in keeping with the standards of a first-class regional shopping centre, and to prevent any other activity in the Shopping Centre which is not in keeping with the character of the Shopping Centre;

(4) prohibit any display or sale of merchandise in the Common Facilities or in any other place in the Shopping Centre outside the confines of rentable premises therein, other than (i) in the HBC Malt Stop and other kiosks in the Mall which are permitted

under clause 14.04, or in the HBC Outdoor Selling Area and other outdoor selling areas expressly permitted hereunder, or in the HBC Automotive Centre, (ii) as part of any general shopping centre promotion approved by the Landlord (but no such general shopping centre promotion shall be approved or permitted by the Landlord within 100 feet of any main entrance to the HBC Department Store if the Tenant has any reasonable objection thereto on the grounds that such promotion adversely affects access to or visibility or operating of the HBC Department Store), and (iii) a farmers' market, which the Landlord may permit to operate on the portion of the Parking Facilities designated therefor on the Site Plan on stipulated days (not more than three per week) during suitable seasons of the year for the open-air sale of farm produce, provided that the operation thereof shall be confined to the area and days mentioned and shall be appropriately regulated and controlled by the Landlord, no buildings or any structures, canopies, fences, light standards, signs or other erections of a permanent kind shall be permitted, all kiosks, counters, signs, barrows, bins and other fixtures for the display and sale of produce shall be of a temporary and movable type and removed from the site whenever the farmers' market is not actually operating and open for business and the site left clean, and tidy and available for parking, and the goods sold therefrom shall be limited to fresh farm produce and as incidental thereto goods of handmade, domestic manufacture normally found in association therewith at rural farmers' markets, and not any commercially manufactured goods or second-hand goods other than antiques; and

(5) implement and enforce a landlord's sign policy applicable to all tenants of the Shopping Centre and governing exterior signs (including tenant

identification signs) which may be displayed on or in their premises (and which sign policy shall be consistent with a first-class regional shopping centre and with the provisions of this HBC Lease, shall have been established by the Landlord and approved by the Tenant, and may be altered by the Landlord from time to time with the approval of the Tenant, such approval in no case to be unreasonably withheld); the Tenant acknowledges that the continuance of signs in existence at the date of this HBC Lease in portions of the Shopping Centre other than the 1978 Shopping Centre Expansion, and also the rights of major department store tenants, the supermarket tenant and the theatre tenant to erect and maintain future signs in the Shopping Centre as established by leases to such tenants in existence at the date of this HBC lease, will be recognized and that the Landlord's sign policy will necessarily have to permit such signs; subject to the foregoing the Landlord will prohibit all signs in the Common

Facilities other than signs on the HBC Malt Stop, HBC Outdoor Selling Area and HBC Automotive Centre which are permitted hereunder and signs on other kiosks and outdoor selling areas which are permitted by the sign policy of the Landlord which has been approved by the Tenant, signs in connection with any general shopping centre promotion permitted hereunder, signs in the Parking Facilities regulating direction and speed of travel or other use of the Parking Facilities as may be necessary or appropriate, pylon or other identification signs which identify and promote the Shopping Centre and of which the Tenant shall have approved (such approval not to be unreasonably withheld) and pylon or other display formats in the Shopping Centre which identify the Tenant and other tenants and are contemplated and permitted by clause 6.07.

Hours of Business

7.02 (a) The Landlord shall:

(1) keep the Shopping Centre open for business on at least every day of the week, other than (i) Sundays or public holidays, (ii) days when the Tenant is not open for business in the HBC Department Store, and (iii) subject to subclause (b), days when it has become general practice in first-class regional shopping centres not to be open for business; and during at least those hours, on days when the Shopping Centre is required to be open for business, corresponding to the hours during which other similar shopping centres in the same trading area are open for business on days when such other shopping centres are open;

(2) consult periodically with the Tenant with regard to shopping centre general hours of business and give reasonable consideration to the suggestions and recommendations of the Tenant pertaining thereto;

(3) establish and maintain a policy and regulations regarding hours of business both generally for the Shopping Centre and for particular types and classes of tenants including a class to consist of tenants whose principal business is retail merchandising and the provision of services closely allied thereto, and which shall be consistent with a high-class regional shopping centre, non-discriminatory and of uniform application to tenants of the same type or class (but it being recognized that, consistent with general shopping centre practice and the different natures of businesses, different hours of business may appropriately and reasonably apply to tenants in different businesses, such as for example banking, theatres, restaurants and governmental or institutional uses); and

(4) cause all or substantially all of the tenants whose principal business is retail merchandising and the provision of services closely allied thereto and whose premises are on the Mall, including the tenants of other major department stores to the extent the Landlord has the right to impose minimum hours of business on such tenants under the provisions of their leases, and as many tenants of the Shopping Centre in other types of businesses as possible (having regard to the extent to which different hours of business may be appropriate and reasonable for them, as contemplated by paragraph (3)), to remain open for business during the general

hours of business established for the Shopping Centre referred to in paragraphs (1) and (3), subject to Unavoidable Delay.

(b) The Tenant:

(1) acknowledges that the hours of business referred to in subclause (a) are minimum hours of business and that certain tenants (such as theatres and restaurants) may be permitted to be open outside of general shopping centre hours of business and in particular that the tenants of other major department stores, as well as being in certain instances not committed to the minimum hours of business established by the Landlord for the Shopping Centre, have the right to be open for additional hours of business as may be established for their other respective department stores; and

(2) agrees that if the Tenant, in exercise of its rights under clause 6.02, wishes to remain open for business in the HBC Department Store on days or during hours when the Landlord is entitled under subclause (a) and has elected not to have the Shopping Centre generally open for business, and shall require the Landlord to have the Common Facilities open and available for use as contemplated by clauses 2.04, 7.03 and 7.04 during such additional days or hours, the Landlord may, as a condition of keeping the Common Facilities open and available for use during such additional days or hours, require the Tenant to enter into an agreement with the Landlord to make a reasonable contribution, based upon the Adjusted Gross Leaseable Area or Gross Leaseable Area as the case may be of the HBC Department Store and other major department stores and other rentable space in the Shopping Centre remaining open for business during such additional days or hours, and calculated as a proportion of costs in a manner similar to

that set out in clause 10.00, to the additional Common Facilities Maintenance Costs which are incurred by the Landlord and directly attributable to the cost of keeping the Common Facilities open and available for use during such additional days or hours; where the Landlord requires such contribution from the Tenant the additional Common Facilities Maintenance Costs of which the Tenant's contribution represents a proportion shall be deducted in calculating Common Facilities Maintenance Costs for the purposes of clause 10.00.

Mall

7.03 The Landlord shall maintain and operate the Mall and have the same open including the entrances and other means of access thereto during all hours when the Shopping Centre or (subject to subclause 7.02 (b)) the HBC Department Store is open for business, shall keep the Mall properly lighted and shall heat, ventilate and air-condition the Mall as may be required so as to maintain therein reasonable standards of comfort, subject only to Unavoidable Delay.

Parking Facilities

7.04 The Landlord shall comply with the following obligations with respect to the Parking Facilities:

(a) The Landlord shall:

(i) maintain and operate the Parking Facilities and have them open, including the means of access thereto, at all times when the Shopping Centre or (subject to subclause 7.02 (b)) the HBC Department Store is open for business;

(ii) cause the Parking Facilities to be adequately lighted whenever required to facilitate their use during hours of darkness;

(iii) keep parking spaces and aisles properly striped and otherwise marked and maintain the appropriate traffic and direction signs;

(iv) adequately supervise the flow of traffic therein whenever reasonably required and otherwise police and supervise the Parking Facilities in accordance with the standards of first-class regional shopping centres;

(v) keep the Parking Facilities free of refuse and debris and take all appropriate measures to keep them reasonably free of snow and ice during winter months; and

(vi) take whatever steps are appropriate and reasonable to prevent the use of the Parking Facilities for any purpose not permitted hereunder, and to prevent the use of the Parking Facilities by persons other than the Landlord, tenants of the Shopping Concourse and their employees, invitees and customers.

(b) No charges shall be imposed for the use of parking spaces in, access to, or otherwise for use for parking purposes of the Parking Facilities, except

(i) if the Landlord shall provide in the Parking Facilities a number of parking spaces which is in the excess of the minimum number required to be provided pursuant to sub-clause 7.04(c) the Landlord may allocate

a portion of the Parking Facilities, which shall not include any portion of the lands upon which the Landlord is prohibited from building pursuant to Article 20 or include a number of parking spaces greater than the excess number referred to, as a paid parking area and may impose parking charges for the use thereof by persons desiring to park therein; and

(ii) the Landlord may impose a moderate charge for the use of Parking Facilities generally by all persons desiring to park therein (including without limitation customers of and those having business with tenants of the Shopping Centre including the Tenant, but except for reasonable provision for free parking for employees of tenants of the Shopping Centre including the Tenant who are employed in premises in the Shopping Centre) where the Tenant consents thereto, such consent not to be unreasonably withheld where the Landlord has established that it is common practice to charge for parking in first-class regional shopping centres in the same region, the charges are reasonably necessary to control parking, secure turnover and discourage non-customer parking, and the imposition of parking charges would not injuriously affect the business conducted in the Shopping Centre.

(c) The Landlord shall at all times maintain in the Parking Facilities to be constructed and maintained in accordance with the provisions of this HBC Lease sufficient parking spaces to:

(1) meet all municipal and other legal requirements, and

(2) provide not fewer than 5.5 parking spaces for each 1,000 square feet of Gross Leaseable Area of retail and shopping centre commercial space in the Shopping Centre (but excluding basement

storage area not used for retail purposes or otherwise open to the public for commercial purposes and outdoor selling areas), and any additional numbers of parking spaces required under municipal and other legal requirements for space which is office space or other space which is not retail or shopping centre commercial space, together with adequate means of access thereto. The design and layout of Parking Facilities including the size and arrangement of parking spaces therein and the means of access thereto, and any material changes therein from time to time, shall be subject to the approval of the Tenant (not to be unreasonably withheld).

Landlord's Rules and Regulations

7.05 The Landlord may from time to time establish reasonable rules and regulations, which shall not be inconsistent with the terms of this HBC Lease and shall be consistent with a first-class regional shopping centre, applicable to all tenants in the Shopping Centre and governing the use of Common Facilities, and which shall be non-discriminatory and of uniform application except for differences which are reasonable and appropriate and generally recognized as such in first-class regional shopping centres, because of differences in the types of business conducted by tenants. The Tenant shall comply with the rules and regulations applicable to tenants generally, and particularly to tenants whose business is retail merchandising, so long as the Landlord's rules and regulations of both general and particular application comply with the above requirements, are uniformly enforced throughout the Shopping Centre, and are consistent with the rights of the Tenant under this HBC Lease. The Landlord shall use its reasonable efforts to enforce all such rules and regulations.

ARTICLE 8

UTILITIES AND SERVICES

Utilities and Services

8.00 The Landlord shall provide electrical service, water storm and sanitary sewers, and gas if generally provided or available

to tenants of the Shopping Centre, in each case if and as from time to time required for the proper conduct of the Tenant's business in the Leased Premises (including every expansion thereof which is permitted hereunder) and each and every portion thereof, subject to the payment by the Tenant of non-capital consumption charges due to public utilities or services or other suppliers for any electricity, water or gas actually consumed by the Tenant. The Tenant shall also pay the capital cost necessarily incurred by the Landlord and attributable to the Leased Premises (or the fair proportion of such capital cost, attributable to the Leased Premises, where such capital cost is in part attributable to other premises) of enlarging or expanding the facilities referred to as initially installed at the Lease Commencement Date, where such enlargement or expansion is necessary in connection with an expansion of the HBC Department Store pursuant to clause 19.00, or because of a future material change in the use of the HBC Department Store which imposes an increased burden on such facilities in excess of the burden which was contemplated or specified therefor in connection with the initial construction and contemplated use of the HBC Department Store, or because the quantities or capacities of utilities or services which were specified or approved by the Tenant as being those required for the HBC Department Store in connection with its initial design, construction and contemplated use has subsequently proved to be inadequate. Subject to the foregoing, the Landlord will provide or arrange for public utilities or services or other suppliers to provide without expense to the Tenant (except as otherwise provided in clause 18.00 in the case of the HBC Automotive Centre) means of bringing such utilities and services (if and to the extent required in each case) to a reasonably convenient point at or within the limits of each of the HBC Department Store, the HBC Malt Stop, the HBC Outdoor Selling Area, and the HBC Automotive Centre through the appropriate pipes, conduits or other appropriate means of distribution thereto in and through the Shopping Centre. Such pipes, conduits and other means of distribution shall be (both as to nature and

capacity) such as to provide adequate utilities and services for every reasonable use made of each portion of the Leased Premises, and the Landlord shall at all times cause such repairs to be performed thereto and do all other acts and things as may be necessary to ensure the continuous availability and adequate capacity of such utilities and services, subject only to Unavoidable Delay and in certain events to contribution by the Tenant to capital costs of enlargement or expansion as provided above in the second sentence of this clause. The Landlord shall also grant such easements to or make such other arrangements with the telephone utility as shall facilitate the provision of telephone service and enable the Tenant, at its own expense, to be served by telephone. If the Tenant shall require a utility or service which is other than those to be provided by the Landlord as mentioned above, the Tenant shall provide it or arrange for it to be provided at its own expense, and the Landlord will not unreasonably withhold its permission for an easement or other arrangement appropriate to enable such utility or service to be brought to the Leased Premises.

ARTICLE 9

TAXES

Tenant's Taxes 9.00

(1) The Tenant shall:

(i) either pay directly to the taxing authorities, (or where required to be paid by the Landlord in the first instance pursuant to clause 9.01, reimburse the same to the Landlord to the extent funds were not previously provided by the Tenant for payment thereof by the Landlord, all as contemplated by subclause 9.00 (2) hereof), all Real Property Taxes imposed from and after the Lease Commencement Date and thereafter during the Term in respect of the HBC Department Store Lands, the HBC Department Store, and (while occupied

by the Tenant) the HBC Malt Stop, and (while occupied by the Tenant) the HBC Outdoor Selling Area, and (while leased by the Tenant) the HBC Automotive Centre Lands and the HBC Automotive Centre, together in each case with the improvements thereon or forming part thereof; such Real Property Taxes shall be paid by the Tenant directly to the taxing authorities where such Realty Taxes are represented by and ascertainable from separate assessments of the Leased Premises which are made on a basis consistent with the obligations of the respective parties as set out in this Article 9, but if such separate assessments made on such a consistent basis or an allocation which is consistent with the provisions of this Article 9 shall not have been determined or agreed between the parties at the time any payment of such Real Property Taxes is due, the Landlord shall make payment of such Real Property Taxes in the first instance as provided in clause 9.01 and the Tenant shall reimburse the Landlord for those Real Property Taxes which are the obligation of the Tenant under this paragraph (i) but which were paid by the Landlord pursuant to clause 9.01, together with interest thereon at the rate stipulated in clause 23.03 from the date paid by the Landlord, and to the extent funds were not previously provided by the Tenant for payment thereof by the Landlord all as contemplated by subclause 9.00 (2) hereof, when the amount payable by the Tenant has been agreed, ascertained or estimated as provided in subclause 9.00 (2); and

(ii) pay or cause to be paid directly to the taxing authorities all business taxes imposed during the Term by municipal or other governmental authorities having jurisdiction in respect of the

business and activities carried on by the Tenant and its subtenants and concessionaires in or upon the HBC Department Store Lands, the HBC Department Store, and (while occupied by the Tenant) the HBC Malt Stop, and (while seasonally occupied by the Tenant) the HBC Outdoor Selling Area, and (while leased by the Tenant) the HBC Automotive Centre Lands and the HBC Automotive Centre;

but nothing herein shall require the Tenant to pay any taxes, rates or charges levied against or in respect of the income or capital of the Landlord, or any local improvement rates and taxes imposed for public improvements undertaken in connection with or in order to service the 1978 Shopping Centre Expansion.

(2) All reimbursements or payments to the Landlord in respect of Real Property Taxes relating to the Leased Premises which are the obligation of the Tenant pursuant to paragraph (i) of subclause (1), but which are required to be paid by the Landlord in the first instance pursuant to clause 9.01 in the absence of an appropriate separate assessment and pending the ascertainment thereof on a basis consistent with this Article 9, shall be made by the Tenant as herein provided upon receipt of an invoice from the Landlord stating that the Real Property Taxes in relation to the Shopping Centre (or where applicable, an instalment thereof) of which such Real Property Taxes form a part either have been paid or are about to be paid by the Landlord, the amount thereof, the date when payment thereof either was made or is going to be made by the Landlord as the case may be, and the portion thereof attributable to the Leased Premises, allocated in accordance with clause 9.02 (or an estimate thereof,

where necessary, made in accordance with clause 9.02). In the case of a reimbursement pertaining to an amount already paid by the Landlord, such reimbursement shall be made by the Tenant within ten (10) days after receipt of the invoice thereof, and in the case of an amount which is about to be paid by the Landlord, the Tenant shall make its payment to the Landlord in respect thereof and required hereunder by the date when such amount is to be paid by the Landlord provided the Tenant is invoiced therefor not less than ten (10) days in advance, and every such reimbursement or payment as the case may be in respect of such Real Property Taxes or instalment thereof, as the case may be, shall be subject to readjustment as necessary as provided in clause 9.02. Where a payment on account of Real Property Taxes to which this subclause refers has not been actually paid by the Landlord but is about to be paid by it, the Tenant may if it wishes satisfy any contribution required from it in respect thereof pursuant to this subclause by a cheque made payble directly to the taxing authority, rather than to the Landlord by way of reimbursement.

(3) All Real Property Taxes in respect of the Leased Premises which are separately assessed on an appropriate basis so as to enable the Tenant to make direct payment thereof pursuant to paragraph (i) of subclause (1) and all business taxes payable by the Tenant under paragraph (ii) of subclause (1), including each and every instalment thereof, shall be paid when due, subject only to the right of the Tenant to defer payment thereof in certain circumstances as provided by clause 9.03. The Tenant shall also pay all penalties and interest imposed with respect to arrears of such payments (but if late payment is caused by a failure of the Landlord to notify the Tenant of any tax liability of which the Landlord has notice but of which the Tenant has no direct notice

from the taxing authority, as required by clause 9.04, the Landlord shall indemnify the Tenant for penalties and interest imposed with respect to such late payment). Whenever the Landlord shall reasonably request the Tenant shall exhibit to the Landlord receipts or other appropriate evidence as to the due payment of such Real Property Taxes required to be paid directly by the Tenant and of such business taxes. If the Tenant shall fail to pay any such Real Property Taxes or business taxes when due the Landlord after written notice to the Tenant and if the Tenant shall fail to pay the same within ten (10) days after receipt of such notice, may pay the same and the amount so paid by the Landlord shall be forthwith repaid by the Tenant to the Landlord.

Land-Lord's Taxes

9.01 (1) The Landlord shall:

(i) pay or cause to be paid to the taxing authorities all Real Property Taxes in respect of the Shopping Centre (including those payable in respect of the Leased Premises and which are payable by the Landlord in the first instance rather than being directly payable by the Tenant pursuant to paragraph (i) of subclause 9.00 (1) because of absence of an appropriate separate assessment, but subject to reimbursement or payment on account thereof and final adjustment and reimbursement thereof when ascertained, all as provided in subclause 9.00 (2) hereof) and all local improvement rates and taxes which are imposed for public improvements undertaken in connection with or in order to service the 1978 Shopping Centre Expansion; and

(ii) pay or cause to be paid to the taxing authorities all business taxes imposed by municipal or other governmental authorities having jurisdiction in respect of all business and activities carried on in or upon the Shopping Centre by the Landlord, but not those payable in respect of the Leased Premises by the Tenant pursuant to subclause 9.00 (1), or payable by any other tenant of the Shopping Centre in respect of its business, activities or premises and which are not the obligation of the Landlord or a lien on the Shopping Centre.

(2) All Real Property Taxes, local improvement rates and taxes and business taxes payable by the Landlord hereunder, including each and every instalment thereof, shall be paid when due, subject only to the right of the Landlord to defer payment thereof in certain circumstances as provided by clause 9.03. The Landlord shall also pay all penalties and interest imposed with respect to arrears of such payments except if the cause of the imposition thereof is the fault or

delay of the Tenant. Whenever the Tenant shall reasonably request the Landlord shall exhibit to the Tenant receipts or other appropriate evidence as to the due payment of such Real Property Taxes, local improvement rates and taxes and business taxes. In the event that the Landlord shall fail to pay any Real Property Taxes, local improvement rates and taxes or business taxes payable under this clause 9.01 when due the Tenant after written notice to the Landlord and if the Landlord shall fail to pay the same within ten (10) days after receipt of such notice, may pay the same and the amount so paid by the Tenant shall be forthwith repaid by the Landlord to the Tenant.

Determination of Assessments

9.02 For the purpose of establishing the amount of Real Property Taxes which are either to be paid directly by the Tenant pursuant to paragraph (i) of subclause 9.00 (1) if then ascertained but are otherwise to be paid by the Landlord in the first instance and paid, adjusted and reimbursed by the Tenant to the Landlord pursuant to subclause 9.00 (2), and the amount of Real Property Taxes to be included in the Common Facilities Maintenance Cost to which the Tenant contributes under clause 10.00, the parties recognize and acknowledge that it is necessary to establish the assessments upon which such Real Property Taxes are based, being the assessment in the first case of the HBC Department Store Lands, the HBC Department Store, and (while occupied by the Tenant) the HBC Malt Stop, and (while occupied by the Tenant) the HBC Outdoor Selling Area, and (while leased by the Tenant) the HBC Automotive Centre Lands and the HBC Automotive Centre, together in each case with the improvements thereon or forming part thereof, and in the second case of the Common Facilities Lands and the Common Facilities. If such separate assessments or any of them are not made by the municipal or other governmental authorities imposing such Real Property Taxes, the Landlord and the Tenant shall use their best efforts to have such separate assessments made or, failing that, sufficient

official information to determine what such separate assessments would have been if they had been made, and if assessments are made on a basis different from the basis contemplated by this HBC Lease (for example, if the Common Facilities Lands or Common Facilities or any of them are not separately assessed but allocated in portions to the assessments of the Tenant or other tenants) the Landlord and the Tenant shall use their best efforts to have such basis of assessment converted to the basis contemplated by this HBC Lease. However, in the event and to the extent that assessments consistent with the basis contemplated by this HBC Lease cannot be obtained from the municipal or other governmental authorities imposing them, the Landlord and the Tenant shall allocate the total assessment of the Shopping Centre in a manner which is equitable and consistent with the basis of assessment contemplated by this HBC Lease so as to arrive at the separate assessments mentioned in the first sentence of this clause 9.02 and which are required for the application of the provisions of this HBC Lease. In so doing the parties shall have regard, as far as possible, to the following principles:

(1) regard shall be had, where relevant, to such official separate assessments as are available from the municipal or other governmental authorities having jurisdiction and to the official basis upon which they were made; and

(2) otherwise regard shall be had to market value, or such other basis of assessment as shall from time to time form the official basis of the then current assessment practice, and all proper and equitable principles of assessment.

If the Landlord and the Tenant cannot agree upon the required allocation of assessments, the allocation shall be determined, either pursuant to Article 22 of this HBC Lease if the parties agree on a method of determination thereunder but otherwise judicially, but having regard to the basis of determination set out in this clause 9.02. The allocation which is either agreed or determined shall, until such time as there is

a change in assessments, be binding upon the parties and the separate assessments so arrived at shall be applied to determine the respective obligations of the parties with respect to Real Property Taxes under this Article 9 and also the amount of Real Property Taxes allocable to Common Facilities Lands and Common Facilities for the purpose of computing Common Facilities Maintenance Cost pursuant to clause 10.00. If any Real Property Taxes or instalments thereof become due before such determination has been made (being Real Property Taxes in respect of which the Tenant has an obligation under this HBC Lease, whether to make a partial contribution as in the case of Common Facilities, or to pay or reimburse to the Landlord in whole as in the case of the Leased Premises), the Landlord may make a reasonable estimate of the allocation which shall not bind the parties but shall nevertheless be adopted for the basis of the interim contribution to or payment or reimbursement of (as the case may be) such Real Property Taxes by the Tenant, and when the allocation of assessments has been finally determined and the amount of Real Property Taxes to be contributed to or paid or reimbursed by the Tenant under subclause 9.00 (1) finally computed, the parties shall within ten (10) days after such final determination, computation and notification thereof make the appropriate readjustment and additional payment by the Tenant or repayment to the Tenant, as the case may be.

Tax Appeals

9.03 The Landlord may appeal any official assessment, or the amount of any Real Property Taxes, local improvement rates and taxes or business taxes relating to the Shopping Centre, and the Tenant may appeal any official assessment or any Real Property Taxes or business taxes relating to the Leased Premises or, where the Tenant's obligations are directly or indirectly affected thereby, relating to any other portion of the Shopping Centre including the Common Facilities Lands and the Common Facilities. In connection with any such appeal, the party appealing may defer payment of any Real Property Taxes, local improvement rates and taxes or business taxes, as the case may be, payable by it under the provisions of this Article 9 to the extent permitted by law and provided that no part of the Shopping Centre is thereby rendered subject to sale or forfeiture, that such deferment does not cause a breach of the Landlord's obligations under any mortgage of the Shopping Centre, that the appeal is diligently prosecuted to completion and, in the case of a deferral by the Tenant, that such security as the Landlord or any mortgagee of the Shopping Centre may reasonably require is given for the payment of any Real Property Taxes or business taxes payable by the Tenant including penalties or interest resulting from deferred payment. Neither the Landlord nor the Tenant shall institute any appeal without notice to the other and, where their interests do not conflict and in particular where the appeal is being made in order to achieve a re-assessment which is consistent with the basis contemplated by this HBC Lease, each shall extend its co-operation and assistance to the other in respect to such appeal. A party appealing shall conduct the appeal at its own expense.

Tax Notices

9.04 In order to enable the Tenant to fulfill its obligations with respect to taxes under this Article 9, exercise its rights including the right to appeal any assessment or tax bill pursuant to clause 9.03, and to be fully informed, the Landlord shall furnish to the Tenant a copy of every tax or assessment notice affecting the Shopping Centre within ten (10) days after the receipt thereof by the Landlord.

ARTICLE 10

COMMON FACILITIES MAINTENANCE COST

Tenant's Contribution

10.00 The Tenant shall pay to the Landlord an amount equal to a proportion of the Common Facilities Maintenance Cost incurred by the Landlord from and after the Lease Commencement Date and thereafter during the Term, and which proportion shall be the fraction thereof which (i) the aggregate of the Adjusted Gross Leaseable Area of the HBC Department Store and (while occupied by the Tenant) the Gross Leaseable Area of the HBC Malt Stop, is of (ii) the aggregate of the Adjusted Gross Leaseable Areas of the HBC Department Store and other major department stores in the Shopping Centre and the Gross Leaseable Areas of all other rentable space in the Shopping Centre including the HBC Malt Stop and other kiosks in the Mall while occupied, but excluding for all purposes hereof unenclosed rentable areas such as the HBC Outdoor Selling Area and all other outdoor selling areas and the HBC Automotive Centre, and all as from time to time constituted. Such amount shall be payable by the Tenant by monthly instalments and subject to adjustment, all as provided by clause 10.01, but notwithstanding shall not exceed in the first year (of 12 calendar months after the Lease Commencement Date) the sum of the $0.90 multiplied by the Gross Leaseable Area in square feet of the HBC Department Store and the HBC Malt Stop.

Payments and Adjustments

10.01 The Tenant's contribution to Common Facilities Maintenance Cost pursuant to clause 10.00 shall be paid and adjusted with reference to a fiscal year of 12 calendar months, which shall be a calendar year unless the Landlord shall have selected a fiscal year which is not a calendar year. The Landlord may determine, and may from time to time change, such fiscal year on reasonable prior notice to the Tenant, and in respect of any broken portion of a fiscal year (whether arising at the beginning or end of the Term, or because of a change in the fiscal

year) the appropriate apportionments and adjustments shall be made with respect to the Tenant's contributions and payments under this Article. At least thirty (30) days prior to the commencement of each fiscal year which commences during the Term, the Landlord shall advise the Tenant in writing of its estimate of Common Facilities Maintenance Cost to be incurred in such fiscal year, broken down by items in sufficient detail to be useful and informative. Such estimate shall in every case be a reasonable estimate and based on sound budgetary considerations and wherever possible upon previous operating experience, and shall be accompanied by reasonable particulars of the manner in which it was arrived at. The contributions to Common Facilities Maintenance Cost payable by the Tenant pursuant to clause 10.00 shall be paid in equal monthly instalments in advance on the first day of each and every month during every such fiscal year or (if applicable) broken portion thereof during the Term, based on the Landlord's estimate of the Common Facilities Maintenance Cost to be incurred during such fiscal year of (if applicable) broken portion thereof. Within ninety (90) days after the end of each of the first three-quarters of such fiscal year the Landlord shall submit to the Tenant a detailed statement of the actual Common Facilities Maintenance Cost incurred during such quarter and within one hundred and twenty (120) days after the end of the final quarter of such fiscal year the Landlord shall submit to the Tenant a detailed statement of the actual Common Facilities Maintenance Cost incurred during such fiscal year and a calculation of the amount payable by the Tenant with respect thereto pursuant to clause 10.00. The books and records of the Landlord relating thereto shall be open to the inspection of the Tenant or its representatives at all reasonable times and if requested by the Tenant, the Landlord shall forthwith have such statement audited by independent chartered accountants and furnish to the Tenant a copy of the audited statement. Within ten (10) days after the receipt of such statement or audited statement as the case may be the Tenant shall pay to the Landlord any amount by which the amount found payable by

it with respect to such fiscal year exceeds the aggregate of the monthly payments made by it on account thereof during such fiscal period and the Landlord shall pay to the Tenant any amount by which the amount found payable as aforesaid is less than the aggregate of such monthly payments, but if the Landlord and the Tenant fail to agree upon the proper amount of the adjustment, the amount of such adjustment shall be determined, either pursuant to Article 22 of this HBC Lease if the parties agree on a method of determination thereunder but otherwise judicially.

ARTICLE 11

INSURANCE

Tenant's Insurance

11.00 The Tenant shall take out and at all times during the the Term keep in force:

(1) standard fire insurance and extended coverage or additional perils supplemental contracts, including sprinkler leakage where applicable, in the form normally available and in use from time to time for buildings and improvements of a similar nature similarly situated, on the HBC Department Store and the fixed improvements and equipment therein, in an amount equal to not less than 80% of the full replacement cost thereof (but which may exclude the cost of foundations and excavations and permit a deductible amount which is both reasonable and not greater than that normally pertaining in similar insurance effected by the Tenant); the Tenant may, but is not obligated to insure the HBC Malt Stop and HBC Automotive Centre and any improvements associated therewith or with the HBC Outdoor Selling Area;

(2) comprehensive public liability (personal injury, death and property damage) insurance, including all third-party risks normally insured in connection

with the use and occupancy of similar premises, in respect of its use and occupancy of the Leased Premises in an amount of at least $5,000,000.00 for claims of third parties for personal injury, death or property damage arising out of any one occurrence; and

(3) if any boilers or pressure vessels are operated in the HBC Department Store, boiler and pressure vessel insurance in such amounts as are normally effected having regard to the nature of the boilers and pressure vessels so operated.

Each policy of insurance referred to shall be with insurers and upon terms to which the Landlord has no reasonable objection (but the Tenant shall have the right to include such insurance as part of an overall or blanket corporate insurance program and policy applying to all or some of its other department stores) and shall be in an amount not less than that required by any applicable co-insurance clause if payment of loss is not to be limited thereby. Wherever the Landlord shall so require, the Landlord and any mortgagees of the Shopping Centre named by the Landlord and, wherever the Tenant shall so require, any mortgagees of the Tenant named by the Tenant, shall in each case be included as insured parties as their interest may appear under any policy effected by the Tenant pursuant to paragraph (1), but nevertheless all proceeds of insurance available in the event of any loss, damage or destruction to the Leased Premises shall be payable to the Tenant, but may be payable to any mortgagee of the Landlord's interest named by the Landlord or failing that, to any mortgagee of the Tenant's interest named by the Tenant, provided such mortgagee has in every case where so entitled agreed unconditionally to make all proceeds of such insurance available to the Tenant for its repair or rebuilding. If

the Landlord is included as an insured under any policy of insurance referred to, the policy shall afford protection to the Landlord and the Tenant in respect of cross-liability between the Landlord and the Tenant, and if the Landlord is not included as an insured either such policy shall prevent the insurer exercising rights of subrogation against the Landlord or the Tenant shall grant the appropriate release of the Landlord's liability so as to eliminate claims by the Tenant or its insurer against the Landlord in respect of any loss which the Tenant has agreed hereunder to insure. The Tenant shall from time to time whenever reasonably requested furnish to the Landlord certificates of insurance, certificates of renewal, receipt for payments of premiums and other documents appropriate to evidence the insurance from time to time in force hereunder. If the Tenant shall fail to insure as required under this clause, the Landlord after written notice to the Tenant may effect such insurance in the name of and at the expense of the Tenant, and the Tenant shall promptly repay to the Landlord all costs incurred by the Landlord in so doing.

Landlord's Insurance

11.01 The Landlord shall take out or cause to be taken out and at all times keep or cause to be kept in force:

(1) standard fire insurance and extended coverage or additional perils supplemental contracts, including sprinkler leakage where applicable in the form normally available and in use from time to time for buildings and improvements of a similar nature similarly situated, on the Shopping Centre, excluding the HBC Department Store and the fixed improvements and equipment therein and the HBC Malt Stop and HBC Automotive Centre and any improvements associated therewith or with the HBC Outdoor Selling Area, but including without limitation

the Common Facilities and all fixed improvements and equipment therein, in an amount equal to not less than eighty percent (80%) of the full replacement cost (but which may exclude the cost of foundations and excavations and permit a deductible amount which is both reasonable and not greater than that normally pertaining in similar insurance effected by owners of similar shopping centres);

(2) comprehensive public liability (personal injury, death and property damage) insurance, including all third-party risks normally insured in connection with the operation of shopping centres similar to the Shopping Centre, in respect of the Shopping Centre in an amount of at least $5,000,000.00 for claims of third parties for personal injury, death or property damage arising out of any one occurrence; and

(3) if any boiler or pressure vessels are operated in the Shopping Centre (other than in the HBC Department Store), boiler and pressure vessel insurance in such amounts as are normally effected having regard to the nature of the boilers and pressure vessels so operated.

Each policy of insurance referred to shall be with insurers and upon terms to which the Tenant has no reasonable objection and shall be in an amount not less than that required by any applicable co-insurance clause if payment of loss is not to be limited thereby. All proceeds of insurance available under any policy which the Landlord effects or causes to be effected pursuant to paragraph (1) in the event of loss, damage or destruction to the Shopping Centre shall be payable to or available either to the Landlord or where appropriate in the case of loss, damage or destruction to any major department

store the tenant of which is obligated to repair or rebuild the same, to such tenant, and any mortgagees of the Shopping Centre named by the Landlord or where appropriate any mortgagees of such tenant's interest named by such tenant may in each case be included as insured parties as their interests may appear and where appropriate to receive proceeds of insurance provided such mortgagees have in every case where so entitled agreed unconditionally to make all proceeds of such insurance available in the event of loss, damage or destruction to the Shopping Centre available to the Landlord or such tenant, as the case may be, for the purpose of its repair or rebuilding. Each of the policies of insurance referred to shall prevent the insurer exercising rights of subrogation against the Tenant, or the Landlord (or where appropriate, such tenant) shall grant the appropriate release of the Tenant's liability so as to eliminate claims by the Landlord or such tenant or their insurer against the Tenant in respect of any loss which the Landlord has agreed hereunder to insure or cause to be insured. The Landlord shall from time to time whenever reasonably requested furnish to the Tenant certificates of insurance, certificates of renewal, receipts for payments of premiums and other documents appropriate to evidence the insurance from time to time in force hereunder. If the Landlord shall fail to insure as required under this clause, the Tenant after written notice to the Landlord may effect such insurance in the name of and at the expense of the Landlord, and the Landlord shall promptly repay to the Tenant all costs incurred by the Tenant in so doing.

ARTICLE 12

REPAIRS AND REBUILDING

Repair and Rebuilding by Tenant

12.00 The Tenant shall at all times during the Term maintain and keep in first-class repair, order and condition the HBC Department Store and all its fixtures and improvements, and

(while occupied by the Tenant and until the Tenant's rights thereto shall have been surrendered) the HBC Malt Stop and its fixtures and improvements, any improvements erected by the Tenant on the HBC Outdoor Selling Area (while situated thereon), and (while leased by the Tenant and until the Tenant's rights thereto shall have been surrendered) all improvements constructed by the Tenant on the HBC Automotive Centre Lands including the HBC Automotive Centre; and accordingly the Tenant will from time to time whenever required in order to comply with the foregoing diligently carry out all repairs thereto, major and minor, structural or otherwise, exterior or interior, including those made necessary by age and damage or destruction by casualty; provided however that:

(1) in the course of any repair or rebuilding the Tenant may alter or expand the HBC Department Store and alter the Tenant's improvements constituting or associated with the HBC Malt Stop, the HBC Outdoor Selling Area and the HBC Automotive Centre to the extent permitted by, and subject to compliance with, the provisions of this HBC Lease in each case pertaining thereto;

(2) the Tenant shall be entitled to cease permanently its use and occupancy of the HBC Malt Stop and of the HBC Automotive Centre and to cease, either permanently or temporarily, its seasonal use of the HBC Outdoor Selling Area, and shall be entitled and required to remove therefrom the Tenant's improvements on each cessation of such use except as otherwise expressly provided herein; and

(3) if within the period of three (3) years immediately before the expiration of the original term referred to in clause 3.00, or at any time within any renewal term referred to in clause 3.01, the HBC Department Store and its fixtures shall be damaged or destroyed to an extent such that according to the reasonable estimate of the Tenant the cost of repairing or

rebuilding it shall exceed twenty-five percent (25%) of the replacement cost (excluding foundations and excavations) of the HBC Department Store and its fixtures, the Tenant may, upon sixty (60) days notice in writing to the Landlord given within thirty (30) days after the happening of such destruction or damage, elect to terminate this HBC Lease, in which event this HBC Lease shall terminate as of the date sixty (60) days after the giving of such notice, the Tenant shall be relieved of its obligation to repair or rebuild the HBC Department Store and any other portions of the Leased Premises destroyed or damaged, the Tenant shall assign to the Landlord all its interest in all insurance policies and any proceeds which may be payable thereunder (and, where the Tenant has failed to insure in accordance with clause 11.00, shall pay to the Landlord the amount by which the proceeds so assigned are less than the proceeds which would have been payable if the Tenant had done so) in respect of the damage or destruction to the HBC Department Store (other than its fixtures and equipment), the Tenant shall on or before such date of termination vacate the Leased Premises and rent and all other amounts payable by the Tenant hereunder shall be paid and adjusted to such date of termination.

The Tenant's obligation to repair hereunder shall include the obligation to keep in first-class repair, order and condition the roof of and all glass in the HBC Department Store, and all building equipment and services including the heating, ventilating and any air-conditioning equipment, electrical wiring and fixtures and plumbing of the HBC Department Store, and to make all repairs required hereunder in good and workmanlike manner, with reasonable expedition and in accordance with all

laws and regulations of governmental authorities having jurisdiction applicable thereto, but subject to Unavoidable Delay. If the Tenant after reasonable written notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.00, the Landlord, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required to remedy such failure on the part of the Tenant and any costs incurred by the Landlord in so doing shall be immediately repaid by the Tenant to the Landlord.

Repair and Rebuilding by Landlord

12.01 The Landlord shall at all times during the Term, but subject to certain minor non-compliances which are excused in clause 24.10, maintain and keep or cause to be maintained and kept in first-class repair, order and condition the Shopping Centre including without limitation the Common Facilities including the Mall, Parking Facilities and the Common Utilities and all utilities and services necessary for the operation of the Shopping Centre, but excluding the HBC Department Store and all its fixtures and improvements and (while occupied by the Tenant and until the Tenant's rights thereto shall have been surrendered) the HBC Malt Stop and its fixtures and improvements, any improvements erected by the Tenant on the HBC Outdoor Selling Area and (while leased by the Tenant and until the Tenant's rights thereto shall have been surrendered) all improvements constructed by the Tenant on the HBC Automotive Lands including the HBC Automotive Centre, the repair of all of which is the obligation of the Tenant pursuant to clause 12.00, and accordingly the Landlord will from time to time whenever required to comply with the foregoing diligently carry out or cause to be carried out all repairs thereto, major and minor, structural or otherwise, exterior or interior, including those made necessary by age and damage or destruction by casualty; provided however that in the course of any repair or rebuilding the Landlord may alter or expand the Shopping Centre to the extent permitted by, and subject to compliance with, the provisions of this HBC Lease pertaining thereto.

The Landlord's obligations to repair hereunder shall include the obligation to keep in first-class repair, order and condition all the roofs of and all glass in the Shopping Centre and all building equipment and services including the heating, ventilating and air-conditioning equipment, electrical wiring and fixtures and plumbing of the Shopping Centre (other than in each case of or in portions of the Leased Premises), and to keep all paving in Parking Facilities in first-class repair, order and condition and properly striped, and to make all repairs required hereunder in good and workmanlike manner, with reasonable expedition and in accordance with all laws and regulations of governmental authorities having jurisdiction applicable thereto, but subject to Unavoidable Delay. If the Landlord after reasonable written notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.01, and such failure shall affect portions of the Shopping Centre in reasonable proximity to some part of the Lease Premises, cause interference with access thereto, or otherwise materially adversely affect the Tenant, the Tenant, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required to remedy such failure on the part of the Landlord and any costs incurred by the Tenant in so doing shall be immediately repaid by the Landlord to the Tenant.

ARTICLE 13

COMPLIANCE WITH STATUTES AND BY-LAWS

Tenant's Compliance with By-laws

13.00 The Tenant shall comply with all legal requirements (including statutes, laws, by-laws, regulations, ordinances and orders of every governmental authority having jurisdiction) from time to time affecting the condition, equipment, maintenance, use or occupation of the HBC Department Store, the HBC Malt Stop, the HBC Automotive Centre and, as to the Tenant's improvements thereon and the seasonal use and

occupation thereof by the Tenant, the HBC Outdoor Selling Area. The Tenant shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings taken to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Tenant shall fail to comply with the provisions of this clause, the Landlord shall have the right, after written notice to the Tenant and unless the Tenant shall have within thirty (30) days thereafter commenced and proceeded diligently to remedy such failure, to take any necessary action to cause such failure to be remedied, and all costs incurred by the Landlord in so doing shall be promptly repaid by the Tenant to the Landlord.

Landlord's Compliance with By-laws

13.01 The Landlord shall, subject to certain minor non-compliances which are exercised by clause 24.10, comply with or cause to be complied with all legal requirements (including statutes, laws, by-laws, ordinances, regulations and orders of every governmental authority having jurisdiction) affecting the condition, equipment, maintenance, use or occupation of the Shopping Centre (except as may pertain to the Leased Premises and be the obligation of the Tenant as provided in clause 13.00). The Landlord shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Landlord shall fail to comply with the provisions of the clause and such failure shall materially adversely affect the Tenant, the Tenant shall

have the right, after written notice to the Landlord and unless the Landlord shall have within thirty (30) days thereafter commenced and proceeded diligently to remedy such failure, to take any necessary action to cause such failure to be remedied, and all costs incurred by the Tenant in so doing shall be promptly repaid by the Landlord to the Tenant.

ARTICLE 14

LEASES TO OTHER TENANTS

Merchandising Plan

14.00 In making any lease (which expression includes any license or permit for use or occupancy) of any rentable space in the Shopping Centre including all kiosks in the Mall and all outdoor selling areas (but not including leases of portions of the Leased Premises to the Tenant under or pursuant to this HBC Lease), the Landlord shall in all respects comply with the standards of a first-class regional shopping centre. In the case of leases of such rentable space (including kiosks in the Mall) within the 1978 Shopping Centre Expansion the Landlord shall also comply with the Merchandising Plan (as from time to time amended pursuant to this clause) and accordingly agrees that without the written consent of the Tenant no lease of any space or location in the 1978 Shopping Centre Expansion shown on the Merchandising Plan shall be made other than for a type and quality or class of use which is designated for such space or location on the Merchandising Plan, and to a tenant specified as a proposed tenant for such space or location on the Merchandising Plan or whose identity shall otherwise have been previously approved by the Tenant for such space or location, and not otherwise. It is acknowledged by the Tenant that the Merchandising Plan does not apply to those portions of the Shopping Centre existing at the date of this HBC Lease which are not part of the 1978 Shopping Centre Expansion, but upon any further expansion of the Shopping Centre occurring as permitted by this HBC Lease, the Landlord and the Tenant shall agree upon amendments to the Merchandising Plan extending it to apply to all newly constructed space intended for occupancy by retail and service tenants, and such amendments shall be

made in accordance with good leasing practice for first-class regional shopping centres and so as to maintain in all material respects a fair balance of customer attraction throughout the Shopping Centre, and shall be consistent with the principles adopted by the parties in agreeing upon the original Merchandising Plan and with all the provisions of this HBC Lease, and both parties shall act reasonably in reaching such agreement. The Landlord shall use its best efforts to lease the Shopping Centre as a first-class regional shopping centre and in accordance with good leasing practise applicable thereto and in accordance with the Merchandising Plan where applicable, and to secure tenants complying with the foregoing requirements. If the Landlord despite such best efforts is unable to lease any location or space to which the Merchandising Plan applies for a type and class of use and to a tenant which is in each case in accordance with the Merchandising Plan, it may apply in writing to the Tenant requesting the Tenant's consent to either or both of:

(i) the making of a lease of such space or location to a proposed tenant who is other than a tenant specified as being approved by the Merchandising Plan or whose identity has otherwise been previously approved by the Tenant for the location or space to be leased (but without any change in the type and quality or class or use for which such location or space is to be leased), and

(ii) a change in the Merchandising Plan as to the type and quality or class of use for which such location or space is to be leased, and specifying also a proposed tenant or tenants therefor.

Such application shall be accompanied by all information necessary to enable the application to be fairly considered, including particulars of the proposed tenant, or proposed new type and quality or class of use and the proposed tenant

or tenants therefor, as the case may be, and shall state the Landlord's opinion that the requested changes would be in the best interests of the Shopping Centre and in accordance with good leasing practice for first-class regional shopping centres. The Tenant shall promptly consider every such application and shall as soon as reasonably practicable after receipt of such application and any consultations with the Landlord which it deems necessary or advisable either consent thereto in writing or, where it declines to consent, shall state its reasons in writing for declining. The Tenant's consent to any application or approval of any matter under this clause shall not be unreasonably withheld, and in particular shall not be withheld on the grounds that any proposed type and quality or class of use or proposed tenant is competitive with the activities of the Tenant, so long as the proposed action by the Landlord and to which consent is sought does not involve any contravention of provisions of this HBC Lease and is in accordance with good leasing practice in first-class regional shopping centres, but nevertheless the Tenant's consent or approval, wherever required hereunder to any proposed action of the Landlord which is not in accordance with the Merchandising Plan, may be arbitrarily withheld if the space or location in question is within 150 feet of the HBC Department Store. If the Tenant does not advise the Landlord in writing within ten (10) days after receipt of any such application either that it consents or declines to consent thereto, it shall be deemed to have consented thereto.

Required Lease Provisions and Enforcement

14.01 In evey lease which the Landlord shall make to any tenant of any location or space in the Shopping Centre to which the Merchandising Plan applies, such location or space shall be required to be used only for the type and quality or class of use required by the Merchandising Plan (as from time to time amended pursuant to clause 14.00) and for no other use whatsoever, and every such lease shall contain covenants by such tenant which are consistent with the covenants of the Landlord to the Tenant contained in this HBC Lease and which, among other things, are effective to prevent any uses, misuses, abuses or

nuisances or other activities inconsistent therewith or with the conduct of a first-class regional shopping centre. The Landlord will take all appropriate action which would reasonably be taken by an owner operating and maintaining as such a first-class regional shopping centre, necessary to enforce compliance by tenants with the provisions required to be contained in leases pursuant to this clause, including appropriate and prompt action to restrain or cure any breach thereof, or if necessary to terminate any lease under which such breach has occurred if such breach is substantial and has a material and adverse effect upon the Shopping Centre and its operation as a first-class regional shopping centre.

Assignment and Subletting by Other Tenants

14.02 To the extent that it is legally possible and practically possible in the leasing of a first-class regional shopping centre for the Landlord to impose upon tenants of the Shopping Centre covenants contained in their leases implementing the provisions of this clause 14.02, the Landlord shall require each tenant of the Shopping Centre (other than the Tenant, whose rights and obligations are governed by this HBC Lease, and other than tenants of other major department stores, whose respective rights are governed by their respective leases and to which clause 14.03 applies) to covenant with the Landlord not to assign its lease, or sublet any portion of its premises, or grant any concession or permit any person other than such tenant to occupy or carry on business in any portion of the premises leased to such tenant, or do any other act or thing which would result in a change in the type and quality or class of use specified in the lease to such tenant for the location or space leased to such tenant or a change in the identity of the person occupying or carrying on business therein, without the written consent of the Landlord. Such consent of the Landlord may be given or withheld in the discretion of the Landlord, which shall be exercised in a manner consistent with the operation and maintenance of a first-class regional shopping centre, but in the case of any

location or space to which the Merchandising Plan is applicable and where any proposed change to which the consent of the Landlord is sought would not comply with the Merchandising Plan, such consent shall not be given without the written approval of the Tenant and such approval may in every instance be withheld unless the change in type and quality or class of use or identity of tenant or occupant contemplated by such action shall have been the subject of an application under clause 14.00 to which the Tenant has given its consent (which consent generally shall not be unreasonably withheld but may be withheld on certain grounds and not on certain other grounds all as specified in clause 14.00).

Major Department Stores

14.03 The Landlord will take all reasonable action necessary to enforce the provisions (if any) of every lease to a tenant of a major department store (other than the HBC Department Store) requiring such tenant to carry on therein the business of a major department store, and not to assign or sublet without the consent of the Landlord except where, by the terms of such lease such consent is not required (and which consent, where the Landlord is entitled by the terms of such lease to withhold it and to the extent it may withhold it, will not be given by the Landlord without the written approval of the Tenant except where the Landlord is of the opinion, held reasonably and in good faith, that it would be unreasonable in all the circumstances not to give such consent or that the tenant concerned could in reasonable likelihood compel the giving of such consent).

Mall Kiosks

14.04 The Landlord may from time to time place or permit kiosks in the Mall subject to the following provisions:

(1) Kiosks shall not be placed in the Mall within 150 feet of the HBC Department Store without the consent of the Tenant, but may otherwise be placed in the locations designated therefor

on the Merchandising Plan, and in the locations in which they existed at the date of this HBC Lease, and from time to time, but subject to subclause (2), in additional locations compatible with pedestrian traffic flow within the Mall and which do not obstruct the visibility of the HBC Department Store to persons in the Mall and which are consistent with the standards of a first-class regional shopping centre;

(2) Kiosks shall be limited to a number which is reasonable and consistent with a first-class regional shopping centre, and shall be of a design which is suitable for their permitted use and compatible with the architecture of the Mall, and in the case of kiosks within 150 feet of the HBC Department Store such design shall be approved by the Tenant (such approval shall not be unreasonably withheld); and

(3) Kiosks shall be used only for retail, retail service and shopping centre commercial or charitable, governmental or institutional promotional purposes, in each case compatible with a first class regional shopping centre.

Outdoor Selling Areas

14.05 The Landlord may from time to time permit each of the tenants of the two major department stores (other than the HBC Department Store) shown on the Site Plan to operate an outdoor selling area in respect of its department store. The Tenant will not unreasonably withhold its

consent to the Landlord permitting the operation of an outdoor selling area by a major tenant of the Shopping Centre whose business is not that of a department store but is one which, as conducted in first-class regional shopping centres, normally includes the operation of an outdoor selling area and the sale of merchandise therein which is, when sold outdoors, compatible with a first-class regional shopping centre, and provided that the required Parking Facilities referred to in clause 7.04 are not interfered with. Each such outdoor selling area shall be located in the Parking Facilities, either at one of the sites therefor shown on the Site Plan or otherwise at a site which is adjacent to or in the vicinity of the store in the Shopping Centre occupied by the tenant thereof (but unless the Tenant shall consent shall not be located within the prohibited building area shown on the Site Plan and referred to in subclause 20.00 (3)), shall not exceed 8,000 square feet in area, and shall be used only as an outdoor selling area to be operated by such tenant seasonally for the purpose of selling any type or types of merchandise normally sold by the tenant and appropriate for outdoor sale, including without limitation, garden supplies and recreational and sports equipment.

Prohibited Uses

14.06 The Landlord will not permit any business activity to be carried on in any part of the Shopping Centre which is incompatible with a first-class regional shopping centre and generally recognized as being injurious thereto, or which constitutes a nuisance or unreasonable interference with other tenants of the Shopping Centre.

ARTICLE 15

MERCHANTS' ASSOCIATION

Merchants' Association

15.00 The Landlord shall promote, support and cause to be and continue in actual operation a Merchants' Association of the Shopping Centre the objects of which shall be to encourage its members in fair and courteous dealing with the public, to foster ethical business practices, to advertise and promote the

Shopping Centre and in general to aid the common interest of its members. The Merchants' Association shall have a constitution, by-laws and rules and regulations, which are appropriate to serve its objects, reasonable, non-discriminatory and suitable for a merchants' association in a first-class regional shopping centre. The Landlord shall use its best efforts to require all tenants of the Shopping Centre whose business is merchandising, retail service or shopping centre commercial activities, and other tenants whose business is not of the above character, but who do business with the public and are appropriate for membership, and who are not prevented from doing so by established and generally recognized policy or by law or other cirucmstances beyond their control (such as banks, theatres, purveyors of liquor or beer, government agencies and other tenants prevented by law or established and generally recognized policy from belonging thereto), to join and maintain membership in the Merchants' Association.

Tenant's Membership in Merchants' Association

15.01 The Tenant will join and thereafter maintain membership in the Merchants' Association of the Shopping Centre, abide by its constitution, by-laws and rules and regulations provided they comply with clause 15.00 and do not derogate from the Tenant's rights under this HBC Lease, and contribute to its annual budget an amount equivalent (per square foot of Gross Leaseable Area occupied) to the amount contributed by whichever of the two other tenants of a major department store in the Shopping Centre contributes the lesser amount, but provided:

(i) the Merchants' Association shall be constituted as contemplated by clause 15.00;

(ii) the tenants of both other major department stores and at least 90% (both by number and according to the Gross Leaseable Area of premises occupied) of the other merchandising, retail service and shopping centre commercial tenants of the Shopping Centre not prevented from belonging thereto by law or established and generally recognized policy from belonging thereto shall join and

maintain membership in the Merchants' Association, abide by its constitution, by-laws and rules and regulations and contribute to its annual budget on an equitable basis (and in the case of the tenants of other major department stores who are members, their contributions shall be at least equivalent (per square foot of Gross Leaseable Area of their leased premises) to those paid by the Tenant under this HBC Lease); and

(iii) the maintenance of the Tenant's membership in the Merchants' Association shall not require the Tenant to adopt business practices inconsistent with its established standards, inhibit it in the full exercise of its rights under this HBC Lease, or require contributions from it in excess of those specified in this clause 15.01.

Landlord's Support of Merchants' Association

15.02 The Landlord shall actively support the Merchants' Association, whether as a member or as owner of the Shopping Centre, and shall contribute to its annual budget an amount which shall be reasonable, having regard to the annual budget and the general and accepted practice in that regard in first-class regional shopping centres.

ARTICLE 16

HBC MALT STOP

HBC Malt Stop

16.00 The following additional provisions shall apply to the HBC Malt Stop, and the Tenant shall comply therewith in the exercise of the rights granted to it pursuant to clause 2.01, and in addition to compliance with the other provisions of this HBC Lease applicable to the HBC Malt Stop including the provision as to the use thereof in clause 6.00,as to taxes thereon in Article 9, as to contributions to Common Facilities Maintenance Cost under clause 10.00, and as to

the repair of improvements erected by the Tenant thereon in clause 12.00:

(1) The Landlord shall at its own expense provide and install in the area constituting the HBC Malt Stop and referred to in subclause 1 (13) all landlord's work which is customary having regard to the nature and location thereof, including necessary sprinklers, a 4 inch drain, 1/2 inch hot and cold water supply, electrical power to a 200 ampere panel and either a smooth trowelled concrete floor or a floor finished in the same manner as the floor of the Mall, all such work to be done with reasonable expedition (but subject to Unavoidable Delay), in compliance with all applicable by-laws and other legal requirements, and to the Tenant's approval. The Tenant shall at its own expense install in such area a food cooking exhaust system including fans and ducts (the Landlord agreeing to give any assistance required for such installation) and the normal tenant's finishing work including any other counters, canopy, equipment and apparatus required for the proper conduct of its business in the HBC Malt Stop, all such work to be done with reasonable expedition (but subject to Unavoidable Delay), in compliance with all applicable by-laws and other legal requirements; and to the Landlord's approval. Neither the Landlord nor the Tenant shall unreasonably withhold any approval required under this subclause;

(2) Rent for the HBC Malt Stop shall commence upon the Lease Commencement Date or as soon thereafter as the Landlord's work referred to in subclause (1) has been completed, and continue until the sooner of the termination of this HBC Lease or the surrender by the Tenant of its rights in respect of the HBC Malt Stop, and the amount of such rent shall be as provided in clause 4.00 and the HBC Rent Agreement;

(3) The Tenant may from time to time alter, reconstruct, remove and replace the fixtures and improvements in the HBC malt Stop, provided that such fixtures and improvements shall always be suitable for their intended use, of good quality, attractive appearance and compatible with the design and architecture of the Mall; and

(4) The respective rights and obligations of the Landlord and Tenant in respect of the HBC Malt Stop may be terminated (without affecting any other rights of the parties under this HBC Lease including those in respect of the HBC Department Store, the HBC Outdoor Selling Area or the HBC Automotive Centre) by the Tenant at any time during the Term by not less than 180 days prior written notice to the Landlord. Upon exercise by the Tenant of such right of termination with respect to the HBC Malt Stop, the Tenant shall on the appointed date for termination vacate and surrender to the Landlord the HBC Malt Stop, and shall at its own expense remove all fixtures and improvements installed by it in or about the HBC Malt Stop and restore the portion of the Mall formerly occupied by the HBC Malt Stop to its original condition as it existed prior to the Tenant's work and installations.

ARTICLE 17

HBC OUTDOOR SELLING AREA

HBC Outdoor Selling Area

17.00 The following additional provisions shall apply to the HBC Outdoor Selling Area, and the Tenant shall comply therewith in the exercise of the rights granted to it pursuant to clause 2.02, and in addition to compliance with the other provisions of this HBC Lease applicable to the HBC Outdoor Selling Area including the provision as to the use thereof in clause 6.00, as to taxes thereon in clause 9.00 and as to the repair of improvements erected by the Tenant thereon in clause 12.00:

(1) The HBC Outdoor Selling Area shall be an area in the Parking Facilities adjacent to the HBC Department Store having an area of approximately 8,000 square feet and within a site which shall be (unless and until such site is relocated) the site shown cross-hatched in red on the Site Plan and referred to in subclause 1 (14). Such site may be relocated from time to time by the Tenant to an alternative site of comparable size adjacent to or in the vicinity of the HBC Department Store selected by the Tenant, but only if such alternative site has been approved by the Landlord (such approval not to be unreasonably withheld);

(2) The Tenant may construct and from time to time alter, reconstruct, remove and replace minor structures, including fences, awnings, kiosks and lighting fixtures, on the HBC Outdoor Selling Area provided such structures are affixed so as to cause a minimum of damage to the paving thereon, and the Tenant shall upon each seasonal cessation or abandonment of the Tenant's use of the HBC Outdoor Selling Area, leave it clean and tidy condition, but shall not be required to remove such structures and restore the paving including any striping thereon to first-class repair, order and condition, appropriate to a first-class regional shopping centre and suitable for the resumption of its use as part of the Parking Facilities, until the use of the HBC Outdoor Selling Area is permanently abandoned by it, but shall then do so;

(3) The Tenant may at any time and from time to time cease or abandon its seasonal use of the HBC Outdoor Selling Area, (but upon so doing shall leave it in clean and tidy condition), without prejudice to the Tenant's right at any later time and from time to time to recommence and continue such use; and

(4) While the parties do not foresee that the seasonal use by the Tenant of the HBC Outdoor Selling Area for outdoor selling purposes as permitted hereunder will give rise to any requirement under municipal by-laws and other legal requirements from time to time applicable that additional parking spaces be provided in the Parking Facilities in relation to such use or the area of the HBC Outdoor Selling Area utilized therefor (as would be the case, for example, if the HBC Outdoor Selling Area were a fully enclosed area permanently devoted to such use), the Tenant agrees that if any such requirement shall be lawfully imposed and if at any time there are not a number of additional parking spaces on the Shopping Lands in excess of those required under municipal by-laws and other legal requirements in respect of buildings comprised in the Shopping Centre to satisfy such requirements, the Tenant shall indemnify the Landlord, and if additional parking spaces must be created in order to satisfy such requirements, to pay the cost of constituting such additional parking spaces in the same manner as is provided under clause 19.00 in the case of additional parking spaces to be provided by the Tenant in respect of an expansion of the HBC Department Store.

ARTICLE 18

HBC AUTOMOTIVE CENTRE

HBC Automotive Centre

18.00 (1) The Tenant shall have the right and option to lease the HBC Automotive Centre Lands, referred to in subclause 1 (9), exercisable by notice in writing to be given to the Landlord not later than the fifth anniversary of the Lease Commencement Date, for the purpose of constructing and operating thereon the HBC Automotive Centre ;

(2) If the Tenant shall exercise such option:

(i) The Tenant shall at its own expense obtain all municipal approvals including building permits necessary for the construction and operation of the HBC Automotive Centre and comply with all other legal requirements pertaining thereto, and the Landlord shall extend its full co-operation and assistance as reasonably necessary for the purpose; the Tenant shall not proceed with construction of the HBC Automotive Centre until all such approvals, permits and requirements have been obtained or fulfilled, and shall have whatever time is reasonably necessary for obtaining and fulfilling them, but if all necessary approvals, permits and legal requirements have not been obtained or fulfilled within a year after the exercise by the Tenant of its option, the Tenant may revoke its exercise thereof and thereupon shall be relieved of all obligations relating to the HBC Automotive Centre except the reimbursement to the Landlord of any out-of-pocket expenses incurred by the Landlord in connection therewith;

(ii) The Tenant shall, before commencing construction of the HBC Automotive Centre, submit plans and specifications therefor to the Landlord for the Landlord's approval (which approval shall not be unreasonably withheld provided the HBC Automotive Centre complies with all municipal by-laws and other legal requirements and the design thereof is reasonably architecturally compatible with the Shopping Centre); and

(iii) The Tenant shall provide, at its own expense, (and the Landlord shall concur therein and give

any necessary consents or easements required therefor), or may require the Landlord to provide (in which case the Tenant shall reimburse the Landlord therefor), the necessary additions to and extensions of Common Utilities to the HBC Automotive Centre, including drains, water and electrical supplies;

(iv) The Tenant shall construct and equip, at its own expense, the HBC Automotive Centre in accordance with the plans and specifications which have been approved by the Landlord; and

(v) The Landlord shall provide the Tenant with the Landlord's full co-operation as may be reasonably necessary to permit the Tenant to construct and equip the HBC Automotive Centre and to do all things necessary so that it may be completed and the operation thereof may commence;

(3) The lease of the HBC Automotive Centre Lands shall commence upon the exercise by the Tenant of its option under this clause and continue thereafter for the Term (including any renewal terms exercised pursuant to clause 3.01), subject to any revocation by the Tenant pursuant to subclause (2), and provided also that the Tenant may at any time, upon written notice to the Landlord, cease its use and occupancy of the HBC Automotive Centre and surrender its lease of the HBC Automotive Lands thereof (whereupon the rent attributable thereto and referred to in clause 4.00 and the HBC Rent Agreement shall cease), but upon such surrender the Tenant shall, at its own expense, remove the HBC Automotive Centre and all improvements constructed by it on the HBC Automotive Centre Lands and, if the HBC Automotive Centre Lands were formerly part of the Parking Facilities of the Shopping Centre, restore the HBC Automotive Centre Lands to such use; and

(4) The following additional provisions shall apply to the HBC Automotive Lands and the HBC Automotive Centre, while leased and occupied by the Tenant, and the Tenant shall comply therewith in the exercise of its rights granted pursuant to clauses 2.03 and this clause 18.00, and in addition to compliance with the other provisions of this HBC Lease applicable to the HBC Automotive Centre including the provision as to use thereof in clause 6.00, as to taxes thereon in Article 9 and as to the repair of the HBC Automotive Centre and all improvements erected by the Tenant on the HBC Automotive Centre Lands in clause 12.00:

(i) The Tenant may from time to time alter, reconstruct, remove and replace the HBC Automotive Centre and all fixtures and improvements associated therewith or constructed by the Tenant on the HBC Automotive Centre Lands, provided that the HBC Automotive Centre shall always comply with subclause (2); and

(ii) The Tenant, if it shall so request, shall be entitled to have the lease to it of the HBC Automotive Lands incorporated in a lease which is separate and independent of this HBC Lease, but on all the appropriate terms as specified in this HBC Lease, and to have the corresponding provisions of this HBC Lease relating to the HBC Automotive Lands and the HBC Automotive Centre deleted, but nevertheless no such separate lease shall entitle the tenant thereunder to renew or remain in occupation if this HBC Lease shall not be renewed or shall be terminated; and

(5) While the parties do not foresee that the use by the Tenant of the HBC Automotive Lands and the HBC Automotive Centre as contemplated hereunder will give rise to any requirement under municipal by-laws and other legal requirements from time to time applicable that, in addition to any parking spaces provided on the HBC Automotive Lands themselves, additional parking spaces be provided in the Parking Facilities in relation to the use or area of the HBC Automotive Centre, the Tenant agrees that if any such requirement shall be lawfully imposed and if at any time there are not a number of additional parking spaces on the Shopping Centre Lands in excess of those required under municipal by-laws and other legal requirements in respect of buildings comprised in the Shopping Centre other than the HBC Automotive Centre to satisfy such requirements, the Tenant shall indemnify the Landlord, and if additional parking spaces must be created in order to satisfy such requirements, to pay the cost of constructing such additional parking spaces in the same manner as is provided under clause 19.00 in the case of additional parking spaces to be provided by the Tenant in respect of an expansion of the HBC Department Store.

ARTICLE 19

EXPANSION AND ALTERATION OF HBC DEPARTMENT STORE

Expansion and Alteration of HBC Department Store

19.00 The Tenant shall have the right at any time and from time to time to alter, reconstruct or expand the HBC Department Store, but subject to the following provisions:

(1) The HBC Department Store, if altered, reconstructed or expanded, shall remain at all times a department store appropriate for its intended use, architecturally

compatible with the Shopping Centre and integrated with the Mall in the manner in which it was so integrated at the time of its original construction;

(2) Any expansion of the HBC Department Store shall be limited to a vertical expansion, located upon and within the limits of the HBC Department Store Lands;

(3) In the case of any substantial alteration or any reconstruction or expansion of the HBC Department Store, the plans and specifications therefor shall be submitted to the Landlord for its approval, but such approval shall not be unreasonably withheld provided the requirements of this clause are otherwise complied with;

(4) Any substantial alteration and any reconstruction or expansion of the HBC Department Store shall be performed in accordance with the plans and specifications which have been approved by the Landlord, and in the performance of every such alteration, reconstruction or expansion the Tenant will perform all work involved with reasonable expedition and with such minimum interference to other tenants as is reasonably possible (but subject to Unavoidable Delay) and in a good and workmanlike manner and in accordance with the general standards which were applicable to the initial construction of the HBC Department Store and will comply with all applicable municipal by-laws and other legal requirements pertaining to such work;

(5) In the case of any proposed expansion of the HBC Department Store the Tenant shall negotiate with the Landlord, if the Landlord so desires, for a reasonable time to arrive at an agreement whereby the Landlord will construct the expansion either for an agreed price or in consideration of an agreed increase in rent or for other consideration, but if such an

agreement is not reached within a reasonable time the Tenant shall be free to construct the expansion at its own expense, in which case the Tenant shall pay only such additional rent as is expressly provided by subclause (6); and

(6) The additional parking spaces in the Parking Facilities required in respect of an expansion of the HBC Department Store and in order that the provisions of clause 7.04 shall be complied with, shall be provided and paid for in the following manner:

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(i) The Landlord shall reserve until the tenth (10th) anniversary of the Lease Commencement Date sufficient land within the limits of the Shopping Centre Land (either as unimproved, landscaped land or as improved Parking Facilities in excess of the minimum requirements provided for under clause 7.04 for the buildings from time to time on the Shopping Centre Lands) to accommodate the number of grade-level parking spaces required for an expansion or expansions of the HBC Department Store up to a maximum in the aggregate of 60,000 square feet of Gross Leaseable Area based upon the criteria set out in clause 7.04 (and being in a ratio equal to the greater of 5.5 parking spaces per 1,000 square feet of Gross Leaseable Area of such expansion or the legal requirements for parking in the Shopping Centre at the Lease Commencement Date); but the Landlord shall have no obligation to reserve the lands referred to for such purpose after the tenth (10th) anniversary of the Lease Commencement Date;

(ii) If the Tenant shall at any time proceed with an expansion of the HBC Department Store the Landlord will provide the additional parking spaces

required therefor pursuant to clause 7.04 to the extent that unimproved landscaped land or Parking Facilities in excess of the minimum requirements provided for in clause 7.04 for the buildings then on the Shopping Centre Lands is available for the purpose, but if such expansion shall be commenced on or before the tenth (10th) anniversary of the Lease Commencement Date the Landlord shall in any event furnish the minimum number of parking spaces required by paragraph (i); such additional parking spaces shall be provided by grading and paving such unimproved landscaped land, to the extent such additional parking spaces are not represented by an excess number of existing parking spaces;

(iii) If an expansion of the HBC Department Store requires parking spaces in excess of those which the Landlord is obligated to provide under paragraph (ii) in order that clause 7.04 be complied with (and whether such excess arises because the expansion or expansions in the aggregate exceed 60,000 square feet of Gross Leaseable Area, or because the legal requirements for parking at the date of such expansion require an increased number or ratio of parking spaces, or because such expansion occurs after the tenth (10th) anniversary of the Lease Commencement Date and the number of parking spaces which the Landlord would otherwise be obligated to provide under paragraph (ii) if such expansion had occurred on or before the tenth (10th) anniversary of the Lease Commencement Date are in fact no longer available in whole or in part, or because of any combination of the foregoing factors) the provision of the

required excess number of parking spaces shall be the obligation of the Tenant, and which shall be satisfied by the Tenant, at its own expense, obtaining by purchase or lease on a long term basis additional lands either contiguous or reasonably convenient and accessible to the Shopping Centre Lands and paving or otherwise converting and completing improvements thereon so that the same may be suitable for parking (whereupon the Tenant shall convey or lease such additional lands to the Landlord without any payment or rent and the same shall become part of the Shopping Centre Lands and the Parking Facilities), or alternatively by the Tenant constructing parking decks or parking structures on the Shopping Centre Lands of a design and location consistent with the overall benefit of the Shopping Centre and approved by the Landlord (such approval not to be unreasonably withheld), and the Landlord agrees to co-operate with the Tenant so as to facilitate such construction; and

(iv) If and to the extent that the Landlord furnishes additional parking spaces pursuant to paragraph (ii), the Tenant shall pay to the Landlord an additional annual rent, commencing upon the completion of construction of the expansion and the additional parking therefor and thereafter during the Term, equal to (a) if the Tenant exercises its option to expand the HBC Department Store on or before the fifth (5th) anniversary of the Lease Commencement Date, the area in acres of the land occupied by the additional parking spaces so furnished by the Landlord multiplied by the sum of $10,000, of (b) if the Tenant exercises its option to expand the HBC Department Store after the fifth (5th) anniversary

of the Lease Commencement Date, the area in acres of the land occupied by the additional parking spaces so furnished by the Landlord multiplied by the sum of $10,000, increased by interest at the rate of ten percent (10%) per annum calculated and compounded and added to principal annually after the fifth (5th) anniversary of the Lease Commencement Date for the period from such fifth (5th) anniversary to the date of exercise by the Tenant of its option to expand the HBC Department Store.

ARTICLE 20

EXPANSION AND ALTERATION OF SHOPPING CENTRE

Permitted Alterations and Expansions

20.00 The Landlord shall have the right at any time and from time to time, where not otherwise prohibited by any provision of this HBC Lease, and subject to the additional conditions in clause 20.01, to alter, reconstruct or expand the buildings and improvements in the Shopping Centre, including the Common Facilities but exluding the Leased Premises, as follows:

(1) The Common Facilities shall be at all times suitable for their intended purposes, appropriate for a first-class regional shopping centre, such as to provide facilities no less adequate than those existing on the Lease Commencement Date, and in compliance with all the requirements of this HBC Lease including as to the number of parking spaces required to be provided in the Parking Facilities pursuant to clause 7.04; the Mall as it existed on the Lease Commencement Date shall not be materially reduced and no Common Facilities shall be altered so as to adversely affect the access to and visibility and operation of the HBC Store or access to and between the component parts of the Shopping Centre;

(2) The aggregate Gross Leaseable Area of retail and shopping centre commercial premises shall not be reduced to less than that existing at the Lease Commencement Date (except temporary reductions necessitated by and during reconstructions or the construction of permitted expansions of the Shopping Centre); no department store existing in the Shopping Centre at the Lease Commencement Date shall be reduced in size, or expanded in size except insofar as the tenant thereof at the Lease Commencement Date has a prior existing right of expansion under the terms of its lease, and no new or additional department store shall be constructed in the Shopping Centre, without in each case the prior written consent of the Tenant;

(3) No buildings or structures (including parking decks or structures) shall be erected over the HBC Department Store or so as to interfere in any way therewith or with the Tenant's right to expand the HBC Department Store, or without the prior written consent of the Tenant in the area in the vicinity of the HBC Department Store which is outlined in black and designated as a prohibited building area on the Site Plan with the exception of a single-storey building in a 22,500 square foot area identified on the Site Plan in the southwest corner of such prohibited area, the proposed use and design of which shall have been approved by the Tenant (such approval not to be unreasonably withheld), and no utilities or other construction shall be installed underneath the HBC Department Store without the consent of the Tenant (which shall not be unreasonably withheld in the case of utilities which are not likely to interfere with the HBC Department Store and cannot conveniently

be located elsewhere provided the appropriate indemnities are given by the Landlord); and

(4) Every building and structure and alteration to any building or structure from time to time existing, including the use for which such building, structure or alteration is appropriate and intended, shall be fully compatible with a first-class regional shopping centre, and no building, structure or alteration thereto shall be constructed which is appropriate or intended for a use which is other than retail, shopping centre commercial or office use unless such use shall first have been approved by the Tenant.

Additional Conditions

20.01 In connection with any alteration or expansion of the buildings and improvements in the Shopping Centre permitted by clause 20.00, the following additional requirements shall be complied with:

(1) All construction shall be architecturally compatible with the buildings from time to time existing in the Shopping Centre, and with a first-class regional shopping centre, and shall be in compliance with all municipal by-laws and other legal requirements;

(2) The Shopping Centre shall at all times be a fully integrated shopping centre with all the appropriate Common Facilities necessary to a first-class regional shopping centre;

(3) Before proceeding with the construction of any expansion of or major alteration to the Shopping Centre, the Landlord shall provide plans and specifications to the Tenant for its approval (such approval not to be unreasonably withheld), and shall afford the Tenant an opportunity to expand the HBC Department Store

pursuant to clause 19.00 contemporaneously with any expansion of the Shopping Centre; and

(4) Any substantial alteration and any reconstruction or expansion permitted hereunder shall be performed by the Landlord with reasonable expedition and in a good and workmanlike manner and in accordance with the general standards which were applicable to the initial construction of the Shopping Centre.

ARTICLE 21

ASSIGNMENTS, TRANSFERS AND ENCUMBRANCES OF INTEREST BY LANDLORD AND TENANT

Restrictions on Assignment, Subletting and Encumbering by Tenant

21.00 The Tenant shall not assign this HBC Lease or sublet or grant concessions or other rights of use and occupancy with respect to the whole or any part of the Leased Premises except in the following circumstances:

(1) The Tenant may assign this HBC Lease or sublet any part or parts of the Leased Premises to, and may in any event permit all or any part or parts of the Leased Premises to be used and occupied by, any corporation affiliated with the Tenant (whether a parent or subsidiary of or under common control with the Tenant);

(2) The Tenant may assign this Bay Lease:

(i) to any company with which the Tenant merges or consolidates, or

(ii) to any company to which it sells all or substantially all of its retail department store business and assets in the greater Toronto region;

(3) The Tenant may sublease or grant concessions or licenses to use and occupy any part or parts of the Leased Premises provided that the HBC Department Store

itself continues to be carried on, and retains the appearance of being carried on, as an integrated department store and that the business conducted in the HBC Outdoor Selling Area continues to retain an identification with the business carried on in the HBC Department Store; and

(4) The Tenant may assign any separate lease of the HBC Automotive Centre entered into pursuant to clause 18.00 or sublet or grant rights of use and occupancy of any part or parts of the HBC Automotive Centre, but only for the uses permitted therefor pursuant to clause 6.00;

(5) The Tenant may otherwise assign this HBC Lease or sublet or grant rights of use and occupancy with respect to all or any part or parts of the Leased Premises with the prior written consent of the Landlord, which consent shall not be unreasonably withheld;

(6) The Tenant may assign, sublease or mortgage or encumber its interest under this HBC Lease to a mortgagee or encumbrancer as security in connection with any bona fide borrowing by the Tenant; and

(7) The Tenant may assign this HBC Lease free of the restrictions imposed by the preceding provisions of this clause if the Landlord, in contravention of its obligations under Article 7, shall have ceased or failed to operate the Shopping Centre as a first-class regional Shopping Centre, and after written notice from the Tenant shall have failed to commence to remedy such default within thirty (30) days and to proceed diligently thereafter to remedy such default.

In the case of any assignment of this HBC Lease, other than to a mortgagee or encumbrancer as security, the assignee shall covenant with the Landlord to perform all of the Tenant's covenants hereunder, and in the case of any assignment, subletting, mortgaging or encumbering of the interest of the Tenant under this HBC Lease to a mortgagee or encumbrancer as security

such mortgagee or encumbrancer shall agree with the Landlord to perform all the obligations of the Tenant under this HBC Lease while in possession of the Leased Premises if it realizes upon its security by foreclosure or other taking of possession of the Leased Premises and, in the event of a sale of the security, to require the purchaser to agree to perform such obligations. No assignment, subletting, mortgaging or encumbering by the Tenant shall release the obligations of the Tenant under this HBC Lease, but nevertheless if the Tenant shall assign or transfer its entire interest under this HBC Lease to an assignee of good reputation and experience in operating major department stores and whose financial strength is evidenced to the Landlord's satisfaction to be comparable to that of the Tenant and who shall have assumed all of the Tenant's obligations under this HBC Lease as herein required, and if such obligations shall not then be in default, the Landlord shall upon request of the Tenant and until the concurrence of such assignee and any mortgagees and other parties whose concurrence shall be necessary, grant to the Tenant a release of all future obligations under this HBC Lease.

Transfers and Encumbrances by Landlord

21.01 The Landlord may assign, transfer, mortgage or encumber the Shopping Centre or sublet the whole or any part of the Shopping Centre, subject only to the following restrictions:

(1) Every assignment, transfer, mortgage or encumbrance by the Landlord of its interest in the Shopping Centre or any part thereof and any lease by the Landlord of the Shopping Centre (other than leases of specific premises therein) shall be made expressly subject to this HBC Lease and all the rights of the Tenant hereunder;

(2) In the case of every assignment or transfer of the Shopping Centre other than to a mortgagee or encumbrancer or creditor as security, the assignee or transferee shall agree with the Tenant to perform all the obligations of the Landlord under this HBC Lease. No assignment, transfer, mortgage or encumbrance by the Landlord shall have the effect of releasing the obligations of the Landlord hereunder,

but nevertheless if the Landlord shall assign or transfer its entire interest in the Shopping Centre to an assignee of good reputation and experience in operative shopping centres and whose financial strength is evidenced to the Tenant's satisfaction to be comparable to that of the Landlord and who shall have assumed all of the Landlord's obligations under this HBC Lease as herein required and if such obligations shall not then be in default, the Tenant shall upon request of the Landlord and with the concurrence of such assignee and any mortgagees or other parties whose concurrence shall be necessary, grant to the Landlord a release of all future obligations under this HBC Lease.

ARTICLE 22

DETERMINATION OF DISPUTES

Determination by Agreed Means

22.00 Whenever any question or matter arising under any provision of this HBC Lease shall be in dispute between the Landlord and the Tenant which is of a technical nature such that it might be satisfactorily, equitably and rapidly resolved by determination by an independent expert whose appointment is mutually agreed upon by both parties (such as, for example, questions of cost allocations, apportionments, the application of accounting procedures and other accounting questions, allocations of Real Property Taxes and other tax and assessment matters, the quantum or coverage to be provided by insurance and other insurance questions, the adequacy or otherwise of heating, ventilating and air-conditioning or utilities systems or other engineering matters, or questions related to what is reasonable and appropriate in the conduct of a first-class regional shopping centre) either party may propose to the other the appointment of an independent expert of appropriate qualifications (whether an accountant, tax specialist, insurance adviser, engineer, shopping centre consultant or otherwise) to determine the question or matter in dispute, and the other party shall in good faith consider and discuss such proposal, but it is understood and agreed that neither party shall be obligated to accept any such proposal or enter into any agreement concerning it.

Judicial Remedies Preserved

22.01 The provisions of clause 22.00 regarding the determination of certain technical questions or matters in dispute by a mutually agreed expert are acknowledged by the parties to have the intended purpose of providing, where applicable, and where the parties can agree thereon, an equitable and rapid determination, but are not intended and shall not be interpreted as excluding or delaying recourse by any party to the Courts as to any question or matter in dispute, or recourse by any party

to any of the remedies available by law or in equity including damages or injunction, and except to the extent the parties have actually agreed otherwise such recourse may be taken, and may be taken without any proposal or discussion or negotiation thereon notwithstanding the provisions of clause 22.00 in respect of any matter where the substantial rights of a party are involved and might be prejudiced or impaired if such recourse is not taken or is delayed.

ARTICLE 23

REMEDIES AND DEFAULTS

Particular Remedies of Landlord

23.00 The Landlord, in addition to all other remedies it may have under the express provisions of this HBC Lease and (to the extent not expressly excluded hereby) under the general law, shall have the right:

(1) If the Tenant shall default under this HBC Lease, and unless the Tenant has commenced to remedy such default within fifteen (15) days after written notice from the Landlord specifying such default (or within such other period of time as may be expressed as being applicable to the remedying of such default under any other provision of this HBC Lease) and shall thereafter proceed diligently to remedy such default, to take such reasonable steps as may be necessary to remedy such default, and for that purpose to have entry to all parts of the Leased Premises, and any costs incurred by the Landlord in so doing shall be promptly repaid to it by the Tenant;

(2) If the Tenant shall fail to pay any amount due to the Landlord under any provisions of this HBC Lease when

due, whether or not such amount is expressed to be rent, the Tenant shall pay the same as rent, and the Landlord shall all remedies for the recovery of the same as are available in the case of any non-payment of annual rent;

(3) If the Tenant shall be in default under this HBC Lease, and if the default is in the payment of annual rent or any other amount payable by the Tenant to the Landlord hereunder and the Tenant shall have failed to remedy such default by making payment thereof within fifteen (15) days after receipt of written notice from the Landlord, and if the default is in the performance of any other obligation of the Tenant hereunder and the Tenant shall fail to remedy such default within thirty (30) days after receipt of written notice from the Landlord (or such longer period as may reasonably be necessary to remedy such default having regard to the nature of such default and the occurrence of any Unavoidable Delay), and if in any such case the default is either a major monetary default or is a default which is so substantial as to go to the root of the agreement of the parties as embodied in this HBC Lease (having regard to the fact that this HBC Lease is of a department store in a continuing first-class regional shopping centre), but not otherwise, the Landlord may at its option, and in addition to such other remedies as it may have hereunder including the right to damages or specific performance, re-enter into and upon the Leased Premises and terminate this HBC Lease, subject always to any right to relief from forfeiture to which the Tenant may be entitled under applicable law, and provided that before exercising such right of re-entry and termination the Landlord

shall give a further written notice to the Tenant of its intention to do so unless in the notice of default previously given by the Landlord pursuant to this subclause the Landlord expressly stated its intention of exercising its right of re-entry and termination if the default specified in such notice is not remedied within the applicable time allowed therefor pursuant to this subclause; and

(4) Whenever the Landlord shall be entitled, under the terms hereof, to re-enter into and upon the Leased Premises and terminate this HBC Lease, the Landlord may elect to re-enter the Leased Premises without terminating this HBC Lease. If the Landlord elects to re-enter without termination the Landlord may do all that is necessary to re-let the Leased Premises and to in fact re-let the Leased Premises on behalf of the Tenant. All monies received from such re-letting shall be applied to amounts expended by the Landlord to recover the Leased Premises and re-let the same and thereafter shall be applied against rent due. No re-entry shall be an election by the Landlord to terminate unless written notice is given to the Tenant of termination and such re-letting in no way affects the rights of the Landlord to terminate this HBC Lease for any previous breach.

Particular Remedies of Tenant

23.01 The Tenant, in addition to all other remedies it may have under the express provisions of this HBC Lease and (to the extent not expressly excluded hereby) under the general law, shall have the right:

(1) If the Landlord shall default under this HBC Lease, and unless the Landlord has commenced to remedy such default within fifteen (15) days after written notice from the Tenant specifying such default (or within such other period of time as may be expressed as being applicable to the remedying of such default

under any provision of this HBC Lease) and shall thereafter proceed diligently to remedy such default, to take such reasonable steps as may be necessary to remedy such default, and for that purpose to have entry to all parts of the Shopping Centre and any costs incurred by the Tenant in so doing shall be promptly repaid to it by the Landlord;

(2) If the Landlord shall fail to pay any amount due to the Tenant under any provision of this HBC Lease when due and such amount remains unpaid for fifteen (15) days after written notice from the Tenant specifying such default, the Tenant shall have the right, in addition to such other remedies as it may have hereunder to deduct such amount from amounts due or to accrue due under this HBC Lease as contributions by the Tenant to Common Facilities Maintenance Cost pursuant to clause 10.00 (but not from any rent payable pursuant to clause 4.00);

23.01 (3) If the circumstances referred to in paragraphs (i) or (ii) of subclause 6.00 (1) shall occur and the Tenant shall exercise its right pursuant to subclause 6.00 (1) to cease to operate the HBC Department Store and to leave it vacant for such period or periods as the Tenant may elect while such circumstances persist, all rent payable by the Tenant including amounts payable by the Tenant pursuant to Articles 9 and 10 shall cease and abate during such period or periods until the Tenant shall recommence or be obligated under the terms of this HBC Lease to recommence the occupancy of the HBC Department Store and the conduct of business therein; and

(4) If the Landlord shall be in default under this HBC Lease and the Landlord shall fail to remedy such default within thirty (30) days after receipt of written notice from the Tenant (or such longer period

as may reasonably be necessary to remedy such default having regard to the nature of such default and the occurrence of any Unavoidable Delay), and if the default is either a major monetary default or is a default which is so substantial as to go to the root of the agreement of the parties as embodied in this HBC Lease (having regard to the fact that this HBC Lease is of a department store in a continuing first-class regional shopping centre), but not otherwise, the Tenant may at its option, and in addition to such other remedies as it may have hereunder including the right to damages or specific performance, after written notice to the Landlord, surrender the Leased Premises and terminate this HBC Lease.

Bankruptcy or Insolvency of Tenant

23.02 If the interest of the Tenant under this HBC Lease shall be taken or seized in execution by any creditor of the Tenant or any receiver or trustee acting for or for the benefit of any creditor or creditors of the Tenant, or if the Tenant shall make any general assignment for the benefit of creditors or have any proposal for the benefit of creditors accepted by them, or shall wind up or forfeit or surrender its charter or be adjudicated bankrupt, or if a mortgagee or encumbrancer of the Tenant having security upon the Tenant's interest under this HBC Lease shall take possession of the Leased Premises (other than a mortgagee or encumbrancer who has agreed to perform all the obligations of the Tenant hereunder in compliance with clause 21.00), or if the Tenant shall abandon the Leased Premises or leave them vacant or unoccupied (except when permitted under the terms of this HBC Lease to cease operation and leave the Leased Premises or any part thereof vacant or unoccupied), then the Landlord may at its option re-enter and terminate this HBC Lease, in which event annual rent, and contributions to Real Property Taxes and Common Facilities Maintenance Costs and all other amounts which are required to be paid monthly by the Tenant under this HBC Lease for the three (3) months next ensuing after the then current month shall immediately become due and payable.

Interest on Arrears

23.03 If and whenever any sum of money shall be actually due and payable by the Tenant to the Landlord, or by the Landlord to the Tenant, and shall not be paid or satisfied within ten (10) days after it is due and payable, the same shall bear interest from the date it was due and payable until the date it is paid or satisfied at a rate equivalent to two percent (2%) per annum plus the rate per annum which at the relevant time constitutes the prime bank rate as quoted or applied by Canadian chartered banks; but such interest shall not be charged on sums payable by way of readjustment pursuant to any provision of this HBC Lease if paid when such readjustment is required to be made and where the party obligated to pay such sum is not in default in paying instalments based on estimates or otherwise, except where it is expressly provided in this HBC Lease that such interest is to be paid.

ARTICLE 24
MISCELLANEOUS PROVISIONS

Unavoidable Delay

24.00 Whenever in this HBC Lease it is provided that any act or things to be done or performed is subject to Unavoidable Delay, the time for the doing or performance thereof shall be extended for a period equal to the period for which such Unavoidable Delay operates to delay or prevent the act or thing required to be done or performed from being done or performed, and the party obligated to do or perform such act or thing shall not be deemed to be in default until the expiration of such time as so extended. Each party shall promptly notify the other of the occurrence of any Unavoidable Delay which might prevent or delay the doing or performance of acts or things required to be done or performed by such party.

Waiver

24.01 Any condoning or overlooking by the Landlord or the Tenant of any default, breach or non-performance by the other at any time or times in respect of any obligation contained in this HBC Lease shall not operate as a waiver of such default,

breach or non-performance, and any waiver of a particular default, breach or non-performance shall not operate as a waiver of any subsequent or continuing default, breach or non-performance.

Certificates

24.02 The Tenant agrees that it will from time to time whenever reasonably required by the Landlord for the purpose of giving assurance to any third party interested (including any prospective or actual assignee or mortgagee of the Landlord) execute and deliver to the Landlord or as the Landlord may direct a statement in writing certifying to such third party whether this HBC Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and Tenant, whether or not there are any existing defaults on the part of the Landlord of which the Tenant has notice (and if so, specifying them) and as to any other matters in connection with this HBC Lease in respect of which such a certificate is reasonably requested. The Landlord agrees that it will from time to time whenever reasonably requested for the purpose of giving assurance to any third party interested (including any proposed or actual assignee or mortgagee of the Tenant) execute and deliver to the Tenant or as the Tenant may direct a statement in writing certifying to such third party whether this HBC Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and the Tenant, whether or not there are any existing defaults on the part of the Tenant of which the Landlord has notice (and if so, specifying them) and as to any other matters in connection with the HBC Lease in respect of which such a certificate is reasonably requested. Such statements may be relied upon by (but only by) the third party for whose benefit they are given.

Approvals

24.03 Except insofar as it is otherwise provided in this HBC Lease, any approval or consent which either party may properly request of the other under the terms of this HBC Lease shall be either given or refused in writing within ten (10) days of a written request therefor, and if refused and if such approval or consent is not one which the requested party can arbitrarily or unreasonably withhold, the requested party shall also give reasons for such refusal; if such approval or consent is neither given nor refused in writing within the period of ten (10) days after request referred to it shall, at the expiration of such period, be deemed to have been given unless within such period of ten (10) days the requested party shall advise the requesting party that further information or further time is reasonably required for the proper consideration of such request and specify the further information or time so required.

Planning Act

24.04 The obligations of the parties under the Development Agreement were made subject to the express condition that such obligations and this HBC Lease are to be effective only if the provisions of section 29 of The Planning Act are complied with. The Landlord represents that it has obtained the requisite consent, required under the provisions of section 29 of The Planning Act, to this HBC Lease, that such consent is now final and binding, is unconditional, and that the provisions of section 29 of The Planning Act are accordingly fully complied with and this HBC Lease is fully effective.

Removal of Fixtures

24.05 Upon the expiration or sooner termination of the Term the Tenant may, and shall if the Landlord so requires by timely notice, remove from the Leased Premises all its fixtures and improvements of the nature of trade or tenants' fixtures.

Regis-tration

24.06 At the request of the Tenant the Landlord shall execute such consents, further assurances or other documents as may be necessary in order to enable the Tenant to register notice of this HBC Lease in form satisfactory to both the Landlord and the Tenant acting reasonably, against the title to the Shopping Centre Lands, including such consents or acknowledgments of mortgagees or others as are appropriate to evidence and confirm the intended priority of this HBC Lease.

Liens

24.07 Each of the Landlord and the Tenant shall so conduct any construction or other work done by it so as to minimize the possibility of any claim of lien being filed or registered against any part of the Shopping Centre, and if any such claim or lien shall be filed or registered shall forthwith take all reasonable steps to have the same discharged, but nevertheless may defer payment of any contested claim of lien if and so long as the same is being diligently contested, and provided that non-payment thereof does not render any part of the Shopping Centre liable to forfeiture or sale, and that if required by the other party a sum required to secure such claim and discharge the lien thereof as a lien against the Shopping Centre shall be paid into Court. In the conduct of any construction or other work each of the Landlord and the Tenant shall comply with all the provisions of applicable statute (including The Mechanics' Lien Act) available to it for the protection of the Shopping Centre from claims of lien. In the event that either the Landlord or the Tenant shall make default in the payment of monies justly due in connection with any such construction or other work and a claim of lien shall be filed or registered and not promptly secured or discharged, the other party may make payment of the same, and all expenses incurred by it shall be promptly repaid to it by the party in default.

Develop-ment Agree-ment

24.08 While this HBC Lease constitutes the entire agreement of the parties pertaining to all of the matters and things herein dealt with and their relationship in their respective

capacities of landlord and tenant, it is acknowledged that, as to certain other matters of contract between the parties and dealt with in the Development Agreement (such as, for example, their agreements concerning construction of the expansion of the Shopping Centre including the HBC Department Store and capital payments and adjustments between the parties relating thereto, and the obligation of the Tenant to pay an interim rent, and the amount thereof, if the Tenant shall open for business with the public in the HBC Department Store prior to the Lease Commencement Date), the provisions of the Development Agreement shall survive, as binding and enforceable obligations of the parties, and shall not merge in this HBC Lease; but upon all of the outstanding obligations of a party under the Development Agreement being fulfilled and satisfied, the other party shall give the appropriate acknowledgment and release thereof in writing.

Notices

24.09 Any notice which a party is entitled or required to give under any provision of this HBC Lease shall be deemed to have been duly given if made in writing and, if intended for the Landlord, delivered to an officer of the Landlord or mailed in Canada by prepaid registered post addressed to the Landlord at 2932 Baseline Road, P.O. Box 450, Station A, Ottawa, Ontario K1N 8R9, to the attention of the Secretary, and if intended for the Tenant, if delivered to an officer of the Tenant or mailed in Canada by prepaid registered post addressed to the Tenant at Hudson's Bay Centre, 2 Bloor Street East, Toronto, Ontario M4W 3H7, to the attention of the Secretary. Any such notice shall be deemed to have been given, if so delivered, when delivered, or if so mailed, on the third next business day following its mailing. Either party may by notice in writing to the other change the address to which any notice mailed to it is to be given. All payments required to be made under this HBC Lease shall be delivered or mailed to the above addresses of the Landlord or the Tenant, as the case may be, unless the party entitled to such payment shall otherwise direct in writing.

Certain non-compliances excused

24.10 The Tenant recognizes that a strict compliance by the Landlord with all of the requirements of clauses 7.01, 12.01 and 13.01 would require not only a strict compliance by the Landlord with its own obligations but a strict enforcement of all lease obligations of all tenants, and that accordingly minor infractions of such requirements may occur from time to time through no fault of the Landlord and which the Landlord cannot reasonably prevent. Accordingly the Tenant agrees that the Landlord shall not be considered to be in breach of the requirements under clauses 7.01, 12.01 and 13.01 where a minor infraction of any of such requirements occurs as a result of an act or neglect of a tenant and not of the Landlord and where the Landlord has exacted covenants from tenants consistent with such requirements and takes all action to enforce them which would be taken by an owner of a first-class regional shopping centre, acting reasonably with regard to the gravity of the infraction, the likelihood of its continuance of recurrence and the remedies available for enforcement.

Interpretation and Construction

24.11 All of the provisions of this HBC Lease are to be construed as covenants and agreements. If any provision of this HBC Lease is illegal or unenforceable it shall be considered as separate and severable from the remaining provisions, which shall remain in force and binding as though the said provision had never been included. The headings and marginal subheadings of Articles and clauses are for convenience of reference, and are not intended to limit, enlarge or otherwise affect their meanings. References in the singular shall include the plural, where the context reasonably so requires, and vice versa, and references herein to the parties shall include the Landlord and the Tenant.

Success-ors and Assigns

24.12 This HBC Lease shall be binding upon the Landlord and the Tenant and their respective successors and assigns, and shall also enure to the benefit of their respective successors and assigns provided such successors and assigns are permitted successors and assigns hereunder.

IN WITNESS WHEREOF the Landlord and the Tenant have executed this HBC Lease.

CAMPEAU CORPORATION

by: _____ c/s
VICE-PRESIDENT

_____
VICE PRESIDENT AND SECRETARY

Landlord

HUDSON'S BAY COMPANY

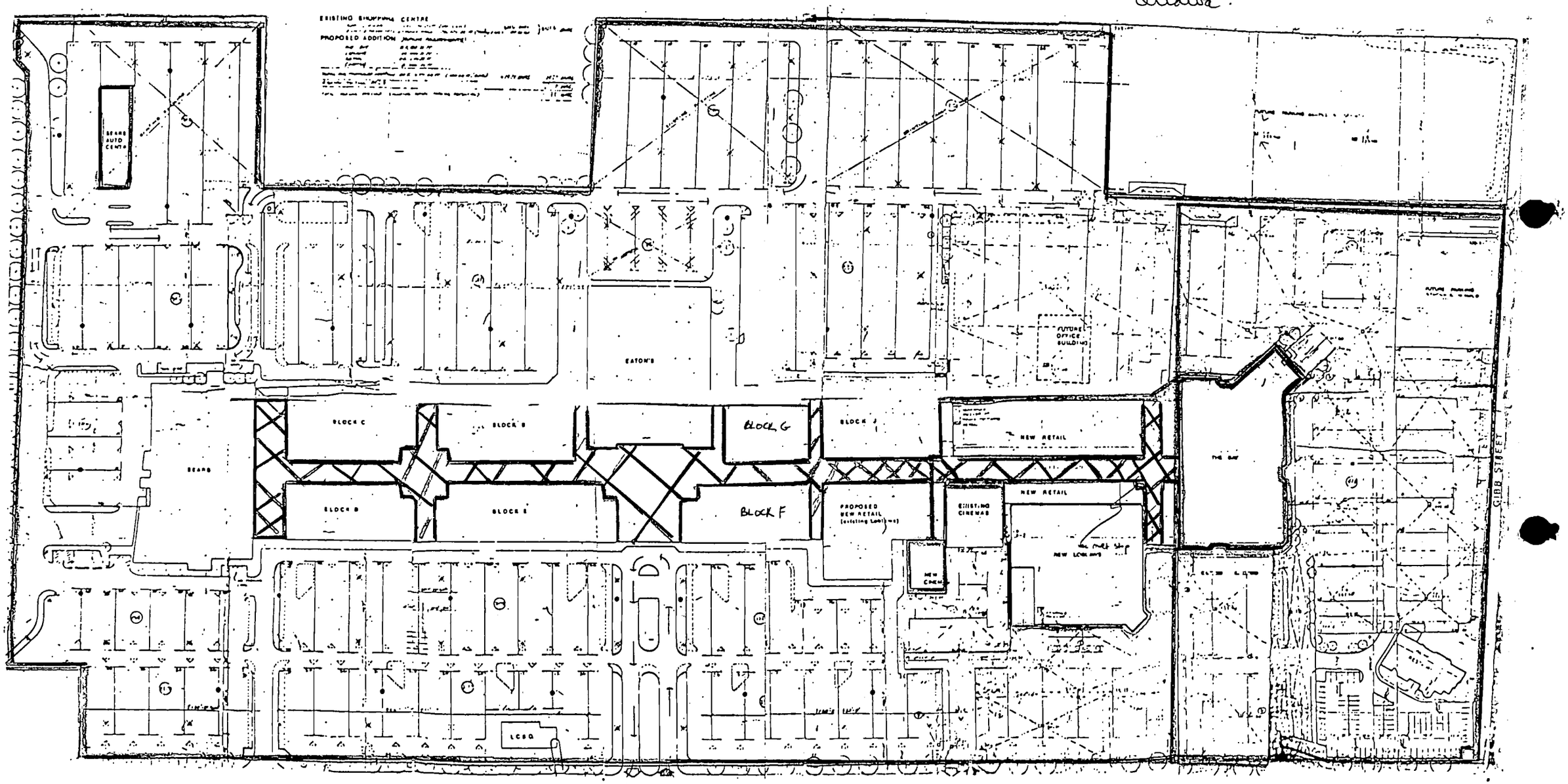
by: _____ c/s

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Tenant

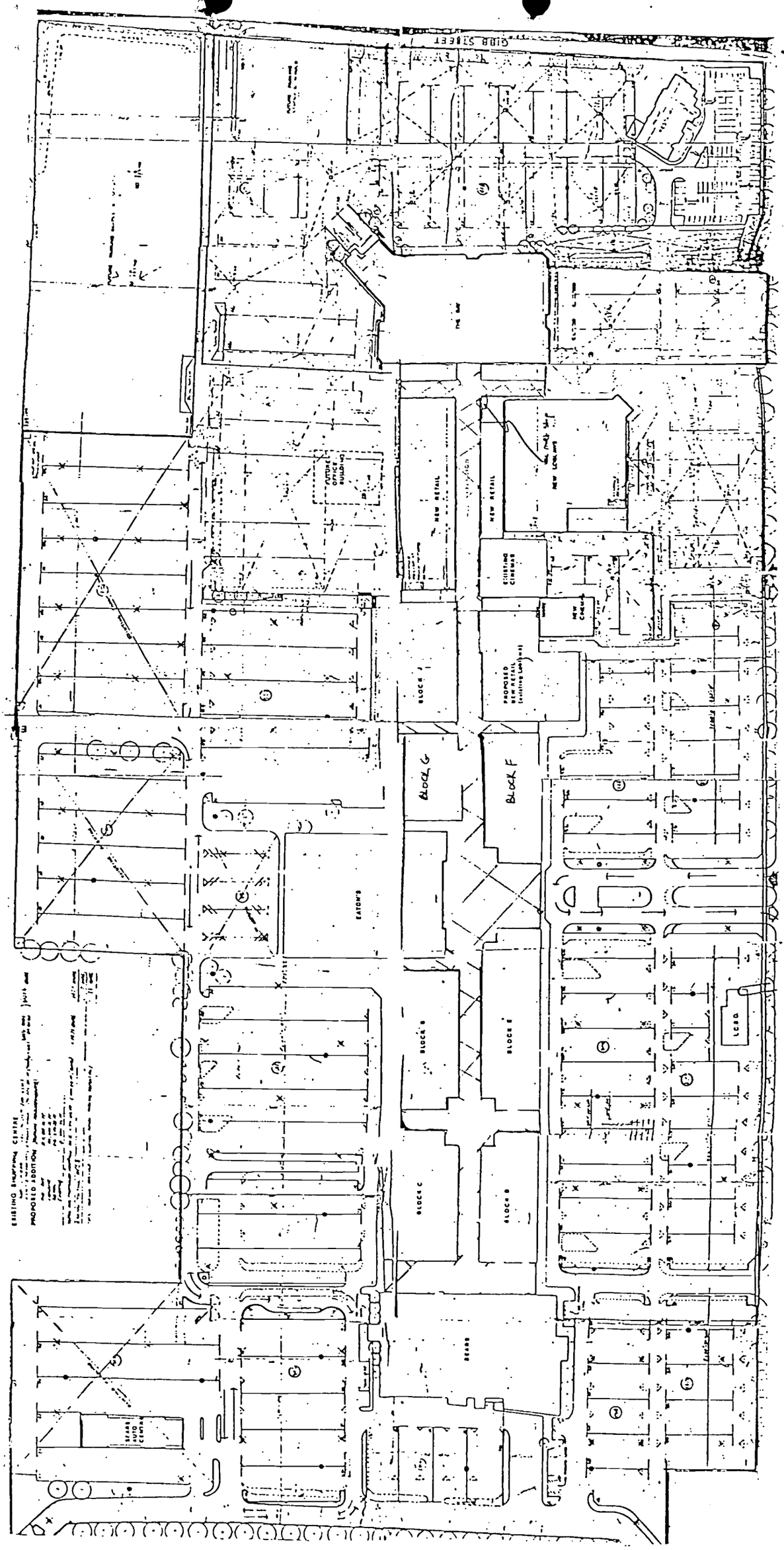
159 THE BAY, SCHEDULE B

NOTE: Certain colours referred to in the lease are not indicated on Schedule B as sent from Ottawa.

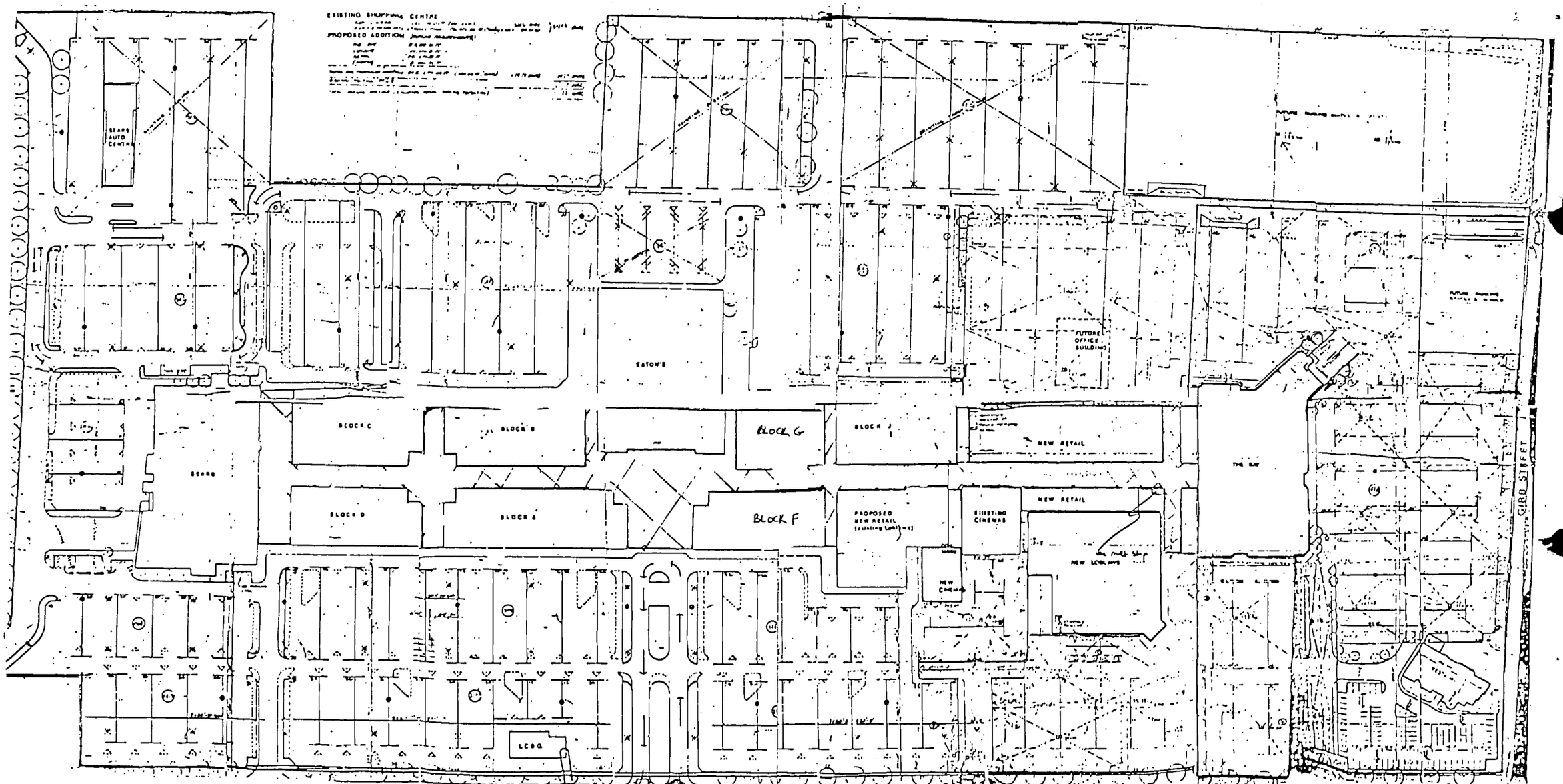


314

159 THE BAY, SCHEDULE B



159 THE BAY


EXISTING SHOPPING CENTRE
PROPOSED ADDITION
SEARS AUTO CENTRE
EATON'S
FUTURE OFFICE BUILDING
BLOCK C
BLOCK B
BLOCK G
BLOCK A
NEW RETAIL
SEARS
BLOCK D
BLOCK E
BLOCK F
PROPOSED NEW RETAIL
EXISTING CINEMAS
NEW RETAIL
NEW CINEMA
NEW LOADING
THE BAY
LCBO
QUEEN STREET

SCHEDULE "A"

OSHAWA SHOPPING CENTRE, OSHAWA, ONTARIO

FIRSTLY

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the City of Oshawa, in the Regional Municipality of Durham (formerly in the County of Ontario), in the Province of Ontario, and being composed of that part of Lot 14 in the First Concession of the Township of East Whitby, designated as Parts 1, 2 and 3 on a Plan of Reference filed in the Land Registry Office for the Registry Division of Durham (40) as 40R-3699.

SUBJECT TO the right and easement in favour of the Corporation of the City of Oshawa to construct, operate and maintain a storm sewer in, under and across the said Part 3, Plan 40R-3699, as more particularly set out in an Instrument registered in the said Land Registry Office as Number 85580.

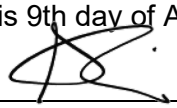
AND SUBJECT TO the right and license granted to the Public utilities Commission of the City of Oshawa over the said Part 2 Plan 40R-3699, as set out in an Instrument registered in the said Land Registry Office as Number 126782.

SECONDLY

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the City of Oshawa, in the Regional Municipality of Durham (formerly the County of Ontario) in the Province of Ontario and being composed of that part of Lot 14 in the First Concession of the Township of East Whitby, designated as Part 1 on a Plan of Reference filed in the Registry Office for the Registry Division of Durham (No. 40) as Number 40R-522;

TOGETHER WITH a right of way at all times and in common with all others now or hereafter entitled thereto for all purposes including, without limiting the generality of the foregoing, the passage or re-passage of vehicles and pedestrians in, under, over, along and upon Part 1 and Part 2 on a Plan of Reference filed in the said Registry Division as Plan RD-406, until such time as the said Parts 1 and 2 have been dedicated for use as a public highway.

This is **Exhibit "E"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

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Lease Agreement

Tenant HUDSON'S BAY COMPANY

Property: METROTOWN CENTRE
Building: HUDSON'S BAY STORE
Location: BURNABY, B.C.

Manulife Real Estate

Manulife Financial

Form 71C (0490)
The Manufacturers Life Insurance Company

METROTOWN CENTRE, BURNABY, B.C.

HUDSON'S BAY DEPARTMENT STORE LEASE

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Site Plan Colours

No Build Area	- outlined in brown (clause 20.01)
Sears Auto Centre	- cross-hatched in blue
Sears Lands	- outlined in blue
Second Department Store	- hatched in blue
Shopping Centre Lands	- outlined in orange
Tenant Department Store	- outlined in red
Tenant Licensed Parking Area	- outlined in yellow
Tenant Outdoor Selling Area	- shaded in red
Third Department Store	- outlined in green

Merchandising Plan Colours

Bay Mall	- outlined in green
Sears-Woodwards Mall	- outlined in blue
Tenant Shop	- outlined in red

LEASE

THIS LEASE is dated as of the 17th day of April, 1990,

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY a life insurance company continued under Letters Patent under the Canadian and British Insurance Companies Act and registered under PART III of that Act, having a place of business at Suite 500, 510 Burrard Street, Vancouver, British Columbia, V6C 3A8.

(hereinafter called the "Landlord")

OF THE FIRST PART

- and -

HUDSON'S BAY COMPANY, a company incorporated under the Canada Business Corporations Act and having a place of business at 674 Granville Street, in the City of Vancouver, British Columbia

(hereinafter called the "Tenant")

OF THE SECOND PART

WHEREAS:

(A) The Landlord is the registered and beneficial owner in fee simple of the Shopping Centre Lands; and

(B) This Lease and the respective covenants and agreements of the parties hereto are entered into by the parties in consideration of the rents, covenants and agreements herein contained.

ARTICLE 1

DEFINITIONS, SCHEDULES AND LANDLORDS REPRESENTATIONS

1.00 Definitions. In this Lease the terms defined in this clause 1.00 are used with the meanings so defined, as follows:

(1) "Adjusted Gross Leaseable Area" as applied to the Tenant Department Store means seventy-five (75) percent of the Gross Leaseable Area of the Tenant Department Store;

(2) "Bay Mall" means that portion of the Shopping Centre buildings and improvements comprising Retail Premises, mall space, related improvements and all other enclosed Common Facilities located at the date of this Lease at the two levels which connect to the Tenant Department Store, as shown outlined in GREEN on the Merchandising Plan as from time to time altered, reconstructed or expanded;

(3) "Common Facilities" means all areas, improvements and facilities in the Shopping Centre, both interior and exterior, which are appropriate and intended for common use by or benefit of the tenants and other occupants of the Shopping Centre (including the Tenant) and their employees, licensees and customers, including without limitation the Parking Facilities, common utilities and services, utility distribution systems benefiting more than one tenant, Mall and means of public access to the Shopping Centre and its component parts, and including for greater certainty the elevator lobbies (but not the elevators) which are located in the parking garage below the Tenant Department Store, but excludes all of the following: Retail Premises and portions thereof; the Tenant Outdoor Selling Area and any other outdoor selling area, the Tenant Licensed Parking Area, all kiosks in the Mall and any other portions of Parking Facilities and the Mall while being used where expressly permitted under this Lease for retail selling and other private purposes (such as displays or promotions) while so used; all corridors (other than tenant service corridors), loading docks and truck receiving and delivery facilities, and electrical and mechanical vaults and rooms and facilities therein, and any other facility or thing which

is appropriate and intended predominantly for use only by one tenant or a limited group of tenants and its and their employees (except that the utility distribution systems shall not be excluded if serving more than one tenant);

(4) "Common Facilities Operating Costs" means all reasonable costs, charges and expenses incurred by the Landlord for and properly attributable to the supervision, operation and maintenance of Common Facilities (including the Tenant Licensed Parking Area whether or not being used by the Tenant) without any duplication, and includes without limitation:

(i) the cost of operating and maintaining the system for the supply of utilities (including electricity for lighting) to, and of the utilities consumed in, the Common Facilities and the operating cost of heating, ventilating and air-conditioning enclosed portions of the Common Facilities;

(ii) the cost of wages and salaries (including fringe benefits) paid to on-site personnel (including the on-site manager of the Shopping Centre and on-site managerial staff) to the extent engaged in the maintenance, operation and supervision of Common Facilities and an equitable portion of the wages and salaries (including fringe benefits) paid to operations personnel to the extent engaged in the maintenance, operation and supervision of Common Facilities at the Shopping Centre, notwithstanding that such operations personnel may also be engaged at other shopping centres managed or owned by the Landlord or its affiliates;

(iii) the cost of cleaning and other janitor services in removing snow and refuse from, and supervising and policing the Common Facilities;

(iv) the cost of operating and maintaining fixtures and other machinery, equipment and building services in Common Facilities and of maintaining (including re-striping) Parking Facilities and maintaining landscaped areas which are in each case part of such Common Facilities;

(v) the cost of repairs to Common Facilities including replacements necessarily made to renovate or maintain such Common Facilities so as to cause them to be in good and substantial repair to the extent that such replacements do not constitute an expense of a capital nature but are wholly chargeable to operating expense in a fiscal period in accordance with generally accepted accounting principles, but excluding all repairs or replacements made to remedy defects in construction or made to improve the standard of such Common Facilities (if and to the extent by way of new construction, capital additions or replacements or otherwise of a capital nature, and not just to maintain then existing facilities);

(vi) the cost of operating and maintaining public address and background music systems, information facilities and other facilities for the general benefit of customers of the Shopping Centre in Common Facilities;

(vii) the cost of Real Property Taxes (excluding business taxes, if any) applicable to the Common Facilities (including any Real Property Taxes allocated pursuant to Article 9) in each of the first five (5) years of the Term;

(viii) the cost of premiums for fire and all insurance in respect of Common Facilities and Tenant Licensed Parking Area which the Landlord is required to maintain pursuant to this Bay Lease or shall reasonably maintain or be required by any mortgagee of the Landlord to maintain (which may include, without limitation, fire insurance with extended coverage, supplementary perils, multi-perils and/or all risks endorsements, boiler and machinery insurance where applicable, and public liability insurance pertaining to the use and operation of Common Facilities);

(ix) periodic depreciation at standard rates upon equipment used for cleaning and maintaining Common Facilities (excluding equipment of and for the heating, ventilating or air conditioning of the Common Facilities);

(x) an administration fee equal to 10% of the aggregate of all Common Facilities Operating Costs excluding Real Property Taxes referred to in paragraph (vii), depreciation referred to in paragraph (ix) and insurance referred to in (viii);

but there shall be deducted therefrom (prior to the computation of the aforementioned administration fee):

(a) all monies recovered (which, if the Landlord fails to comply with its obligations to insure under this Bay Lease, includes monies which would reasonably have been recoverable if the Landlord had so complied and used its reasonable efforts to recover) under policies of insurance, or recovered under claims for damage or indemnity from third parties responsible, with respect to damage to Common Facilities to the extent applicable to repairs to such Common Facilities the cost of which would otherwise be included hereunder;

(b) recoveries made by the Landlord under construction warranties relating to Common Facilities to the extent applicable to defects the cost of repair of which would otherwise be included hereunder;

(c) revenue derived from the imposition of parking charges permitted to be imposed pursuant to subclause 7.04; and other revenues and contributions whatsoever derived from the Common Facilities including general shopping centre promotions conducted in and any temporary use of Common Facilities and permitted under subclause 7.04(b) (but excluding percentage rent received from tenants of Retail Premises during general shopping centre promotions);

and there shall be excluded therefrom:

(A) the cost of improvements, additions, capital replacements, depreciation (except to the extent permitted under paragraph (ix) of this subclause) and other expenses which are in each case of a capital nature in accordance with generally accepted accounting principles; the costs of operation, maintenance and supervision paid to personnel (other

than as provided in paragraph (ii) of this subclause), the costs of overhead and administration (other than as provided in paragraph (x) of this subclause); and Merchants' Association contributions by the Landlord, interest, debt service, and other similar costs;

(B) all costs of operating and maintaining kiosks and other facilities in the Mall or elsewhere in the Common Facilities which are of a commercial nature and produce revenue for the Landlord;

and for the purpose of determining such costs, charges and expenses, all reasonable allocations shall be made by the Landlord where necessary;

(5) "Consumer Price Index" means the Consumer Price Index (All Items for Regional Cities) for the greater Vancouver area (or any index published in substitution for the Consumer Price Index or any other replacement index most nearly corresponding thereto reasonably designated by the Landlord if the Consumer Price Index is no longer published) published by Statistics Canada (or by any successor thereof or any other governmental agency). In the case of any required substitution, the Landlord shall be entitled to make all necessary conversions for comparison purposes;

(6) "Expansion Opening Date" means the later of:

(a) the date of the general and official opening of the Bay Mall for business with its customers, and

(b) the earliest date upon which all of the following shall have occurred:

(i) the Tenant Department Store shall be in a condition of Substantial Completion and a period of one hundred and twenty (120) days shall have expired from the date on which the Landlord has provided the Tenant with possession of the Tenant Department Store for the purpose of the Tenant's finishing and fixturing work;

(ii) the Common Facilities in the Bay Mall shall be in a condition of Substantial Completion, connected to the remainder of the Mall and available for use by the public, with vehicular access completed and available (including, in any event, road access from the southern portion of the Shopping Centre); and

(iii) the balance of the Shopping Centre shall be generally in a condition of Substantial Completion as to all Landlord's work therein, and in particular seventy-five per cent (75%) of the Gross Leaseable Area of all Retail Premises in each of the Bay Mall and the Sears-Woodwards Mall (excluding the HBC Store) shall in each case be in a condition of Substantial Completion as to all Landlord's work therein, and in addition all tenant's fixturing work therein shall have been substantially completed so that the same are in a suitable condition and ready to open for business with the public, and the same shall be open or have opened for business with the public, and the Sears-Woodward Mall shall abut the Bay Mall;

(iv) all Parking Facilities shall be in a state of completion to enable vehicular and pedestrian use for the parking of motor vehicles;

(7) "Gross Building Area" as applied to the Tenant Department Store means the aggregate floor area thereof expressed in square feet, calculated by measuring from the exterior face of all exterior walls;

(8) "Gross Leaseable Area" as applied to any interior rentable premises (including the Tenant Department Store), means the aggregate floor area thereof (excluding, in the case of mezzanine floor area, fifty percent (50%) of such floor area) on each level expressed in square feet, calculated by measuring from the exterior face of all exterior walls, the exterior face of all interior walls separating Retail Premises from Common Facilities and other areas not intended to be leased and the centre line of walls separating any Retail Premises from adjoining Retail Premises and including any recessed portion of any storefront; and as applied to any facility in the Mall or any enclosed

and heated facility located on exterior Common Facilities used for retail selling or other private purposes, means the area occupied by such facility, except that in the case of a kiosk (other than the Tenant Shop) in which the occupant is in occupation for a period in excess of one year the Gross Leaseable Area shall be deemed to be twice the actual Gross Leaseable Area of the kiosk, and in the case of a kiosk (other than the Tenant Shop) in which the occupant is in occupation for a period of one year or less the Gross Leaseable Area of such kiosk shall be deemed to be 1,000 square feet notwithstanding, in either case, the actual Gross Leaseable Area of such kiosk which would otherwise be obtained hereunder; but excluding all penthouses, elevator machine rooms, electrical and mechanical vaults and rooms and facilities therein, vertical transportation facilities (such as elevators, escalators, stairs and stairwells), public washrooms, loading docks and truck receiving and delivery facilities and any interior areas not enclosed and heated;

(9) "Landlord" means The Manufacturers Life Insurance Company and its successors and assigns;

(10) "Lease" means this Lease as from time to time amended;

(11) "Lease Commencement Date" means the earliest of:

(a) the date the Tenant Department Store opens for business with the public;

(b) the date which is (i) the Expansion Opening Date, if the Expansion Opening Date occurs between March 1 and April 15 inclusive in any year or between August 1 and September 30 inclusive in any year, (ii) August 1 following the Expansion Opening Date, if the Expansion Opening Date occurs between April 16 and July 31 in any year inclusive, or (iii) March 1 following the Expansion Opening Date, if the Expansion Opening Date occurs between September 30 in any year and the last day of February inclusive in the ensuing year; and

(c) December 31, 2001;

(12) "Leased Premises" means the Tenant Department Store which is demised to the Tenant under this Lease, and includes where the context requires or permits, the Tenant Shop, the Tenant Outdoor Selling Area and the Tenant Licensed Parking Area, all as provided in this Lease;

(13) "Mall" means the Bay Mall and the Sears-Woodwards Mall and such other enclosed pedestrian concourses, courts and arcades, which are and from time to time may be constructed as part of the Shopping Centre, and being part of the Common Facilities, as from time to time altered, reconstructed or expanded;

(14) "Merchandising Plan" means the plans allocating permitted types of use to each of the various premises in the Shopping Centre, which plans have been prepared by the Landlord and approved by the Tenant and are annexed as Schedule "C" to this Lease, as from time to time amended;

(15) "Parking Facilities" means that portion of the Common Facilities, which is from time to time intended and available for the parking of motor vehicles (whether at grade level or in parking decks or structures), as from time to time altered, reconstructed or expanded, and includes all improvements on the Shopping Centre Lands (such as all curbs, lighting facilities, pavement, signs, entrances, exits, roads, ramps and other means of access to parking) required for parking purposes from time to time;

(16) "Real Property Taxes" means any and all taxes (which includes rates, assessments, levies, charges and impositions), general or special, from time to time levied or imposed with respect to real property (including land, buildings, fixtures, and accessories and improvements to them) by municipal or other governmental authorities having jurisdiction, including without limitation such taxes levied or imposed for schools, public betterments; interest, fines or penalties for non-payment and any local improvement charges shall be excluded, and

taxes which are primarily of the nature of taxes on income, capital, business, place of business or otherwise personal to the taxpayer, and not primarily of the nature of taxes on real property, shall also be excluded; costs (including interest costs) of contesting the amount or validity of any such taxes, to the extent reasonably incurred in the common interest of occupants of the Shopping Centre, shall be included;

(17) "Retail Premises" means rentable premises used and occupied or designed to be used and occupied by businesses which provide goods or services to the public such as are commonly found at a mall level of a shopping centre and includes, without limiting the foregoing, in addition to retail stores (including department stores, food supermarkets, kiosks and theatres), chartered banks, trust companies, dry cleaners, barber shops, restaurants, snack bars, and (to the extent that the following are located at a Mall level) any fitness and recreational facilities, professional or medical offices and other commercial offices having frontage on the Mall; but for greater certainty excludes the Landlord's management offices for the Shopping Centre, and premises used for residential and hotel or motel purposes;

(18) "Sears" means Sears Canada Inc. and its successors and assigns as tenant of the Second Department Store and as owner of the Sears Lands, as the case may be;

(19) "Sears Auto Centre" means that portion of the Sears Lands shown cross-hatched in blue on the Site Plan;

(20) "Sears Lands" means the lands comprising approximately 10.59 acres and shown outlined in blue on the Site Plan, which lands are presently owned by Sears, as such lands may from time to time be varied;

(21) "Sears Operating Agreement" means an agreement dated the 12th day of July, 1985 and made amongst Manufacturers Life Insurance Company, 289809 B.C. Limited and Sears Canada Inc., as amended by a further agreement dated the 8th day of May, 1986 amongst the same parties, as amended, replaced or restated from time to time in accordance with the terms of this Lease;

(22) "Sears-Woodwards Mall" means that portion of the Shopping Centre building and improvements comprising the Retail Premises presently constructed on three levels, the commercial units on the fourth level of the Shopping Centre, mall space, related improvements and all other enclosed Common Facilities located at the date of this Lease between the Second Department Store and the Third Department Store, all*as shown outlined in BLUE on the Merchandising Plan, as from time to time altered, reconstructed or expanded;

(23) "Second Department Store" means the department store building initially occupied by Sears and comprising approximately 160,000 square feet of Gross Leaseable Area on three levels and which has been constructed on the Sears Lands in the location shown hatched in blue on the Site Plan, as from time to time altered, reconstructed or expanded;

(24) "Shopping Centre" means the Shopping Centre Lands and all the buildings and improvements from time to time erected thereon including all Common Facilities and all Retail Premises, and the appurtenances thereto from time to time existing, together constituting the shopping centre presently known as "Metrotown Centre";

(25) "Shopping Centre Lands" means the lands comprising approximately 17.595 acres which initially are the site of the Shopping Centre and shown outlined in orange on the Site Plan (as such lands are more particularly described in Schedule A) as such lands may from time to time be varied;

(26) "Site Plan" means the site and location plan of the Shopping Centre Lands and the improvements initially constructed thereon, and which is annexed as Schedule B to this Lease;

(27) "Substantial Completion" as applied to any Retail Premises or Common Facilities or the Shopping Centre generally, means the condition arrived at, as certified by the architect of the Landlord (or the architect of the Tenant, in the case of the finishing and fixturing work to be carried out by the Tenant on the Tenant Department Store) charged

* NOTE: The commercial units on the fourth level have not been included in the merchandising plans attached as Schedule "C".

with the supervision of construction, when the same has been completed and is in a condition of presentable appearance and appropriate and available for purposes of enabling tenants to effect leasehold improvements and fixturing in an orderly and uninterrupted manner with the exception of minor deficiencies which do not interfere with such construction of leasehold improvements and fixturing but without limitation shall include in particular the completion to a condition suitable for safe and proper operation of the following:

(a) all access for persons, goods and materials, including elevators and loading and docking facilities and access thereto which is paved or comparabley surfaced;

(b) utilities including permanent electrical power, electrical outlets and lighting, heating, ventilating and air-conditioning and plumbing including sprinklering and washroom facilities;

(c) basic interior finishing by the Tenant of the Tenant Department Store, including floor and ceiling tile and the furring and enclosure of all utilities, services and columns; and

(d) all means of enclosing and securing the Tenant Department Store and facilities necessary for the safe use and occupancy thereof, including glazing, doors and locks, fire alarms and public address systems;

(28) "Tenant" means Hudson's Bay Company and its successors and permitted assigns as tenant under this Lease;

(29) "Tenant Department Store" means the department store building on two equal levels comprising approximately 140,000 square feet of Gross Leaseable Area which has been constructed on the land which is shown outlined in red on the Site Plan as from time to time altered, reconstructed or expanded, which building shall include for greater certainty the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical,

electrical, plumbing and other services and any insulation, and, in regard to the two elevators connecting the said two levels of the building to the parking garage located below, shall include the elevator shafts and lobby on each of said two levels and the elevator cabs, and shall, at such time as an expansion pursuant to clause 19.00 hereof has occurred, include the elevator shaft and lobby on the expansion level;

(30) "Tenant Licensed Parking Area" means the ten (10) car parking spaces outlined in yellow on the Site Plan licensed for the exclusive use of the Tenant pursuant to clause 2.01 as such may from time to time be relocated by mutual agreement;

(31) "Tenant Outdoor Selling Area" means the area shaded in red on the Site Plan (as such may be relocated pursuant to clause 16.01) within which the Tenant may locate and which it may from time to time use as an outdoor selling area pursuant to clauses 2.01 and 16.01;

(32) "Tenant Shop" means the store of approximately 400 square feet of Gross Leaseable Area fronting on the Mall which the Tenant leases for use for selling purposes pursuant to clauses 2.02 and 16.00, and which is shown outlined in red on the Merchandising Plan;

(33) "Term" means the entire term of this Lease including the original term as described under clause 3.00, every renewal term as described under clause 3.01 resulting from the exercise of any of the Tenant's options thereunder, and any period of overholding to which clause 3.02 applies;

(34) "Third Department Store" means the department store building initially occupied by Woodwards and comprising approximately 180,793 square feet of Gross Leaseable Area on three levels and which has been constructed on the Shopping Centre Lands in the location shown outlined in green on the Site Plan from time to time altered, reconstructed or expanded;

(35) "Unavoidable Delay" means any prevention, delay, stoppage or interruption in the performance of any obligation of the parties

hereunder due to strike lockout, labour dispute, act of God, or the occurrence of fire or other casualty, condition or cause which is beyond the reasonable control of the party obligated to perform despite all reasonable efforts of such party to perform (but shall not include any inability to perform because of any lack of funds or any financial condition);

(36) "Woodwards" means Woodwards Stores Limited and its successors and assigns as tenant of the Third Department Store.

1.01 Schedules. The Schedules to this Lease form part hereof and are as follows:

Schedule A	-	Description of Shopping Centre Lands
Schedule B	-	Site Plan
Schedule C	-	Merchandising Plan
Schedule D	-	Common Facilities Operating Costs Breakdown (see Article 10)

1.02 Landlord's Representations. The Landlord warrants and represents to the Tenant that at the date of this Lease and the date of execution and delivery of the Lease:

(1) The Shopping Centre including the Tenant Department Store (other than the work carried out by the Tenant in the construction of the Tenant Department Store), the Common Facilities and Retail Premises therein, and the use of the various portions thereof for their intended purposes, in each case does not contravene and is not prevented or restricted in any material manner as of the date hereof by any provision of any statute, by-law, order or regulation of any governmental authority having jurisdiction or of any agreement to which the Landlord is a party or is bound;

(2) The tenants and occupants of the Shopping Centre including the Tenant and their respective employees and those having lawful business with them including customers have legal pedestrian and vehicular access to the Shopping Centre and their respective premises therein, and such access is not prevented or restricted by any statute, by-law, order or regulation of any governmental authority having jurisdiction or of any agreement to which the Landlord is a party or is bound;

(3) Any mortgages, charges and other similar encumbrances registered against and affecting the Landlord's interest in the Shopping Centre Lands are subordinate to this Lease and require the holder, while in possession, to observe and perform the obligations of the Landlord, in each case in accordance with the terms of this Lease;

(4) The Landlord is the registered and beneficial owner of the Shopping Centre Lands and its title thereto is good and marketable and subject to no encumbrances which materially and detrimentally affect the Tenant's interest under this Lease;

(5) The Sears Operating Agreement is a valid and enforceable agreement and there are no defaults thereunder by any of the parties thereto; and

(6) There are no restrictions imposed by law or by private agreement binding upon the Landlord which conflict with the rights of the Tenant under this Lease.

ARTICLE 2

DEMISE AND GRANT OF RIGHTS

2.00 Demise of Tenant Department Store. The Landlord leases the Tenant Department Store to the Tenant for the Term, upon and subject to the covenants and provisions expressed in this Lease, together with the benefit of all rights and privileges granted to the Tenant by this Lease.

2.01 Right to Tenant Outdoor Selling Area and Tenant Licensed Parking Area. The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this Lease, (a) the right and license at any time and from time to time during the Term and not terminable by the Landlord during the Term (but subject always to the provisions of clause 16.01), to occupy and use the Tenant Outdoor Selling Area and (b) the right and license at any time and from time to time during the Term and not terminable by the Landlord during the Term to occupy and use the Tenant Licensed Parking Area.

2.02 Demise of Tenant Shop. The Landlord leases the Tenant Shop to the Tenant for the Term (but subject to prior termination as provided in clause 16.00), upon and subject to the covenants and provisions of clause 16.00, to occupy and use for the Tenant's benefit.

2.03 Rights to Common Facilities. The Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this Lease, for use by the Tenant and its employees and those having lawful business with it including its customers, in common with the Landlord and other occupants of the Shopping Centre only and their respective employees and those having lawful business with them including their customers, the right and license during the Term, and not terminable by the Landlord during the Term, to use the Common Facilities for the purposes for which such Common Facilities are intended and provided; and in particular, without limiting the generality of but subject to the foregoing, such right and license of use shall include:

(1) The right to use the Parking Facilities (including the means of pedestrian and vehicular access and the entrances and exits to and from the Shopping Centre included therein, but excluding those portions of the Parking Facilities which are occupied by the Tenant Outdoor Selling Area and other outdoor selling areas recognized or permitted under clause 17.01 of this Lease, while so occupied) for the purpose of pedestrian and vehicular access to and from the Shopping Centre and the parking of vehicles in parking spaces provided therein;

(2) The right to pedestrian passage and re-passage through every portion of the Mall (excluding those portions thereof which are occupied by kiosks permitted under this Lease while so occupied) for the purpose of access to or from every portion of the Shopping Centre including the Tenant Department Store;

(3) The right to the use and benefit of utilities and services as have been or may be provided by the Landlord, in accordance with the provisions of this Lease;

(4) The right to use the corridors, entrances to and exits from buildings, public washrooms and all other facilities provided for common use and enjoyment as part of the Common Facilities; and

(5) The exclusive right to use the truck standing area which is adjacent to and is used in conjunction with the receiving facilities of the Tenant Department Store, for the purpose of the standing of motor vehicles, trailers and garbage compactors and access to and from such receiving facilities.

ARTICLE 3

TERM, RENEWALS AND RIGHT OF TERMINATION

3.00 Original Term. The original term shall be for twenty-five (25) years commencing on the Lease Commencement Date.

3.01 Renewal Terms. The Tenant shall have the options:

(1) first, to renew this Lease for a first renewal term of ten (10) years commencing immediately after the expiration of the original term referred to in clause 3.00, and

(2) second, if such first option shall have been exercised, to further renew this Lease for a second renewal term of ten (10) years commencing immediately after the expiration of the first renewal term, and

(3) third, if such second option shall have been exercised, to renew this Lease for a third renewal term of ten (10) years commencing immediately after the expiration of the second renewal term, and

(4) fourth, if such third option shall have been exercised, to renew this Lease for a fourth renewal term of ten (10) years commencing immediately after the expiration of the third renewal term, and

(5) fifth, if such fourth option shall have been exercised, to renew this Lease for a fifth renewal term of ten (10) years commencing immediately after the expiration of the fourth renewal term, and

(6) sixth, if such fifth option shall have been exercised, to renew this Lease for a sixth renewal term of ten (10) years commencing immediately after the expiration of the fifth renewal term, and

(7) seventh, if such sixth option shall have been exercised, to renew this Lease for a seventh renewal term of ten (10) years commencing immediately after the expiration of the sixth renewal term and finally

expiring ninety-five (95) years following the Lease Commencement Date. Unless this Lease shall have been sooner terminated pursuant to clauses 3.03, 12.00(3), 24.00, 24.01(3) or 24.02, an option granted to the Tenant by this clause 3.01 shall be deemed to have been exercised by the Tenant, without the need for any written notice of exercise or other notice or action by the Tenant, unless the Tenant gives written notice to the Landlord that it does not desire to exercise such option of renewal, which notice of non-exercise by the Tenant shall be given not later than twelve (12) months prior to the end of the original term in the case of the first of such options, or not later than twelve (12) months prior to the end of the then current renewal term in the case of any of the six subsequent options (and in which event only, such option shall be deemed not to have been exercised, the Term shall expire at the expiration of the original term or the then current renewal term, as the case may be, and there shall be no further or other right of the Tenant to exercise any such option).

All of the covenants, conditions and provisions of this Lease, including the stipulation as to rent and other payments and contributions by the Tenant hereunder, shall apply during each renewal term specified in this clause 3.01, except that there shall be no options to renew beyond the seventh renewal option provided for in this clause 3.01, and any provision which expressly has application only during the original term shall not apply during any renewal term. If any event occurs entitling Woodwards to terminate its lease for the Third Department Store, the Landlord agrees, by notice to the Tenant, to advise whether or not Woodwards intends to terminate. In addition, the Landlord agrees, by notice to the Tenant, to advise whether or not Woodwards intends to renew its lease for the Third Department Store for the then impending renewal term as soon as it has been so advised by such tenant.

3.02 Overholding. If the Tenant shall remain in possession as an overholding tenant after the original term or any renewal term, save pursuant to a renewal term which has been deemed to have been exercised or other agreement between the Landlord and the Tenant, the Tenant shall

be deemed to be a tenant from month to month at a monthly rental equal to one-sixth (1/6th) of the annual basic rent payable in the last year of the Term immediately preceding such overholding and otherwise upon all the terms and provisions of this Lease, modified as is appropriate to such a monthly occupancy.

3.03 Tenant's Right to Terminate. During the Term if any restrictive covenant or zoning or other by-law or municipal or other governmental regulation shall have taken effect which would (i) prevent the operation of the Shopping Centre as a shopping centre, or (ii) prevent reasonable access thereto in the manner contemplated by this Lease so as to preclude the operation of the Tenant Department Store as a department store, or (iii) prevent the use of the Tenant Department Store as a department store and the Landlord shall not have commenced to rectify such situation within 60 days and thereafter is not proceeding actively and diligently to so rectify the Tenant may terminate this Lease upon notice to the Landlord. Whether or not the Landlord is attempting to so rectify, if such is not rectified within 550 days, such right of termination shall be exercisable. For greater certainty, if such operations or use may be continued as a legal non-conforming use, then such by-law or regulation shall be deemed not yet to have taken effect until such operations or use may not be continued.

If the Landlord is precluded from operating or causing the Shopping Centre to be continually used and operated as a first class shopping centre together with access thereto in the manner contemplated by this Lease, by reason of any restrictive covenant or zoning or other by-law or municipal or other governmental regulation, the Landlord covenants and agrees to use its best efforts to remedy or rectify such cause and during the period in which the Landlord is so precluded from operating it shall be deemed not to be in breach of its obligations under clause 7.00.

ARTICLE 4

RENT

4.00 Amount of Rent for Tenant Department Store. During the Term the Tenant covenants to pay annual basic rent equal to:

(a) $6.00 per square foot per annum of Gross Building Area of the Tenant Department Store (excluding the Gross Building Area of any expansion) for each year of the first twenty-five (25) years of the Term and the first renewal term (provided in any event such Gross Building Area on which the Tenant pays annual basic rent shall never exceed 140,000 square feet); and

GBA 140 545
GLA 132 036

(b) $3.00 per square foot per annum of Gross Building Area of the Tenant Department Store (excluding the Gross Building Area of any expansion) for each year of the second to seventh renewal term inclusive (provided in any event such Gross Building Area on which the Tenant pays annual basic rent shall never exceed 140,000 square feet).

Notwithstanding the aforesaid, where the Tenant Department Store opens for business with the public prior to the Expansion Opening Date, the annual basic rent for the period from the Lease Commencement Date to the Expansion Opening Date shall be at a rate of fifty percent (50%) only of the annual basic rent otherwise stipulated aforesaid in this clause 4.00, and the annual basic rent from the Expansion Opening Date to the first day of the following month shall be nil. The annual basic rent, if any, applicable to an expansion of the Tenant Department Store shall be determined pursuant to the provisions of Article 19 hereof.

4.01 Amount of Rent for Tenant Shop. The Tenant covenants and agrees to pay to the Landlord from and after the earlier of the Expansion Opening Date and the opening of the Tenant Shop for business with the public, until termination pursuant to clause 16.00, an annual basic rent, for each square foot of Gross Leaseable Area of the Tenant Shop, equal to the annual basic rent per square foot of Gross Building Area from time to time payable for the Tenant Department Store during such year.

4.02 Payment of Rent. Rent in the amount contemplated by clauses 4.00, 4.01 and 4.03 shall be paid in lawful money of Canada to the Landlord at such place in Canada as the Landlord may from time to time direct in writing. Rent shall be payable (a) by equal monthly instalments in advance on the first day of each calendar month, except that the first instalment of rent payable for any broken portion of a calendar month (at the commencement of the Term in the case of the Tenant Department Store and the Tenant Shop) shall be appropriately adjusted, being calculated at a rate per day equal to 1/365th of the applicable annual rent for the broken portion of a calendar month involved,and paid in arrears with the next ensuing monthly payment, and (b) without any previous notice or demand of the Landlord, and without any abatement, set-off or deduction whatsoever except as specifically provided for in this Lease.

4.03 Additional Rent. In addition to the basic rent referred to in clauses 4.00 and 4.01 all sums of money required to be paid by the Tenant to the Landlord under this Lease and whether or not such sums of money are expressed or referred to as being rent, shall, when in default, be deemed to be additional rent and payable and recoverable as rent.

4.04 Net Lease. Except as otherwise provided in this Lease, this Lease is a completely net lease to the Landlord and the Landlord is not responsible for costs, charges, or expenses relating to the Leased Premises, their use and occupancy, their contents, or the business carried on in them, and the Tenant will pay the charges, impositions, costs and expenses relating to the Leased Premises. This Section will not be interpreted to make the Tenant responsible for any rentals that may be payable by the Landlord, payments to Landlord's mortgagees or any other debt service payments of the Landlord or Landlord's income taxes, capital taxes or other taxes which are personal to the Landlord.

4.05 Abatement of Rent. If at any time during the Term either of the Second Department Store or the Third Department Store shall become vacant or cease to be open for business as a major department store and

remain so for one hundred and eighty (180) days (exclusive of periods when business is prevented by Unavoidable Delay) and if the Tenant should, while such condition persists, cease the conduct of business in the Tenant Department Store, all rent and other amounts payable to the Landlord under this Lease in respect of the Tenant Department Store shall cease and abate until the earlier of:

(a) the Second Department Store and the Third Department Store shall again be open for business, each as a major department store and remain so for a period of not less than sixty (60) days; and

(b) the Tenant shall recommence the conduct of business (it being agreed that the Tenant shall have a reasonable time not exceeding twelve (12) months in which to reopen the Tenant Department Store after the condition in (a) above has been satisfied. If at any time such condition exists during the Term the Tenant or the Landlord (provided the Landlord has not caused or encouraged the vacancy or closure of either of the Second Department Store or the Third Department Store and further provided the Tenant Department Store is closed), while such condition persists, may terminate this Lease upon written notice to the other, provided that, in the case of notice of termination by the Landlord, the Tenant shall have a period not exceeding nine (9) months following such notice to re-open the Tenant Department Store in which event the notice of termination shall have no force or effect. Otherwise this Lease shall be terminable only as expressly provided herein.

4.06 No Basic Rent for Tenant Outdoor Selling Area or Tenant Licensed Parking Area. It is understood and agreed that no basic rent (of the type referred to in clause 4.00) shall be payable by the Tenant during the Term in respect of its use and occupancy of either the Tenant Outdoor Selling Area or the Tenant Licensed Parking Area.

4.07 Pre-Opening Events. Notwithstanding anything in this Lease to the contrary, the Tenant shall have the right to open the Tenant Department Store prior to the Expansion Opening Date for business

exclusively with its credit card customers for one day and with its employees for a maximum of two days, and no annual basic rent shall be payable in respect of such days, and the Tenant shall be deemed not to have opened the Tenant Department Store for business with the public. During such days the Tenant shall observe and perform all of the covenants and obligations of the Tenant under this Lease, other than the covenant to pay annual basic rent, Real Property Taxes, Common Facilities Operating Cost or Merchants' Association contributions.

ARTICLE 5

GENERAL COVENANTS

5.00 Covenants of Tenant. The Tenant covenants with the Landlord:

(1) to pay when due the rent stipulated in Article 4 and the contributions in respect of the Common Facilities Operating Costs stipulated in Article 10 in the amount and manner therein provided, and all other sums from time to time due to the Landlord under this Lease; and

(2) to observe and perform all the covenants and obligations of the Tenant under this Lease.

5.01 Covenants of Landlord. The Landlord covenants with the Tenant:

(1) for quiet enjoyment; and

(2) to observe and perform all the covenants and obligations of the Landlord under this Lease.

ARTICLE 6

OCCUPANCY OF LEASED PREMISES

6.00 Uses of Leased Premises. Except with the prior written consent of the Landlord:

(1) the Tenant Department Store, while being operated, shall be operated as a department store consistent with the standards of other department stores operated by the Tenant located in the greater Vancouver area. The Tenant covenants and agrees with the Landlord, subject to Unavoidable Delay, to continuously operate the Tenant Department Store as a department store in each of the first ten (10) years of the Term, so long as each of the Second Department Store and Third Department Store continue to be open for business as a major department store and so long as seventy-five percent (75%) of the Gross Leaseable Area of Retail Premises in each of the Bay Mall and the Sears-Woodwards Mall are open for business on each level.

(2) the Tenant Outdoor Selling Area, while used and occupied by the Tenant, may be used and operated only for the sale at retail of any type or types of merchandise permitted to be sold in the Tenant Department Store, including without limitation garden supplies and recreational and sports equipment;

(3) the Tenant Licensed Parking Area, while used and occupied by the Tenant, may be used only for the parking of vehicles leased or licensed by the Tenant or its concessionaires in the Tenant Department Store. The Tenant Parking Area shall be identified by the Tenant, at its expense, as being for the exclusive use of the Tenant or its concessionaires;

(4) the Tenant Shop, during that portion of the Term following the Expansion Opening Date until terminated pursuant to clause 16.00, while used and occupied by the Tenant, may be used and operated for the retail sale of any department store type of merchandise normally sold in department stores (although the Tenant intends during the initial period

of its use and occupancy of the Tenant Shop to sell fast food items). Notwithstanding the aforesaid, the Tenant acknowledges that prior to April 22, 1986 the Landlord may have entered into leases in the Sears-Woodwards Mall which contain exclusive rights with respect to use. The Tenant will not utilize the Tenant Shop for any purpose which conflicts with such exclusives provided however that the Landlord covenants and agrees that the Tenant's initial intended use of the Tenant Shop as a facility for the sale of fast food items is not prohibited by any exclusive given by the Landlord to any other tenant. The Landlord covenants that it has not, since April 22nd, 1986, entered into and it will not enter into any leases or agreements to lease granting any exclusive rights to tenants from and after such date which would restrict the use of the Tenant Shop.

6.01 Name of Business. Unless and until the Tenant shall assign this Lease or sublet the Tenant Department Store in accordance with the provisions of clauses 21.00 (2), (3) (5), (6), or (7), the Tenant shall operate the whole of the Tenant Department Store under the name "the Bay" or "Hudson's Bay Company" or such other word or words as shall be the dominant word or words in the name under which the retail department store business of Hudson's Bay Company is from time to time being carried on in the Province of British Columbia. The Tenant Outdoor Selling Area and the Tenant Shop, may be operated under such name or names as the Tenant may from time to time determine, provided however that the name given the Tenant Outdoor Selling Area shall not create the appearance to the public of being a business entity independent and separate from the Tenant Department Store.

6.02 Hours of Business. During the Term the Tenant, if obliged under clause 6.00 to be open for business, shall be open to the public for business in the Tenant Department Store and the Tenant Shop during at least those minimum hours of business for the Shopping Centre as may from time to time be established by the regulations of the Landlord, provided that such regulations shall be reasonable, of uniform application and consistent with the provisions of this Lease, and that nothing herein shall require the Tenant Department Store or portions

thereof or the Tenant Shop to be open during hours other than those which have been generally established by the Tenant for the operation of its department stores in the greater Vancouver area, or to be open for business during public holidays or when prevented by law or other legal restriction or by Unavoidable Delay; in addition, nothing herein shall prevent the Tenant Department Store from being open for business during those hours permitted by law and the Tenant may be so open during such hours. The Tenant shall supply information to the Landlord outlining its reasons for operating on business hours which are not the hours established for the Shopping Centre from time to time. The Landlord shall consult periodically with the Tenant with regard to Shopping Centre hours of business and give reasonable consideration to the suggestions and recommendations of the Tenant pertaining thereto, and shall give reasonable notice to the Tenant of any change from time to time in the Landlord's regulations pertaining to Shopping Centre hours of business.

6.03 Display Window Lighting. The Tenant shall keep any display and other windows of the Tenant Department Store suitably illuminated during all hours when such shall be open to the public for business.

6.04 Nuisance, etc. The Tenant shall not use or permit any part of the Leased Premises to be used in such a manner as to cause a nuisance or cause or permit any annoying noises, vibrations or odours (having regard to the purposes for which the various portions of the Leased Premises are permitted to be used). The Tenant shall not permit any debris or refuse to accumulate in the Leased Premises, but shall cause the same to be stored in suitable receptacles and regularly removed. The Tenant will not permit to be stored in or about the Leased Premises any dangerous or flammable thing to which the Landlord or insurers of the Tenant or of the Landlord have reasonable cause for objection, having due regard to the purposes for which such parts of the Leased Premises are permitted to be used, and if the Tenant shall breach this provision the Landlord shall have the right (without limiting any other remedy it may have) to recover the amount of any additional premium cost incurred by the Landlord as a result of such breach.

6.05 Receiving and Shipping. The Tenant shall not load or unload any merchandise, supplies or other materials or any debris or refuse except in the truck receiving area forming part of the Tenant Department Store, but this shall not apply to manual deliveries or shipments of small parcels to and from the Tenant Department Store where it is not practical or desirable to handle them through such receiving area so long as there is no obstruction of any entrances or of the Mall, nor shall it apply to deliveries to and shipments from the Tenant Outdoor Selling Area or Tenant Shop, provided in either case the Parking Facilities and access thereto are not obstructed.

6.06 Merchandising Activities in Common Facilities. The Tenant shall not carry on any merchandising activities or display any merchandise in the Common Facilities, other than as permitted in the Tenant Outdoor Selling Area or as part of a promotion approved by the Landlord, such approval not to be unreasonably withheld.

6.07 Heating and Air-conditioning. The Tenant shall at its own expense heat and air-condition the Tenant Department Store (other than portions thereof which are not designed to be heated or air-conditioned) whenever reasonably required from time to time and in such manner that there will be no direct or indirect appropriation of heating or cooling from the Mall, but subject to Unavoidable Delay, and maintain, repair and replace the systems for heating and air-conditioning the Tenant Department Store as required for the purpose. The Tenant Shop shall be heated and air-conditioned as provided in clause 16.00. The Tenant Outdoor Selling Area need not be heated or air-conditioned.

6.08 Additional Common Facilities Operating Costs. If and whenever the Leased Premises or any part thereof are to be open for business during any hours which are not within the general hours of business for the Shopping Centre as established pursuant to clause 7.02 and such hours are in excess of those observed by the Tenant in a majority of its similar stores in the greater Vancouver area, the Tenant shall give reasonable prior notice to the Landlord. If the Leased Premises or any part thereof are so open for business the Landlord may require the

Tenant to reimburse to the Landlord the incremental cost (or an equitable part thereof based upon Gross Leaseable Area, if other occupants of rentable premises of the Shopping Centre shall similarly have remained open for business) incurred by the Landlord in operating the Common Facilities during the extra hours involved resulting therefrom. Consistent with the foregoing, if the Tenant Department Store is closed for business during any hours which are not within the general hours of business for the Shopping Centre as established pursuant to clause 7.02, the Landlord shall not include in Common Facilities Operating Costs the incremental cost incurred by it in operating the Common Facilities during such extra hours involved resulting therefrom.

6.09 Operation of Parking Garage Elevators. The Landlord and Tenant agree that the Tenant shall have the exclusive right to use, have absolute control of, and be fully responsible for the operation, repair and maintenance of, the elevators which connect the Tenant Department Store to the parking garage situated below the Tenant Department Store (and the Landlord shall assign to the Tenant any warranties which it has received in regard to such elevators). The Landlord shall reimburse the Tenant for one-third of the cost of such operation, repair and maintenance within twenty (20) days of receipt of the Tenant's invoice for the Landlord's share. Such invoice shall not be presented more often than monthly and shall be based on one-twelfth of the annual cost thereof as estimated by the Tenant, acting reasonably, and shall be adjusted annually based on actual costs incurred by the Tenant. The books of the Tenant in regard to such costs shall be open for inspection by the Landlord during business hours of the Tenant upon reasonable notice from the Landlord. In order to restrict access to the elevators and the Tenant Department Store outside of Tenant Department Store hours, the Tenant shall have the right to lock the doors which connect the elevator lobbies to the parking garage during such hours as the Tenant Department Store is closed.

6.10 Access to Bay Mall. If and whenever the Tenant Department Store is open for business, the Tenant shall keep the entrance to the

Tenant Department Store fronting on the Bay Mall open in such a manner as to allow convenient access between the Tenant Department Store and the Bay Mall.

ARTICLE 7

OPERATION OF SHOPPING CENTRE

7.00 Operation of Shopping Centre. So long as the Tenant Department Store is used and operated as a department store, the Landlord covenants that it will enforce the rights of the Landlord under the lease for the Third Department Store and under the Sears Operating Agreement (which, the Landlord covenants and warrants, contains an agreement by Sears to continuously operate the Second Department Store until September 24, 2001) pertaining to any use and operating covenants in order that, to the extent within the control of the Landlord and subject to Unavoidable Delay, the Second Department Store and the Third Department Store will be continuously used and operated as major department stores; provided, however, that in enforcing such rights:

(i) the Landlord will not be obligated to act imprudently having regard to the effect of any such enforcement or attempted enforcement;

(ii) any requirement of the Landlord's mortgagee directing enforcement or non-enforcement of such rights may be complied with by the Landlord and such will not be deemed to be a breach of the foregoing covenants of the Landlord contained in this clause 7.00; and

(iii) the Landlord shall not be required to terminate such lease unless it has obtained an enforceable agreement to lease or lease from a third party for the Third Department Store under which such third party has agreed to lease the Third Department Store upon terms no less favourable to the Landlord than those terms contained in the lease for the Third Department Store.

Subject to the foregoing, the Landlord shall throughout the Term specified in clause 3.00 and any renewal term specified in clause 3.01, so long as the Tenant Department Store is used and operated as a department store, (other than when business is prevented by Unavoidable Delay) cause the Shopping Centre to be continuously used and operated as a first class regional shopping centre in accordance with good shopping

centre practice and not for any other purpose without the consent of the Tenant.

7.01 Standards of Operation. The Landlord shall cause the Shopping Centre to be managed, operated and maintained as a first-class shopping centre in accordance with the then standards of operation and maintenance which have been adopted by first-class regional shopping centres of similar size in the greater Vancouver area and having regard to municipal requirements, and without limiting the generality of the foregoing, the Landlord shall:

(1) maintain or cause to be maintained at the Shopping Centre a management office and a competent full-time manager (or part-time if consented to by the Tenant, such consent not to be unreasonably withheld) and a sufficient staff of management, operating and maintenance personnel to perform the proper management, promotion, maintenance and operation of the Shopping Centre;

(2) keep or cause to be kept the Shopping Centre including the Mall, Parking Facilities and all other Common Facilities, and all buildings and improvements thereon other than the Leased Premises, clean, tidy and well maintained, landscaped areas properly maintained and in this connection maintain in force and take all reasonable action to enforce provisions of all leases to tenants of the Shopping Centre requiring such tenants to keep their respective premises clean, tidy and well maintained;

(3) take all such action as may reasonably be required to prevent any use of or conduct of any business or activity in any premises in the Shopping Centre which contravenes any provision of this Lease (including Article 14) or which is a nuisance or annoyance or is not in keeping with the standards of first-class regional shopping centres, and to prevent any other activity in the Shopping Centre which is not in keeping with the character of the Shopping Centre, or the display of any signs or advertising in respect of any such prohibited use, business or activity;

(4) prohibit any promotions or any display or sale of merchandise in the Common Facilities or in any other place in the Shopping Centre outside the confines of Retail Premises therein, other than:

(i) in the Tenant Outdoor Selling Area and other outdoor selling areas expressly permitted hereunder, and

(ii) as part of any general temporary shopping centre promotion which has been provided for the general benefit of the tenants of the Shopping Centre and is in accordance with good shopping centre practice for similar shopping centres or has been approved by the Tenant in writing (which approval, when requested, will not be unreasonably withheld or unduly delayed), provided that, notwithstanding the aforesaid, no promotions or display or sale of merchandise shall occur in the Common Facilities within 100 feet of the Bay Mall entrances to the Tenant Department Store without the approval of the Tenant, which approval may be arbitrarily withheld;

(5) for the purposes of this Lease, apply any revenue (other than percentage rent) which may be derived by the Landlord from general shopping centre promotions in the Common Facilities, after deduction of expenses, in reduction of Common Facilities Operating Costs (but this provision shall have no application to license fees or other revenues derived by the Landlord from kiosks in the Mall permitted under clause 17.00 or from outdoor selling areas permitted under clause 17.01); and

(6) implement and enforce a Landlord's exterior sign policy applicable to all tenants of the Shopping Centre as contemplated by clause 23.01, and prohibit and prevent all signs in the Common Facilities other than signs which are consistent with the Landlord's sign policy.

7.02 Hours of Business. The Landlord shall use its continuing and diligent efforts to cause the whole or substantially the whole of the Shopping Centre to be open for business on those days which are consistent with the requirements of a first-class regional shopping centre and during at least those hours during which other similar

shopping centres in the greater Vancouver area are open for business. The Landlord shall use its continuing and diligent efforts to cause as many tenants of the Shopping Centre as possible including the tenant of the Second Department Store and the tenant of the Third Department Store, and at least substantially all of the other merchandising tenants on the Mall, to remain open for business during such established hours of business, subject to Unavoidable Delay.

7.03 Mall. The Landlord shall maintain and operate or cause to be maintained and operated the Mall and have it and the entrances and other means of access thereto open during all hours when the Shopping Centre is open for business pursuant to clause 7.02 or (if requested by the Tenant and subject to Section 6.08 hereof) the Tenant Department Store is open for business, and shall cause the Mall to be properly lighted and heated and air-conditioned during such hours as may be required so as to maintain therein reasonable standards of comfort, subject only to Unavoidable Delay. The Tenant shall have the right to name the Bay Mall, provided that the Landlord's consent to such name has first been obtained (such consent not to be unreasonably withheld or unduly delayed).

7.04 Parking Facilities. For so long as the Landlord is obligated to operate or cause to be operated a shopping centre on the Shopping Centre Lands or any part thereof pursuant to clause 7.00 the Landlord shall cause the following requirements with respect to the Parking Facilities to be complied with:

(a) The Parking Facilities shall be kept:

(i) maintained and operated and open, including the means of access thereto (including without limitation the elevator lobbies below the Tenant Department Store while the Tenant Department Store is open), at all times when the Shopping Centre or the Tenant Department Store is open for business;

(ii) adequately lighted whenever required to facilitate their use

during hours of darkness (provided further that the lighting level in the parking garages shall be subject to the approval of the Tenant, such approval not to be unreasonably withheld or unduly delayed);

(iii) with parking spaces and aisles properly striped and otherwise marked and with the appropriate traffic and direction signs;

(iv) with adequate supervision of the flow of traffic therein whenever reasonably required and otherwise policed and supervised in accordance with the standards of first-class shopping centres;

(v) free of refuse and debris and with all appropriate measures taken to keep them reasonably free of snow and ice during winter months; and

(vi) with whatever steps being taken as are appropriate and reasonable to prevent the use of the Parking Facilities either for any purpose not permitted hereunder (such as by commuters in the area using the Parking Facilities while travelling on the public transit system) or by persons other than the Landlord, occupants of the Shopping Centre and their agents, employees, invitees and customers (and in particular in order to prevent the use of the Parking Facilities by commuters), and in particular to ensure that the Parking Facilities required for the purposes of the Retail Premises, and in particular those Parking Facilities located to the north of the Tenant Department Store, remain for the exclusive use of retail customers of the Shopping Centre.

(b) No charges shall be imposed for the use of parking spaces in the Parking Facilities without the written consent of the Tenant, but the Tenant will not unreasonably withhold its consent to a moderate charge for the use of parking spaces where the Landlord has established that the charges are necessary to control parking, secure turnover and discourage non-customer parking, and that the imposition of parking charges would not injuriously affect the business conducted in the Shopping Centre; if the Tenant shall consent to the imposition of reasonable parking charges all revenue derived from the imposition of

such charges shall be applied and credited as and when received wholly to reduce Common Facilities Operating Costs.

(c) The Landlord shall at all times maintain or cause to be maintained sufficient parking spaces to:

(1) meet all legal requirements as they now exist, in respect of present construction on the Shopping Centre Lands and, in the event of future construction on the Shopping Centre Lands, cause to be met all the then applicable legal requirements for the whole of the Shopping Centre in respect of such future construction (unless exempted therefrom); and

(2) maintain not fewer than four and one-half (4.5) parking spaces for each 1,000 square feet of Gross Leaseable Area of Retail Premises in the Shopping Centre (excluding from Retail Premises any outdoor selling areas and the Tenant Licensed Parking Area and provided that, in computing the number of parking spaces, any parking spaces displaced by any outdoor selling areas and the Tenant Licensed Parking Area may be included) together in every case with adequate means of access thereto by traffic lanes and aisles sufficient to permit normal and convenient access to and from such parking space. A "parking space", wherever referred to in this Lease and subject to legal requirements being met, is agreed to consist of a sufficient space to park a regular sized passenger automobile as determined from time to time, and in any event of comparable size to those provided in similar first-class shopping centres in the greater Vancouver area;

(3) for rentable space which is not Retail Premises, maintain that number of parking spaces which meets industry standards, based upon the assumption that the parking spaces hereby required to be maintained for Retail Premises are not available for use relative to such rentable space which is not Retail Premises; and

(4) maintain, as part of its compliance with the foregoing, not fewer than an aggregate of 825 car parking spaces within a radius of 300

feet from the entrances to the Tenant Department Store.

7.05 Landlord's Rules and Regulations. The Landlord may from time to time establish reasonable rules and regulations pertaining to the operation of the Shopping Centre, which shall not be inconsistent with the terms of this Lease but are consistent with the requirements of a first-class shopping centre in the greater Vancouver area. Subject to the foregoing, the Tenant shall comply with such rules and regulations so long as the same are reasonably generally enforced throughout the Shopping Centre. The Landlord shall use its reasonable efforts to enforce or cause to be enforced such rules and regulations.

7.06 Employee Parking. The Landlord, acting reasonably, shall designate a remote area or areas within the Parking Facilities (such location or locations to be subject to the approval of the Tenant, such approval not to be unreasonably withheld) for use by employees of the Tenant and other tenants and occupants of the Shopping Centre. The Tenant shall inform its employees of such areas and shall instruct its employees to park only in areas specifically designated for such purpose from time to time by the Landlord and will provide the Landlord with license numbers of its employees vehicles if requested by the Landlord to do so. The Landlord shall use its best efforts to cause all tenants of the Shopping Centre and their employees to park only in such designated areas, including the incorporation of a provision to this effect in all new leases to tenants of the Shopping Centre. Such areas may be located outside of the Shopping Centre Lands during peak periods of retail shopping, such as during the period from November 15 to December 31 in each year.

7.07 Sears Operating Agreement. The Landlord agrees to use its best efforts to enforce the provisions of the Sears Operating Agreement, and further agrees not to amend or otherwise alter the Sears Operating Agreement such that the operation of the Shopping Centre is materially, detrimentally affected or such that the operating covenant of Sears is materially affected without the approval of the Tenant, which approval the Tenant may arbitrarily withhold if such amendment would be

inconsistent with the provisions of this Lease or the Tenant's rights hereunder, and which approval shall not otherwise be unreasonably withheld. The Landlord covenants that the Sears Operating Agreement is for a term ending not sooner than September 24, 2036. The Landlord further covenants that any person who acquires an interest in the Sears Lands will be bound by the provisions of the Sears Operating Agreement, and that it will obtain a confirmation of same from any such person. Should the term of the Sears Operating Agreement not be renewed or extended or should the Second Department Store cease to be operated as a major department store and be integrated with the Shopping Centre, the Landlord shall:

(a) provided the Tenant is operating its business in the Tenant Department Store, or upon the Tenant recommencing operations, as soon as reasonably possible thereafter make all necessary alterations and improvements to the Shopping Centre in order to permit its operation in accordance with Clause 7.01 of this Lease; and

(b) where the Sears Operating Agreement has terminated, observe all its other covenants under this Lease to the extent that such covenants are capable of observance in the absence of the Sears Operating Agreement.

ARTICLE 8

UTILITIES AND SERVICES

8.00 Utilities and Services. During the Term:

(1) the Landlord shall provide any electrical service, telephone and other communication facilities, water, gas, and storm and sanitary sewers (but only water and electrical service for the Tenant Outdoor Selling Area) required by the Tenant for the Leased Premises (excepting the Tenant Licensed Parking Area) which are in addition to those which the Landlord provided when the Leased Premises (excepting the Tenant Licensed Parking Area) were initially constructed and open for business, if, as and when from time to time reasonably required by the Tenant for the conduct of the Tenant's business in the Leased Premises (excluding the Tenant Licensed Parking Area) and each and every part thereof (but excluding the providing of necessary additional utilities and services for every expansion of the Tenant Department Store which is permitted hereunder, other than those utilities and services which were provided by the Landlord prior to the commencement of the Term);

(2) for the purpose of any expansion by the Tenant of the Tenant Department Store the Landlord will in any event provide where necessary the appropriate rights of passage through the Shopping Centre Lands for public utilities or services or other suppliers to furnish all utilities and services required for such expansion (if and to the extent required in each case) to a reasonably convenient point at or within the limits of the Tenant Department Store through the appropriate pipes, conduits or other appropriate means of distribution thereto in and through the Shopping Centre, of such a nature and capacity as to provide adequate utilities and services for every reasonable use made of the Tenant Department Store, as expanded, provided that any installation will be at the expense of the Tenant and provided that the Tenant shall use its reasonable efforts to minimize disruption to the day to day operation of the Shopping Centre during such installation;

(3) the Landlord shall at all times cause such repairs to be

performed to those portions of the services and utilities systems serving the Leased Premises (excluding the Tenant Licensed Parking Area) which are not contained within the boundaries of the Leased Premises and do all other acts and things as may be necessary to ensure the continuous availability and adequate capacity (to service a typical Hudson's Bay department store as at the date of this Lease) of such utilities and services, subject only to Unavoidable Delay;

(4) the Landlord shall grant such easements to or make such other arrangements with the utilities and services as shall facilitate the provision of such utilities and services to the Tenant upon terms and conditions satisfactory to the Landlord acting reasonably;

(5) if the Tenant shall at any time require a utility or service which is in addition to those provided for and contemplated above, the Tenant shall provide it or arrange for it to be provided at its own expense, and the Landlord will not unreasonably withhold its permission for an easement, servitude or other arrangement appropriate to enable such utility or service to be brought to the Leased Premises;

(6) the Tenant shall be responsible for the payment of (i) normal non-capital consumption and user charges due to public utilities or services or other suppliers for any electricity, water or other services or utilities actually consumed or used by the Tenant, and (ii) all operating costs reasonably incurred by the Landlord in operating, repairing and maintaining (including necessary replacements) any equipment therefor which is for the exclusive use of the Leased Premises;

(7) the Tenant shall have the right to install (including installation prior to the commencement of the Term), maintain, repair, operate and replace on the roof of the Tenant Department Store such mechanical, electrical, plumbing, telecommunication, heating, ventilation and air conditioning equipment and facilities and such other systems as are required by the Tenant in the operation of the Tenant Department Store, in a location, where reasonably possible and

practical, set back from the roof line such that such installations are not visible from normal sight lines at ground level. The Tenant shall not overload the roof of the Tenant Department Store beyond its designed load bearing capacity;

(8) the Tenant shall have the right to install (including installation prior to the commencement of the Term), maintain, repair, operate and replace along the underside of the lowest floor slab of the Tenant Department Store any services and utilities which are required for the operation of the Tenant Department Store, subject only to reasonable review and prior written approval by the Landlord of the plans for such installations not less than 35 days prior to the commencement of work and provided that such services and utilities shall not extend more than twelve (12) inches below the underside of the floor slab.

ARTICLE 9

TAXES

9.00 Tenant's Taxes. The Tenant shall pay or cause to be paid:

(1) all Real Property Taxes imposed during the Term in respect of the Tenant Department Store and the land thereunder and (for the period in each year while actually being used and until such time as the Tenant shall have abandoned its use thereof) the Tenant Outdoor Selling Area and the land thereunder and (until such time as the Tenant's rights thereto have been terminated) the Tenant Shop and the land attributable thereto, including in each case all the buildings and improvements constructed thereon and all the fixtures and equipment constructed and used by the Tenant or its assignees, subtenants or concessionaires thereon; if there are separate assessment(s) of and separate tax bills for the Leased Premises or any part thereof in the manner contemplated by this Lease, such Real Property Taxes for which there are such separate assessments will be paid directly to the taxing authority or authorities having jurisdiction; otherwise such shall be payable to the Landlord and taxing authority jointly; and

(2) to the taxing authority or authorities having jurisdiction all business taxes imposed during the Term by municipal or other governmental authorities having jurisdiction in respect of the business and activities carried on by the Tenant and its assignees, subtenants and concessionaires in the Tenant Department Store and (until such time as the Tenant shall have abandoned its use thereof) the Tenant Outdoor Selling Area and Tenant Licenced Parking Area and (until such time as the Tenant's rights thereto have been terminated) the Tenant Shop, including in each case all the buildings and improvements constructed thereon and all fixtures and equipment constructed and used by the Tenant or its assignees, subtenants or concessionaires thereon, and any business taxes which are assessed against the Tenant in regard to shared use of the Common Facilities.

All Real Property Taxes and business taxes which the Tenant is obligated

to pay or cause to be paid hereunder, including each and every instalment thereof, shall be paid when due to the Landlord or the appropriate taxing authority as the case may be subject only to the right of the Tenant to defer or permit to be deferred payment thereof in certain circumstances as provided by clause 9.03. The Tenant shall also pay or cause to be paid all penalties and interest imposed with respect to arrears of such payments to the extent such are levied by the taxing authority if such are not paid by the Tenant in accordance with the foregoing requirements. Whenever reasonably requested by either the Landlord or the Tenant, receipts or other appropriate evidence as to the due payment of such Real Property Taxes and business taxes shall be exhibited to either the Landlord or the Tenant as the case may be. In the event that the Tenant shall fail to pay or cause to be paid any Real Property Taxes or business taxes payable under this clause 9.00 when due, the Landlord, after written notice to the Tenant and if the Tenant shall fail to pay or cause to be paid the same within fifteen (15) days after receipt of such notice, may pay the same and the amount so paid by the Landlord shall be forthwith repaid by the Tenant to the Landlord.

9.01 Landlord's Taxes. The Landlord shall pay or cause to be paid:

(1) all Real Property Taxes in respect of the Shopping Centre (except those payable by the Tenant directly to taxing authorities pursuant to paragraph (1) of clause 9.00); and

(2) all business taxes (including taxes personal to tenants and other occupants of the Shopping Centre other than the Tenant capable of constituting a lien against the Shopping Centre Lands) imposed by municipal or other governmental authorities having jurisdiction in respect of all business and activities carried on by such tenants and other occupants in or upon the Shopping Centre Lands, save those payable in respect of the Leased Premises by the Tenant pursuant to paragraph (2) of clause 9.00. All Real Property Taxes and business taxes which the Landlord is obligated to pay or cause to be paid hereunder, including each and every instalment thereof, shall be paid when due to the appropriate taxing authorities, subject only to the right of the

Landlord to defer or permit to be deferred payment thereof in certain circumstances as provided in clause 9.03. The Landlord shall also pay or cause to be paid all penalties and interest imposed with respect to arrears of such payments and, upon request, shall provide the Tenant with a copy of all assessments and tax bills affecting the Leased Premises and the Common Facilities forthwith upon receipt by it and in any event at least seven (7) days prior to the expiry of any period for appeal thereof. Whenever the Tenant shall reasonably request the Landlord shall exhibit to the Tenant receipts or other appropriate evidence as to the due payment of such Real Property Taxes or business taxes payable by the Landlord under this clause 9.01. In the event that the Landlord shall fail to pay or cause to be paid any Real Property Taxes or business taxes payable under this clause 9.01 when due the Tenant, after written notice to the Landlord and if the Landlord shall fail to pay or cause to be paid the same within fifteen (15) days after receipt of such notice, may pay the same and the amount so paid by the Tenant shall forthwith be repaid by the Landlord to the Tenant.

9.02 Determination of Assessments. For the purpose of establishing the amount of Real Property Taxes payable by the Tenant pursuant to clause 9.00 and the amount of Real Property Taxes to be included in the Common Facilities Operating Costs to which the Tenant contributes under clause 10.00, the parties recognize and acknowledge that it is necessary to establish the assessments upon which such Real Property Taxes are based, being the assessment in the first case of the Tenant Department Store and the land thereunder and (whenever applicable under clause 9.00) the Tenant Outdoor Selling Area and the land thereunder and the Tenant Shop and the land attributable thereto including in each case the buildings, improvements, fixtures and equipment thereon, and in the second case of the Common Facilities including the lands attributable thereto.

If such separate assessments or any of them are not made by the municipal or other governmental authorities, or professional assessors hired by those authorities, responsible for the determination of assessments upon which Real Property Taxes are based, the Landlord shall use its continuing and diligent efforts (with the assistance of

the Tenant if the Landlord or the Tenant considers such assistance necessary or desirable) to have such separate assessments made or, failing that, to obtain sufficient official information to determine such separate assessments.

However, in the event and to the extent that such separate assessments or such official information cannot be obtained from such municipal or other governmental authorities or the professional assessors hired by them, the Landlord and the Tenant shall allocate the total assessment of the Shopping Centre Lands and the improvements thereon in a manner which is equitable and consistent with the basis of assessment in use by municipal or other governmental authorities having jurisdiction in the municipal area in which the Shopping Centre is situate so as to arrive at the separate assessments mentioned in the first sentence of this clause 9.02 and which are required for the application of the provisions of this Lease. In so doing the parties shall have regard, as far as possible, to the method of assessment and applicable elements utilized in arriving at the assessment of the whole of the Shopping Centre by the municipal or other governmental authorities having jurisdiction. If the Landlord and the Tenant cannot agree to the required allocation of assessments, the allocation shall be determined by arbitration pursuant to the provisions of this Lease, but having regard to the basis of determination set out in this clause 9.02. The allocation which is either agreed or determined by arbitration shall, until such time as there is a change in assessments, or methods of assessment or allocation of such assessments, be binding upon the parties and the separate assessments so arrived at shall be applied to determine the respective obligations of the parties with respect to Real Property Taxes, if any, under this Article 9 and also the amount of Real Property Taxes allocatable to Common Facilities for the purpose of computing Common Facilities Operating Costs pursuant to clause 10.00. If any Real Property Taxes or instalments thereof become due before such determination has been made, the Landlord may make a reasonable estimate of the allocation which shall not bind the parties but shall nevertheless be adopted for the basis of the interim payment of Real Property Taxes respectively payable by them, and when the allocation of assessments has been finally determined and the Real Property Taxes

respectively payable by them finally computed, the parties shall promptly make the appropriate readjustment and additional payment by the Tenant or repayment to the Tenant, as the case may be.

9.03 Tax Appeals. The Landlord may appeal any official assessment or the amount of any Real Property Taxes or business taxes (including other taxes capable of constituting a lien) relating to the Shopping Centre Lands including the improvements (including fixtures and equipment) thereon, and the Tenant may appeal any official assessment or any Real Property Taxes or business taxes relating to the Leased Premises including the improvements thereon or, where the Tenant's obligations are directly or indirectly affected thereby, relating to any other portion of the Shopping Centre including the Common Facilities. In connection with any such appeal, the party appealing may defer or permit to be deferred payment of any Real Property Taxes or business taxes, as the case may be, which it is obligated to pay or cause to be paid under the provisions of this Article 9 to the extent permitted by law and provided that no part of the Shopping Centre Lands is thereby rendered subject to sale or forfeiture, that such deferment does not cause a breach of the Landlord's obligations under any mortgage of the Shopping Centre Lands, that the appeal is diligently prosecuted to completion and, in the case of a deferral by the Tenant, that such security as the Landlord may reasonably require or any mortgagee of the Shopping Centre Lands may require is given for the payment of any Real Property Taxes or business taxes payable by the Tenant including penalties or interest resulting from deferred payment. Neither the Landlord nor the Tenant shall institute any appeal without notice to the other and, where their interests do not conflict and in particular where the appeal is being made in order to achieve a re-assessment which is consistent with the basis contemplated by this Lease, each shall extend its co-operation and assistance to the other in respect to such appeal.

9.04 Alternative Method of Taxation. The Landlord and Tenant agree that each will negotiate in good faith with the other in an effort to arrive at a fair and equitable determination of Real Property Taxes payable by the Tenant if the method of taxation of real property as

contemplated by this Article 9 is fundamentally changed or no longer exists and is replaced by an alternative method of taxation.

ARTICLE 10

COMMON FACILITIES OPERATING COSTS

10.00 Contribution to Operating Costs. During each year of the Term of this Lease the Tenant shall pay to the Landlord an amount equal to a proportion of the Common Facilities Operating Costs incurred by the Landlord from time to time during each year of the Term. Such proportion (the "Tenant's Proportionate Share") shall be computed with reference to a fraction, the numerator of which is the sum of the Adjusted Gross Leaseable Area of the Tenant Department Store and, until such time as the Tenant's rights thereto have been terminated, the Gross Leaseable Area of the Tenant Shop and the denominator of which is the sum of the Adjusted Gross Leaseable Area of the Tenant Department Store and the Gross Leaseable Area of all other Retail Premises in the Shopping Centre (including for greater certainty the Tenant Shop but excluding unenclosed rentable areas such as outdoor selling areas) as from time to time constituted. Notwithstanding the foregoing, it is understood that the Tenant's contribution to Common Facilities Operating Costs in each of the first five (5) years of the Term shall not exceed seventy-five cents (75¢) multiplied by the Adjusted Gross Leaseable Area of the Tenant Department Store and (while used and occupied by the Tenant) the Gross Leaseable Area of the Tenant Shop; such maximum contribution shall be reviewed at the end of the fifth year of the Term and every four years thereafter (that is, during the nineth, thirteenth, etc., years) and increased or decreased for each such subsequent four year period by a percentage equal to the lesser of (a) the actual percentage increase or decrease in Common Facilities Operating Costs (expressed as a cost per square foot of Gross Leaseable Area of all Retail Premises in the Shopping Centre) during the immediately preceding five year period, and (b) the percentage increase or decrease in the Consumer Price Index during such immediately preceding four year period. Such amount shall be payable by periodical instalments and subject to adjustment all as provided by clause 10.03.

10.01 Contribution to Common Facilities Real Property Taxes. If Real Property Taxes are assessed against the Common Facilities at any

time following the first five years of the Term, the Tenant shall pay to the Landlord during that portion of the Term following the fifth year a contribution to be determined as follows:

(a) During the sixth year of the Term the Tenant shall pay to the Landlord the Tenant's Proportionate Share of such Real Property Taxes, if any, on the Common Facilities; and

(b) During years seven to ten of the Term, the Tenant's contribution on account of the Tenant Department Store shall be the same amount per square foot of Adjusted Gross Leaseable Area of the Tenant Department Store as is payable for the Tenant Department Store for the sixth year of the Term, and the Tenant's contribution on account of the Tenant Shop (until such time as the Tenant's rights thereto have been terminated) shall be the same amount per square foot of Gross Leaseable Area of the Tenant Shop as is payable on account of the Tenant Shop for the sixth year of the Term; and

(c) During the eleventh year of the Term and every fifth year thereafter (that is, the eleventh, sixteenth, etc., year) the Tenant's contribution shall be recalculated using the Tenant's Proportionate Share and such contribution per square foot of Adjusted Gross Leaseable Area of the Tenant Department Store and (if applicable) per square foot of Gross Leaseable Area of the Tenant Shop as recalculated for the eleventh year or fifth anniversary thereafter, as the case may be, shall continue for each of the following four years of the Term.

10.02 Contribution By Other Department Store Tenants. Notwithstanding the provisions of clause 10.00 to the contrary, in no event shall the Tenant be required to contribute towards Common Facilities Maintenance Costs an amount in any year of the Term which on a per square foot of Gross Leaseable Area of the Tenant Department Store basis would be greater than the amount contributed by any other tenant of a department store in the Shopping Centre (other than the tenant of the Second Department Store) per square foot of Gross Leaseable Area for such other department store.

10.03 Payments and Adjustments. The Tenant's contributions to Common Facilities Operating Costs pursuant to clause 10.00 and Common Facilities Real Property Taxes pursuant to clause 10.01 shall be paid and adjusted with reference to a fiscal year of 12 calendar months, which shall be a calendar year unless the Landlord shall have selected a fiscal year which is not a calendar year. On or before the Expansion Opening Date the Landlord shall advise the Tenant in writing of its estimate of Common Facilities Operating Costs to be incurred for the fiscal year or broken portion of the fiscal year, as the case may be, and each quarter thereof to commence upon the Expansion Opening Date using the breakdown of accounting information set out in Schedule D (including a detailed breakdown of the allocation of costs as between Common Facilities and Retail Premises) which Schedule D shall be adapted, if necessary, to be consistent with the provisions of clause 1.00(4). On or before thirty (30) days prior to the commencement of each succeeding fiscal year which commences thereafter during the Term, the Landlord shall advise the Tenant in writing of its estimate of Common Facilities Operating Costs to be incurred in such fiscal year or (if applicable) the broken portion of a fiscal year immediately prior to the end of the Term and each quarter thereof using the breakdown of accounting information set out in Schedule D. The Landlord shall also on or before thirty (30) days prior to the commencement of the sixth and each subsequent year of the Term advise the Tenant in writing of its estimate of the amount of Real Property Taxes attributable to the Common Facilities for such upcoming year of the Term. Such estimates as aforesaid shall in every case be reasonable estimates and based wherever possible upon previous operating and (for Real Property Taxes) assessment experience and shall be accompanied by reasonable particulars of the manner in which they were arrived at. In addition, within sixty (60) days of the end of each quarter of each such fiscal year the Landlord shall provide a statement to the Tenant of the actual expenditures on each of the items contemplated in Schedule D with a cumulative total of the amounts so expended and an explanation of variations from the budget previously submitted; with the third such quarterly statement the Landlord shall provide a revised projection of the year end totals for each such item. Within twenty-one (21) days of

being so requested by the Tenant the Landlord shall provide such further information on any item(s) of actual expenditure so that the Tenant may monitor the Common Facilities Operating Costs with a view to suggesting ways to the Landlord of controlling such costs, provided that should the Landlord fail to provide such information, the Tenant shall have the right upon seven (7) days prior written notice to the Landlord to inspect during normal office hours of the Landlord the accounts of the Landlord pertaining to the Common Facilities Operating Costs and Common Facilities Real Property Taxes. The Tenant shall be entitled to make reasonable suggestions to the Landlord for the purpose of controlling Common Facilities Operating Costs, and provided such suggestions are reasonable and are consistent with good shopping centre practice, the Landlord shall, unless the Landlord has alternative suggestions or practices which achieve the same or a better result, implement such suggestions as soon as is reasonably possible. The contributions to Common Facilities Operating Costs payable by the Tenant pursuant to clause 10.00 and on account of Common Facilities Real Property Taxes pursuant to clause 10.01 shall, subject to the limitations contemplated by clause 10.00 and 10.01, be paid in equal monthly instalments in advance on the first day of each and every month during every such fiscal period or (if applicable) broken portion thereof, based on the Landlord's estimate of the Common Facilities Operating Costs to be incurred during such fiscal period or (if applicable) broken portion thereof with appropriate adjustments at the end of the third quarter in order that the remaining instalments in such fiscal year will include only sufficient amounts to pay the revised projection for the whole fiscal period. Within ninety (90) days after the end of each such fiscal period or (if applicable) broken portion thereof, the Landlord shall pay to the Tenant the amount by which any amount found payable as aforesaid is less than the aggregate of such monthly payments, but if the Landlord and the Tenant fail to agree upon the proper amount of the adjustment, any dispute shall be settled by arbitration pursuant to clause 22.01 of this Lease provided that the arbitrators shall be chartered accountants authorized to practice in the Province of British Columbia knowledgeable in respect of costs and expenses relating to Common Facilities in regional shopping centres and the Tenant pays any

reasonable adjustment as determined by the Landlord pending resolution of the dispute. Interest payable by the Tenant in accordance with clause 24.03 shall accrue from and after 30 days following receipt of such audited statement until paid and interest in accordance with clause 24.03 shall accrue to the Tenant from and after the payment of adjustment by the Tenant to the extent such arbitration determines same not to have been owing to the Landlord under this Article 10.

ARTICLE 11

INSURANCE

11.00 Insuring by Tenant.

(1) The Tenant shall take out and at all times during the Term keep in force at its own expense and in respect of the Leased Premises, the use and occupancy thereof by it and its subtenants and concessionaires and the conduct of business thereon:

(i) tenant's liability (including comprehensive public liability, automobile liability, completed operations, personal injury, employer's, contractual and owner's protective liability) insurance pertaining to the Tenant's liability to other persons in respect of injury, death or damage to property (other than property which the Landlord is obligated to insure or cause to be insured for its own benefit under clause 11.01);

(ii) insurance upon the Tenant Department Store and Tenant Shop together with all building equipment and fixed improvements therefor and upon the Tenant's improvements comprising the Tenant Outdoor Selling Area and the Tenant Licensed Parking Area as normally insured by prudent owners of similar properties, with coverage on an "all risks" basis (including damage against flood and earthquake);

(iii) if and for so long as boilers and pressure vessels are installed in, relate to or serve the Leased Premises or any part thereof and are operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant, broad form boiler and machinery insurance including all boilers, pressure vessels, air-conditioning equipment and miscellaneous electrical apparatus owned and operated as aforesaid on a blanket repair and replacement cost basis;

(iv) business interruption insurance in such amount as will reimburse the Tenant for all direct or indirect loss of gross earnings attributable to the perils insured against in paragraphs (ii) and (iii)

of subclause 11.00(1) or attributable to prevention of access to the Leased Premises or the Shopping Centre as a result of such perils; and

(v) such other insurance as the Landlord, Tenant and Mortgagee of the Shopping Centre shall determine acting reasonably.

(2) Such insurance shall:

(i) be reasonable and sufficient, having regard to the scope of the risk and the current practice of prudent owners of similar premises for the carrying on of similar businesses, but in no event shall the insurance referred to (a) in paragraph (i) of subclause 11.00(1) be of an amount less than $5,000,000 for claims arising out of any one occurrence, (b) in paragraph (ii) of subclause 11.00(1) be less than the current replacement cost from time to time of the property insured (excluding the cost of footings and foundations and reasonable first deductions permitted if approved by any mortgagee of the Shopping Centre provided such are not in excess of three (3%) per cent)subject to a stated amount co-insurance clause,including builder's risk during any period of new construction, and (c) in paragraph (iii) of subclause 11.00 (1) be written with limits for each accident in an amount not less than full replacement cost of all such objects and leasehold improvements.

(ii) be placed with an insurer or insurers of recognized net worth and reputation duly licensed to carry on the business of insurance in the Province of British Columbia;

(iii) be primary and non-contributory with and not in excess of any other insurance available to the Landlord or its mortgagees;

(iv) be provided under a policy or policies in such form, providing for such coverages and exclusions and on such terms as are normally effected by prudent owners in similar circumstances and to which neither the Landlord nor mortgagees of the Shopping Centre have any reasonable objections;

(v) in the case of insurance under paragraph (i) of subclause 11.00(1), with respect to the Leased Premises name the Landlord as additional insured and provide a severability of interests endorsement and protection for cross liability as between the Landlord and Tenant; and

(vi) in the case of insurance under paragraphs (ii) and (iii) of subclause 11.00(1), with respect to risks covered name the Landlord as an additional insured and provide, subject as hereinafter provided in this paragraph (vi), that all proceeds of insurance shall be payable (A) to any mortgagees of the Shopping Centre Lands named by the Landlord if such mortgagees so require provided such mortgagees have in every case agreed to make all proceeds available to the Landlord but in trust for the Tenant in the same manner as is contemplated in respect of insurance proceeds under subparagraphs (v) and (vi) of subclause 11.01(2) but otherwise (B) to the Landlord but in trust for the Tenant in the same manner as is contemplated in respect of insurance proceeds under subparagraphs (v) and (vi) of subclause 11.01(2). Notwithstanding the foregoing provisions of this paragraph (vi), if the total proceeds of all insurance under paragraph (ii) of subclause 11.00(1) in respect of any one loss arising out of damage are not in excess of one hundred and fifty thousand dollars ($150,000) and if the Tenant is not in default hereunder, the Landlord shall release its interest and shall cause any mortgagee of the Shopping Centre Lands named by the Landlord under such insurance policy or policies to release its interest up to such one hundred and fifty thousand dollar ($150,000) amount in and to any such insurance monies so that the same may be made available to the Tenant on a "cost to complete" basis for the sole purpose of making expenditures for the required repairing, replacement, rebuilding and restoration or to compensate the Tenant if such expenditures have been made with its own funds;

(vii) shall provide that the insurer shall give at least 30 days prior written notice to the Landlord and mortgagees of the Shopping Centre by registered mail of cancellation or material change to any of the policies;

(viii) provide that same shall not be invalidated by reason of any breach or violation by any other insured of any warranties, representations, declarations or conditions in such policies or any application therefor.

(3) The Tenant may, but shall not be obligated to, take out or keep in force, insurance in respect of loss or damage to the tenant's trade fixtures, furniture, inventory, stock in trade including merchandise or other contents of the Leased Premises with loss payable only to the Tenant without any trust provisions.

(4) The Tenant shall from time to time whenever reasonably requested furnish to the Landlord certificates of insurance, certificates of renewal and such other documents as are appropriate to evidence the insurance from time to time required to be kept in force by the Tenant hereunder. The Tenant shall make its insurance policies available to the Landlord and mortgagees of the Shopping Centre for inspection at all reasonable times during normal business hours. If the Tenant shall fail to insure as required under this clause, the Landlord after written notice to the Tenant may (but shall not be obligated to) effect such insurance in the name of and at the expense of the Tenant, and the Tenant shall promptly repay to the Landlord all costs incurred by the Landlord in so doing.

(5) with respect to the insurance referred to in paragraphs (ii) and (iii) of subclause 11.00(1), none of the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of

the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law.

(6) With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Leased Premises, the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

11.01 Insuring by Landlord and Others.

(1) The Landlord shall take out, or cause to be taken out, and at all times during the Term keep or cause to be kept in force, without expense to the Tenant (but subject to the payments and contributions in respect of such expense which the Tenant is obligated to make under this clause and under clause 10.00) in respect of the Shopping Centre and the Landlord's operation thereof:

(a) insurance upon all buildings on the Shopping Centre Lands (but excluding the Tenant Department Store, Tenant Shop and the Tenant's improvements comprising the Tenant Outdoor Selling Area), together with all building equipment and fixed improvements of or associated with such buildings (excluding tenant's trade fixtures and leasehold improvements) and upon all other fixed improvements on the Shopping Centre Lands (including the Tenant Licensed Parking Area) from time to time normally insured by prudent owners of similar properties, with coverage on an "all risks" basis (including damage against flood and earthquake);

(b) owner's legal liability (including comprehensive public liability, automobile liability, completed operations, personal injury, employer's contractual and owner's protective liability) insurance

pertaining to the Landlord's liability to other persons in respect of injury, death or damage to property;

(c) if and for so long as boilers and pressure vessels are installed in, relate to or serve the Shopping Centre (but excluding the Tenant Department Store, Tenant Shop and Tenant's improvements comprising the Tenant Outdoor Selling Area) and are operated by the Landlord or by others (other than the Tenant) on behalf of the Landlord, the Landlord shall maintain broad form boiler and machinery insurance on a blanket repair and replacement cost basis with respect to property; and

(d) such other insurance as would be carried by prudent owners of first-class shopping centres similar to the Shopping Centre.

(2) The insurance referred to:

(i) in paragraph 1(a) shall be not less than one hundred (100) percent of the current replacement cost from time to time of the property insured (excluding the cost of footings and foundations and reasonable first deductions permitted to the extent not prohibited by any mortgagee of the Landlord); and

(ii) in paragraphs 1(a) and (c) shall be placed with an insurer or insurers of recognized net worth and reputation duly licensed to carry on the business of insurance in the Province of British Columbia, approved by the Landlord's mortgagees;

(iii) in paragraphs 1(a) and 1(c) where the loss or damage is caused by the wilful or negligent act or omission of the Landlord or those for whom the Landlord is responsible in law, and in paragraph 1(b), shall be primary and non-contributory with and not in excess of any other insurance available to tenants of the Shopping Centre;

(iv) in paragraphs 1(a) and (c) be provided under a policy or policies in such form, providing for such coverages and exclusions and

on such terms consistent with the requirements of paragraph (1)(a) and 1(c) as are normally effected by prudent owners of similar properties, approved by the Landlord's mortgagees;

(v) in respect of any insurance required by paragraphs 1(a) and (c) to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

(vi) in paragraphs 1(a) and (c) shall provide that all proceeds of insurance payable in the event of loss, damage or destruction to the insured property may be payable to any mortgagees of the Shopping Centre Lands named by the Landlord if any of such mortgagees so require, provided such mortgagees have in every case agreed, or are bound by the terms of their respective mortgages to hold all proceeds of such insurance in trust and make all proceeds of such insurance available for the repair or rebuilding of the insured property in the manner stipulated in paragraph (vi) regardless of the existence of any mortgage default, but otherwise shall be payable to the Landlord and held in trust by it and applied or made available for the repair or rebuilding of the insured property in the manner stipulated in paragraph (vi);

(3) Where the Landlord or any mortgagee or mortgagees of the Shopping Centre Lands shall be obligated to hold such proceeds in trust and make proceeds of insurance available pursuant to paragraph (v) of subclause 11.01(2) or paragraph (vi) of subclause 11.00(2) for the repair or rebuilding of the insured property:

(i) subject to the provisions of subparagraph (ii) hereof, if such proceeds of insurance relate to loss or damage to the Tenant Shop or the Tenant Department Store they shall be paid to the Landlord in trust for the purpose of and to the extent of its repair or rebuilding obligations hereunder in respect of the Tenant Shop and the balance shall be paid to the Landlord but in trust and paid to the Tenant for the purpose of repair and rebuilding, and if such proceeds of insurance relate to loss or damage to any other major retail store the tenant of which is obligated to repair or rebuild its premises, they shall be paid to the Landlord but in trust and paid to such tenant for the purpose of repair or rebuilding, and if such proceeds of insurance relate to loss or damage to any other buildings or improvements on the Shopping Centre Lands, they shall be paid to the Landlord in trust or if held by the Landlord in trust applied by it, in each case for the purpose of such repair or rebuilding;

(ii) any person, whether a mortgagee or the Landlord, who is obligated to make proceeds of insurance available to or for the benefit of any other person or holds such proceeds in trust either for the purpose of repair or rebuilding or for any other person (whether the Tenant, another tenant or the Landlord) for the purpose of repair or rebuilding shall (except in the case of the Tenant Department Store when the total proceeds in respect of any one loss arising out of damage are not in excess of one hundred and fifty thousand dollars ($150,000)) be entitled to impose reasonable conditions related to insuring that the repair or rebuilding for which such other person is obligated shall be completed in a proper and workmanlike manner and free of liens (including as to the furnishing of architects' certificates where appropriate, evidence as to the payment of amounts owing to contractors and for labour and materials and the absence of lien claims thereof, and the retention of sufficient proceeds of insurance to provide for the completion of the work in the event of default therein), but such person's entitlement to such insurance proceeds shall not be prejudiced by defaults of other persons unrelated to such work; and where the work of repair or rebuilding is substantial and subject to the foregoing requirements the person performing the work for which such person is obligated shall be entitled to progress draws at reasonable intervals.

(4) The insurance referred to in paragraph (1)(b) shall:

(i) be reasonable and sufficient, having regard to the scope of the risk and the current practice of prudent owners of similar properties, but in no event shall be of an amount less than $5,000,000 for claims arising out of any one occurrence;

(ii) be placed with an insurer or insurers of recognized net worth and reputation licensed to carry on the business of insurance in the Province of British Columbia, approved by the Landlord's mortgagees;

(iii) be provided under a policy or policies in such form, providing for such coverages and exclusions and on such terms as are normally effected by prudent owners of similar properties in similar circumstances, approved by the Landlord's mortgagees; and

(iv) with respect to the risks covered, name the Tenant as an additional insured and provide protection for cross liability and severability of interests as between the Landlord and Tenant (but nevertheless if the occurrence giving rise to liability shall occur in the Leased Premises, the insurance of the Tenant provided for in clause 11.00 shall be the insurance of first recourse in respect of a claim which is covered both by such insurance of the Tenant and the insurance referred to in paragraph (1)(b) of this clause 11.01).

(5) The insurance referred to in paragraph (1)(c) shall be written with limits for each accident in an amount not less than two million dollars ($2,000,000) or such greater amount as the Landlord or the Landlord's mortgage may reasonably require from time to time.

(6) The Landlord shall from time to time whenever reasonably requested furnish to the Tenant certificates of insurance, certificates of renewal, and such other documents as are appropriate to evidence the insurance from time to time required to be kept in force by the Landlord hereunder. If the Landlord shall fail to insure as required under this clause, the Tenant after written notice to the Landlord may (but shall

not be obligated to) effect such insurance in the name of and at the expense of the Landlord, and the Landlord shall promptly repay to the Tenant all costs incurred by the Tenant in so doing.

11.02 Indemnity. Except to the extent released in clauses 11.00(5) and (6), and clause 11.01(2) (v), each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

ARTICLE 12

REPAIRS AND REBUILDING

12.00 Repairs and Rebuilding by Tenant. Save for the obligations of the Landlord with respect to the Tenant Department Store, the Tenant Shop and the Tenant Licensed Parking Area as set out in subclause 12.02(b), the Tenant shall at all times during the Term maintain and keep in a good and substantial state of repair, order and condition the Tenant Department Store and (while leased by the Tenant) the Tenant Shop (including in the case of the Tenant Shop, only those utilities exclusively serving and within the Tenant Shop), and (while occupied) any improvements erected by the Tenant on the Tenant Outdoor Selling Area consistent with the standards of a careful owner, and accordingly the Tenant will from time to time whenever necessary diligently carry out all repairs thereto, including those made necessary by age and damage or destruction by casualty or any other reason and any necessary replacements and rebuilding, but excluding reasonable wear and tear which does not affect the proper use thereof for the purposes intended; provided however that:

(1) in the course of any repair or rebuilding the Tenant may alter or expand the Tenant Department Store to the extent permitted by, and subject to compliance with, the provisions of this Lease pertaining thereto;

(2) the Tenant shall be entitled to cease, either permanently or temporarily, its use of the Tenant Licensed Parking Area, its seasonal use of the Tenant Outdoor Selling Area as provided in clause 16.01 and to remove therefrom its fixtures and improvements (in which event the Tenant shall make good all damage caused by such removal) on each cessation of such use, and to terminate its lease of the Tenant Shop as provided in clause 16.00 and to remove therefrom its fixtures and improvements on such termination (in which event the Tenant shall make good all damage caused by such removal);

(3) if at any time during the last three (3) years of the original

term or at any time during any renewal term, the Tenant Department Store shall be damaged or destroyed in whole or in part to an extent such that the cost of repairing or rebuilding it shall exceed twenty-five percent (25%) of the replacement cost (excluding footings, foundations and pavements) of the Tenant Department Store, the Tenant may, by notice in writing to the Landlord given within thirty (30) days after the happening of such destruction or damage, elect to terminate this Lease notwithstanding the prior exercise by the Tenant of its right to any renewal term or terms. If it elects to so terminate, this Lease shall terminate as of the date of the giving of such notice, the Tenant shall be relieved of its obligation to repair or rebuild the Tenant Department Store and the Tenant Shop, the Tenant shall assign to the Landlord all its interest in all property insurance policies required to be maintained by the Tenant hereunder in regard to the Tenant Department Store and the Tenant Shop (other than insurance on fixtures, equipment or inventory) or any policies of the Landlord in which the Tenant is named and any proceeds which may be payable thereunder in respect of such damage or destruction to the Tenant Department Store and the Tenant Shop (other than proceeds in regard to the Tenant's fixtures, equipment or inventory), the Tenant shall within sixty (60) days after such date of termination vacate the Leased Premises and rent and all other amounts payable by the Tenant hereunder shall be paid and adjusted to the date of such termination.

The Tenant's obligation to repair, replace or rebuild hereunder shall include the obligation to keep in good and substantial repair and operating condition all building equipment and services including without limitation the heating and any air-conditioning equipment, electrical wiring and fixtures and plumbing of the Tenant Department Store, the Tenant Outdoor Selling Area and the Tenant Shop, but excluding any such equipment which is a part of the Common Facilities (unless damaged by the negligent act or omission of the Tenant and such damage is not covered by Landlord's insurance, but even in the event that such damage is covered by Landlord's insurance the Tenant shall be responsible for the deductible with respect thereto) and to make all repairs required hereunder in a good and workmanlike manner,

with reasonable expedition and in accordance with all laws and regulations or governmental authorities having jurisdiction applicable thereto, but subject to Unavoidable Delay. In the event that the Tenant after reasonable written notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.00, the Landlord, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required and in a reasonable manner to remedy such failure on the part of the Tenant and any reasonable costs incurred by the Landlord in so doing shall be immediately repaid by the Tenant to the Landlord.

Except in the circumstances stipulated in subclause 12.00(3) giving rise to a right of the Tenant to terminate this Lease, and subject to the provisions of Article 16 in the case of the Tenant Shop, no loss, damage, destruction or want of repair to the Leased Premises including the Tenant Department Store, the Tenant Shop and (where applicable) the Tenant Outdoor Selling Area shall permit the Tenant to surrender or terminate this Lease or shall entitle the Tenant to any abatement, suspension or reduction of the rent and other payments and charges payable by the Tenant under this Lease.

12.01 Landlord's Right of Entry. It is not a re-entry or a breach of quiet enjoyment if the Landlord enters the Leased Premises at reasonable times after forty-eight (48) hours written notice (but if there is an emergency, no notice is required but the Landlord will as soon as reasonably possible thereafter notify the Tenant in writing of its entry and the reason therefor) (i) to examine them, or (ii) to make repairs and alterations to the Leased Premises in accordance with the provisions of this Lease. Except during emergencies, any entry for examination purposes shall be during normal operating hours for the Leased Premises.

12.02 Repairs and Rebuilding by Landlord and Others.

The Landlord shall:

(a) in respect of the building and improvements on the Shopping

Centre Lands (except as hereinafter specifically excluded) at all times during the Term maintain and keep or cause to be maintained and kept in a good and substantial state of repair, order and condition all such buildings and improvements including for greater certainty the structural columns located below the Tenant Department Store so long and as to the extent that such columns do not form part of the Tenant Department Store and including without limitation the Common Facilities and all utilities and services thereon necessary for the operation of the Shopping Centre (but excluding the Tenant Department Store, the Tenant Licensed Parking Area and the Tenant Shop [except as hereinafter provided in clause 12.02(b)] and any improvements erected by the Tenant on the Tenant Outdoor Selling Area) consistent with the standards of a careful owner, and accordingly the Landlord will from time to time whenever necessary diligently carry out or cause to be carried out all repairs thereto including those made necessary by age and damage or destruction by casualty or any other reason and any necessary replacements and rebuilding; provided however that in the course of any repair or rebuilding the Landlord may alter or expand the buildings and improvements on the Shopping Centre Lands other than the Tenant Department Store to the extent permitted by, and subject to compliance with, the provisions of this Lease pertaining thereto. The Landlord's obligations to repair, replace or rebuild hereunder shall include the obligation to keep in good and substantial repair and operating condition all building equipment and services including the heating, ventilating and air-conditioning equipment, electrical wiring and fixtures and plumbing of the buildings and improvements on or under the Shopping Centre Lands (other than those on, in or under, and serving exclusively, the Tenant Department Store or the Tenant Shop and other than the improvements on the Tenant Outdoor Selling Area), and to keep the portion of the Mall on the Shopping Centre Lands well decorated and all paving in Parking Facilities (including the Tenant Licensed Parking Area) on the Shopping Centre Lands in good repair and condition and properly striped, and to make all repairs required hereunder in good and workmanlike manner, with reasonable expedition and in accordance with all laws and regulations of governmental authorities having jurisdiction applicable thereto, but subject to Unavoidable Delay. In the event that

the Landlord after reasonable written notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.02, and such failure shall materially and adversely affect either the Leased Premises or the Common Facilities in reasonable proximity to the Leased Premises or cause interference with access to the Leased Premises, the Tenant, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required and in a reasonable manner to remedy such failure on the part of the Landlord and any reasonable costs incurred by the Tenant in so doing shall be immediately repaid by the Landlord to the Tenant; and

(b) keep or cause to be kept in good repair, order and condition (A) at all times during the first twenty-five (25) years of the Term the foundations, subfloors, exterior walls, structural supports and roof of the Tenant Department Store (excluding weatherproofing unless repair or replacement thereof is necessary as a result of the Landlord's gross negligence) and the Tenant Shop, but the Landlord's obligation hereunder shall not extend to repairs or replacements of design or construction defect in the Leased Premises if the work was performed by the Tenant or its contractors or consultants, and (B) at all times during the Term utilities within the Tenant Shop not exclusively serving the Tenant Shop. In addition, at the expense of the Tenant the Landlord shall keep in good order and condition the heating, cooling, utility and other services exclusively serving the Tenant Shop and located outside the Tenant Shop.

(c) if at anytime during the last three (3) years of the original term or at any time during any renewal period of this Lease, any material damage or destruction occurs to the Shopping Centre (regardless of damage to the Tenant Department Store), the Landlord shall only be required to repair, replace or rebuild pursuant to the provisions of this clause 12.02 if the Tenant renews this Lease for the next ensuing renewal term (which renewal shall be effected by the Tenant waiving in writing to the Landlord, within thirty (30) days of receipt of Landlord's written notice to the Tenant of such damage or destruction, the Tenant's right to give the notice of non-exercise provided for in

clause 3.01 of this Lease in regard to that next ensuing renewal term and the Tenant's right to terminate this Lease under clause 12.00(3), if applicable). The Landlord shall within fifteen (15) days after the occurrence of such damage or destruction provide the Tenant with written notice of such damage or destruction.

d) if at any time during the last (3) years of the original term or at any time during any renewal term of this Lease the Shopping Centre shall be damaged or destroyed in whole or in part to an extent such that the cost of repairing or rebuilding it shall exceed twenty-five percent (25%) of the replacement cost excluding footings, foundations and pavements) of the Shopping Centre, the Tenant may, by notice in writing to the Landlord given within thirty (30) days after the happening of such destruction or damage, elect to terminate this Lease notwithstanding the prior exercise by the Tenant of its right to any renewal term or terms. If it elects to so terminate, this Lease shall terminate as of the date of the giving of such notice, the Tenant shall be relieved of its obligation to repair or rebuild the Tenant Department Store and the Tenant Shop, the Tenant shall, to the extent that damage has occurred to the Tenant Department Store or the Tenant Shop, assign to the Landlord all its interest in all property insurance policies required to be maintained by the Tenant hereunder in regard to the Tenant Department Store and the Tenant Shop (other than insurance on fixtures, equipment or inventory) or any policies of the Landlord in which the Tenant is named and any proceeds which may be payable thereunder in respect of any damage or destruction to the Tenant Department Store and the Tenant Shop (other than proceeds in regard to the Tenant's fixtures, equipment or inventory), the Tenant shall within sixty (60) days after such date of termination vacate the Leased Premises and rent and all other amounts payable by the Tenant hereunder shall be paid and adjusted to the date of such termination.

12.03 Warranties. To the extent within its control the Landlord covenants with the Tenant to either enforce or cause to be enforced all warranties obtained by or assigned to the Landlord or to anyone over whom the Landlord exercises control in respect of the Tenant Department

Store as to the labour, materials and construction thereof, for the benefit of the Tenant or to assign such warranties to the Tenant. To the extent of the Tenant's obligation to repair the Tenant Department Store, the Landlord also hereby assigns to the Tenant any rights of action, it may have against any contractors or consultants involved in the original design or construction of the Tenant Department Store for faulty or improper design, materials or construction, and confirms the right of the Tenant to bring an action in the Tenant's own name (or, if necessary, in the name of the Landlord but for the full benefit of the Tenant and at no expense to the Landlord) against any of such contractors and consultants.

ARTICLE 13

COMPLIANCE WITH STATUTES AND BY-LAWS

13.00 Tenant's Compliance with By-Laws. The Tenant shall comply with all legal requirements (including statutes, laws, by-laws, regulations, ordinances and orders of every governmental authority having jurisdiction including those binding on either or both of a tenant or owner of premises) from time to time affecting the condition, equipment, maintenance, use or occupation of the Tenant Department Store, the Tenant Shop and, as to the Tenant's improvements thereon and use and occupation thereof, the Tenant Outdoor Selling Area. The Landlord represents that all such legal requirements have been complied with in connection with work completed by the Landlord in the Tenant Shop as at the date of this Lease. The Tenant shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings taken to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre Lands to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Tenant shall fail to comply with the provisions of this clause, the Landlord shall have the right, after written notice to the Tenant and unless the Tenant shall have within thirty (30) days thereafter commenced and proceeded diligently to remedy such failure, to take any necessary action to cause such failure to be remedied, and all costs incurred by the Landlord in so doing shall be promptly repaid by the Tenant to the Landlord on demand.

13.01 Landlord's Compliance with By-laws. The Landlord shall comply with or cause to be complied with (but to the extent that such non-compliance arises by virtue of default by tenants of Retail Premises, the Landlord shall only be required to use reasonable efforts) all legal requirements (including statutes, laws, by-laws, ordinances, regulations and orders of every governmental authority having jurisdiction including those binding on either or both of a tenant or owner of premises) affecting the condition, equipment, maintenance, use

or occupation of the Shopping Centre other than the Leased Premises. The Landlord shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre Lands to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Landlord shall fail to comply with the provisions of this clause and such failure shall materially adversely affect the Tenant, the Tenant shall have the right, after written notice to the Landlord and unless the Landlord shall have within thirty (30) days thereafter commenced and proceeded diligently to remedy such failure, to take any necessary action to cause such failure to be remedied, and all costs incurred by the Tenant in so doing shall be promptly repaid by the Landlord to the Tenant.

ARTICLE 14

LEASES TO OTHER TENANTS

14.00 Merchandising Plan.

(1) The Landlord represents that the Merchandising Plan, which has been approved by the Tenant, has also been approved by all other parties having a right of approval thereto and that all leases of space in the Shopping Centre which have been made up to and are in existence at the date of this Lease are consistent therewith. In making or permitting to be made any lease (which expression includes any license or permit for use or occupancy) of any rentable space in the Shopping Centre other than the Leased Premises including all kiosks in the Mall and all outdoor selling areas, the Landlord agrees that without the written consent of the Tenant (such consent not to be unreasonably withheld except as otherwise provided herein) no lease of any space or location in the Shopping Centre shown on the Merchandising Plan shall be made other than for a type and class of use which is the same as or in substantial conformity with the type and class of use designated for such space or location on the Merchandising Plan. In the case of such space or location on the Merchandising Plan which is within 100 feet of any Mall entrance to the Tenant Department Store and in the case of the Retail Premises at each corner of the intersection of the Bay Mall with the Sears-Woodwards Mall at each level of the Bay Mall (such corner Retail Premises being in this Article 14 hereinafter referred to as the "Corner Stores"), no lease shall be made for a type or class of use or to a tenant whose identity shall not have been previously approved (which approval may be arbitrarily withheld) by the Tenant for such space or location.

(2) Upon any expansion of the Shopping Centre occurring as permitted by this Lease, the Landlord and the Tenant shall agree upon amendments to the Merchandising Plan extending it to apply to all newly constructed space intended for occupancy by retail and service tenants, and such amendments shall be made in accordance with good leasing practice for major retail shopping complexes and so as to maintain in

all material respects a fair balance of customer attraction throughout the Shopping Centre, and shall be consistent with the principles adopted by the parties in agreeing upon the original Merchandising Plan and with all the provisions of this Lease, and both parties shall act reasonably in reaching such agreement.

(3) The Landlord shall ensure that the Shopping Centre is leased in accordance with the Merchandising Plan and good leasing practice for major retail shopping complexes, and upon request will inform the Tenant (and consult with the Tenant where approval is expressly required) as to the status of such leasing.

(4) If the Landlord (acting reasonably) is of the opinion that a space should be leased for a type or class of use which is not the same as or in substantial conformity with the use designated for such location or space on the Merchandising Plan (including the locations and spaces referred to in subclause 14.00(1)), the Landlord may apply in writing to the Tenant requesting the Tenant's consent to a change in the Merchandising Plan as to the type or class of use for which such location or space is to be leased. Such application shall be accompanied by all information necessary to enable the application to be fairly considered, including particulars of the proposed type and class of use and shall state the Landlord's opinion that the requested change or lease would be in the best interests of the Shopping Centre and in accordance with good leasing practice for major retail shopping complexes. The Tenant shall promptly consider every such application and shall within seven (7) business days of its receipt of such application either consent thereto in writing or decline to give its consent, and where it declines to consent for a location or space (other than the Corner Stores and other than that which is within 100 feet of any Mall entrance to the Tenant Department Store) it shall state its reasons in writing for declining. If the Tenant fails to respond in writing to the Landlord's request within such seven (7) business day period, (which request may be personally delivered, delivered by registered mail or by courier, or delivered by facsimile or other form of electronic transmission (so long as the original notice is forwarded

the same day by registered mail or courier service), the Landlord shall be entitled to lease such space for such use or to such tenant without the Tenant's approval. Any such request must stipulate that the Tenant must respond in writing within seven (7) business days or its rights of approval will be forfeited with respect to such tenant only but not with respect to any future tenant or change in use.

(5) Except for space within 100 feet of any Mall entrance to the Tenant Department Store and except for the Corner Stores, the Tenant's consent to any application or approval of any matter under this clause shall not be unreasonably withheld and in particular shall not be withheld on the grounds that any type or class of use is one competitive with the activities of the Tenant so long as such use is not one which is prohibited by any provision of this Lease and is in accordance with good leasing practice in major retail shopping complexes, but nevertheless the Tenant's consent or approval may be arbitrarily withheld to anyone or all of the type or class of use and identity of tenant for the Corner Stores or if the space or location in question is within 100 feet of any Mall entrance to the Tenant Department Store.

14.01 Required Lease Provisions and Enforcements. In every lease to any tenant of Retail Premises in the Shopping Centre the location or space leased shall be required to be used only for a type and class of use which is the same as or in substantial conformity with the use designated for such location or space on the Merchandising Plan (as from time to time amended pursuant to clause 14.00) and for no other use whatsoever. The Landlord will take all reasonable action necessary to enforce such compliance including appropriate and prompt action to restrain or cure any breach thereof. The foregoing provisions of this clause 14.01 shall not apply to the lease between the Landlord and Woodwards for the Third Department Store.

14.02 Assigning and Subletting by Other Tenants. To the extent that the Landlord is able to impose upon and enforce against, or cause to be imposed upon and enforced against, tenants of Retail Premises in the Shopping Centre covenants contained in their leases implementing the

provisions of this clause 14.02, the Landlord shall not permit any tenant of Retail Premises in the Shopping Centre (other than the Tenant, whose rights and obligations are governed by this Lease, the occupant of the Third Department Store and other than tenants of other department stores, whose respective rights are governed by their respective leases and to which clause 14.03 applies) to assign their leases, or sublet any portion of their premises, or grant any concession or permit any person other than such tenant to occupy or carry on business in any portion of the premises leased to such tenant, if to do any such act or thing would result in any substantial change in the type or class of use specified for the location or space leased to such tenant or a change in the identity of the person occupying or carrying on business therein, without the written consent of the Landlord. Such consent of the Landlord shall not be given without the written consent of the Tenant in any circumstance where the type or class of use and (where relevant) the identity of the tenant or occupant is a matter in respect of which the Tenant has an express right of approval pursuant to clause 14.00, and where such approval of the Tenant is required it shall be applied for in accordance with the provisions of clause 14.00 and the circumstances in which the Tenant may give or withhold its consent shall apply thereto.

14.03 Department Stores. The Landlord will take all reasonable action necessary to enforce or cause to be enforced any provisions of every lease (other than this Lease) to a tenant of a department store (which shall exclude the Second Department Store and any food supermarket, but include the Third Department Store and every other department store in the Shopping Centre in excess of 50,000 square feet of Gross Leaseable Area carrying varied lines of merchandise) requiring such tenant to carry on there the business of a department store, and not to assign or sublet without consent except where, by the terms of such lease such consent is not required. The Landlord shall use its reasonable efforts to ensure that the operator of the Second Department Store operates the Second Department Store as a major department store and to enforce any rights it may have in that regard in any agreement between the Landlord and the owner from time to time of the Sears Lands, including the Sears Operating Agreement.

14.04 Prohibited Uses. Subject to any provisions of law limiting the validity or enforceability of covenants in leases restricting or regulating use, the Landlord will not permit any of the following businesses to be carried on in any part of the Shopping Centre (and the Tenant agrees that such restrictions shall also apply to the Leased Premises and that it will comply with such restrictions):

(1) any business involving the sale of second-hand goods (except the sale of antiques, or the incidental sale of traded-in merchandise by a tenant whose principal business is the sale of new merchandise but where it is customary in the usual conduct of such business to accept trade-ins in connection with the sale of new merchandise and such traded-in merchandise was actually traded-in at the premises of such tenant in the Shopping Centre in connection with the purchase of new merchandise from such premises), war surplus articles, insurance salvage stock or merchandise (including fire sale stock) damaged by fire or purported to be damaged by a fire unless damaged by fire on the respective premises;

(2) any auction (except an antique or fine art auction conducted in the normal course of business in premises in the Shopping Centre leased in compliance with clause 14.00 to a dealer in antiques or fine art), or any pawnshop;

(3) any business which by reason of noises, odours or vibrations emanating or likely (having regard to the nature of the business) to emanate therefrom interferes or is likely to interfere unreasonably with the use and enjoyment of Common Facilities or other premises in the Shopping Centre;

(4) any business within Retail Premises which is primarily a mail order business;

(5) any business which is carried on in a fraudulent or unethical manner or any operation of a nature presently considered to be a "flea market"; and

(6) any merchandising in the Common Facilities (except to the extent provided for in subclause 7.01(4) of this Lease).

14.05 Limitations on Tenant's Controls. If the Tenant shall not be conducting its business in the Tenant Department Store (except a vacation or a cessation of use which is merely temporary during the repair or rebuilding of any loss, damage or destruction or during the construction of alterations or additions, or a cessation necessitated by Unavoidable Delay) the provisions of clause 14.00, 14.01, 14.02 and 14.03 shall cease to have effect or constitute obligations of the Landlord enforceable by the Tenant until the Tenant has recommenced the conduct of its business in the Tenant Department Store.

ARTICLE 15

MERCHANTS' ASSOCIATION

15.00 Merchants' Association. The Landlord shall cause a Merchant's Association of the Shopping Centre to be formed, the objects of which shall be to encourage its members in fair and courteous dealing with the public, to foster ethical business practices, to advertise and promote the Shopping Centre and in general to aid the common interest of its members. The Merchants' Association shall be constituted so as to entitle each member to a number of votes which shall be fair and equitable, and shall entitle the Landlord to be a member and have one vote, and its constitution, including its by-laws, permanent rules and regulations and policies shall be fair, reasonable and not discriminatory. While the Tenant is a member of the Merchants' Association the Landlord shall use its best efforts to permit the Tenant to have a permanent seat on the directorate, steering committee or other managing body of the Merchants' Association.

15.01 Tenant's Membership in Merchants' Association. Provided that the Merchants' Association is incorporated and provided that at least 80% of all other tenants of Retail Premises in the Shopping Centre (by number and Gross Leaseable Area), including the occupants of all other department stores, join and maintain membership in the Merchants' Association, the Tenant will upon the Lease Commencement Date (or as soon thereafter as the aforesaid conditions have been met) join and thereafter (so long as such conditions continue to be met) maintain membership in the Merchants' Association of the Shopping Centre, abide by its constitution including its by-laws and permanent rules, regulations and policies as approved by the Tenant and by its other reasonable rules and regulations and policies, and contribute during the Term from and after the Effective Date to its annual budget an amount equivalent (per square foot of Gross Leaseable Area occupied) to the maximum paid by any other tenant of a department store in the Shopping Centre, but provided:

(i) the Merchants' Association shall be incorporated and

constituted as contemplated by clause 15.00, the Tenant shall have no major and reasonable objection to the policy of the Merchants' Association and the Tenant shall have approved its constitution including its by-laws and permanent rules, regulations and policies (such approval not to be unreasonably withheld), provided that if the Tenant so objects or does not so approve on a bona fide basis and the matter so objected to or not so approved is not rectified within fifteen (15) days, the Tenant may withdraw from the Merchants' Association until such time as it is rectified;

(ii) at least 80% of all of the other tenants of Retail Premises (by number and Gross Leaseable Area) of the Shopping Centre (including in any event, the occupants of all other department stores in the Shopping Centre) shall be obligated to join and maintain membership in the Merchants' Association and abide by its constitution, by-laws and rules and regulations; and

(iii) the maintenance of the Tenant's membership in the Merchants' Association shall not require the Tenant to adopt business practices inconsistent with its established standards, inhibit it in the full exercise of its rights under this Lease, or require an annual contribution from it, per square foot of Gross Leaseable Area of the Tenant Department Store and (while leased by it) of the Tenant Shop, in excess of fifteen cents (15¢) per square foot of Gross Leaseable Area per annum during the initial twenty-five years of the Term and twenty cents (20¢) per square foot of Gross Leaseable Area per annum during each renewal term.

15.02 Landlord's Support of Merchants' Association. So long as the Tenant is a member, the Landlord shall actively support the Merchants' Association, maintain membership therein, and shall contribute to it an amount not less than 25% of its total annual budget.

15.03 Promotion Fund. The Tenant agrees to participate in any promotion fund on comparable terms (provided that, for greater clarity, the Tenant shall not in any event be required to contribute to both a

promotion fund and the Merchants' Association) as are applicable to the Merchants' Association pursuant to this Article 15, as an alternative to and in lieu of its contribution to the Merchants' Association.

ARTICLE 16

TENANT SHOP AND TENANT OUTDOOR SELLING AREA

16.00 Tenant Shop. The following additional provisions shall apply to the Tenant Shop, and the Tenant shall comply therewith in the exercise of the rights granted to it as lessee pursuant to clause 2.02, and in addition to compliance with the other provisions of this Lease applicable to the Tenant Shop including without limitation the provisions as to the amount of basic rent under clause 4.01, as to the use thereof in subclause 6.00(3), as to Real Property Taxes thereon in clause 9.00, as to contributions to Common Facilities Operating Costs in clause 10.00, as to contributions to Real Property taxes attributable to the Common Facilities in clause 10.01, as to the repair thereof in clause 12.00 and as to assignment, subletting, encumbering and other transfers of interest in clauses 21.00 and 21.02:

(1) At all times while the Tenant Shop is open for business the Landlord shall heat and air-condition the Tenant Shop in accordance with the standards therefor applicable to similar Retail Premises in the Shopping Centre; the Tenant shall pay to the Landlord a share of the Landlord's costs and expenses for the provision of the system or systems providing such heating and air-conditioning (excluding any costs of a capital nature) and the supply of utilities therefor to rentable premises (including the Tenant Shop), which share shall be computed with reference to a fraction, the numerator of which is the Gross Leaseable Area of the Tenant Shop and the denominator of which is the Gross Leaseable Area of all rentable premises being provided with heating and air conditioning from such system or systems. The Tenant shall be permitted to inspect the records of the Landlord pertaining to such costs and expenses;

(2) Rent for the Tenant Shop shall commence upon the Lease Commencement Date and continue until the sooner of the termination of this Lease or the surrender by the Tenant of its lease of and rights in respect of the Tenant Shop;

(3) The Tenant's lease of, and the respective rights and obligations of the Landlord and Tenant in respect of, the Tenant Shop may be terminated (without affecting any other rights of the parties under this Lease in respect of the Tenant Department Store or the Tenant Outdoor Selling Area) by the Tenant at any time during the Term by no less than ninety (90) days prior notice to the Landlord. Upon any such termination occurring, the Tenant shall promptly vacate and surrender to the Landlord the Tenant Shop, and shall remove at its own expense its tenant's fixtures in the Tenant Shop (and repair any damage resulting from such removal);

(4) The Tenant may from time to time alter, reconstruct, remove and replace the fixtures and improvements in the Tenant Shop, provided that such fixtures and improvements shall always be suitable for their intended use, of good quality, attractive appearance and compatible with the design and architecture of the Mall;

(5) Should, subject to Unavoidable Delay, the Tenant Shop be closed for business for six (6) consecutive months, the Tenant shall upon thirty (30) days notice from the Landlord surrender the Tenant Shop to the Landlord, and all rights and obligations of the Tenant in respect thereof shall, upon such surrender, cease; and

(6) The Landlord and its agents shall have the right to enter the Tenant Shop at all reasonable times, upon reasonable prior notice to the Tenant, and accompanied by a representative of the Tenant if the Tenant so desires, to the extent such entry is reasonably necessary in order to make repairs, alterations, changes, adjustments or improvements to either the Tenant Shop, the Common Facilities or to other Retail Premises. The Landlord shall, in the exercise of its rights under this clause 16.00(6), use reasonable efforts to minimize interference of the Tenant's use and enjoyment of the Tenant Shop and with the business activity conducted therein, and shall carry out such work diligently and in a first-class manner, and to the extent reasonably possible shall return the Tenant Shop to the condition in which it was found. If the Tenant is not present to open and permit an entry into the Tenant Shop

at any time when such entry is, in the Landlord's reasonable opinion, necessary to prevent or deal with an emergency, the Landlord may forcibly enter the Tenant Shop without rendering the Landlord or its agent liable for such entry, provided that the Landlord shall be responsible for repairing any damage resulting from such forcible entry unless the forcible entry was required as a result of the negligence of the Tenant or those for whom it is responsible at law.

16.01 Tenant Outdoor Selling Area. The following additional provisions shall apply to the Tenant Outdoor Selling Area, and the Tenant shall comply therewith in the exercise of the rights granted to it pursuant to clause 2.01, and in addition to compliance with the other provisions of this Lease applicable to the Tenant Outdoor Selling Area including but not restricted to the provision as to no basic rent under clause 4.05, the use thereof in subclause 6.00(2), as to Real Property Taxes thereon in clause 9.00 and as to the repair of improvements erected by the Tenant thereon in clause 12.00:

(1) The Tenant may at its expense and subject to approval of plans and specifications by the Landlord, not to be unreasonably withheld or delayed, construct and from time to time alter, reconstruct, remove and replace structures, including fences and other barriers, awnings and other shelters over the Outdoor Selling Area, kiosks and lighting fixtures, on the Tenant Outdoor Selling Area provided such structures are affixed so as to cause a minimum of damage to the surface thereon, and upon abandonment (as opposed to the ceasing of use in each year as contemplated by subclause 16.01(2) and (3)) of the Tenant's use of the Tenant Outdoor Selling Area the Tenant shall, to the extent reasonably required by the Landlord, remove all such structures and other improvements and return such to the condition existing from time to time prior to the Tenant's use as an outdoor selling area;

(2) The Tenant shall not heat, ventilate or air condition any part of the Tenant Outdoor Selling Area;

(3) The Tenant may at any time and from time to time during each

year of the Term or at any time cease its use of the Tenant Outdoor Selling Area, without prejudice to the Tenant's right at any later time and from time to time to recommence and continue such use;

(4) The Tenant Outdoor Selling Area shall have an area of not more than 8,000 square feet;

(5) The Tenant shall be entitled to the use of the Tenant Outdoor Selling Area, as contemplated by this clause 16.01, for the entire Term of this Lease, subject to all provisions of this Lease expressed to be applicable thereto; and

(6) The Tenant acknowledges that the Tenant Outdoor Selling Area has initially been located upon that portion of the Shopping Centre Lands which is designated for the future construction of an office building and that the underground parking structure and support columns (the "Underground Structure") for such building have been constructed. The Landlord may, upon not less than one hundred and eighty (180) days prior written notice to the Tenant, relocate, at the Landlord's expense (including, without limitation, the cost of relocating the Tenant's inventory, equipment, trade fixtures and improvements and the cost of relocating any utilities and other services serving the Tenant Outdoor Selling Area), the Tenant Outdoor Selling Area to a location upon the Shopping Centre Lands which is appropriate for its intended use, such location to be designated by the Landlord and acceptable to the Tenant acting reasonably (the "Relocated Area"). Upon the expiry of such notice period, the Tenant will vacate the Tenant Outdoor Selling Area and thereafter the provisions of this clause 16.10 shall apply to the Relocated Area. The Tenant shall not bring upon the Tenant Outdoor Selling Area anything that might overload the Underground Structure. If damage is caused to the Underground Structure by the act, neglect, fault, want of skill, or misuse of or by the Tenant or those for whom the Tenant is responsible in law, the Tenant will repair the damage or, at the Landlord's option, pay to the Landlord on demand the cost of repairing the damage including reasonable consulting fees incurred by the Landlord in regard thereto.

ARTICLE 17

MALL KIOSKS AND OUTDOOR SELLING AREAS

17.00 Mall Kiosks. The Landlord may from time to time place or permit kiosks in the Mall save that any such kiosk shall not be placed within that portion of the Mall which is within 100 feet of any Mall entrance to the Tenant Department Store without the consent (which may be arbitrarily withheld) of the Tenant in respect of use and identity of the proposed occupant, but kiosks may otherwise, subject to the provisions of Article 14 hereof, be placed in the locations designated therefor on the Merchandising Plan, or such other locations compatible with pedestrian traffic flow, good merchandising practice and the maintenance of a fair balance of customer attraction within the Mall as the Tenant may from time to time approve (such approval not to be unreasonably withheld). The expression "kiosk", when used in this Lease, applies to any fixture or location for the carrying on of any retail or other commercial activity in the Mall, but not to temporary general shopping centre promotions or temporary exhibits which are authorized and approved under subclause 7.01(4).

17.01 Outdoor Selling Areas. The Tenant acknowledges that the occupant of the Third Department Store may have the right to operate an outdoor selling areas for use primarily as a centre for the sale of types of merchandise appropriate for outdoor sales in conjunction with their department stores in the Shopping Centre. The Landlord may in addition from time to time permit each tenant of any other department store having a Gross Leaseable Area of not less than 60,000 square feet to operate an outdoor selling area in respect of its department store. Each existing or new outdoor selling area may be located as shown on the Site Plan or in the Parking Facilities at a site which is adjacent to or in close proximity to the store in the Shopping Centre occupied by the tenant thereof and shall be used only as an outdoor selling area, to be operated by such tenant seasonally for the purpose of selling any type or types of merchandise normally sold by department stores, including without limitation, garden supplies and recreational and sports equipment.

ARTICLE 18

LIENS

18.00 Liens. Each of the Landlord and the Tenant shall so conduct any construction or other work done by it so as to minimize the possibility of any claim for lien being registered against any part of the Shopping Centre Lands and if any such claim for lien shall be registered shall forthwith take all reasonable steps to have the same discharged, but nevertheless may defer payment of any contested claim for lien if and so long as the same is being diligently contested, and provided that nonpayment thereof does not render any part of the Shopping Centre Lands liable to forfeiture or sale. In the conduct of any construction or other work each of the Landlord and the Tenant shall comply with all the provisions of applicable statutes available to it for the protection of the Shopping Centre Lands from claims for lien. In the event that either the Landlord or the Tenant shall make default in the payment of moneys justly due in connection with any such construction or other work and a claim for lien shall be filed or registered and not promptly secured or discharged within 15 days following notice, the Landlord may, in any event, and the Tenant may, in the event that a failure on the part of the Landlord to remedy its default is likely to prejudice the Tenant's leasehold interest as granted by this Lease, obtain a court order vacating the registration of the claim for lien and in conjunction therewith may make payment into court or post security to the extent required to obtain such order, and all expenses incurred by the curing party shall be promptly repaid to it by the party in default.

ARTICLE 19

EXPANSION AND ALTERATION OF

TENANT DEPARTMENT STORE

19.00 Expansion and Alteration of Tenant Department Store. The Tenant shall have the right at any time and from time to time to alter, reconstruct or expand the Tenant Department Store (including any of the improvements therein), but subject to the following provisions:

(1) Any exterior alterations to the Tenant Department Store shall be compatible with the design and specifications being used for new or recently renovated premises of the Tenant in the greater Vancouver area;

(2) There shall be no horizontal expansion of the Tenant Department Store;

(3) Any vertical expansion of the Tenant Department Store shall be downwards and shall not exceed 55,000 square feet of Gross Leasable Area on one level, and shall be accomplished by the removal of the first parking garage floor slab located below the lowest floor slab of the Tenant Department Store. The Landlord covenants that the two floors of parking garage as originally constructed below the Tenant Department Store shall be maintained for use as part of the Parking Facilities until such time as such space is required for the purposes of the vertical expansion of the Tenant Department Store. The Landlord hereby covenants and warrants that the lowest floor slab located below the Tenant Department Store is sufficient for conversion to department store use in conjunction with any such vertical expansion and that the columns under the Tenant Department Store are sufficient to support the Tenant Department Store and any expansion thereof;

(4) The plans and specifications for any substantial alteration or reconstruction which materially affects the structure of the Tenant Department Store or affects the structure of the balance of the Shopping Centre and for any vertical expansion shall be submitted to the Landlord for its approval, but such approval shall not be unreasonably withheld

provided the requirements of this clause are otherwise complied with and provided such plans and specifications substantially and materially comply with appropriate zoning and building regulations;

(5) Any alteration, reconstruction, or vertical expansion of the Tenant Department Store shall be performed substantially in accordance with the plans and specifications which have been approved by the Landlord to the extent that the Landlord has approval rights pursuant to subclause 19.00(4) hereof. In the performance of any alteration, reconstruction or expansion the Tenant will perform all work involved with reasonable expedition (but subject to Unavoidable Delay) and in good and workmanlike manner and at least in accordance with the general standards which were applicable to the initial construction of the Tenant Department Store and will comply with all applicable municipal by-laws and other legal requirements pertaining to such work;

(6) If the Tenant desires to expand the Tenant Department Store it shall provide not less than six months prior written notice to the Landlord and, if the Landlord so desires, shall negotiate with the Landlord for a reasonable period of time with a view to arriving at an agreement whereby the Landlord will perform such construction of the Tenant Department Store expansion for an agreed price or in consideration of an agreed increase in rent under this Lease or for other consideration. If such an agreement cannot be reached within a reasonable time, the Tenant shall be free to construct the expansion at its own expense, in which case no annual basic rent shall be payable by the Tenant in regard to the expansion area;

(7) The Tenant will provide, at its expense, any additional Parking Facilities required for an expansion of the Tenant Department Store by any or all of or any combination of:

(a) the construction at the expense of the Tenant (and for which purpose the Landlord will extend its full co-operation in connection with design, the re-orientation of parking and access, and other matters as may be required) of parking decks or structures, to be located within

the Shopping Centre Lands and to include the additional number of parking spaces required in respect of the expansion of the Tenant Department Store. Before commencing construction of parking decks or structures the Tenant shall obtain the Landlord's approval of its plans and specifications (which approval will not be unreasonably withheld); and/or

(b) the construction of Parking Facilities on lands adjacent to the Shopping Centre Lands provided such construction does not result in a breach of any lease or other occupancy agreement affecting the Landlord's obligations in respect of the Shopping Centre; and/or

(c) a reduction in the parking ratio to the extent reasonably possible so as to enable the expansion of the Tenant Department Store to be proceeded with without the addition of further Parking Facilities or with as little additional Parking Facilities as reasonably practical, provided however that the parking ratio as provided for in subclause 7.04(c)(2) hereof shall in no event be reduced below the greater of: (i) the ratio of four (4) parking spaces for each 1,000 square feet of Gross Leaseable Area of Retail Premises in the Shopping Centre, (ii) the parking ratio required pursuant to municipal requirements at the relevant time, and (c) the parking ratio required by the Sears Operating Agreement and the lease with Woodwards for the Third Department Store; and/or

(d) the use of existing spaces and existing surplus land on the Shopping Centre Lands that are in excess of the spaces then required by clause 7.04(c).

ARTICLE 20

EXPANSION AND ALTERATION OF SHOPPING CENTRE

20.00 Expansion and Alteration of Shopping Centre. The Landlord shall have the right at any time and from time to time, where not otherwise prohibited by any provision of this Lease, and subject to the additional conditions in clause 20.01, to alter, reconstruct or expand the buildings and improvements on the Shopping Centre Lands including the Common Facilities but excluding the Leased Premises as follows:

(1) No additional department stores shall be constructed in the Shopping Centre without the consent of the Tenant;

(2) The premises in the Shopping Centre intended for occupancy by tenants for Retail Premises (other than any department store or food supermarket) may from time to time only be altered, reconstructed or expanded, including construction of additional Retail Premises, as follows:

(i) the Retail Premises existing at the Lease Commencement Date shall not be reduced or increased in size without the approval of the Tenant which approval the Tenant may be withheld in the Tenant's sole discretion. Notwithstanding the aforesaid, the Tenant acknowledges the right of Sears as provided for in the Sears Operating Agreement to expand the Second Department Store to the north by a further 36,000 square feet of Gross Leaseable Area in aggregate and the right of Woodwards to expand the Third Department Store to the south on 3 levels by a further 12,000 square feet of Gross Leaseable Area in on each of three levels, without Tenant approval. The Tenant further acknowledges that, notwithstanding the aforesaid, the Landlord may without the approval of the Tenant add up to 55,000 square feet of Gross Leaseable Area of Retail Premises by deleting enclosed parking from the lowest levels of the Bay Mall structure and converting the same to a single level of Retail Premises, provided however that the Landlord shall provide alternative parking spaces in place of the parking spaces displaced by the Landlord's expansion and 4.5 parking spaces per 1,000

square feet of Gross Leaseable Area of the Landlord's expansion. Any alterations or expansions to the Shopping Centre permitted as aforesaid shall be completed in accordance with good shopping centre practice and in compliance with governmental authorities having jurisdiction; and

(ii) any expansion of Retail Premises and any additional Retail Premises constructed shall be designed and located in accordance with plans which have been approved by the Tenant (which approval shall not be unreasonably withheld) shall be appropriate for their intended use and suitable for a first-class regional shopping centre, shall be architecturally compatible with the Shopping Centre and suitably integrated therewith and with the Mall and shall be constructed and leased for purposes and to tenants which are compatible with a first-class regional shopping centre and in accordance with the Merchandising Plan and the provisions of Article 14;

(3) The Landlord may, subject to compliance with all other provisions of this clause 20.00 and with the criteria set out in clause 20.01, construct or permit to be constructed on the Shopping Centre Lands buildings for other uses provided such uses are fully compatible with a regional shopping centre and the Tenant specifically acknowledges the Landlord's right to construct an office tower abutting the Tenant Department Store in area cross-hatched in green (and if any proposed use is other than retail, shopping centre commercial or office use it shall first have been approved by the Tenant, such approval not to be unreasonably withheld); and

(4) The Common Facilities may from time to time be altered, reconstructed or expanded, subject as follows:

(i) the Common Facilities shall be at all times suitable for their intended purpose, appropriate for a first-class regional shopping centre and in compliance with all the provisions of this Lease, including as to the number of parking spaces to be available from time to time as provided in subclause 7.04(c);

(ii) the Mall as it existed on the Lease Commencement Date shall not be substantially altered without the consent of the Tenant, but may be extended subject to the criteria set out in clause 20.01;

(iii) additional parking spaces may be provided in the Parking Facilities by means of grade level or deck parking, but the design and location of the Parking Facilities including any parking structures shall be such as to maintain a fair balance of the availability of parking in the Shopping Centre and an adequate and unimpeded traffic flow and access to such parking and to all Retail Premises in the Shopping Centre including the Leased Premises, and shall have been approved by the Tenant;

(iv) the Parking Facilities and other Common Facilities shall in no way be diminished or altered in any material way; and

(v) there shall be no public or private pedestrian or vehicular access between the Shopping Centre and any buildings which are constructed on the lands (as bounded by Kingsway on the north, Sussex Avenue on the west and Central Boulevard on the south) lying to the west of the Shopping Centre Lands other than the upper level connection to the Sears-Woodwards Mall as shown on the Merchandising Plan and the connection to the Third Department Store as shown on the Site Plan.

20.01 Additional Conditions on Expansion and Alteration. In connection with any expansion of the buildings and improvements in the Shopping Centre permitted by clause 20.00, the following additional requirements shall be complied with:

(1) All construction shall be architecturally compatible with the buildings from time to time existing in the Shopping Centre, and any alterations and expansions shall at all times be consistent with a first-class shopping centre similar in size to the Shopping Centre as expanded.

(2) The Landlord shall use reasonable efforts to ensure that all

new construction on the Shopping Centre Lands including extensions of the Mall and Retail Premises associated therewith, alterations or additions to Parking Facilities and all other new construction including the expansion of any existing premises shall be such as to maintain a fair balance among the various portions of the Shopping Centre from time to time existing, having regard to all relevant factors including customer attraction, accessibility, the type, convenience and quantity of parking available in Parking Facilities, traffic flow and the facility of access by vehicles and pedestrians;

(3) Notwithstanding any other provisions of this Lease, no building or improvement of any nature other than additional Parking Facilities consisting of parking spaces at grade level and landscaped areas and walkways and other than the Sears Auto Centre shall (without the consent of the Tenant, which may be arbitrarily withheld) at any time be constructed within the area outlined in brown on the Site Plan; provided, however, that in regard to that portion of the Sears Lands as is cross-hatched in brown on the Site Plan, the consent of the Tenant shall not be required for any construction thereon after September 25, 2036, and should the Landlord become the owner of such portion the Tenant's consent to the construction thereon of a parking structure shall not be unreasonably withheld;

(4) Outline plans and specifications for any expansion or substantial alteration which the Landlord is entitled to make or permit hereunder shall be submitted to the Tenant for the Tenant's approval (such approval not to be unreasonably withheld provided all applicable criteria set out in this Article have been complied with);

(5) Any substantial alteration and any reconstruction or expansion permitted hereunder shall be performed by the Landlord or other party performing the same with reasonable expedition and in a good and workmanlike manner and in accordance with the general standards which were applicable to the initial construction of the Shopping Centre and in substantial and material compliance with all applicable municipal by-laws and other legal requirements pertaining thereto;

(6) Any material variations in the Site Plan, including without limitation any material change in pedestrian access to and from the Mall and vehicular access to and from the Shopping Centre Lands by way of the public streets abutting the Shopping Centre, shall have been approved by the Tenant (which approval may be arbitrarily withheld);

(7) No additional premises shall be constructed, leased or occupied for any use which is not compatible with the then current standards of first-class shopping centres.

20.02 Tenant Opportunity. Before proceeding with the construction of any major expansion or major alteration to the Shopping Centre, the Landlord shall afford to the Tenant a reasonable opportunity to expand the Tenant Department Store at least contemporaneously with any expansion of the Shopping Centre provided such shall not materially delay the Landlord's expansion or alteration.

20.03 Landlord Opportunity. Before proceeding with the construction of any expansion to the Tenant Department Store, the Tenant shall afford to the Landlord a reasonable opportunity to expand the remainder of the Shopping Centre at least contemporaneously with any expansion of the Tenant Department Store provided such shall not materially delay the Tenant's expansion.

ARTICLE 21
ASSIGNMENTS, TRANSFERS AND ENCUMBRANCES OF INTEREST BY LANDLORD AND TENANT

21.00 Restrictions on Assignment, Subletting and Encumbering by Tenant. The Tenant may at any time and from time to time assign this Lease or sublet or grant concessions or other rights of use and occupancy with respect to the whole or any part of the Leased Premises in each of the following circumstances (but not otherwise):

(1) The Tenant may upon written notice to the Landlord, without the consent of the Landlord, assign this Lease or sublet the whole or any part of the Tenant Department Store and the Tenant Shop to, and may in any event permit the Leased Premises to be used and occupied in whole or in part by, any affiliated corporation of the Tenant as such term "affiliated corporation" is defined by the Canada Business Corporations Act provided that such affiliated corporation operates a similar department store to that being operated by the Tenant at the time of such assignment or sublet;

(2) The Tenant may upon written notice to the Landlord, without the consent of the Landlord, assign this Lease:

(i) to any corporation with which the Tenant merges or consolidates, or

(ii) to any corporation to which it sells all or substantially all of its similar retail department store business and retail assets in the greater Vancouver area;

(3) The Tenant may, at any time following the first ten (10) years of the Term, upon written notice to the Landlord, without the consent of the Landlord, assign this Lease or sublet to an entity which at the time of such assignment or sublet operates a junior department store (such as the department stores presently operated under the name "Zellers", "K Mart" and "Woolco"), provided that annual basic rent payable in respect of the Tenant Department Store shall be increased during such period of

its operation as a junior department store to an amount equal to the greater of one hundred and twenty percent (120%) of the annual basic rent payable pursuant to clause 4.00 in regard to the Tenant Department Store, and two percent (2%) of annual gross sales made from the Tenant Department Store.

The "gross sales" made by the Tenant in the Tenant Department Store shall mean and include all rentals and sales of merchandise (including without limitation food) and services made in the Tenant Department Store by the Tenant, its licensees, subtenants and concessionaires including the net amounts received by the Tenant, its licensees, subtenants and concessionaires as a result of sales and rentals of merchandise dispensed from machines and services provided by machines and including all orders for merchandise taken in the Tenant Department Store to be filled elsewhere, without any deduction for uncollected or uncollectible credit accounts. But the following items shall be excluded in calculating such gross sales:

i) all credits and refunds made to customers for merchandise returned or lost or found defective;

ii) all receipts from service devices, such as public telephones, public toilets, weighing machines, stamp machines, banking machines and lockers;

iii) all discounts allowed on the purchase of merchandise by charitable organizations or by the Tenant's employees or by others to whom the Tenant shall allow discounts (provided that where the Tenant ceases to be Hudson's Bay Company or an affiliated corporation such discounts to be excluded shall not in any Lease year exceed an amount equal to 1% of gross sales before such discounts);

iv) all interest and service charges on sales of merchandise or services made on credit;

v) all accounts or credits received in settlement of claims for loss

of or damage to merchandise and for merchandise transferred to other stores of the Tenant or returned to manufacturers orjobbers;

vi) all sales taxes, including without limitation goods and services taxes and other taxes of a similar nature, based upon the gross receipts of the Tenant or upon the sale or sale price of merchandise or services and which must be paid by the Tenant or collected by the Tenant from customers, which are separately added to the sale price;

vii) for any services provided from the tenant department store for which the Tenant or its licensee or concessionaire receives a commission from a third party dealing at arm's length for the providing or sale of such services, all receipts from customers of such services will be excluded from gross sales, but there shall be included as gross sales the amount of any such commissions earned. Included in such services, without limitations, are:

a) a post office,
b) a ticket office for the sale of tickets to entertainment events,
c) a travel agency,
d) a financial services department, and
e) a lottery ticket outlet;

viii) all receipts from the sale of the Tenant's gift certificates (provided that the value of any gift certificates redeemed in the tenant department store for merchandise shall be included in gross sales).

(4) The Tenant may, without the consent of the Landlord, sublease or grant concessions or licenses to use and occupy any part or parts of the Tenant Department Store and the Tenant Shop provided that:

(i) the Tenant Department Store and Tenant Outdoor Selling Area, while required to be operated under the terms of this Lease, continue to be operated and maintain the appearance to the public of being carried on as an integrated department store;

(ii) any subletting of the Tenant Shop shall only be done in connection with a subletting of the whole of the Tenant Department Store, and any granting of concessions or licenses in respect of the Tenant Shop shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater Vancouver area; and

(iii) any such subtenant, concessionaire, licensee or other occupant within the Tenant Department Store is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

(5) The Tenant may, without the consent of the Landlord, assign, sublease or mortgage or encumber its interest under this Lease to a mortgagee or encumbrancer which is a recognized financial institution (including a bank, life insurance, trust or mortgage company and a trustee for bondholders) as security in connection with any bona fide general corporate borrowing by the Tenant. It is understood that, prior to any such mortgagee or encumbrancer entering into possession of the Leased Premises, it shall undertake to the Landlord to be bound by the terms of this Lease but only for so long as it remains in possession, and if it sells or otherwise disposes of its security, it shall require the purchaser to covenant directly with the Landlord to be bound by the terms of this Lease; upon such covenant being given such mortgagee or encumbrancer shall be released from its obligations stipulated hereunder;

(6) If the Landlord (in breach of its covenant) has ceased to operate the Shopping Centre as a first-class shopping centre, and such default continues to exist after three (3) months prior written notice to the Landlord, the Tenant may at anytime following the first ten (10) years of the Term assign this Lease or sublet the whole or any part of the Leased Premises without any approval or consent of the Landlord and without any restriction as to use;

(7) The Tenant may, at any time following the first ten (10) years of the Term, assign this Lease or sublet the whole or any part of the Leased Premises in any other circumstance not permitted by subclauses (1) to (6) inclusive of this clause 21.00 for any permitted use hereunder, provided that in each case the written consent of the Landlord thereto shall first have been obtained which consent will not be unreasonably withheld; and

(8) Notwithstanding anything aforesaid to the contrary, no assignment or sublet pursuant to the provisions of subclauses (3), (6) or (7) shall be made to an entity which at the time of such assignment or sublet is operating a department store within a radius of two and one-half (2-1/2) miles of the Shopping Centre, excluding any department stores then being operated in the shopping centre presently known as Champlain Mall, without the written consent of the Landlord (which consent may be arbitrarily withheld).

The Landlord will not, unless the Tenant consents (which consent will not be unreasonably withheld), enter into any restrictive covenant with any other tenant of premises on the Shopping Centre Lands which has the effect of restricting the use made of the Tenant Department Store, and will whenever requested advise the Tenant in writing of the nature, extent and wording of all restrictive covenants at any time in effect which might have application to the Tenant Department Store or the use thereof (the Landlord representing that there are no such restrictive covenants in any way affecting the use thereof as a department store).

In the case of any assignment of the Lease, other than to a mortgagee or encumbrancer as contemplated by subclause (5) hereof, the assignee shall covenant with the Landlord to assume, be bound by and perform all of the Tenant's covenants hereunder. No assignment, subletting, mortgaging or encumbering by the Tenant shall release the obligations of the Tenant hereunder except, as hereinafter provided, in the following circumstances:

(a) an assignment of this Lease to an affiliated corporation of the Tenant on a winding up or other dissolution of the assignor

plrovided such assignee is vested with substantially all of the assets of the Tenant following such assignment and if the credit rating of such corporation is no less than that of the Tenant immediately prior to such winding up or other dissolution;

(b) an assignment of this Lease to a national major department store (such as by way of example those presently carrying on business under the name Eatons, Simpsons, Woodwards or Sears) who is then of such a financial status that it can borrow substantial amounts of money (without shareholder guarantee) from Canadian financial institutions on an unsecured basis at an interest rate not greater than the rate that would then be available to the Tenant;

(c) an assignment of this Lease in the circumstances referred to in subclause (6) of this clause 21.00;

(d) an assignment of this Lease to a corporation or other entity to which the Tenant and/or its affiliated corporations sell all or substantially all of its similar department store business and retail assets in the greater Vancouver area; and

(e) an assignment of this Lease to an assignee whose financial status is such that it can borrow substantial amounts of money (without shareholder guarantee) from Canadian financial institutions on an unsecured basis at an interest rate not greater than that rate that would then be available to the Tenant.

Upon receipt of the assignee's covenant with the Landlord to assume, be bound by and perform all of the Tenant's covenants hereunder and a request from the Tenant to grant such a release, other than in respect of then existing defaults, the Landlord shall grant such a release in respect of any period following such assignment.

21.01 Transfers and Encumbrances by Landlord. The Landlord may assign, transfer, mortgage or encumber the Shopping Centre Lands or sublet the whole or any part or portion (excluding transfers of minor

parts of the Shopping Centre, granting of rights-of-way, easements, rights in the nature of an easement, restrictions, licenses and other similar rights so long as the Landlord can continue to perform and comply with its obligations under this Lease) of the Shopping Centre Lands subject only to the following restrictions:

(1) Every assignment, transfer, mortgage or encumbrance by the Landlord of its interest in the Shopping Centre or any part thereof and any lease by the Landlord of the Shopping Centre Lands (other than leases of specific premises therein) shall be made expressly subject to this Lease and all the rights of the Tenant hereunder; however, if required by a mortgagee, the Tenant shall enter into a non-disturbance agreement with such mortgagee which shall provide, without limiting the generality of the foregoing, security of tenure and the right to remain in possession of the Leased Premises under the terms and conditions of this Lease, the right to have the Landlord's covenants performed by any party in possession of the Shopping Centre from time to time including the mortgagee while in possession and any purchaser pursuant to an exercise of the mortgagee's power of sale until such time as this Lease shall expire, be surrendered or otherwise terminated pursuant to the terms of this Lease; and

(2) In the case of every assignment or transfer of the whole of the Shopping Centre Lands other than to a mortgagee or encumbrancer or creditor as security, the assignee or transferee shall agree with the Tenant to perform all the obligations of the Landlord under this Lease. No such assignment, transfer, mortgage or encumbrance by the Landlord affecting the Leased Premises shall have the effect of releasing the obligations of the Landlord hereunder unless (a) a bona fide purchaser, assignee or transferee of the whole of the Landlord's interest in the Shopping Centre assumes and has become bound by the Landlord's obligations, covenants and agreements hereunder and (b) the assignee is able to perform fully all the obligations of the Landlord and is not rendered unlikely to do so by reason of any relevant circumstance (such as, but not restricted to, inadequate assets or operating experience), but the Tenant shall grant such release if such conditions are

satisfied; provided that in no event will the Landlord be released in respect of then existing defaults.

21.02 Performance of Mortgage Obligations by Tenant. The Tenant shall make all payments when due and otherwise perform all its obligations under any mortgage or encumbrance at any time permitted to be made by it pursuant to clause 21.00 upon this Lease and its leasehold interest thereunder. The Tenant shall obtain an undertaking from any such mortgagee or other encumbrancer to give written notice to the Landlord from time to time of any default under such mortgage or other encumbrance specifying with reasonable particularity the nature and extent of the default (and if the default continues, to provide periodic reports on a monthly basis on the nature and extent of such default).

21.03 Performance of Mortgage and Other Obligations By Landlord. The Landlord shall make all payments when due and otherwise perform all its obligations under any mortgage or encumbrance at any time made by it upon the Shopping Centre Lands and its interest therein, and shall duly perform, to the extent reasonable under the circumstances, all its obligations under all leases to tenants of portions of the Shopping Centre. The Landlord shall obtain an undertaking from any such mortgagee or other encumbrancer to give written notice to the Tenant from time to time of any default under such mortgage or other encumbrance specifying with reasonable particularity the nature and extent of the default (and if the default continues, to provide periodic reports on a monthly basis on the nature and extent of such default).

ARTICLE 22

DETERMINATION OF CERTAIN MATTERS

22.00 Determination of Gross Building Area, Gross Leaseable Area & Adjusted Gross Leaseable Area. The Gross Building Area, Gross Leaseable Area and Adjusted Gross Leaseable Area of the Tenant Department Store and the Tenant Shop and any other premises in the Shopping Centre in respect to which it is material under the provisions of this Lease to determine the same, shall, unless accepted and agreed by both the Landlord and the Tenant in writing, be determined at the instance of either party by a surveyor appointed by the Landlord and the Tenant acting jointly for the purpose, or if they cannot agree upon such appointment, appointed upon the application of either party by a Judge of the Supreme Court of British Columbia. Any Gross Building Area, Gross Leaseable Area and Adjusted Gross Leaseable Area so agreed or determined shall be binding upon the parties but subject to redetermination in the manner herein provided if there shall be any expansion, alteration, reconstruction or other change affecting the same.

The Tenant acknowledges that the Shopping Centre Lands have been surveyed by a survey completed on the 16th day of December, 1988, prepared by McElhanney Associates, and that the Sears-Woodward Mall was surveyed by a survey dated the 16th day of February, 1990, prepared by McElhanney Associates. The Tenant acknowledges and agrees that as of the date of this Lease, the area of the Shopping Centre Lands is 17.595 acres and that the Gross Leaseable Area of the Sears-Woodward Mall is 25,331.4 square metres and the Gross Leaseable Area of the Third Department Store is 17,405.7 square metres and that the Tenant will not require the resurveying thereof unless the surveys referred to in this paragraph are shown to be incorrect or unless the areas change as a result of alterations or expansions carried out by or with the approval of the Landlord in accordance with the provisions of this Lease.

22.01 Determination by Arbitration. Wherever in this Lease it is provided that any matter in dispute between the Landlord and the Tenant,

if not settled or agreed between them, is to be determined by arbitration, then the dispute shall be determined by arbitration, as follows:

(1) Either party may give written notice to the other of its desire to arbitrate such dispute, and shall in such written notice give notice of the appointment of an arbitrator chosen by the party giving such notice. The party receiving such notice shall within fifteen (15) days after the receipt thereof give a written notice to the party giving the first notice of the appointment of an arbitrator chosen by the party giving the second notice. The two arbitrators so chosen shall jointly appoint a third arbitrator;

(2) If a party required to appoint an arbitrator shall fail to do so within such period of fifteen (15) days, or if each party has appointed an arbitrator and such arbitrators fail to agree upon a third arbitrator within fifteen (15) days after both have been appointed, then any party not in default of appointing an arbitrator may apply to a Judge of the Supreme Court of the Province of British Columbia for the appointment of an arbitrator on behalf of the party in default, or the appointment of the third arbitrator, as the case may require; and

(3) The three arbitrators so appointed shall determine the dispute having regard to the provisions of this Lease and to any other agreements which the parties may have made respecting the arbitration or the matter in dispute and the decision of any two of them shall bind the parties. Subject to the provisions of this clause, the arbitration shall be conducted in accordance with the provisions (if any) of the laws of the Province of British Columbia from time to time in effect pertaining to arbitration.

22.02 Costs. In any proceedings under clause 22.00 to determine any Gross Building Area, Gross Leaseable Area and Adjusted Gross Leaseable Area, each party shall pay one-half the fees and expenses of the surveyor appointed and of all other expenses of such proceedings. In any proceedings under clause 22.01 to determine any question or dispute,

the fees and expenses of the arbitrators and all other expenses of such proceedings shall be borne in such manner as the arbitrators may determine.

22.03 Judicial Remedies Preserved. The provisions of this Article 22 regarding the determination of certain questions or matters in dispute by arbitration are acknowledged by the parties to have the intended purpose of providing, where applicable, an equitable and rapid determination, but are not intended and shall not be interpreted as excluding recourse by any party to the Courts as to any matter not expressly required to be determined by arbitration pursuant to clause 22.01, or recourse by any party to any of the remedies available at law or in equity including damages or injunction, and such recourse may be taken notwithstanding the provisions of clause 22.01 in respect of any matter where the substantial rights of a party are involved and might be prejudiced or impaired if such recourse is not taken, notwithstanding that the determination of such matter may involve a question for determination by the Court which would otherwise fall for its determination within the provisions of clause 22.01, but in such case any determination which has already been made pursuant to clause 22.01 shall be binding upon the parties.

ARTICLE 23

SIGNS

23.00 Tenant's Signs. Subject to the requirements of all governmental authorities having jurisdiction, the Tenant shall be entitled to the following rights in regard to identification signs of and for the Leased Premises as follows:

(1) To erect and maintain, at its expense, signs upon the exterior of the Tenant Department Store (including upon or over the entrances thereto and upon any exterior wall thereof) in each case similar in size, number and character to those generally used by the Tenant in connection with a majority of its other similar department stores in Canada (including, in any event, reasonable signage in the Parking Facilities near the Tenant Department Store), and consistent with the Landlord's sign policy referred to in clause 23.01 to the extent that the Landlord's sign policy is not inconsistent with the Tenant's general sign package described aforesaid.

(2) To erect and maintain at its expense, signs upon the Tenant Shop, the Tenant Outdoor Selling Area and the Tenant Licensed Parking Area consistent with the Landlord's sign policy referred to in clause 23.01;

(3) On any free standing pylon signs erected by the Landlord to promote the Shopping Centre or to promote any other tenants of the Shopping Centre, identification for the Tenant Department Store of size and location no less prominent than that provided to any other tenant identified by the sign;

(4) To erect and maintain, at its expense, a directory for the Tenant Department Store in the Mall at each Mall entrance to the Tenant Department Store;

(5) To have the Tenant's name on any directories for the Mall, and to have erected at the Landlord's expense a large directional sign at

the intersection of the Bay Mall and the central court of the Sears-Woodwards Mall; and

(6) Such other signs as it may desire to have and which are consistent with the sign policy referred to in clause 23.01 adopted for the Shopping Centre and approved by the Tenant, as the Landlord may approve (such approval not to be unreasonably withheld).

The Tenant shall maintain the signs or identification referred to in paragraphs (1), (2), (4) and (6) in good repair and condition and shall keep them suitably illuminated (to the extent designed to be illuminated) as and when required during the hours when the Leased Premises or the applicable part thereof shall be open for business. The Landlord shall maintain the signs or identification referred to in paragraphs (3) and (5) in good repair and condition and shall keep them suitably illuminated (to the extent designed to be illuminated) as and when required during the hours when the Shopping Centre is open for business.

23.01 Landlord's Sign Policy. The Landlord shall implement, and shall also enforce or cause to be enforced, a sign policy applicable to all tenants of the Shopping Centre and governing signs (including pylon signs and their respective locations) which may be displayed on or in their premises and in the Shopping Centre and which shall represent good shopping centre practice for a first-class regional centre, maintain the dignity and appearance of the Shopping Centre, and shall, except for any signs of and for the Third Department Store (which will be limited to the rights contained in the lease pertaining thereto), be subject to the approval of the Tenant (not to be unreasonably withheld).

The Tenant acknowledges that a sign policy for the Sears-Woodward Mall is now in force and the Mall signage is presently installed based thereon. The Tenant shall not require a sign policy or amendments to the existing sign policy which is/are materially different than the existing sign policy for the Shopping Centre.

23.02 Further Provisions for Landlord's Signage. No pylon sign shall be located within the area outlined in brown on the Site Plan without approval of the Tenant, which approval may be arbitrarily withheld. The directional signage in the parking garages for the Shopping Centre shall be subject to the Tenant's approval, such approval not to be unreasonably withheld or unduly delayed.

ARTICLE 24

REMEDIES AND DEFAULTS

24.00 Particular Remedies of Landlord. The Landlord, in addition to all other remedies it may have under the express provisions of this Lease and (to the extent not expressly excluded hereby) under the general law, shall have the following rights:

(1) In the event of any default by the Tenant in the payment of annual basic rent or other amount payable by the Tenant to the Landlord hereunder, the Landlord shall have available to it all remedies for the recovery of the same as are available in the case of the non-payment of annual basic rent. If the Tenant shall have failed to remedy such default by making payment thereof within fifteen (15) days after receipt of written notice from the Landlord, and such default constitutes a major monetary default, the Landlord may at its option, in addition to such other remedies as it may have hereunder, enter into and upon the Leased Premises and terminate this Lease, subject to such equitable or other relief, including relief from forfeiture, as may be available to the Tenant under the laws of the Province of British Columbia;

(2) In the event of any default by the Tenant of any of its covenants, agreements or undertakings in this Lease, other than a default under subclause (1) hereof, which the Tenant fails to remedy within thirty (30) days after receipt of written notice from the Landlord specifying such default (or such longer period as may be reasonably necessary therefor having regard to the nature of such default and the occurrence of any Unavoidable Delay), the Landlord may at its option, in addition to such other remedies as it may have hereunder, including the right to damages or specific performance, take such reasonable steps as may be necessary to remedy such default, and for that purpose the Landlord shall have the right to enter all parts of the Leased Premises, and any costs incurred by the Landlord in so doing shall be promptly repaid to it by the Tenant; provided further that where the default is so substantial as to go to the root of the agreement contained in this Lease the Landlord may at its option, in

addition to such other remedies as it may have hereunder, enter into and upon the Leased Premises and terminate this Lease, subject to such equitable or other relief, including relief from forfeiture, as may be available to the Tenant under the laws of the Province of British Columbia;

(3) As an alternative to its right under subclause (1) or (2) to enter into and upon the Leased Premises and terminate this Lease, the Landlord shall, as an alternative to such remedy if it so elects, without terminating this Lease or relieving the Tenant of any of its covenants or obligations under this Lease, have the right to enter into and upon the Leased Premises to take possession of all property of the Tenant in the Leased Premises without being liable for any prosecution or damage therefor, and as the agent of and in the name and at the risk and expense of the Tenant to repair or alter the Leased Premises as may be necessary or appropriate and to sublet the Leased Premises and sell or lease as the Landlord shall see fit all or any of such property, all at the expense of the Tenant (the Tenant agreeing to promptly reimburse the Landlord for all costs and expenses including legal fees and realtors' commissions if any incurred by it in so doing), and to receive and apply all rents and other proceeds derived therefrom against the then and continuing indebtedness and obligation of the Tenant to the Landlord (the Tenant remaining liable for the payment to the Landlord of any deficiency then or thereafter arising, and to indemnify and save harmless the Landlord from all loss, cost and expense arising by reason of the Tenant's default and any action lawfully taken by the Landlord hereunder consequent thereon).

(4) Notwithstanding the foregoing, where the Landlord has prior written notice of a mortgagee of the Tenant's interest in this Lease, the Landlord shall not terminate the Lease until it has given such mortgagee a notice of the Tenant's default specifying with reasonable particularity the nature of such default and has given the mortgagee the same period of time as set forth in subclause 24.00(1) or (2) as applicable in which to remedy the Tenant's default and the mortgagee has not so remedied. Such notice may be given by the Landlord to the mortgagee at the same time as notice is given to the Tenant.

24.01 Particular Remedies of Tenant. The Tenant, in addition to all other remedies it may have under the express provisions of this Lease and (to the extent not expressly excluded hereby) under the general law, shall have the following rights:

(1) In the event of the failure of the Landlord to pay any amount due to the Tenant under any provision of this Lease when due, and if such failure shall not have been remedied within thirty (30) days after receipt of written notice from the Tenant specifying the default, the Tenant shall have the right to deduct such amount from amounts due or to accrue due to the Landlord under Article 10 of this Lease, and if such default constitutes a major monetary default the Tenant shall have the right to terminate this Lease.

(2) In the event the Landlord is in default under this Lease, other than a default under subsection (1) hereof, and the Landlord shall fail to remedy such default within thirty (30) days after receipt of written notice from the Tenant to the Landlord (or such longer period as may reasonably be necessary therefor having regard to the nature of such default and the occurrence of any Unavoidable Delay), the Tenant may take such reasonable steps as may be necessary to remedy such default, and any costs incurred by the Tenant in so doing shall be promptly repaid to it by the Landlord, and where such default is so substantial as to go to the root of the agreement contained in this Lease, the Tenant shall also have the right to terminate this Lease.

(3) Notwithstanding the foregoing provisions of subclauses 24.01(1) and (2), the Tenant may not so terminate until and unless it has given any mortgagee of the Shopping Centre Lands of which mortgagee it has received prior notice and from which mortgagee there has been delivered to the Tenant an undertaking required pursuant to clause 21.03 notice of default specifying with reasonable particularity the nature of such default and granting to such mortgagee a similar period of time to that set forth in clause 24.01(1) or (2), whichever is applicable, to remedy such default. Such notice may be given by the Tenant to such mortgagee at the same time that notice is given to the Landlord.

24.02 Bankruptcy or Insolvency of Tenant. If the interest of the Tenant under this Lease shall be taken or seized in execution or attachment by any creditor of the Tenant, or if the Tenant shall make any general assignment for the benefit of creditors or shall wind up (save and except in pursuance of a bona fide corporate reorganization) or be adjudicated bankrupt or insolvent, or its affairs and assets shall be placed in trusteeship, receivership or liquidation, then in each such case, unless (a) the Tenant is taking reasonable steps to dispute such actions and is able to have such set aside within sixty (60) days of initiation of such actions or (b) a mortgagee or encumbrancer of the Tenant having security upon the Tenant's interest under this Lease which complies with clause 21.00 shall take possession of the Leased Premises and agree to remedy the Tenant's defaults and perform all the obligations of the Tenant hereunder while in possession in compliance with clause 21.00, the Landlord may at its option and after sixty (60) days notice (which notice may be given at the same time that notice is given to the Tenant) to such mortgagees and encumbrancers re-enter and terminate this Lease, in which event annual basic rent and additional rent for the three (3) months next ensuing after the then current month shall immediately become due and payable.

24.03 Interest on Sums in Default. If the Tenant fails to pay any rent or other sum owing to the Landlord when it is due or payable or the Landlord fails to pay any sum owing to the Tenant when it is due or payable, in each case such sum so owing shall bear interest from the date such sum so owing was due and payable under the applicable provision of this Lease until such sum is actually paid, at a rate equal to 3% plus the Prime Rate in effect compounded semi-annually not in advance, and such interest shall accrue on, be added to and be recoverable in the same manner as the principal sum upon which it is calculated. "Prime Rate" means the reference rate of interest announced from time to time by the Canadian Imperial Bank of Commerce for the purpose of determining interest rates on Canadian dollar commercial loans in Canada, commonly known as its "prime rate".

ARTICLE 25

MISCELLANEOUS PROVISIONS

25.00 Unavoidable Delays. Whenever in this Lease it is provided that any act or things to be done or performed is subject to Unavoidable Delay, the time for the doing or performance thereof shall be extended for a period equal to the period for which such Unavoidable Delay operates to delay or prevent the act or thing required to be done or performed from being done or performed, and the party obligated to do or perform such act or thing shall not be deemed to be in default until the expiration of such time as so extended. Each party shall promptly notify the other of the occurrence of any Unavoidable Delay which might prevent or delay the doing or performance of acts or things required to be done or performed by such party.

25.01 Waiver. Any condoning or overlooking by the Landlord or the Tenant of any default, breach or non-performance by the other at any time or times in respect of any obligation contained in this Lease shall not operate as a waiver of such default, breach or non-performance, and any waiver of a particular default, breach or non-performance shall not operate as a waiver of any subsequent or continuing default, breach or non-performance.

25.02 Certificates. The Tenant agrees that it will from time to time whenever reasonably required by the Landlord for the purpose of giving assurance to any third party interested (including any prospective or actual assignee or Mortgagee of the Landlord) execute and deliver to the Landlord or as the Landlord may direct a statement in writing certifying to such third party whether this Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and Tenant, whether or not there are any existing defaults on the part of the Landlord of which the Tenant has notice (and if so, specifying them) and as to any other matters in connection with this Lease in respect of which such a certificate is reasonably requested. The Landlord agrees that it will from time to time whenever reasonably

requested for the purpose of giving assurance to any third party interested (including any proposed or actual assignee or mortgagee of the Tenant) execute and deliver to the Tenant or as the Tenant may direct a statement in writing certifying to such third party whether this Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and the Tenant, whether or not there are any existing defaults on the part of the Tenant of which the Landlord has notice (and if so, specifying them) and as to any other matters in connection with this Lease in respect of which such a certificate is reasonably requested. Such statements may be relied upon by (but only by) the third party for whose benefit they are given.

25.03 Approvals. Except insofar as it is otherwise provided in this Lease, any approval or consent which either party is entitled to request of the other hereunder shall, unless a shorter period is otherwise designated or contemplated, be either given or refused in writing within twenty (20) days of a written request therefor, and if refused and if such approval or consent is one which the requested party can withhold only on reasonable grounds, the requested party shall also give reasons for such refusal.

25.04 Registration. If required by either party, the parties shall enter into a caveat for registration against the Shopping Centre Lands, and which will be appropriate for the protection and recording of the interests of the parties hereunder, in accordance with the laws of British Columbia, and which either party may register.

25.05 Notices. Any notice which a party is entitled or required to give under any provision of this Lease shall be deemed to have been duly given if made in writing and, if intended for the Landlord, delivered to an officer of the Landlord or mailed in Canada by prepaid registered post addressed to the Landlord at 250 Bloor Street East, Toronto, Ontario M4W 1E5, Attention: Administration Vice-President, with a copy to the Landlord's management office in the Shopping Centre, and if intended for the Tenant, if delivered to an officer of the Tenant or

mailed in Canada by prepaid registered post addressed to the Tenant at 401 Bay Street, Suite 600, Toronto, Ontario M5H 2Y4, Attention: Vice-President, Real Estate & Development. Any such notice shall be deemed to have been given, if so delivered, when delivered, or if so mailed, except in the case of publicized postal interruptions (during which notice shall be delivered), on the fourth next business day (excluding Saturdays) following its mailing. Any party may by notice in writing to the other change the address to which any notice is to be given. All payments required to be made under this Lease shall be delivered or mailed to the above addresses of the Landlord or the Tenant, as the case may be, unless the party entitled to such payment shall otherwise direct in writing.

25.06 Ownership of Tenant's Improvements and Removal of Fixtures

It is agreed between the Landlord and the Tenant that, notwithstanding any lease and demise herein, the title to and ownership of all improvements erected by or at the expense of the Tenant in the Tenant Department Store, the Tenant Outdoor Selling Area, the Tenant Shop and the Tenant Licensed Parking Area shall notwithstanding the manner or degree of their affixation to the freehold remain vested in the Tenant and shall not pass to or become vested in the Landlord until thirty (30) days after the expiration or sooner termination of the Term, and that upon or within thirty (30) days after the expiration or sooner termination of the Term the Tenant may remove all its fixtures and improvements of the nature of trade or tenants' fixtures which are ordinarily removable by a tenant, but not any improvements of a fixed and permanent nature and provided the Tenant shall repair any damage occasioned by such removal. Where the Tenant is still in the process of removing its fixtures and improvements after the expiration or sooner termination of the Term it shall continue to be responsible for the payment of basic rent and Real Property Taxes on the premises not vacated until such time as the Tenant so vacates, which time shall not without Landlord approval exceed the aforesaid thirty (30) days.

25.07 Interpretation and Construction. All of the provisions of this Lease are to be construed as covenants and agreements. If any provision of this Lease is illegal, invalid or unenforceable it shall be

considered as separate and severable from the remaining provisions, which shall remain in force and binding as though the said provision had never been included. No provision of this Lease which imposes or requires a party to impose or enforce a restriction against any third party shall be read or interpreted as contemplating any violation of the Competition Act (Canada) or any similar legislation, but if and to the extent such imposition or enforcement would cause any such violation, such provision shall be deemed modified to the extent necessary to avoid such violation. The headings and marginal sub-headings of Articles and clauses are for convenience of reference, and are not intended to limit, enlarge or otherwise affect their meanings. References in the singular shall include the plural, where the context reasonably so requires, and vice versa, and references herein to the parties shall mean the Landlord and the Tenant.

25.08 Successors. This Lease shall be binding upon the Landlord and the Tenant and their respective successors and assigns, and shall also enure to the benefit of their respective successors and assigns provided such successors and assigns are permitted successors and assigns under the provisions of Article 21.

25.09 Applicable Law. This Lease shall be governed and interpreted by and in accordance with the laws of the Province of British Columbia.

25.10 Entire Agreement. This Lease constitutes the entire agreement between the Landlord and the Tenant relating to the subject matter hereof and may be amended only by an agreement in writing signed by the parties hereto and, with respect to the subject matter hereof, neither party is bound by any representations, warranties, promises, agreements or inducements not embodied herein.

25.11 Confirming Agreements. As and when information becomes known to the parties hereunder which was unknown at the time of execution and delivery of this Lease and which is the proper subject matter of this Lease, the parties shall enter into an appropriate agreement confirming the information then known from time to time.

IN WITNESS WHEREOF the Landlord and the Tenant have executed this Lease.

THE MANUFACTURERS LIFE INSURANCE COMPANY

per: _____

John Edward Paton
Development Vice President
Real Estate Division

c/s

per: _____

(Landlord)

HUDSON'S BAY COMPANY

per: _____

per: _____ c/s

(Tenant)

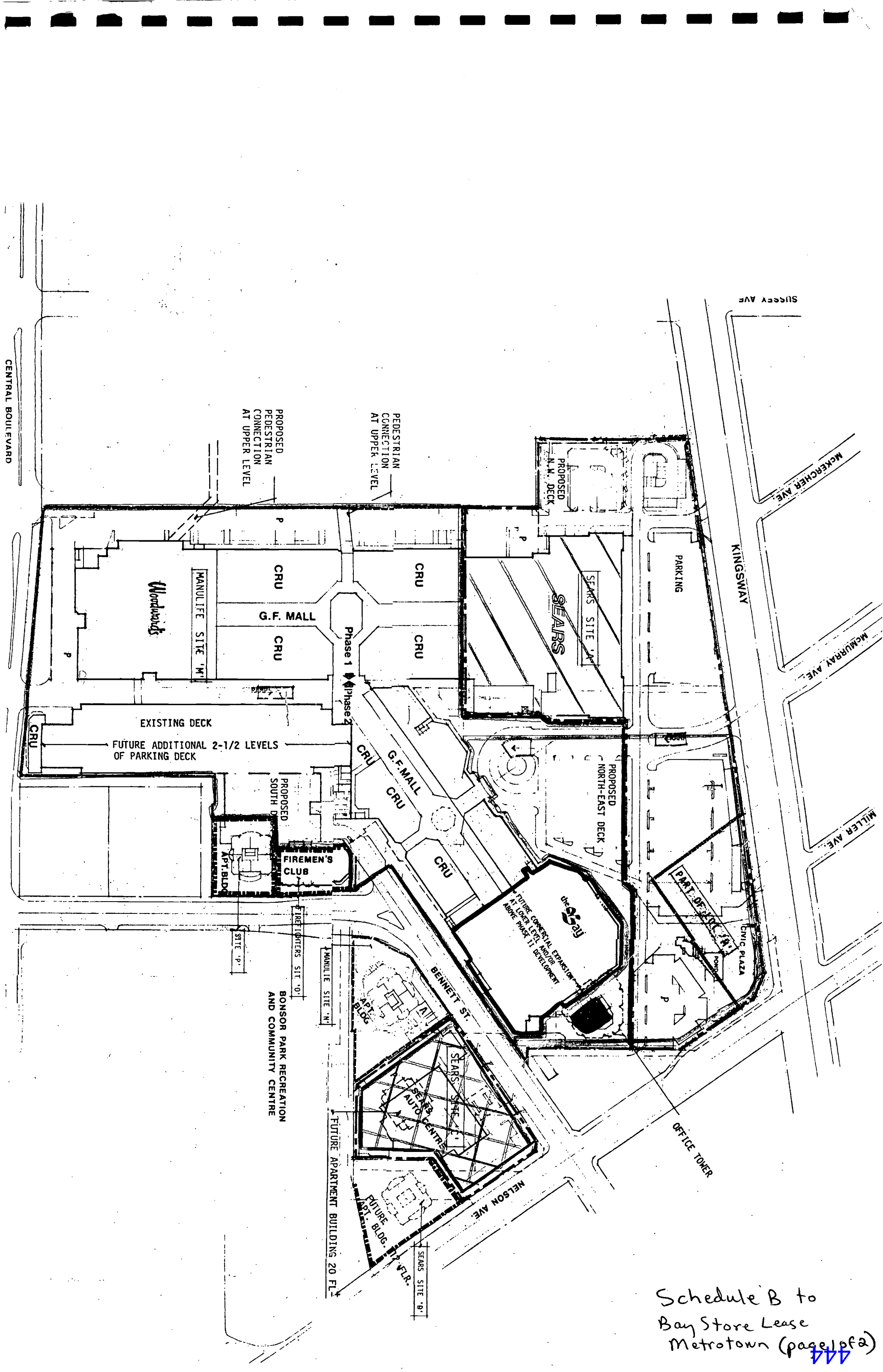
SCHEDULE "A"

Description of Shopping Centre Lands

Lot 2, except part subdivided by Plan A20588, District Lots 32, 152 and 153

Group 1, New Westminster

District Plan 80573.



Schedule B to
Bay Store Lease
Metrotown (page 1 of 2)

MATCH LINE
REFER TO
CONTRACT "H"

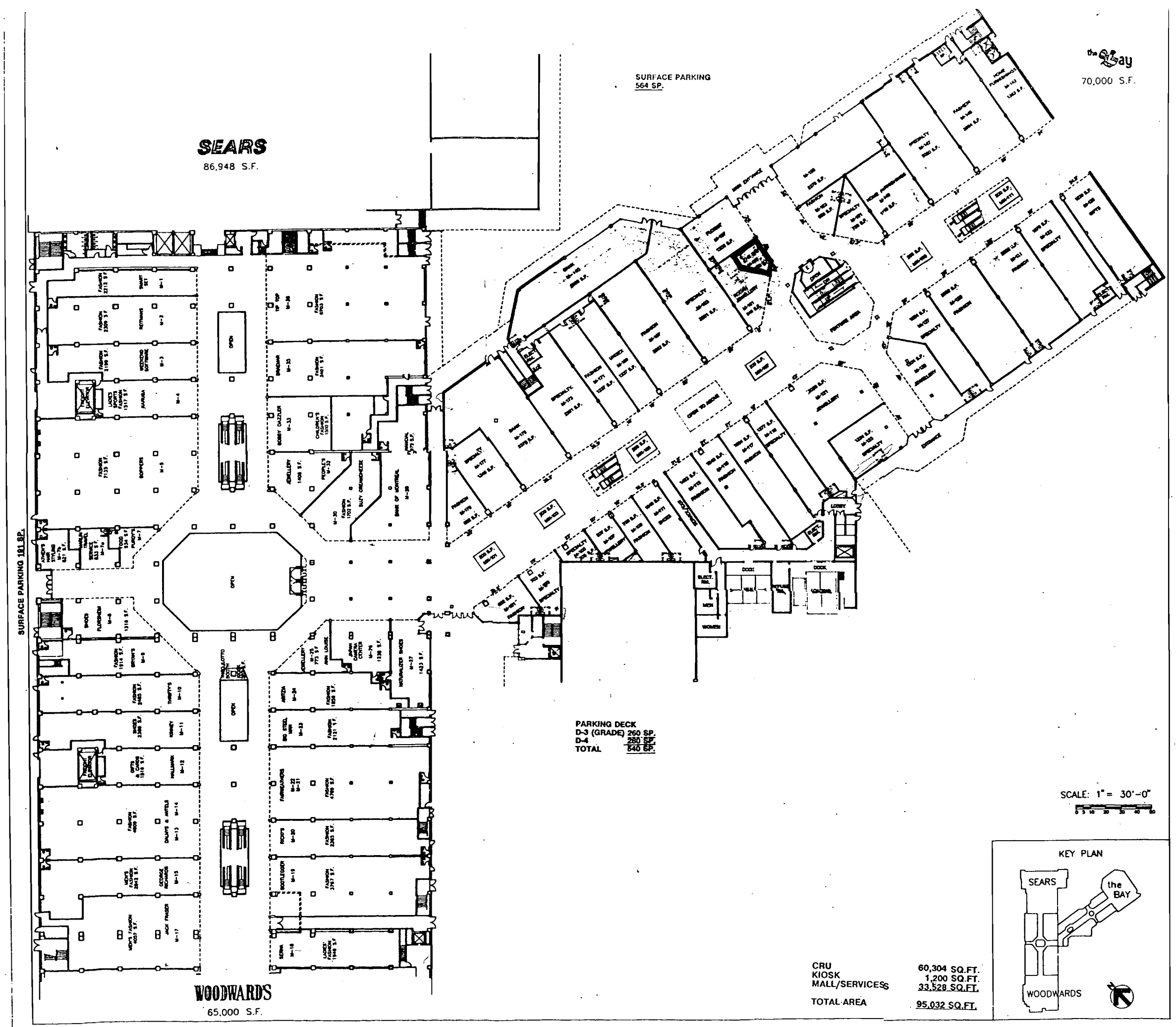
PARKING EXHAUST
SYSTEM
SEE MECH. DWGS.

Schedule B of Bay
Lease, Metrotown
page 2 of 2
Level D-2 (~~One~~ First level below grade)

METROTOWN CENTRE

LEASING PLAN

MAIN MALL



SCALE: 1" = 30'-0"

CRU	60,304 SQ.FT.
KIOSK	1,200 SQ.FT.
MALL/SERVICES	33,528 SQ.FT.
TOTAL AREA	95,032 SQ.FT.

KEY PLAN

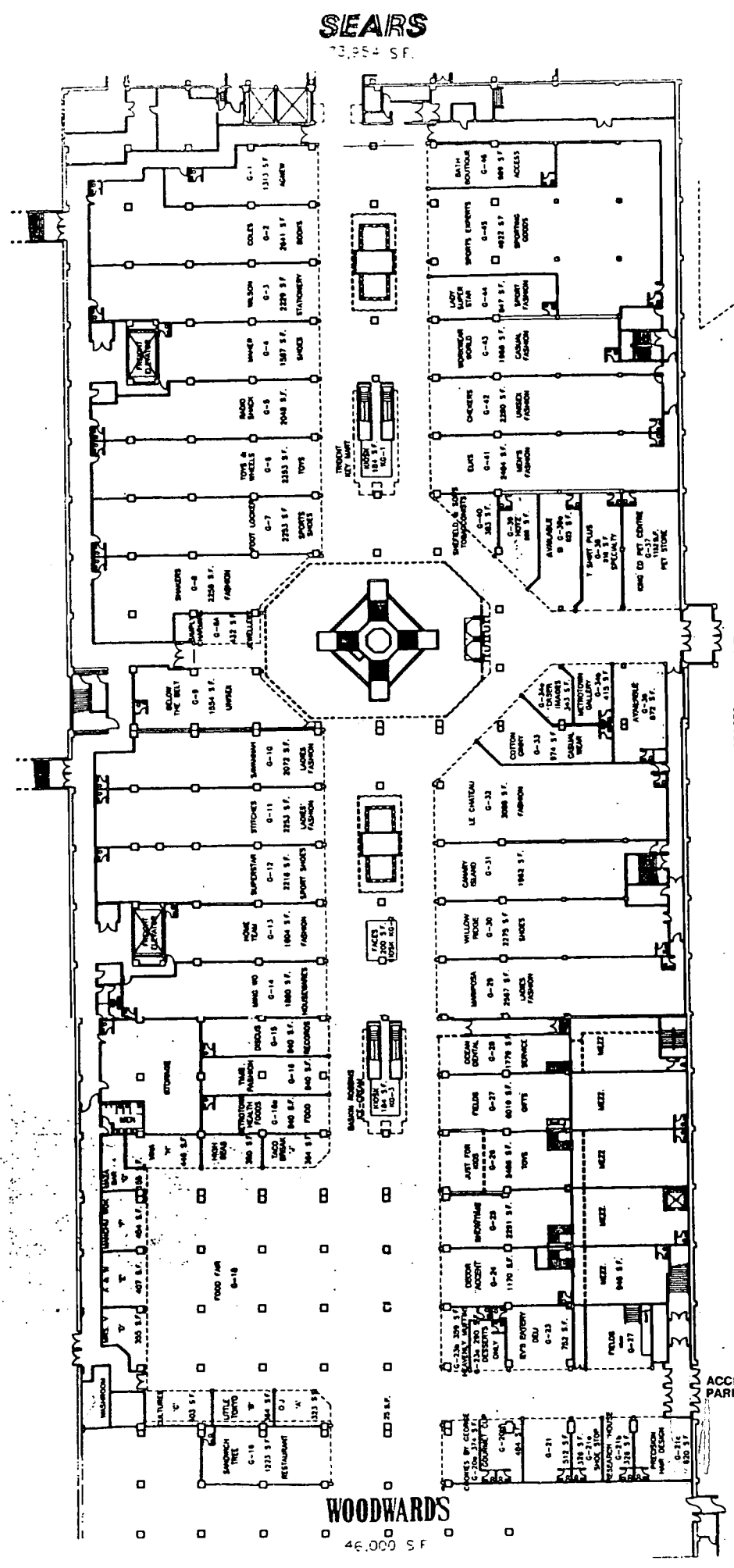
CAL INVESTMENTS
9400-545 CLYDE AVE.
WEST VAN, B.C., V7T 1C6
(604) 926-6621
FAX (604) 926-2094

The Manufacturers Life Insurance Company

METROTOWN CENTRE

REVISED JUNE 20/90

MM

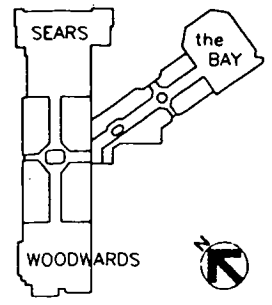


OUTLINE OF PHASE II MAIN MALL LEVEL – ABOVE

BELOW GRADE PARKING
D-1 627 SP.
D-2 603 SP.
TOTAL 1230 SP.

SCALE: 1" = 30'-0"

KEY PLAN



METROTOWN CENTRE

LEASING PLAN

GROUND MALL

CAL INVESTMENTS
9409-545 CLYDE AVE.
WEST VAN, B.C., V7T 1C6
(604) 926-6828
FAX (604) 926-2094

The Manufacturers Life Insurance Company

447

Schedule C page 1 of 3

METROTOWN CENTRE

REVISED JUNE 20/90

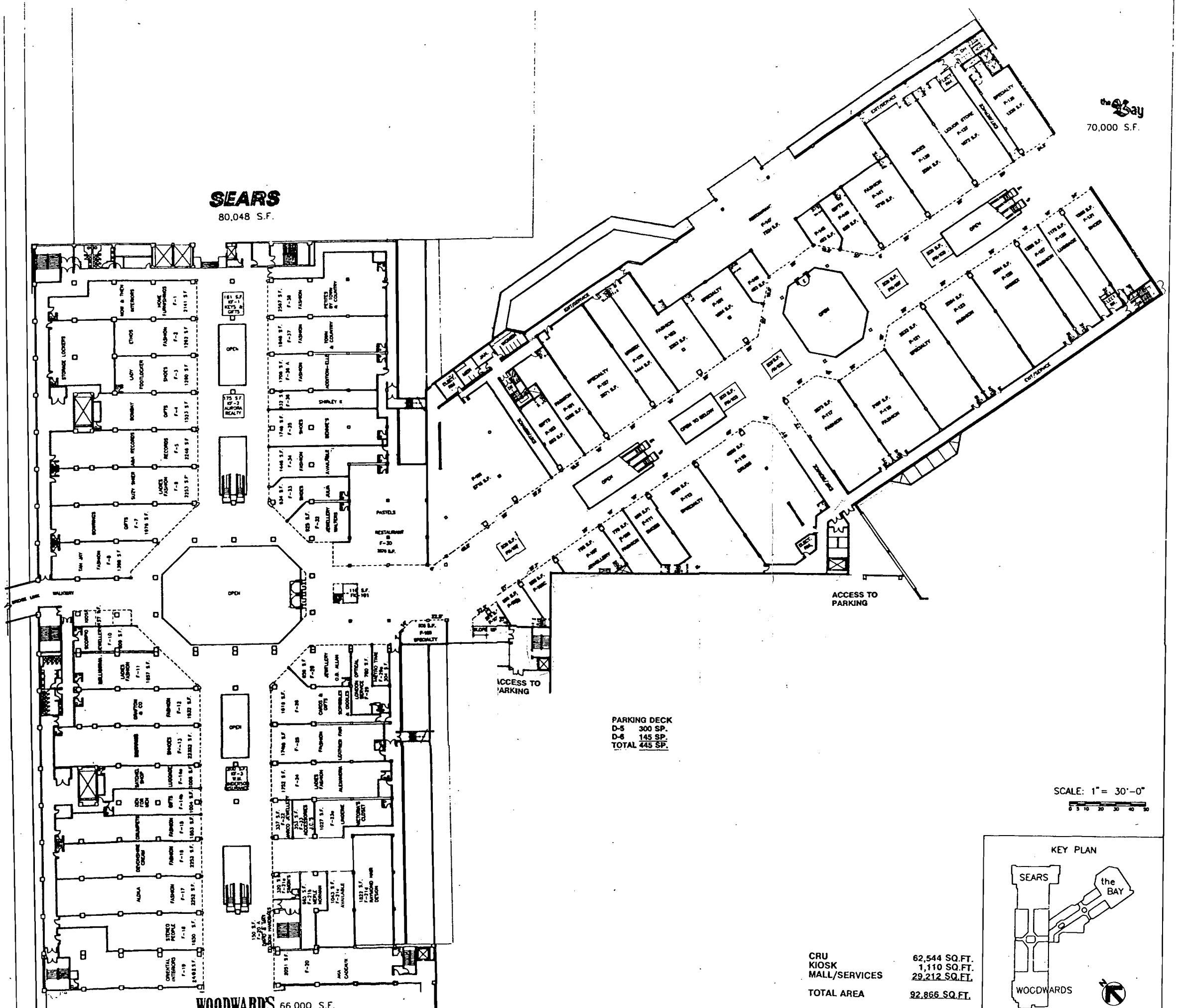
GM

Schedule E
page 3 of 3

METROTOWN
CENTRE

LEASING PLAN

FASHION MALL



PARKING DECK
D-5 300 SP.
D-6 145 SP.
TOTAL 445 SP.

SCALE: 1" = 30'-0"

CRU	62,544 SQ.FT.
KIOSK	1,110 SQ.FT.
MALL/SERVICES	29,212 SQ.FT.
TOTAL AREA	92,866 SQ.FT.

KEY PLAN

CAL INVESTMENTS
640-545 CLYDE AVE.
WEST VAN, B.C., V7T 1C6
(604) 926-6825
FAX (604) 926-2094

The Manufacturers Life Insurance Company

METROTOWN
CENTRE

REVISED JUNE 20/90.

FM

SCHEDULE "D"

BAY DEPARTMENT STORE LEASE - METROTOWN

INFORMATION RELATING TO COMMON FACILITIES
OPERATING COSTS (CFOC) TO BE PROVIDED
BY THE LANDLORD (SEE ARTICLE 10)

HVAC

WAGES AND BENEFITS
UTILITIES
(i) Gas (fuel)
(ii) Electricity
(iii) Water
MAINTENANCE AND REPAIRS
SUPPLIES
TELEPHONE
INSURANCE
DEPRECIATION
TRANSFER TO CFOC
ADMINISTRATION FEE

TOTAL HVAC

INSIDE COMMON FACILITIES

CLEANING - Wages & Benefits
- Contracts
SECURITY - Wages & Benefits
- Contracts
MAINTENANCE - Wages & Benefits
- Contracts
UTILITIES
- Electricity
- Gas (fuel)
- Water & Sewage
REPAIRS & MAINTENANCE
- Building
- Equipment
- Lamp Replacement
- Supplies
- General Common Facilities
LANDSCAPING
GARBAGE REMOVAL
ESCALATOR/ELEVATOR
TELEPHONE
TOOLS & UNIFORMS
MUSIC & SIGNS
COMMON AREA HVAC
INSURANCE
REAL PROPERTY TAXES (if applicable)
AGREED COMMON FACILITIES
REPLACEMENT COSTS
DEPRECIATION
ADMIN. FEE
TOTAL INSIDE CFMC

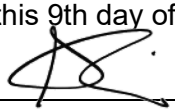
OUTSIDE COMMON FACILITIES

MAINTENANCE - Wages & Benefits
SECURITY - Wages & Benefits
REPAIRS & MAINTENANCE
- Building
- Equipment
- Parking Lot
SNOW REMOVAL & SANDING
EQUIPMENT RENTALS
EQUIPMENT OPERATING COSTS
LANDSCAPING
UTILITIES
LAMP REPLACEMENT
TRAFFIC CONTROL
TOOLS & UNIFORMS
SIGNS
REAL PROPERTY TAXES (if applicable)
AGREED COMMON FACILITIES
REPLACEMENT COSTS
DEPRECIATION
ADMINISTRATION FEE

TOTAL OUTSIDE CFMC

TOTAL CFOC

This is **Exhibit "F"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

#11

THIS LEASE made as of the 8th day of August, 1968.

BETWEEN: LES GALERIES D'ANJOU LIMITEE, a company duly incorporated under the laws of the Province of Quebec, and having its head office in the City of Montreal, in the Province of Quebec,

(hereinafter called the "LANDLORD")

OF THE FIRST PART

AND: SIMPSONS, LIMITED, a company duly incorporated under the laws of Canada, and having its head office in the City of Toronto, in the Province of Ontario,

(hereinafter called the "TENANT")

OF THE SECOND PART

WHEREAS the LANDLORD has constructed a shopping centre on subdivisions 1 and 3 of lot number 525 and part of lot 437 of the Parish of Longue Pointe, in the Town of Anjou, Province of Quebec;

WHEREAS the TENANT proposes to lease from the LANDLORD the SIMPSON LAND, the SIMPSON BUILDING, and the SIMPSON SHOPPING CENTRE IMPROVEMENTS;

WHEREAS the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS have been constructed upon the SIMPSON LAND at the cost of the LANDLORD, but under the control of and the complete supervision of the TENANT, by a contractor chosen by the TENANT, pursuant to plans and specifications approved by the TENANT.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING AND OF THE COVENANTS HEREIN CONTAINED, THIS AGREEMENT WITNESSETH:

10358

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Aug 8/68
#11

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to the LEASE dated as of
August 8th, 1968 between
LES GALERIES D'ANJOU LIMITEE
and SIMPSONS, LIMITED

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ARTICLE I

DEFINITIONS

In this LEASE (including this Article I) capitalized terms are defined terms and when used in this LEASE shall have the following meanings:

1.01 "CAR SPACE" means a space so arranged as to accommodate one private passenger automobile of a standard size (being approximately eighteen feet (18') by six feet five inches (6'5")) at the date of this LEASE and to provide reasonable access to such space and to such automobile.

1.02 "COMMON AREA FACILITIES" means all facilities, improvements, installations and equipment provided by the LANDLORD from time to time for the general use by, or for the benefit of, all the tenants in the SHOPPING CENTRE and/or their customers and/or employees, including, without limiting the generality of the foregoing,

(i) the pavement and grading for the street described as lot 523 of the Parish of Longue Pointe,

(ii) customers' and employees' parking areas,

(iii) COMMON UTILITIES,

(iv) roadways, sidewalks and landscaped areas (including the roadways, sidewalks and landscaped areas on the FUTURE PARKING AREA to the extent that they form part of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS from time to time),

(v) lighting facilities,

(vi) open or enclosed malls, courts and arcades,

(vii) music, public address and security systems,

(viii) the auditorium, lighting fixtures, room dividers, furnishings and the stage, the

kitchen and the stairs, staff washrooms, coat check-rooms, store rooms, lobbies and corridors provided therefor,

(ix) the stairs and main upstairs lobby servicing both the auditorium and office space,

(x) equipment garage,

(xi) janitors' storage rooms,

(xii) mechanical, equipment, electrical and machine rooms,

(xiii) plumbing and drainage equipment and installations and any enclosures constructed therefor,

(xiv) general signs and symbols (except those advertising a specific tenant),

(xv) traffic and directional signs on and off the SITE,

(xvi) public transportation facilities,

(xvii) public washrooms;

(xviii) heating, ventilating and air-conditioning equipment (and space to house the same) but not including the HVAC PLANT itself, and

(xix) equipment, improvements and installations related to any facilities designated above;

provided, however, that COMMON AREA FACILITIES shall not include

(1) the hallways, washrooms, stairways and other improvements and facilities (other than receiving areas except those serving the SIMPSON BUILDING and EATON BUILDING) which are provided for the benefit of a specific tenant or group of tenants (such areas constructed as part of the initial construction of the SHOPPING CENTRE being designated in the SHOPPING CENTRE PLANS);

(2) any facilities, improvements, installations and equipment which are off the SITE except as referred to in subparagraphs (i) and (xv) above;

(3) the SIMPSON OUTDOOR SELLING AREA and the EATON OUTDOOR SELLING AREA while and to the extent that they are used as outdoor selling areas; and

(4) meter and valve rooms and the telephone room.

1.03 "COMMON UTILITIES" means installations, facilities and equipment constructed and installed to provide gas, water, electricity, sewage, drainage, telephones and other utilities to service the buildings and facilities in the SHOPPING CENTRE other than

(i) such installations, facilities and equipment in the premises leased by any specific tenant and the connections thereto and including, without limitation, such installations, facilities and equipment and the connections thereto situate in or on the SIMPSON BUILDING or the EATON BUILDING or within three feet (3') from the exterior wall of the SIMPSON BUILDING or of the EATON BUILDING if such installations, facilities and equipment and the connections thereto are designed to service such BUILDINGS;

(ii) the HVAC PLANT and electrical equipment required to supply power thereto; and

(iii) such installations, facilities and equipment constructed or installed after the OPENING DATE, (including installations, facilities and equipment constructed or installed pursuant to the provisions of Section 22.02) for the purpose of providing service or additional service to any specific tenant or group of tenants.

1.04 "COST" or "COSTS" means the total, without duplication, of

(i) the contract cost, including extras, paid by the

LANDLORD with respect to the facilities the COST of which is to be determined;

(ii) fees paid or payable to architects, engineers, surveyors, traffic engineers and other consultants dealing at arms length with the LANDLORD specifically attributable to the facilities the COST of which is to be determined, and a proportionate share, determined in an equitable manner based on the contract costs of the facilities benefitted thereby, of any such fees which are not specifically attributable to any specific facilities;

(iii) real estate taxes, rates and assessments on the facilities the COST of which is to be determined (as opposed to the land on which the same are situate) payable during the period of construction and until the OPENING DATE;

(iv) insurance premiums paid during the aforesaid period of construction and until the OPENING DATE in respect of the facilities the COST of which is to be determined, and a proportionate share, determined in an equitable manner based on the contract costs of the facilities benefitted thereby of any premiums which are not specifically attributable to any specific facility;

(v) the proportion of the costs in securing permanent financing (which costs are not to exceed seven hundred and fifty thousand dollars ($750,000)) which the contrac cost of the facilities the COST of which is to be determined bears to the total contract cost of all facilities constructed on the OPENING DATE;

(vi) interest at the effective rate (which effective rate shall be determined after taking into account all interest paid by the LANDLORD on all bank borrowings to finance the cost of constructing the SHOPPING CENTRE and all charges and fees, including standby fees, paid or payable in connection

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with such borrowings) on all amounts included in the COST of the facilities the COST of which is to be determined from the date of expenditure by the LANDLORD until the OPENING DATE; and

(vii) except in the case of the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the EATON BUILDING and the EATON SHOPPING CENTRE IMPROVEMENTS, a fee of two percent (2%) of the contract cost of the facilities the COST of which is to be determined which is to be paid to The Fairview Corporation Limited in consideration of the latter supervising construction. No amounts shall be included in COST on account of overhead fees (save as hereinabove provided) or salaries to its employees payable by the LANDLORD or The Fairview Corporation Limited.

Notwithstanding the foregoing, COST shall not include any costs or expenses attributable to any delay, other than UNAVOIDABLE DELAY, in the construction of any facilities other than the SIMPSON BUILDING or the EATON BUILDING or any costs or expenses arising from improper construction or the reconstruction or repair of any such facilities which are damaged or destroyed or any costs or expenses incurred in connection with the construction of such facilities which are attributable to the neglect or failure of the LANDLORD, including its neglect or failure to exercise reasonable supervision and control over such construction.

In determining the COST of COMMON AREA FACILITIES, there shall be included the portions of the COST of the HVAC PLANT allocated to the enclosed COMMON AREA FACILITIES as determined in accordance with Schedule "B".

In determining the COST of COMMON AREA FACILITIES the following without limitation shall be excluded:

(i) that proportion of the COST of the stairs, wash-

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rooms and main upstairs lobby servicing both the auditorium and upstairs office space as the FLOOR AREA of such office space bears to the FLOOR AREA of the auditorium and such office space;

(ii) public washrooms;

(iii) the sidewalks and landscaped areas adjoining all store buildings, including those constructed and provided as part of the SIMPSON SHOPPING CENTRE IMPROVEMENTS, the EATON SHOPPING CENTRE IMPROVEMENTS and those which are shaded in distinguishing colour on the SHOPPING CENTRE PLANS;

(iv) truck receiving courts and walls screening the same; and

(v) maintenance and cleaning equipment for the COMMON AREA FACILITIES.

1.05 "EATON" means The T. Eaton Co. Limited of Montreal or the tenant from time to time of the EATON LAND.

1.06 "EATON AUTOMOTIVE CENTRE LANDS" means that part of the SITE outlined in distinguishing colour on the SHOPPING CENTRE PLANS and being subdivision 2 of original lot 525 of the Parish of Longue Pointe.

1.07 "EATON BUILDING" means the department store building situate on the EATON LAND and all fixtures and equipment situate therein other than fixtures, whether moveable or immoveable, installed by EATON.

1.08 "EATON LAND" means that part of the SHOPPING CENTRE LANDS leased to EATON under the EATON LEASE and outlined in distinguishing colour on the SHOPPING CENTRE PLANS and being an unsubdivided part of subdivision 1 of lot 525 of the Parish of Longue Pointe.

1.09 "EATON LEASE" means the lease bearing formal date of the 8th day of August, 1968 made between the LANDLORD and

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The T. Eaton Co. Limited of Montreal and guaranteed by The T. Eaton Company Limited.

1.10 "EATON OUTDOOR SELLING AREA" shall comprise an area of a maximum of ten thousand (10,000) square feet on the parking areas during the period from May first (1st) to October thirty-first (31st), both inclusive in each calendar year, being the location outlined in distinguishing colour on the SHOPPING CENTRE PLANS or as may be changed from time to time by the LANDLORD or the TENANT, with the consent of the other, which consent shall not be unreasonably withheld.

1.11 "EATON SHOPPING CENTRE IMPROVEMENTS" means the structures, improvements and facilities situate on the EATON LAND, as the same may exist from time to time, including without limitation, the flagpoles, the sidewalks and landscaping adjacent to the EATON BUILDING and the outdoor truck receiving court (and walls screening the same), but excluding the EATON BUILDING.

1.12 "FLOOR AREA" means, with respect to each building or portion thereof in the SHOPPING CENTRE, the number of square feet of floor space within such building or portion thereof other than

(i) any space used exclusively for heating, ventilating and air-conditioning equipment and transformer vaults;

(ii) any space which is not designed to be heated, ventilated or air-conditioned and is not heated, ventilated or air-conditioned in any manner whatsoever, whether by appropriation from adjacent areas or otherwise;

(iii) any space other than in the SIMPSON BUILDING or the EATON BUILDING which is not intended for rental including all such space provided for the servicing of the SHOPPING CENTRE or designed for the common use of tenants of the SHOPPING CENTRE

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and their customers and employees;

(iv) the basement space constructed as part of the original construction of the SIMPSON BUILDING but intended as future expansion space, until such time as it is utilized as part of the expansion of the SIMPSON BUILDING as referred to in Article XIX.

In all cases where FLOOR AREA is to be calculated, measurements are to be made from the exterior surface of exterior walls (including fixed or moveable barriers separating any building or part thereof from the mall, courts and arcades) which define the exterior limits of such building or part thereof when closed to the public, except in the case of party walls where such measurements are to be made from the centre line thereof, and from the exterior face of internal walls or other barriers or limits separating space used exclusively for heating, ventilating and air-conditioning equipment and transformer vaults from other space in such building. Except in the case of the SIMPSON BUILDING and the EATON BUILDING, where a store front or entrance is recessed from the main building line the area of such recess shall be included in calculating FLOOR AREA. The washrooms on the mall level in Blocks "B" and "E" as shown on the SHOPPING CENTRE PLANS shall be included in calculating FLOOR AREA. The areas of the SIMPSON BUILDING, the EATON BUILDING and the other buildings in the SHOPPING CENTRE which are constructed as part of the initial construction and which are to be included in the calculation of FLOOR AREA, are indicated in distinguishing colour on the SHOPPING CENTRE PLANS.

1.13 "ADJUSTED FLOOR AREA"

(i) with relation to the SIMPSON BUILDING and the EATON BUILDING means the FLOOR AREA of such building save that the FLOOR AREA

of all floors other than the main retail sales floor nearest the level of the enclosed mall is to be calculated at fifty percent (50%) of actual FLOOR AREA;

(ii) with relation to any building or portion thereof in the SHOPPING CENTRE, other than the SIMPSON BUILDING and the EATON BUILDING, means the FLOOR AREA of such building or portion thereof save that the FLOOR AREA (a) of all floors other than the main retail sales floor nearest the level of the enclosed mall, (b) of all space not having enclosed pedestrian access to any of the enclosed malls, courts or arcades, and (c) of all space on the floor nearest the level of the enclosed malls which does not front directly on any of the enclosed malls, courts or arcades and is designed exclusively for offices; is to be calculated at fifty percent (50%) of its actual FLOOR AREA.

The aggregate amount of the FLOOR AREA of all space referred to in (b) and (c) of paragraph (ii) of this Section 1.13 which is on the floor nearest the level of the enclosed mall shall not exceed five thousand (5,000) square feet; any amount of the FLOOR AREA of such space in excess of five thousand (5,000) square feet is to be calculated at one hundred percent (100%) of its actual FLOOR AREA.

1.14 "FUTURE PARKING AREA" means that part of the SITE outlined in distinguishing colour on the SHOPPING CENTRE PLANS and being subdivision 5 of lot 525 of the Parish of Longue Pointe.

1.15 "HVAC PLANT" means the heating, ventilating and air-conditioning plant constructed by the LANDLORD as part of the SHOPPING CENTRE in accordance with the SHOPPING CENTRE BUILDING PLANS AND SPECIFICATIONS and shall include, among other things, the central

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heating and cooling plant and the structure housing the same, the controls pertaining thereto, distribution equipment, metering equipment, the main electrical distribution equipment pertaining thereto, fifty percent (50%) of the area of the corridor and one hundred percent (100%) of the area of the stairway, both shown in yellow on plan number 12012-12 of Schedule "A" and the structure housing the main distribution pipes but which shall exclude fan rooms and other heating, ventilating and cooling equipment situate in or on the SIMPSON BUILDING or the EATON BUILDING or within one (1) foot from the outside of any wall of the SIMPSON BUILDING or the EATON BUILDING.

1.16 "LANDLORD" means the party hereto of the first part.

1.17 "LANDLORD'S SHOPPING CENTRE IMPROVEMENTS" means all buildings, facilities and improvements forming part of the SHOPPING CENTRE, other than the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the EATON BUILDING and the EATON SHOPPING CENTRE IMPROVEMENTS.

1.18 "LEASE" means this agreement, any amendments hereto, all schedules attached hereto and the rules and regulations agreed to by the TENANT and made from time to time as hereinafter provided.

1.19 "LEASE YEAR" means (except for the purposes of Section 19.09 hereof) a period of twelve (12) months commencing on the OPENING DATE and each succeeding twelve (12) month period; and for the purposes of Section 19.09 hereof, means the period commencing on the opening date of the expanded SIMPSON BUILDING and ending on the next anniversary of the OPENING DATE and each succeeding twelve (12) month period.

1.20 "OPENING DATE" means the 8th day of August, 1968.

1.21 "ORIGINAL TERM" means the initial term of this LEASE, being a period of thirty (30) years commencing on the OPENING DATE.

1.22 "SHOPPING CENTRE" means all building and other facilities and improvements located from time to time on the SHOPPING CENTRE LANDS and, if arising from an expansion of the SIMPSON BUILDING, the EATON BUILDING or the LANDLORD'S SHOPPING

CENTRE IMPROVEMENTS, on the FUTURE PARKING AREA and, where the context so permits, such LANDS and such AREA.

1.23 "SHOPPING CENTRE LANDS" means the lands located at the intersection of Montée St. Léonard and Metropolitan Boulevard in the Town of Anjou in the Province of Quebec forming part of the SITE and shown in distinguishing colour on the SHOPPING CENTRE PLANS and being subdivisions 1 and 3 of lot 525 and part of lot 437 of the Parish of Longue Pointe.

1.24 "SHOPPING CENTRE PLANS" means the floor plans and site plans relating to the construction of the SHOPPING CENTRE which are annexed hereto as Schedule A.

1.25 "SHOPPING CENTRE BUILDING PLANS AND SPECIFICATIONS" means the plans and specifications for the construction of the SHOPPING CENTRE copies of which have been initialled for identification by the LANDLORD and the TENANT.

1.26 "SIMPSON AUTOMOTIVE CENTRE LANDS" means that part of the SITE outlined in distinguishing colour on the SHOPPING CENTRE PLANS and being lot 522 of the Parish of Longue Pointe.

1.27 "SIMPSON BUILDING" means the department store building situate on the SIMPSON LAND and all fixtures and equipment situate therein other than fixtures, whether moveable or immoveable, installed by the TENANT.

1.28 "SIMPSON LAND" means that part of the SHOPPING CENTRE LANDS leased to the TENANT under this LEASE and outlined in distinguishing colour on the SHOPPING CENTRE PLANS and being an unsubdivided part of subdivision 1 of lot 525 of the Parish of Longue Pointe.

1.29 "SIMPSON OUTDOOR SELLING AREA" shall comprise (i) an area of a maximum of ten thousand (10,000) square feet on the parking areas, during the period from May first (1st) to October thirty-first (31st), both inclusive, in each calendar year, being the location as outlined in distinguishing colour on the SHOPPING CENTRE PLANS or as may be changed from time to time by the LAND-

LORD or the TENANT, with the consent of the other, which consent shall not be unreasonably withheld; and (ii) the area constructed as such on the OPENING DATE outlined in distinguishing colour on the SHOPPING CENTRE PLANS.

1.30 "SIMPSON SHOPPING CENTRE IMPROVEMENTS" means the structures, improvements and facilities situate on the SIMPSON LAND, as the same may exist from time to time, including, without limitation, the flagpoles, the sidewalks and landscaping adjacent to the SIMPSON BUILDING, the outdoor truck receiving court (and walls screening the same) and the portion of the SIMPSON OUTDOOR SELLING AREA constructed as such on the OPENING DATE, but excluding the SIMPSON BUILDING.

1.31 "SITE" means the aggregate of the following lands:

(i) the SHOPPING CENTRE LANDS;

(ii) the FUTURE PARKING AREA;

(iii) the EATON AUTOMOTIVE CENTRE LANDS;

(iv) the SIMPSON AUTOMOTIVE CENTRE LANDS.

1.32 "TAXING AUTHORITY" means any duly constituted public authority whether federal, provincial, municipal, school or otherwise, legally empowered to impose taxes, rates, assessments or charges on, upon or in respect of the SITE and/or the SHOPPING CENTRE.

1.33 "TENANT" means the party hereto of the second part.

1.34 "UNAVOIDABLE DELAY" means any delay occasioned by strikes, lockouts, unavailability of materials, government rules, regulations or orders, bankruptcy of contractors, or any other conditions, whether of the foregoing nature or not, (other than financial conditions) which are beyond the reasonable control of the LANDLORD or the TENANT as the case may be.

ARTICLE II

LEASE OF SIMPSON LAND AND SIMPSON BUILDING

2.01 The LANDLORD hereby leases to the TENANT the SIMPSON LAND and the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS, the TENANT hereby accepting. The TENANT acknowledges that the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS have been constructed upon the SIMPSON LAND under the control and supervision of the TENANT.

2.02 Nothing herein contained shall be construed so as to constitute this LEASE an emphyteutic lease and no rights of ownership by the TENANT are created herein.

ARTICLE III

TERM AND RENEWALS

3.01 This LEASE shall be for a term commencing on the OPENING DATE and ending thirty (30) years after such date.

3.02 The TENANT shall have the option to renew this LEASE for a further term of twenty (20) years commencing on the expiration of the ORIGINAL TERM. In the event of the exercise of such renewal option by the TENANT, but not otherwise, the TENANT shall have five (5) further and successive options to renew this LEASE, each for a term of ten (10) years commencing on the expiration of the immediately preceding renewal term; provided, however, that in the event that the TENANT does not pursuant to such options renew this LEASE for any of the said five (5) further and successive terms of ten (10) years, then all subsequent options of renewal shall be null and void. Each option of renewal hereby granted to the TENANT may be exercised by the TENANT not later than one (1) year prior to the termination of the ORIGINAL TERM or the then existing renewal term failing which such option and all subsequent options shall be null and void. All such options of renewal shall be exercised by written notice to the LANDLORD given in the manner herein provided. All the conditions and provisions of this LEASE shall apply during each renewal term save that in no event shall there be more than six (6) renewal terms as hereinabove provided for.

ARTICLE IV

RENT

4.01 The TENANT covenants and agrees to pay to the LANDLORD in each LEASE YEAR during the first twenty-five (25) years of the ORIGINAL TERM hereof, in addition to all other amounts payable by the TENANT hereunder, an annual rent determined by applying a factor of nine percent (9%) or should the weighted average interest rate (as hereinafter defined) borne by the long-term debt (as hereinafter defined) to be issued by the LANDLORD be less than seven percent (7%), then a factor of two (2) percentage points in excess of such interest rate, provided that in no event shall such factor for determining rental herein be less than eight percent (8%) to the aggregate of the following amounts:

(i) the COST of the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS, including without limitation the extra COST of the split level parking provided for the SIMPSON BUILDING as determined in accordance with Schedule "F";

(ii) the portionsof the COST of the HVAC PLANT allocated to the SIMPSON BUILDING as determined in accordance with Schedule "B";

(iii) the proportion that the FLOOR AREA of the SIMPSON BUILDING is of the FLOOR AREA of all buildings in the SHOPPING CENTRE of the aggregate of the following (with deductions for any minus amounts):

(1) the aggregate of:

(a) the purchase price paid or payable by or on behalf of the LANDLORD for the land shown outlined in red on Schedule "C", and

(b) all legal and notarial fees, survey costs and all other acquisition costs paid or payable by or on behalf of the LANDLORD pertaining thereto,

at the average amount thereof per square foot of the lands outlined in red on Schedule "C", multiplied by the number of square feet in the SHOPPING CENTRE LANDS;

(2) the aggregate of:

(a) the purchase price paid or payable and all other acquisition costs, determined in accordance with sub-paragraph (1) hereof, for land expropriated by, or dedicated to any governmental authority and all other expenses and charges in connection therewith, excepting the dedication of lot 524 of the Parish of Longue Pointe (shown in blue on Schedule "C") and the expropriation of lands made under by-laws 638, 679 and 690 of the Town of Anjou (shown in purple on Schedule "C" and identified on Schedule "Z1") which are provided for hereafter in paragraph (4) hereof, the whole as shown in orange and yellow on Schedule "C", and

(b) payments made in lieu of dedication of land to the Town of Anjou, being the tax or contribution for parks and playgrounds, and all expenses in connection therewith in connection with the sub-division from the lands outlined in green on Schedule "C" of the lands outlined on Schedule "D", and

(c) all subdivision permit fees, survey costs and other charges paid or payable in connection with the subdivision from the lands outlined in green on Schedule "C" of the lands outlined on Schedule "D", excepting such fees and charges provided for hereafter in paragraphs (3) and (5) hereof; less

(d) the indemnification received by the LANDLORD from all expropriations of lands shown in orange on Schedule "C",

at the average amount per square foot of the lands outlined in red on Schedule "C" less the number of square feet so expropriated or so dedicated (shown in yellow and orange thereon) multiplied by the number of square feet in the SHOPPING CENTRE LANDS;

(3) the aggregate of:

(a) survey, legal and notarial costs, excepting such costs as are otherwise provided for in this subparagraph (iii) and

(b) all subdivision permit fees and other charges paid or payable in connection with the internal subdivision of the SHOPPING CENTRE LANDS excepting such fees and charges as are otherwise provided for in this subparagraph (iii);

for the SHOPPING CENTRE LANDS;

(4) the purchase price paid or payable, and all other acquisition costs, determined in accordance with subparagraphs (1) and (2) hereof, for the land dedicated for the viaduct, being lot 524 on the Official Plan and Book of Reference for the Parish of Longue Pointe (shown in blue on Schedule "C") and the lands expropriated under the said by-laws 638, 679 and 690 of the Town of Anjou (shown in purple on Schedule "C") and all other charges and expenses in connection therewith, less the indemnification received by the LANDLORD for the expropriations made under the said by-laws 638, 679 and 690 of the Town of Anjou, at the average amount thereof per square foot of the sum of the SHOPPING CENTRE LANDS, the EATON AUTOMOTIVE CENTRE LANDS and the SIMPSON AUTOMOTIVE CENTRE LANDS, multiplied by the number of square feet in the SHOPPING CENTRE LANDS;

(5) the aggregate of:

(a) the costs of the relocation of power lines belonging to Hydro-Quebec including all legal, notarial and survey costs relating to such relocation;

(b) all subdivision permit fees, survey costs and other charges paid or payable in connection with the subdivision of the lands outlined on Schedule "D" into

the SHOPPING CENTRE LANDS, EATON AUTOMOTIVE CENTRE LANDS, SIMPSON AUTOMOTIVE CENTRE LANDS, FUTURE PARKING AREA and lots 523, 524 and 525-4 and 6 and which have not been charged elsewhere in this paragraph (iii) at the average amount thereof per square foot of the land outlined on Schedule "D", multiplied by the number of square feet in the SHOPPING CENTRE LANDS;

(6) interest at the rate of six percent (6%) per annum compounded annually on the amounts calculated under subparagraphs (1) to (5) hereof from the date of expenditure thereof to the OPENING DATE.

(iv) the proportion that the FLOOR AREA of the SIMPSON BUILDING is of the FLOOR AREA of all the buildings in the SHOPPING CENTRE less fifty percent (50%) of the FLOOR AREA to a maximum of five thousand (5,000) square feet, in the SHOPPING CENTRE (a) designed to be rented for offices at the level of the enclosed mall or (b) for space rented or intended to be rented which does not have enclosed pedestrian access to the enclosed malls courts or arcades of the aggregate of the following:

(1) the COST of COMMON AREA FACILITIES; and

(2) the prepayments made by the LANDLORD to the Town of Anjou of the taxes, rates and assessments levied under the by-laws of the Town referred to in Schedule "Z1";

(v) the proportion that the FLOOR AREA of the SIMPSON BUILDING is of the FLOOR AREA of all the buildings in the SHOPPING CENTRE of the real estate taxes, rates and assessments paid or payable by the LANDLORD, saving such taxes, rates and assessments arising under the

by-laws referred to in Schedules "Z1" and "Z2", from the initial date for payment thereof after acquisition until OPENING DATE and interest at the rate of six percent (6%) compounded annually on such amounts calculated from the date of expenditure thereof to the OPENING DATE, for the lands outlined in red on Schedule "C", at the average cost per square foot of the lands outlined in red on Schedule "C" less the lands dedicated and expropriated as referred to in subparagraph (iii) (2) (a) hereof (shown in yellow and orange on Schedule "C") multiplied by the sum of

(1) the number of square feet in the SHOPPING CENTRE LANDS, and

(2) the number of square feet in the lands expropriated under the said by-laws 638, 679 and 690 of the Town of Anjou and in the said lot 524 of the Parish of Longue Pointe, multiplied by the number of square feet in the SHOPPING CENTRE LANDS, divided by the number of square feet in the SHOPPING CENTRE LANDS, the EATON AUTOMOTIVE CENTRE LANDS and the SIMPSON AUTOMOTIVE CENTRE LANDS.

(vi) (1) the portion of the prepayments made by the LANDLORD to the Town of Anjou of the taxes to be levied by the said Town under the by-laws listed on Schedule "Z2" for the lands outlined on Schedule "D" that the number of square feet in the SIMPSON LAND bears to the number of square feet in the lands outlined on Schedule "D";

(2) the TENANT'S share of the portion of the prepayments made by the LANDLORD to the Town of Anjou of the taxes to be levied by the said Town under the by-laws listed on Schedule "Z2" for the lands outlined on

Schedule "D" that the number of square feet in the SHOPPING CENTRE LANDS less the number of square feet in

(a) the SIMPSON LAND,

(b) the EATON LAND,

(c) the land on which are situated such parts of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS as are included within the FLOOR AREA of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS, and

(d) the land on which are situated the truck receiving courts and walls screening same and the sidewalks and the landscaping adjoining the buildings forming part of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS

bears to the number of square feet in the lands outlined on Schedule "D", such TENANT'S share being that proportion of the aforesaid portion of such prepayments which the ADJUSTED FLOOR AREA of the SIMPSON BUILDING bears to the sum of the ADJUSTED FLOOR AREA of all buildings in the SHOPPING CENTRE.

For the purposes of this Section 4.01,

(i) "long-term debt" shall mean the debt issued or incurred to finance the COST of the SHOPPING CENTRE which, in the case of debt other than serial debt, shall have a maturity date at least ten (10) years after the date of issue thereof.

(ii) "weighted average interest rate" shall mean the percentage interest rate that will equate

(1) the sum of the discounted present value of each payment of interest and/or principal on the long-term debt to

(2) the principal amount or, if sold at a discount, the proceeds to the LANDLORD of the long-term debt, but discount for the purposes hereof shall not include any commission paid or payable to any fiscal agent or underwriter, or any discount given or to be given to an underwriter as a consideration for the purchase by such underwriter of such long-term debt,

and shall be calculated as such rate would be calculated in the securities industry at the date hereof.

4.02 The TENANT covenants and agrees to pay to the LANDLORD during the balance of the ORIGINAL TERM and in each LEASE YEAR during each renewal term hereof, in addition to all other amounts payable by the TENANT hereunder, an annual rent calculated as provided in Section 4.01 of this Article save that the factor to which reference is made in the first paragraph ~~of~~ Section 4.01 shall be reduced to a factor of three percent (3%).

4.03 For the purposes of this Article, FLOOR AREA shall be calculated and determined as of the OPENING DATE and shall include all FLOOR AREA constructed in accordance with the SHOPPING CENTRE BUILDING PLANS AND SPECIFICATIONS. If the construction of any FLOOR AREA has not been completed on the OPENING DATE the FLOOR AREA thereof shall be estimated and a final determination made on the completion of such construction. For all purposes of this Article, FLOOR AREA and ADJUSTED FLOOR AREA shall mean the areas so determined and no adjustment shall be made thereto in the event of the construction of any additional FLOOR AREA. The COSTS of the LANDLORD referred to in this Article shall be the COSTS incurred in connection with the completion of the improvements and facilities substantially in accordance with the SHOPPING CENTRE BUILDING PLANS AND SPECIFICATIONS and otherwise making such facilities available, usable and serviceable determined as of the OPENING DATE and adjusted subsequently to include any items of COST incurred in connection with such completion.

4.04 Until such time as the amount of rent payable by the TENANT hereunder shall have been finally determined in accordance with the provisions of Section 4.05 of this Article, the LANDLORD shall submit an estimate of the amount of such rent to the TENANT, and rent shall be paid by the TENANT under this Article on the basis of such estimate until such time as the amount of such rent shall have been so finally determined, and forthwith after the amount of such rent shall have been so finally determined the LANDLORD shall pay the TENANT, or the TENANT shall pay the LANDLORD, as the case may be, any amount by which the rent theretofore paid by the TENANT under this Article shall exceed or be less than the rent which would have been paid if the final determination of such rent had been available at the commencement of the ORIGINAL TERM of this LEASE. All over or under payments of rent hereunder shall bear interest at the effective bank rate available to prime credit risks from Canadian Chartered Banks from the date the said rent is due or the said overpayment is made. If the LANDLORD fails to pay to the TENANT any amount pursuant to this Section the TENANT may deduct such amount from the rent payable under this LEASE.

4.05 The LANDLORD shall, as soon as reasonably possible, prepare and submit to the TENANT a detailed calculation of the rent payable by the TENANT under this LEASE, and in preparing such calculation the LANDLORD and the TENANT shall cause their contractors and architects to consult together for the purpose of determining the COST of the various items which are included in such calculation. Where the separation of the cost of two or more improvements cannot be made on the basis of the LANDLORD'S records, the advice of independent quantity surveyors or estimators shall be obtained. The books and records of the LANDLORD relating to the COST of all such items shall be open to the inspection of the TENANT and its representatives at all reasonable times. If within sixty (60) days after the submission of such detailed calculation to the TENANT, the LANDLORD and the TENANT shall fail to agree on

the amount of rent payable by the TENANT under this Article the matters in dispute shall be settled by arbitration.

4.06 The annual rent payable by the TENANT under this Article shall be paid to the LANDLORD in lawful money of Canada, without any set-off, compensation or deduction whatsoever (save as specifically provided herein) in equal monthly instalments, in advance, on the eighth (8th) day of each and every month during the term of this LEASE and any renewal hereof except in the case of the first such payment which shall be made within ten (10) days after the submission by the LANDLORD to the TENANT of an estimate of the amount of such payment as provided in Section 4.04 hereof and which shall cover the then current rental period and all prior rental periods. All payments shall be made at such place in Canada as the LANDLORD shall from time to time advise the TENANT in writing.

4.07 The LANDLORD and the TENANT agree that they will from time to time, at the request of either, confirm in writing the amount of the annual rent to be paid under the provisions of this Article.

ARTICLE V

USE AND OPERATION OF THE SIMPSON BUILDING

5.01 The SIMPSON BUILDING and the SIMPSON OUTDOOR SELLING AREA shall be used and operated by the TENANT as a typical Simpson suburban department store suitable for the market in which it is located and for no other purpose whatsoever without the prior written consent of the LANDLORD. The name under which such department store shall be operated by the TENANT during the ORIGINAL TERM of this LEASE shall contain the word "Simpson" or "Simpsons" or such other word as shall be the dominant word in the name under which the department store business of the TENANT is then being carried on in the Montreal area.

5.02 The SIMPSON BUILDING shall be so used and operated by the TENANT throughout the ORIGINAL TERM of this LEASE and any renewals thereof in a lawful manner and as efficiently, as nearly as may be, as its other department stores, and the TENANT shall not vacate the SIMPSON BUILDING either actually or constructively. The SIMPSON BUILDING shall be so used and operated for a minimum period of forty (40) hours in each week (other than in any week during which such building shall be closed by reason of public holidays) as determined from time to time by the TENANT.

5.03 The TENANT and the LANDLORD shall meet together from time to time with a view to agreeing on the hours during which the SIMPSON BUILDING and the other buildings in the SHOPPING CENTRE shall be open to the public and no general change shall be made by the TENANT in the hours during which the SIMPSON BUILDING shall be open to the public unless the TENANT shall have given the LANDLORD not less than fifteen (15) days written notice of its intention to make such change.

5.04 The TENANT shall keep the display and other windows of the SIMPSON BUILDING and a reasonable portion of the ground floor of the SIMPSON BUILDING which is visible from the mall suitably illuminated during all hours when the SHOPPING CENTRE shall be open to the public for business.

5.05 The TENANT shall not use or permit any part of the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS or the SIMPSON OUTDOOR SELLING AREA to be used in such manner as to cause a nuisance, nor shall the TENANT cause or permit annoying noises or vibrations or offensive odours.

5.06 The TENANT shall not place or leave or permit any of its employees, agents, or contractors to place or leave in or about any part of the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS or the SIMPSON OUTDOOR SELLING AREA or any other part of the SHOPPING CENTRE any debris or refuse except in suitable receptacles (which in the case of refuse and garbage of a perishable nature shall be refrigerated or placed in suitable closed receptacles) and at locations approved by the LANDLORD. The TENANT shall pay for the cost of any garbage and refuse removal service required by it in addition to that provided by the Town of Anjou or its successors. The TENANT, at its sole cost and expense, shall keep the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS in a clean and sanitary condition in accordance with all applicable directions, rules and regulations of any health officer or other proper officer of the Town of Anjou or other governmental authority or agency having jurisdiction, and in the event that the TENANT fails to comply with the foregoing provisions, the LANDLORD may on reasonable prior notice to the TENANT rectify the situation and the reasonable expenses incurred by the LANDLORD in connection therewith shall be forthwith payable by the TENANT and shall be recoverable by the LANDLORD in the same manner as arrears of rent.

5.07 The TENANT shall not carry on any merchandising activities

or make any display of merchandise in the SHOPPING CENTRE otherwise than in the SIMPSON BUILDING and the SIMPSON OUTDOOR SELLING AREA and in any kiosks leased to the TENANT, except as part of a promotion approved by the LANDLORD.

5.08 The TENANT shall not load or unload any merchandise, supplies, garbage, refuse or other materials except in the receiving and loading areas forming part of the SIMPSON SHOPPING CENTRE IMPROVEMENTS, provided however that this Section shall not apply to manual deliveries of small parcels to the SIMPSON BUILDING where it is not practical or desirable to deliver the same through main receiving areas, so long as, in making such deliveries, there shall be no obstruction of the entrances to malls or arcades.

5.09 The TENANT shall heat and air-condition the SIMPSON BUILDING (other than portions thereof which are not designed to be heated or air-conditioned) whenever reasonably required and in such manner that there will be no direct or indirect appropriation of the heating and air-conditioning in the mall, courts and arcades. The TENANT'S obligations under this Section shall be subject to interruptions caused by breakdowns and while repairs are being made, which breakdowns shall be remedied and repairs made with all reasonable diligence. The TENANT shall so heat and air-condition the SIMPSON BUILDING by means of hot and chilled water which the TENANT shall obtain from the LANDLORD and pay for in accordance with the memorandum hereto attached as Schedule B.

5.10 The TENANT will not store or permit to be stored in or on the SIMPSON BUILDING or the SIMPSON LAND anything of a dangerous or explosive nature (except in compliance with conditions, if any, imposed by the insurers of the SIMPSON BUILDING) or anything which would have the effect of increasing the LANDLORD'S insurance cost or of causing the cancellation of such insurance.

5.11 The TENANT shall install upon the SIMPSON BUILDING at least one illuminated sign and shall keep the sign or signs so

Poor Quality Original

installed lighted during all hours when the SHOPPING CENTRE shall be open to the public. The specifications, design, location and method of installation of such sign or signs shall be approved by the LANDLORD, which approval shall not be unreasonably withheld. Within a distance of fifteen feet (15') above ground level, no sign or symbol will be placed or maintained on or about the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS or the exterior walls thereof (including both interior and exterior surfaces of windows and doors) except (a) signs and symbols complying with any general sign policy applicable to the SHOPPING CENTRE (whether or not by its terms such policy shall be applicable to the EATON BUILDING and the SIMPSON BUILDING) and (b) whether or not permitted by such general sign policy, signs or symbols similar in size and character to those generally in use in or on the other department store buildings operated in Canada by the TENANT'S organization.

5.12 Notwithstanding anything herein contained, the TENANT shall not carry on or display any sign with respect to any "fire sale", "bankruptcy" sale, sale of secondhand merchandise, sale of war surplus merchandise or goods or auction sale or any other activity which would tend to lower the character of the SHOPPING CENTRE provided that the TENANT may carry on and display any sign with respect to a "fire sale" in the event of a fire taking place on the SIMPSON LAND, but only in respect of merchandise damaged by such fire.

5.13 The TENANT shall not sublease any space within the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS for a food supermarket, but nothing contained in this Section shall prevent the TENANT from operating food departments under its own operation and management nor shall anything in this Section contained prevent the subleasing of space in the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS for the sale of food products if such sale would not constitute the operation of a food super-

market. The operation of a food supermarket shall not be deemed to include the subleasing of space wherein prepared meals may be served or in which a catering service, pastry shops, bakery shops, butcher shops, candy shops, restaurants and delicatessens, ice cream and/or dairy bars, hamburger stands, specialty fish or other specialty food shops, and/or a shop for the sale of green-groceries or other food items may be operated.

5.14 The TENANT may, from May first (1st) to October thirty-first (31st), both inclusive in each calendar year, use for merchandising purposes the portion of the SIMPSON OUTDOOR SELLING AREA as defined in Section 1.29 (i) and the use of such portion shall not materially interfere with

(i) traffic flow on the SITE,

(ii) pedestrian access to the SHOPPING CENTRE,

or

(iii) parking areas other than those forming part of the SIMPSON OUTDOOR SELLING AREA,

nor shall it be used for dead storage. The TENANT shall repair at the TENANT'S expense any damage caused to the parking areas by reason of the TENANT'S use of such portion of the SIMPSON OUTDOOR SELLING AREA as defined in Section 1.29 (i).

ARTICLE VI

ASSIGNMENT AND SUBLETTING

6.01 The TENANT shall not transfer, assign or sell any of its rights hereunder and shall not sublet the whole or any part of the SIMPSON LAND, the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS nor grant any concession or licence within or with respect to the SIMPSON LAND, the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS or in any other way alienate this LEASE or the lands and premises leased hereunder without in any such case the prior written consent of the LANDLORD, which consent may be granted or withheld in the sole discretion of the LANDLORD, provided however, that this Section shall not operate to prevent

(a) the subletting of the SIMPSON LAND, the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS or any part thereof to The Robert Simpson Montreal Limited or to any other company which is a subsidiary of the TENANT if the TENANT shall have previously agreed with the LANDLORD that during the term of such sublease The Robert Simpson Montreal Limited or such other company will continue to be a subsidiary of the TENANT;

(b) the assignment of this LEASE to any company with which the TENANT merges or consolidates or to which it sells all or substantially all its assets in the Province of Quebec provided that such company carries on a department store business with substantially similar merchandising, service and operating

practices to that then carried on by the TENANT;

(c) the subletting of the SIMPSON LAND, the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS or the assignment of this LEASE or the hypothecating of the interest of the TENANT in this LEASE, as security, by way of fixed hypothec, mortgage, pledge or charge or by way of floating charge, to any mortgagee or hypothecary creditor thereof in connection with or as incidental to a bona fide financing by the TENANT;

(d) the subletting or granting of any concession or licence (other than as provided in sub-section (a) hereof) to use any part of the SIMPSON BUILDING, or all or part of the SIMPSON OUTDOOR SELLING AREA provided that the FLOOR AREA of the SIMPSON BUILDING so sublet and/or in respect of which there shall have been granted concessions or licences shall not at any time exceed twenty percent (20%) (in the aggregate) of the FLOOR AREA of the SIMPSON BUILDING and provided further that (other than as provided in subsection (a) hereof) (i) no subletting shall be made, nor any licence or concession granted to any person, firm or corporation which then leases other space in the SHOPPING CENTRE and (ii) no subletting shall be made, nor any licence or concession granted for the

operation within the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS of a variety store or a junior department store if such operation, either by reason of its being carried on under a different name or otherwise, would appear to be a separate operation from that carried on in the balance of the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and (iii) the TENANT shall ensure that any sublease or concession shall contain provisions respecting amongst other things (and without limitation) merchandising, operation, use of COMMON AREA FACILITIES and assigning, subletting and sub-licencing consistent with the provisions hereof and the TENANT shall be fully responsible for compliance by such sublessees or concessionaires with the applicable provisions hereof, and (iv) such sublease or concession operation shall be operated in a manner similar to similar operations in other suburban department stores of the TENANT.

No permitted assignment or subletting, or granting of a concession or licence under this Section shall affect or reduce the liability of the TENANT under any of the terms and provisions of this LEASE save as specifically provided in Section 6.04, and the TENANT shall continue to be liable to the LANDLORD for the performance of all of its covenants and obligations contained in this LEASE for the balance of the ORIGINAL TERM. In the case of any assignment of this LEASE permitted under the terms of paragraph (b) of this Section, the TENANT shall cause the assignee to enter into a written agreement with the LANDLORD whereby such assignee agrees to fulfill all of the covenants and obligations of the TENANT under this LEASE and to become jointly and severally

liable with the TENANT for the performance of such covenants and obligations.

6.02 Notwithstanding the provisions of Section 6.01, after the expiration of the ORIGINAL TERM of this LEASE the consent of the LANDLORD to any proposed assignment of this LEASE shall not be unreasonably withheld or delayed (i) if the proposed assignee carries on a department store business with substantially similar merchandising, service and operating practices to that then carried on by the TENANT and (ii) if the proposed assignee shall then be in a position to borrow money on a long term basis at an interest rate no less favourable than that which would then be available to the TENANT if the TENANT were to then borrow money on a long term basis and (iii) if the proposed assignee shall have entered into an agreement with the LANDLORD in form reasonably satisfactory to the LANDLORD whereby it agrees to be bound by, to perform or to assume (as the case may be) all of the covenants and obligations of the TENANT under this LEASE. With the notice of any proposed assignment the TENANT shall furnish the LANDLORD with such reasonable information in connection with the financial standing of the proposed assignee as shall be reasonably necessary to enable the LANDLORD to determine whether the foregoing condition in paragraph (ii) has been met. Within thirty (30) days after receiving notice of any proposed assignment by the TENANT under the provisions of this Section, the LANDLORD shall advise the TENANT as to whether or not it will consent thereto, and in the event the LANDLORD shall not consent, the LANDLORD shall advise the TENANT of the reason why such consent is being withheld. Any dispute between the LANDLORD and the TENANT as to whether any proposed assignee meets the conditions set forth in paragraphs (i) and (ii) of this Section shall be settled by arbitration.

6.03 Unless the TENANT proposes to assign this LEASE to an assignee who, contemporaneously with such assignment shall be acquiring one or more other department store premises in the Montreal area owned or leased by the TENANT, or its subsidiaries, (and in such event the TENANT shall so advise the LANDLORD at the time the TENANT requests the consent of the LANDLORD to such assignment), the LANDLORD may, notwithstanding the provisions of Section 6.02, withhold its consent to any proposed assignment of this LEASE in its sole and unfettered discretion, unless the TENANT, not less than three (3) months prior to the date such proposed assignment is to become effective, shall have given the LANDLORD notice of its intention to assign and of the terms on which such assignment is to be made and the identity of the proposed assignee and shall have offered to surrender this LEASE to the LANDLORD on terms and conditions whereunder the LANDLORD shall agree to pay to the TENANT all amounts which would have been paid to the TENANT by such proposed assignee on such assignment and the LANDLORD shall not have accepted such offer to surrender within thirty (30) days after such offer is made.

6.04 Upon any permitted assignment pursuant to the provisions of Section 6.02 hereof, the TENANT shall be released and discharged from any and all of its obligations hereunder from and after the effective date of such assignment. In the event that the TENANT shall have assigned this LEASE during the ORIGINAL TERM hereof pursuant to the provisions of paragraph (b) of Section 6.01 hereof, the LANDLORD shall, if this LEASE shall have been renewed, grant to the TENANT on the expiration of the ORIGINAL TERM hereof, a release and discharge from any and all of its obligations hereunder from and after the expiration of such ORIGINAL TERM if, at the date when the approval of the LANDLORD to such assignment was requested under Section 6.01,

the proposed assignee met the requirements of paragraph (ii) of Section 6.02. If the TENANT wishes to take advantage of the provisions of the foregoing sentence of this Section 6.04 it shall so advise the LANDLORD when the approval of the LANDLORD to such assignment is requested under Section 6.01 and shall furnish the LANDLORD with the information relating to the proposed assignee provided for in Section 6.02. The provisions of Section 6.02 relating to the advice to be given by the LANDLORD to the TENANT and the settlement of disputes by arbitration shall be applicable to this Section.

ARTICLE VII

RESTRICTED MARKETING AREA

7.01 The TENANT shall not, either directly or indirectly, operate or have an interest in any department store situated within three (3) miles from the SITE or situated on that certain property in the City of Montreal, bounded to the north-west by Charland Avenue, to the north-east by Papineau Street, to the south-east by Metropolitan Boulevard and to the south-west by Christophe Colomb Street and known as the St. Sulpice site; provided that this Article VII shall cease to apply when the FLOOR AREA of the SIMPSON BUILDING has been expanded to three hundred and thirty thousand (330,000) square feet or more pursuant to Section 19.01 of the LEASE.

ARTICLE VIII

MERCHANTS ASSOCIATION

8.01 The LANDLORD shall cause a Merchants Association to be formed, the members of which shall include the tenant of the theatre and merchandising and retail service tenants, excluding the Quebec Liquor Board, in the SHOPPING CENTRE and the objects of which shall be to encourage its members to advertise and promote the SHOPPING CENTRE, to deal fairly and courteously with their customers, to sell their merchandise and services at fair prices, to follow ethical business practices and in general to aid the common interest of its members.

8.02 The LANDLORD shall use its best efforts to include a covenant in the theatre lease and in all leases to merchandising and retail service tenants in the SHOPPING CENTRE (other than in the EATON LEASE and in the lease with the Quebec Liquor Board) whereby such tenants agree to join, and to maintain their membership in and to abide by the reasonable rules and regulations of such Merchants Association and shall use its best efforts to enforce such covenant.

8.03 The TENANT shall join such Merchants Association and shall maintain its membership in such Association so long as, in the reasonable opinion of the TENANT, it shall be operated in such a manner as shall not be contrary to the interest of the TENANT, provided however that the TENANT shall not terminate its membership in such Association without first giving the LANDLORD not less than sixty (60) days' notice of its intention so to do, which notice shall specify the reasons for its dissatisfaction with the operations of such Association, and unless also within such period, the LANDLORD shall have been unable to remedy the causes of such dissatisfaction.

8.04 The LANDLORD shall contribute to the Merchants Association in each year an amount equal to twenty-five percent (25%) of the total of the dues paid or payable, to such Association

in such year by all tenants in the SHOPPING CENTRE.

8.05 Whether or not it is a member of such Merchants Association, the TENANT shall pay annual dues to such Merchants Association in an amount for each square foot of ADJUSTED FLOOR AREA of the SIMPSON BUILDING calculated and determined as at OPENING DATE pursuant to Section 4.03 and without adjustment for any subsequent addition, equal to the lesser of:

(i) the quotient obtained by dividing the total dues paid or payable in such year by all tenants in the SHOPPING CENTRE other than the TENANT, EATON and the Quebec Liquor Board by the remainder obtained by subtracting from the ADJUSTED FLOOR AREA of all buildings in the SHOPPING CENTRE the ADJUSTED FLOOR AREA of the EATON BUILDING and of the SIMPSON BUILDING and of the premises leased to the Quebec Liquor Board and the ADJUSTED FLOOR AREA of all space in all other buildings in the SHOPPING CENTRE which is occupied by tenants which are not full dues paying members of the Merchants Association and do not, in accordance with sound shopping centre management practice, normally become members of merchants associations; or

(ii) fifteen cents ($.15) adjusted annually, in accordance with the Consumer Price Index for Retail Items published by the Dominion Bureau of Statistics for Metropolitan Montreal from the level of such Index as the same exists as of the OPENING DATE. If such Index is no longer published then such adjustment will be made in accordance with a like mutually acceptable index.

In addition to the foregoing and without deduction therefrom, the TENANT may agree to the making of extraordinary contributions to the Merchants Association in connection with special events.

ARTICLE IX

USE OF COMMON AREAS AND PAYMENT OF COMMON AREA CHARGES

9.01 The LANDLORD hereby grants to the TENANT, for use by its customers, invitees, licensees and employees, the right to use, in common with others entitled thereto, the COMMON AREA FACILITIES as the same may exist from time to time, for the purposes for which such COMMON AREA FACILITIES are provided, and such portions of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS (excluding the FLOOR AREA thereof) and the EATON SHOPPING CENTRE IMPROVEMENTS as are designed for the common use of the tenants of the SHOPPING CENTRE and their customers, invitees, licensees and employees, subject, however, to the express provisions of this LEASE and to such reasonable rules and regulations governing the nature and extent of the use thereof as may be made from time to time by the LANDLORD as hereinafter provided, and in particular, without limiting the generality of the foregoing, such right hereby granted to the TENANT shall include:

(a) the right (subject as aforesaid) to use those parts of the COMMON AREA FACILITIES, the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS and the EATON SHOPPING CENTRE IMPROVEMENTS comprised of roads, sidewalks and parking areas for the purpose of pedestrian and vehicular access to and from the SHOPPING CENTRE, the parking of vehicles in such parking areas, and pedestrian access to and from the parking areas and the other buildings and facilities in the SHOPPING CENTRE;

(b) the right (subject as aforesaid) of pedestrian passage and repassage over and through the malls, courts, arcades, lobbies and stairways for the purpose of gaining access to or from any portion of the SHOPPING CENTRE; and

(c) the right (subject as aforesaid) to use the public washrooms and other accommodation facilities.

9.02 The TENANT hereby grants to the LANDLORD and to its tenants and its and their customers, invitees, licensees and employees the right to use, in common with the TENANT and others entitled thereto, such portions of the SIMPSON SHOPPING CENTRE IMPROVEMENTS as are designed for the common use of the tenants in the SHOPPING CENTRE and their customers, invitees, licensees and employees and such of the COMMON AREA FACILITIES (as the same may exist from time to time) as are situate on the SIMPSON LAND for the purposes and subject to the rules and regulations referred to in Section 9.01.

9.03 The TENANT shall pay, as additional rental to the LANDLORD in each LEASE YEAR, an amount equal to that proportion which the ADJUSTED FLOOR AREA of the SIMPSON BUILDING bears to the sum of the ADJUSTED FLOOR AREA of all buildings in the SHOPPING CENTRE of the costs incurred by the LANDLORD in such LEASE YEAR in maintaining and operating the COMMON AREA FACILITIES, including without limiting the generality of the foregoing,

(a) (i) wages paid to maintenance and operating personnel,

(ii) payments for workmen's compensation and unemployment insurance and usual fringe benefits, whether statutory or otherwise,

(iii) costs of uniforms and equipment furnished to such personnel,

(iv) the cost of painting, striping, sweeping, cleaning and snow removal,

(v) the cost of grass, flowers, shrubs and trees and of planting, replanting, and replacing the same,

(vi) the cost of lighting and providing and operating the music and public address system,

(vii) the cost of supervising and policing the COMMON AREA FACILITIES,

(viii) depreciation (on a straight line basis over the

estimated life thereof) on maintenance and cleaning equipment,

(ix) the cost of public liability and fire and other casualty insurance,

(x) the cost of such repairs to the COMMON AREA FACILITIES as are properly chargeable, in accordance with sound accounting practice, to operating expenses as distinguished from capital replacements or improvements, and

(xi) the cost of capital replacements (other than of maintenance and cleaning equipment) to the COMMON AREA FACILITIES not exceeding two thousand five hundred dollars ($2,500) in any individual case or ten thousand dollars ($10,000) in any LEASE YEAR, adjusted annually in accordance with the Consumer Price Index for Retail Items published by the Dominion Bureau of Statistics for Metropolitan Montreal from the level of such Index as the same exists as of the OPENING DATE (or if such Index is no longer published then such adjustment will be made in accordance with a like mutually acceptable index);

provided however,

(1) that no costs incurred by the LANDLORD in operating and maintaining the sidewalks and landscaped areas adjoining the buildings forming part of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS or the truck receiving courts forming part of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS (which sidewalks, landscaped areas and truck receiving courts are outlined in distinguishing

colour on the SHOPPING CENTRE PLANS) shall be included, other than costs of cleaning, snow removal and sanding referable to such sidewalks and truck receiving courts and of caring for (as apart from repairing) such landscaped areas; and no costs incurred by the LANDLORD in repairing, as apart from cleaning and caring for public washrooms shall be included; and

(2) that no costs incurred by the LANDLORD in maintaining any part of any COMMON UTILITIES which are situate in or on any premises constituting FLOOR AREA or within three feet (3') from the exterior wall of any such premises and which are designed to service such premises, shall be included:

(b) an administrative fee in such amount that the proportion thereof to be paid by the TENANT in each LEASE YEAR under this Section shall be three thousand five hundred dollars ($3,500) adjusted annually in accordance with the Consumer Price Index for Retail Items published by the Dominion Bureau of Statistics for Metropolitan Montreal from the level of such Index as the same exists as of the OPENING DATE. If such Index is no longer published then such adjustment will be made in accordance with a like mutually acceptable index;

(c) depreciation in respect of the cost of any capital replacement to COMMON AREA FACILITIES (other than any such capital replacement referred to in paragraph (a) (xi) above and other than any capital replacement to facilities referred to in proviso (1) of paragraph (a) above) made by the LANDLORD in accordance with sound property management principles with the prior written approval of the TENANT (except to the

extent that the cost of any such capital replacement exceeds the cost of making such capital replacement with materials and workmanship similar to that originally used), such depreciation to be charged on a straight line basis over the estimated life of such capital replacement; the approval by the TENANT to any such capital replacement shall not be withheld if, over the estimated life of the capital replacement, the annual cost which would be incurred by the LANDLORD in repairing the facility to be replaced could reasonably be expected to exceed the amount of the annual depreciation in respect of such capital replacement which would be included in the cost of maintaining and operating COMMON AREA FACILITIES under this paragraph (c) plus the annual cost which would be incurred by the LANDLORD in repairing the facility as so replaced; any dispute as to whether or not such approval may be withheld by the TENANT shall be settled by arbitration;

(d) the portions of annual operating expense of the HVAC PLANT and of the administrative fee in connection with the HVAC PLANT operation, which are allocated to the enclosed COMMON AREA FACILITIES as determined in accordance with Schedule B;

(e) real estate taxes, rates and assessments for such LEASE YEAR, other than any such taxes, rates and assessments levied or assessed under the By-Laws listed under Schedules "Z1" and "Z2", payable in respect of the SHOPPING CENTRE other than

(1) the SIMPSON LAND, the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS;

(2) the EATON LAND, the EATON BUILDING and the EATON SHOPPING CENTRE IMPROVEMENTS;

(3) such parts of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS as are included within the FLOOR AREA of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS and the land on which the same are situate;

(4) the truck receiving courts and walls screening the same forming part of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS and the land on which the same are situate;

(5) the sidewalks and landscaped areas adjoining the buildings forming part of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS and the land on which the same are situate; and

(6) the FUTURE PARKING AREA.

Any net revenue received by the LANDLORD from the use of the COMMON AREA FACILITIES in any LEASE YEAR, unless paid over to the Merchants Association with the approval of the TENANT, shall be deducted in the calculations of the foregoing amounts.

9.04 FLOOR AREA and ADJUSTED FLOOR AREA for the purposes of this Article IX shall be calculated in the manner and in accordance with the provisions of Section 4.03 hereof save that such FLOOR AREA and adjusted FLOOR AREA shall be adjusted in the event of the installation of any kiosks under the provisions of Section 9.14 or the removal thereof.

9.05 The TENANT shall pay to the LANDLORD in each LEASE YEAR a sum equal to eighty percent (80%) of the amount of the extra costs, over and above the costs with respect to other parking facilities, incurred by the LANDLORD in operating and maintaining the split level parking facilities provided by the LANDLORD for the benefit of the SIMPSON BUILDING, such extra costs to be determined in accordance with the provisions of

the memorandum annexed hereto as Schedule "F".

9.06 All amounts payable by the TENANT to the LANDLORD under the provisions of Sections 9.05 and 19.09 and all amounts payable by EATON under the provisions in the EATON LEASE which are comparable to Section 19.09 of this LEASE and the costs of operating and maintaining the COMMON AREA FACILITIES referred to in Section 20.03 shall be deducted in determining the costs incurred by the LANDLORD in each LEASE YEAR in maintaining and operating the COMMON AREA FACILITIES.

9.07 The amounts payable by the TENANT to the LANDLORD under Sections 9.03 and 9.05 hereof shall be paid in equal monthly instalments in advance on the first (1st) day of each and every month in every LEASE YEAR based on an estimate of the applicable costs for such LEASE YEAR prepared by the LANDLORD, which estimate, except in the case of the first LEASE YEAR, shall be based upon such costs for the previous LEASE YEAR with adjustments for any anticipated increase or decrease.

9.08 Within the ninety (90) days after the end of each LEASE YEAR the LANDLORD shall submit to the TENANT a detailed statement and calculation of the amounts payable by the TENANT pursuant to Sections 9.03 and 9.05 hereof in respect of such LEASE YEAR. The relevant books and records of the LANDLORD shall be open to the inspection of the TENANT and its representatives at all reasonable times. If requested by the TENANT the LANDLORD shall forthwith have such statement audited by independent chartered accountants. Forthwith after the receipt of such statement or such audited statement, as the case may be, the TENANT shall pay the LANDLORD or the LANDLORD shall pay the TENANT any amount by which the amount shown by such statement is less than or exceeds the

aggregate of the monthly payments made by the TENANT during such LEASE YEAR unless the LANDLORD and the TENANT shall fail to agree upon such amount, in which event the matter in dispute shall be settled by arbitration. If the LANDLORD fails to pay the TENANT any amount to which the TENANT is entitled under this Section the TENANT may deduct such amount from the rent payable under this LEASE.

9.09 There shall at all times be open and free access between the SIMPSON LAND, the SIMPSON SHOPPING CENTRE IMPROVEMENTS, and the other portions of the SHOPPING CENTRE save for any fence, barrier or obstacle which is designed to separate those portions of the SHOPPING CENTRE which are not designed for the common use of the tenants in the SHOPPING CENTRE and their invitees, customers and employees, it being the intention that the entire SHOPPING CENTRE shall operate and appear to be a single unit.

9.10 There shall at all times, when the SIMPSON BUILDING is open for business, be direct access between the SIMPSON BUILDING and the mall, courts and arcades and, subject to the location of the SIMPSON OUTDOOR SELLING AREA, direct access between the parking areas and sidewalks and the customer entrances of the SIMPSON BUILDING opening on to such parking areas and sidewalks and such customer entrances shall be kept open at all times when the SIMPSON BUILDING is open for business. The customer entrances to the enclosed mall, courts and arcades and the enclosed mall, courts and arcades shall be kept open at all times when the SIMPSON BUILDING is open for business and at such other times as the LANDLORD shall determine. At other times the enclosed mall, courts and arcades may be closed by the LANDLORD and the public excluded therefrom.

9.11 The TENANT shall use all reasonable efforts to prohibit its employees and its licensees and concessionaires and their employees from using any part of the parking areas of the SHOPPING CENTRE other than such portions thereof as shall from time to time, after consultation with the TENANT, be designated by the LANDLORD for employee parking. If requested by the LANDLORD, the TENANT shall supply to the LANDLORD the licence numbers of its employees, and of its licensees and concessionaires and their employees. The LANDLORD is hereby authorized to exercise (without risk or liability to the TENANT) as against the employees, licensees and concessionaires of the TENANT and the employees of its licensees and concessionaires such remedies as it shall be exercising in respect of the employees of the other tenants of the SHOPPING CENTRE for the purpose of enforcing this provision.

9.12 The LANDLORD shall include in the leases of all other tenants in the SHOPPING CENTRE a covenant precluding the employees and licensees of such tenants from using any part of the parking areas of the SHOPPING CENTRE other than the portions thereof designated by the LANDLORD for employee parking and the LANDLORD shall use its best efforts to enforce such covenant.

9.13 The LANDLORD shall make no charge to any customer, licensee, invitee or employee of any tenant in the SHOPPING CENTRE for the use of the parking areas, and shall not grant any rights to or for the use of any persons other than the customers, invitees, employees and licensees of the LANDLORD, the TENANT or other tenants in the SHOPPING CENTRE in respect of the parking areas or the other portions of the COMMON AREA FACILITIES outside any building. The rights granted to

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or for the use of such customers, invitees, employees and licensees of the LANDLORD or of any other tenant in the SHOPPING CENTRE shall not be more extensive than those granted to the TENANT and its customers, invitees, employees and licensees hereunder. Notwithstanding the foregoing, the LANDLORD may grant rights to persons to use the parking areas and other portions of the COMMON AREA FACILITIES outside any building,

(i) at any time in connection with bona fide SHOPPING CENTRE promotions, subject, however, to compliance with the provisions of Section 9.16 hereof and in particular to the restriction therein contained on any promotional activities being carried on within the area referred to in such Section;

(ii) at any time when the SIMPSON BUILDING is not open to the public, for bona fide community purposes;

(iii) at any time for other purposes if the written consent of the TENANT shall have been obtained which consent may be withheld at the sole and unfettered discretion of the TENANT.

9.14 The LANDLORD shall have the right to install and lease kiosks and display cases in the enclosed mall, courts and arcades forming part of the COMMON AREA FACILITIES so long as the same do not unreasonably impede or interfere with access and passage through such areas, provided however that

(a) no kiosk or display case shall be installed in those areas of the mall, courts and arcades designated on the SHOPPING CENTRE PLANS as the West Court, the North-West Arcade and the South-

West Arcade without the prior written consent of the TENANT which consent may be withheld in the sole and unfettered discretion of the TENANT, and unless the LANDLORD, when requesting such consent, shall have granted the TENANT the first right to lease such kiosk or display case for the purposes for which the LANDLORD proposes to lease the same. Any such kiosk or display case so leased shall be removed by the LANDLORD, at its cost, from any such area on the termination of the lease unless a further lease is entered into with the TENANT or unless the TENANT shall have given its written consent to such kiosk or display case remaining in such areas, which consent may be withheld in the sole and unfettered discretion of the TENANT;

(b) no such kiosk or display case shall be installed in any other areas of the mall, courts and arcades, other than those areas designated on the SHOPPING CENTRE PLANS as the East Court, the North-East Arcade and the South-East Arcade unless the LANDLORD shall have first advised the TENANT, of its intention so to do and shall have received and considered the views and opinions of the TENANT provided however that the LANDLORD shall be under no obligation to give effect to any such views or opinions.

The area of any such kiosks together with the area encompassed within four (4) feet in any direction from the exterior walls of such kiosks shall be deemed to be FLOOR AREA for the purposes of this Article and to be excluded from COMMON AREA FACILITIES.

9.15 The LANDLORD shall not lease any kiosk or display case to EATON other than a kiosk or display case in that

portion of the mall, courts and arcades designated on the SHOPPING CENTRE PLANS as the East Court, the North-East Arcade and the South-East Arcade without offering to lease a display case or kiosk, as the case may be, (situate in a comparable position as regards the SIMPSON BUILDING as such kiosk or display case leased to EATON is in as regards the EATON BUILDING) to the TENANT on substantially similar terms, and in any event the LANDLORD shall not lease any kiosk or display case to EATON which is nearer to the SIMPSON BUILDING than it is to the EATON BUILDING.

9.16 The LANDLORD shall have the right to carry on or to permit to be carried on promotional activities in the mall, courts and arcades forming part of the COMMON AREA FACILITIES and for such purpose to permit the display of merchandise in such areas, provided that such promotional activities do not unreasonably impede or interfere with access and passage through such areas and are consistent with the operation of the SHOPPING CENTRE in accordance with the best shopping centre standards, and provided further that such promotional activities shall only be carried on in those areas of the mall, courts and arcades designated on the SHOPPING CENTRE PLANS as the West Court, the North-West Arcade and the South-West Arcade if, in the opinion of the TENANT, such promotions meet the foregoing requirements. The LANDLORD shall also have the right to permit any such promotional activities to be carried on in the parking areas forming part of the COMMON AREA FACILITIES provided that such promotional activities do not unreasonably interfere with traffic or parking patterns in the SHOPPING CENTRE and are consistent with the operation of the SHOPPING CENTRE in accordance with the best shopping centre standards, and provided further that

no such promotional activities shall be carried on within the area so designated on the SHOPPING CENTRE PLANS without the prior written consent of the TENANT which consent may be withheld in the sole and unfettered discretion of the TENANT. The LANDLORD may enter into arrangements concerning the use of the auditorium and related facilities forming part of the COMMON AREA FACILITIES.

9.17 The COMMON AREA FACILITIES shall be under the exclusive control and management of the LANDLORD and the LANDLORD may establish from time to time reasonable rules and regulations (not inconsistent with the terms hereof) applicable to all tenants in the SHOPPING CENTRE governing the use of the COMMON AREA FACILITIES. Any such rules and regulations shall be subject to the approval of the TENANT, which approval shall not be unreasonably withheld or delayed. The TENANT shall comply with all such rules and regulations so long as the same are uniformly enforced throughout the SHOPPING CENTRE. The LANDLORD shall use reasonable efforts to enforce such rules and regulations and shall supervise and police the COMMON AREA FACILITIES with a view to ensuring that the same are used in an orderly and proper manner having regard to the purposes for which the same are provided.

9.18 The LANDLORD shall have the right, subject to the express provisions hereof, to change the location, area and arrangement of roads, sidewalks, parking areas and landscaped areas forming part of the COMMON AREA FACILITIES with a view to the improvement of the convenience and use thereof by the tenants in the SHOPPING CENTRE and their customers, invitees, licensees and employees; provided, however, that the LANDLORD shall not make any such change without the prior written approval of the TENANT, which approval shall not be unreasonably withheld or delayed. Such approval shall not be deemed to be unreasonably withheld by the TENANT if such change would alter the traffic pattern or traffic flow in the

SHOPPING CENTRE to the material detriment of the TENANT. The LANDLORD shall also have the right to make any such change in the location, area and arrangements of roads, sidewalks, parking areas and landscaped areas forming part of the COMMON AREA FACILITIES for the purpose of expanding the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS, subject however to compliance with Article XX hereof.

9.19 In the event that, during the term of this LEASE or any renewal, by reason of expropriation, changes in applicable laws or by-laws or other governmental action, the access to the SHOPPING CENTRE which is available from the adjoining public highways on the OPENING DATE or is proposed to be constructed by the Province of Quebec or the Town of Anjou on the OPENING DATE, is changed, restricted or altered in a manner which is detrimental to the SHOPPING CENTRE, the LANDLORD may submit to the TENANT at any time thereafter a proposal, in reasonable detail, to improve the access to the SHOPPING CENTRE with a view to restoring the degree of access which was available, or proposed to be constructed, at the OPENING DATE. If such proposal includes the construction by the LANDLORD of additional COMMON AREA FACILITIES such proposal shall be accompanied by plans and specifications therefor and an estimate of the costs to be incurred by the LANDLORD in connection with such construction. If such proposal involves the incurring by the LANDLORD of any other costs, whether for the acquisition of additional land, contributions to any governmental authority or otherwise, particulars thereof shall also accompany such proposal. Any such proposal shall be subject to the approval of the TENANT, which approval shall not be withheld if

(a) the improvement of the access to the SHOPPING

CENTRE is reasonably required to restore the degree of access to the SHOPPING CENTRE which was available or proposed to be constructed on the OPENING DATE and any COMMON AREA FACILITIES to be constructed are of a nature reasonably required for such purpose;

(b) such improvement will not change the existing traffic pattern in the SHOPPING CENTRE to the material detriment of the TENANT;

(c) the cost to be incurred by the LANDLORD in connection with such improvements is reasonable in the circumstances;

(d) such improvement, unless constructed by a governmental or other public authority, will be of a quality and standard of construction consistent with that of the SHOPPING CENTRE as a whole; and

(e) the LANDLORD shall have used its best efforts to design such improvement or to have the same designed in such manner as to maintain, insofar as reasonably possible, the traffic pattern and traffic balance of the SHOPPING CENTRE.

Any dispute between the LANDLORD and the TENANT as to the matters in the foregoing paragraphs (a) to (e) inclusive shall be settled by arbitration.

Upon the implementation of any such proposal which shall have been approved as aforesaid, the TENANT shall pay to the LANDLORD an amount equal to the same proportion of the costs incurred by the LANDLORD in implementing such proposal

as was determined under the provisions of subparagraph (iv)(1) of Section 4.01 hereof. In determining the costs of the LANDLORD for the purposes of this Section there shall be deducted from such costs any proceeds of expropriation or other compensation received or receivable by the LANDLORD on account of such expropriation, changes or other governmental action. Such amount shall be payable by the TENANT to the LANDLORD upon receipt of a detailed calculation of such costs and of the proportion to be paid by the TENANT. If the LANDLORD and the TENANT are unable to agree on the amount payable by the TENANT under this Section within sixty (60) days after the submission of such detailed calculation the matters in dispute shall be settled by arbitration.

ARTICLE X

COVENANTS OF THE LANDLORD RELATING TO THE OPERATION OF THE LANDLORD'S SHOPPING CENTRE IMPROVEMENTS

10.01 The LANDLORD shall during the ORIGINAL TERM of this LEASE and any renewals thereof, cause the SHOPPING CENTRE, other than the SIMPSON BUILDING and the EATON BUILDING, to be continuously operated as a shopping centre and for no other purpose without the consent of the TENANT.

10.02 The LANDLORD shall operate or cause the SHOPPING CENTRE to be operated in accordance with the best shopping centre standards, and without limiting the generality of the foregoing, to this end the LANDLORD shall

(a) maintain at the SHOPPING CENTRE a management office and provide a full time shopping centre manager who shall be responsible for the day to day operation of the SHOPPING CENTRE;

(b) take all such reasonable action as shall be required to prevent:

(i) the use of any premises forming part of the SITE in such manner as to cause a nuisance or to cause annoying noises or vibration or offensive odours;

(ii) the carrying on in any such premises or the display therein of any sign with respect to a discount store type of operation or any "fire sale", "bankruptcy" sale, sale of secondhand merchandise, sale of war surplus merchandise or goods or auction sale or any other activity not in keeping with the character of the SHOPPING CENTRE;

(iii) any such premises being maintained in an unclean or unsanitary condition or any

garbage, refuse or debris being left in or about any part of the SITE except in suitable receptacles (which in the case of refuse and garbage of a perishable nature shall be refrigerated or suitably enclosed) at locations approved by the LANDLORD.

(c) prohibit any display or sale of merchandise in the mall, courts, arcades, parking areas or other COMMON AREA FACILITIES or in any other place in the SHOPPING CENTRE outside the FLOOR AREA of any building, other than

(i) displays of merchandise in display cases and displays and/or sales of merchandise from kiosks installed by the LANDLORD in accordance with the provisions of Section 9.14;

(ii) displays or sales by the TENANT in the SIMPSON OUTDOOR SELLING AREA or by EATON in the EATON OUTDOOR SELLING AREA;

(iii) subject as provided in Section 9.16, displays or sales as part of any SHOPPING CENTRE promotion approved by the LANDLORD.

10.03 The LANDLORD shall cause substantially all of the merchandising tenants at the mall level of the SHOPPING CENTRE, other than the tenants of the SIMPSON BUILDING and the EATON BUILDING, to remain open for business during such hours as the LANDLORD shall determine, which hours shall not be substantially less in number than those of other shopping centres in the same trading area. The LANDLORD shall not make any general change in the hours during which the SHOPPING CENTRE is open for business without first giving the TENANT not less than fifteen (15) days' written notice of its

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intention to make such change.

10.04 The LANDLORD shall consult with the TENANT before leasing any premises in the SHOPPING CENTRE fronting on the areas designated on the SHOPPING CENTRE PLANS as the West Court, the North-West Arcade and the South-West Arcade, and before leasing any premises in the SHOPPING CENTRE for a purpose other than that designated on the Merchandising Plan included with the SHOPPING CENTRE PLANS and shall give due consideration to all recommendations of the TENANT provided however that nothing herein contained shall oblige the LANDLORD to give effect to any views or opinions expressed by the TENANT, except such as are in the opinion of the LANDLORD in the best interests of the SHOPPING CENTRE as a whole.

10.05 The LANDLORD shall heat or cause to be heated the mall, courts and arcades and other enclosed portions of the SHOPPING CENTRE having direct access to the mall, courts and arcades in such manner that such areas will be kept reasonably warm when heat is required and in any event to a temperature of not less than 65°F. and will air-condition such areas whenever air-conditioning is reasonably required by means of air-conditioning equipment having the capacity to maintain therein a temperature of 80°F. dry bulb and 50% relative humidity or other effective temperature in special areas of high latent gain with an outside temperature of 90°F. dry bulb and 75°F. wet bulb, subject only to interruptions caused by breakdowns of the HVAC PLANT or other equipment and while repairs are being made, which breakdowns shall be remedied and repairs made with all reasonable diligence and so as to cause the least possible interference with business in the SHOPPING CENTRE. Such heating and air-conditioning will be done in such a manner that there will be no direct or indirect appropriation of the heating or air-conditioning in the SIMPSON BUILDING.

10.06 The LANDLORD shall adequately light the parking areas, roads and walks of the SHOPPING CENTRE during all evening hours when the SIMPSON BUILDING is open for business to the public.

10.07 The LANDLORD shall at all times provide on one or any combination of the SHOPPING CENTRE LANDS, the FUTURE PARKING AREA and the additional land, if any, referred to in Section 20.02, sufficient land to accommodate not less than six (6) CAR SPACES for each one thousand (1,000) square feet of the total FLOOR AREA of the SIMPSON BUILDING, the EATON BUILDING, and all other buildings in the SHOPPING CENTRE at the OPENING DATE and not less than five (5) CAR SPACES for each one thousand (1,000) square feet of expansion space created pursuant to Article XIX after the OPENING DATE. For the purpose of calculating from time to time the number of CAR SPACES, any part or parts of the parking area which are used for the EATON OUTDOOR SELLING AREA or the SIMPSON OUTDOOR SELLING AREA shall continue to be counted as part of the parking area notwithstanding its use as an outdoor selling area. The LANDLORD shall also comply with all applicable municipal and other governmental restrictions and requirements in respect of parking and zoning, provided that the LANDLORD may withhold compliance with such restrictions and requirements so long as the same are being diligently contested in good faith and so long as such contestation or non-compliance therewith does not render all or any part of the SITE and/or all or any of the buildings and improvements erected thereon subject to sale or forfeiture or otherwise jeopardize the rights of the TENANT.

10.08 The LANDLORD shall supply the TENANT with sufficient hot and chilled water to enable the TENANT to heat and air-condition the SIMPSON BUILDING as required by the terms of this LEASE in accordance with the memorandum annexed hereto as Schedule B, subject only to interruptions caused by breakdowns of the HVAC PLANT or other equipment or while repairs are being made, which breakdowns shall be remedied and repairs made with all reasonable diligence.

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10.09 The LANDLORD shall not

(a) (i) make any sale of or otherwise transfer any interest in the SHOPPING CENTRE LANDS (other than by way of leases of FLOOR AREA for retail, office and other bona fide shopping centre purposes, by way of mortgage, hypothec, charge or other encumbrance as security or by way of granting servitudes or other interests permitted by this LEASE) unless such interest extends to the whole of the SHOPPING CENTRE LANDS and unless the proposed transferee of such interest shall have entered into an agreement with the TENANT under which such transferee covenants that, so long as it retains any interest in the SHOPPING CENTRE LANDS, it will perform the obligations of the LANDLORD hereunder and be bound by all the provisions of this LEASE, including this provision as to sale or transfer, which shall apply to each and every subsequent sale or transfer of any interest in the SHOPPING CENTRE LANDS provided that this paragraph (a) shall not apply to transfers for the purpose of making small adjustments in boundary lines between the SHOPPING CENTRE LANDS and adjacent streets or lands or transfers to municipalities, public authorities or public utilities for slopes, poles, wires, pipes, transformers and like purposes;

(ii) make any sale of or otherwise transfer any interest in the FUTURE PARKING AREA (other than by way of mortgage, hypothec, charge or other encumbrance as security or by way of

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granting servitudes or other interests permitted by this LEASE) which would have the effect of preventing the LANDLORD from complying with the provisions of Article XIX pertaining to the provision of additional parking for the expansion of the SIMPSON BUILDING, unless such interest extends to the whole of the FUTURE PARKING AREA and the SHOPPING CENTRE LANDS and unless the proposed transferee of such interest shall have entered into an agreement with the TENANT under which such transferee covenants that, so long as it retains any interest in the SHOPPING CENTRE LANDS and the FUTURE PARKING AREA, it will perform the obligations of the LANDLORD hereunder and be bound by all the provisions of this LEASE, including this provision as to sale or transfer, which shall apply to each and every subsequent sale or transfer of any interest in the FUTURE PARKING AREA for the period during which it is reserved under the provisions of Article XIX; provided, that this paragraph (a) shall not apply to transfers for the purpose of making small adjustments in boundary lines between the LANDS and AREAS and adjacent streets or lands or transfers to municipalities, public authorities or public utilities, slopes, poles, wires, pipes, transformers and like purposes;

(b) mortgage, hypothecate, charge or otherwise encumber by way of security the SHOPPING CENTRE LANDS and the FUTURE PARKING AREA

(i) except as a whole unless with the prior con-

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sent of the TENANT, which consent shall not be withheld in any case where the rights of the TENANT under this LEASE would not be jeopardized as a result of the giving of such consent;

(ii) unless such mortgage, hypothec, charge or other encumbrance, whether for all or a part of the SHOPPING CENTRE LANDS and the FUTURE PARKING AREA, contains a covenant on the part of the mortgagee or lender

(A) that the priority of this LEASE as set out in paragraph (c) of this Section 10.09 hereof is recognized;

(B) not to take any step to enforce its rights against the SHOPPING CENTRE LANDS and the FUTURE PARKING AREA resulting from any default under such mortgage, hypothec, charge or other encumbrance unless the mortgagee has given notice of such default to the TENANT and the TENANT has failed to remedy such default within the period of fifteen (15) days after the receipt of such notice or such longer period after receipt of such notice as shall be reasonably required to remedy such default with due diligence (provided that if any such longer period shall be reasonably required to remedy such default as aforesaid the TENANT has notified such mortgagee within such period of fifteen (15) days that it intends to remedy such default with due diligence) and such mortgage, hypothec, charge or other encumbrance shall provide that

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the effect of any provision for acceleration of the payment of the principal sum or any part thereof in the event of each such default shall be nullified if the TENANT shall remedy such default as if no default shall have occurred provided, however, that, subject to the foregoing provision of this clause (ii), such nullification shall in no way extend to or be taken in any manner whatever to affect any subsequent default or the rights resulting therefrom; and

(C) that in the event of the mortgagee or lender taking possession of the SHOPPING CENTRE LAND and the FUTURE PARKING AREA or any part thereof, including the premises leased under Article II hereof, it will observe all of the rights of the TENANT hereunder and will require any purchaser or acquirer from it to enter into an agreement with the TENANT containing similar covenants to those contained in this subparagraph (ii); and

(D) that in the event that the mortgagee or lender should sell or otherwise dispose of, or cause to be sold or otherwise disposed of, the SHOPPING CENTRE LANDS and the FUTURE PARKING AREA or any part thereof at a sheriff's sale or other judicial sale or in any other way where the effects of the prior registration of this LEASE would be impaired or nullified, it shall ensure that the said sale or other dispo-

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sition shall be made expressly subject to all the provisions of this LEASE and to all the rights of the TENANT hereunder and, in particular, without limiting the generality of the foregoing, that this LEASE shall be included among the charges in all notices and advertisements of sale and in the list of charges relating to such sale, failing which, without prejudice to the rights and recourses of the TENANT, the party or parties causing such sale or other disposition to be made shall be deemed to have waived or renounced all rights to require security for the amount due under Article 677 of the Code of Civil Procedure of the Province of Quebec or otherwise; and

(iii) unless such proposed mortgagee or lender enters into an agreement with the TENANT to secure to the TENANT the rights to which the TENANT is entitled under the clause to be inserted in such mortgage, hypothec, charge, or other encumbrance pursuant to subparagraph (ii) above:

(c) mortgage, hypothecate, charge or otherwise encumber by way of security the SHOPPING CENTRE LANDS and the FUTURE PARKING AREA except on terms that this LEASE shall have priority over such mortgage, hypothec, charge or encumbrance;

The provisions of paragraphs (b) and (c) shall apply to the FUTURE PARKING AREA only for so long as it is reserved for additional parking for the expansion of the SIMPSON BUILDING or

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the EATON BUILDING and, if less than all the FUTURE PARKING is so reserved, such provisions shall apply only to the part or parts thereof reserved for such additional parking.

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ARTICLE XI

TENANT'S COVENANT TO PAY TAXES

11.01 The TENANT shall pay at its own cost and for its own account when due:

(a) each and every instalment of all real estate taxes, including all municipal, school and water taxes, rates and assessments (including local improvements, rates and assessments and other rates and assessments imposed by any TAXING AUTHORITY) now or at any time charged, levied or assessed against the SIMPSON LAND, the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS or any part thereof and/or against any other improvements at any time standing thereon and/or machinery, accessories and equipment or other facilities therein or thereon and furnish the LANDLORD, within thirty (30) days after each such instalment is due, with proof of such payment;

(b) all utility charges and rates, business taxes, licence fees and similar taxes, rates, charges and assessments which may be levied by any TAXING AUTHORITY against the SIMPSON LAND, the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and/or upon and/or in respect of the contents of and/or the business or activities carried on, upon and/or in connection with the SIMPSON LAND, the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA or the leasing and/or occupancy thereof.

Nothing in this Article XI contained shall obligate the TENANT to pay any tax, rate and assessment levied or assessed under the

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by-laws listed on Schedule "Z1" and "Z2" which has been provided for in subparagraphs (iv) and (vi) of Section 4.01 hereof or any tax rate, assessment or charge levied, assessed or charged against or in respect of the income or capital of the LANDLORD or levied, assessed or charged under the Corporation Tax Act of the Province of Quebec or any successor statute against any place of business of the LANDLORD.

11.02 The LANDLORD and the TENANT shall use their best efforts to obtain from the TAXING AUTHORITY separate tax bills and assessments for the SIMPSON LAND, the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the other areas, buildings and improvements in the SHOPPING CENTRE and the SITE. In the event that separate tax assessments and tax bills cannot be obtained and the SITE and the SHOPPING CENTRE are valued, assessed and taxed as a whole, for the purposes of this Article, and for all other purposes of this LEASE relating to the payment of taxes, rates and assessments, the taxes, rates and assessments imposed on the SITE and the SHOPPING CENTRE shall be allocated among the various buildings, improvements and lands forming part of the SHOPPING CENTRE and the SITE in accordance with the following provisions and such taxes, rates and assessments so allocated shall be dealt with hereunder in the same manner as if the taxes, rates and assessments so allocated were the result of separate tax assessments and tax bills for such buildings, improvements and lands:

(i) the total taxes, rates and assessments imposed on the buildings and improvements on the SITE (apart from land) shall be allocated among the various buildings and improvements (including the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS) in the ratio which the

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contract cost of the particular building and/or improvements to which such taxes are to be attributed bears to the total contract cost of all buildings and improvements on the SITE; and

(ii) the total taxes, rates and assessments imposed on the land comprising the SITE (apart from the buildings and improvements thereon) shall be allocated among the SIMPSON LAND, the EATON LAND, the FUTURE PARKING AREA, the EATON AUTOMOTIVE CENTRE LANDS, the SIMPSON AUTOMOTIVE CENTRE LANDS, and the land on which is situate the FLOOR AREA in the buildings forming part of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS, the sidewalks and landscaped area adjoining such buildings and the truck receiving courts forming part of such IMPROVEMENTS, respectively, in the ratio which the area of the lands to which such taxes are to be allocated bears to the total area of the SITE and the balance of such taxes not allocated to any of the foregoing lands shall be allocated to COMMON AREA FACILITIES; and

(iii) in the event such taxes, rates and assessments are to be so allocated, the LANDLORD forthwith upon receipt of the tax bills and assessments, shall allocate such taxes in the manner aforesaid and shall send a copy of such allocation to the TENANT together with an invoice for the amount of such taxes, rates and assessments to be paid by the TENANT, which amount shall be payable by the TENANT to the LANDLORD on the day on which such taxes, rates and assessments are to be paid by the LANDLORD pursuant to the terms hereof. The LANDLORD shall pay the total amount of such

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taxes, rates and assessments as and when the same become due and payable unless the same are being contested by the LANDLORD or the TENANT in the manner provided in this Article or in Article XII. In the event that the TENANT shall dispute the allocation so made by the LANDLORD or the amount for which it shall have been invoiced by the LANDLORD such dispute shall be settled by arbitration. Notwithstanding any such dispute, the TENANT shall pay to the LANDLORD the amount set forth in the said invoice and, upon the settlement of any such dispute, any necessary adjustment shall be made. Any amount owing by the LANDLORD to the TENANT as a result of any such settlement may, if not paid by the LANDLORD, be deducted from the rent payable by the TENANT under this LEASE.

11.03 Should the TENANT fail to pay, when due, any taxes, rates, assessments, fees or other charges referred to herein, the LANDLORD shall have the right to pay the same at the expense of the TENANT and the amount so paid shall be forthwith repaid by the TENANT to the LANDLORD and may be collected by the LANDLORD as additional rent, the whole in addition to and without derogation from all of the LANDLORD'S rights under this LEASE, unless the said taxes, rates, assessments, fees or other charges are being diligently contested in good faith by the TENANT, in which case the TENANT may withhold payment of the same; provided the TENANT pays all costs of contestation and provides such security as the LANDLORD may reasonably require for the payment of such taxes, rates, assessments, fees or other charges, so contested, and provided further that such contestation or non-payment does not render the SIMPSON LAND and/or the SIMPSON BUILDING and/or the SIMPSON SHOPPING CENTRE IMPROVEMENTS subject to sale or forfeiture.

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11.04 The LANDLORD shall use its best efforts to keep the TENANT informed of all discussions and proposed negotiations with any TAXING AUTHORITY with the intent that the TENANT shall have the right to participate in any discussions and negotiations which might affect its rights or obligations under this LEASE. The LANDLORD hereby grants to the TENANT the right to contest by proper proceedings any taxes, rates, assessments, fees or other charges which might affect its rights or obligations under this LEASE and agrees to execute such further and other documents as may be reasonably required to make such right of contestation effective.

11.05 Should changes be made in the method of levying or collecting any tax, rate, assessment or other charges to be paid under the provisions of this Article or under Article XII, by either the LANDLORD or the TENANT, or should any new tax, rate, assessment or charge be levied or imposed in lieu of or in addition to those contemplated by the provisions of such Articles, the LANDLORD and the TENANT hereby agree to negotiate an amendment or new provision for this LEASE as is necessary to deal with such change with fairness between them and in an equitable manner so as to obviate any injustice or inequity which shall have arisen, and should the LANDLORD and the TENANT fail to agree on such amendment or new provision the same shall be settled by reference to arbitration.

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ARTICLE XII

LANDLORD'S COVENANT TO PAY TAXES

12.01 The LANDLORD shall pay or cause to be paid when due:

(a) each and every instalment of all real estate taxes, including all municipal, school and water taxes, rates and assessments (including local improvement rates and assessments, and other rates and assessments imposed by any TAXING AUTHORITY) now or at any time charged, levied or assessed against the SHOPPING CENTRE and/or the SITE and the buildings and improvements at any time standing thereon and/or the machinery, accessories and equipment or other facilities now or at any time brought therein or thereon other than such as are the responsibility of the TENANT under the provisions of Article XI;

(b) all utility charges and rates, business taxes, license fees and similar taxes, rates, charges and assessments which may be levied by any TAXING AUTHORITY against the SHOPPING CENTRE and/or the SITE and/or upon and/or in respect of the buildings and improvements thereon and the contents thereof and/or the leasing or occupancy thereof and/or the business or activities carried on therein or thereon other than such as are the responsibility of the TENANT under the provisions of Article XI;

provided, however, that nothing herein contained shall oblige the LANDLORD to pay any tax, rate, assessment or charge levied, assessed or charged against or in respect of the income or

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capital of the TENANT or levied, assessed or charged under the Corporation Tax Act of the Province of Quebec or any successor statute against any place of business of the TENANT.

12.02 Should the LANDLORD fail to pay, when due, any taxes, rates, fees or assessments or other charges referred to herein, the TENANT shall have the right to pay the same at the expense of the LANDLORD and the amount so paid shall be forthwith repaid by the LANDLORD to the TENANT and the TENANT shall have the right to deduct the same from rent payable hereunder, the whole in addition to and without derogation from all of the TENANT'S rights under this LEASE, unless the said taxes, rates, fees or assessments are being diligently contested in good faith by the LANDLORD, in which case the LANDLORD may withhold payment of the same; provided the LANDLORD pays all costs of contestation and provides such security as the TENANT may reasonably require for the payment of such taxes, rates, fees and assessments so contested, and provided further that such contestation or non-payment does not render any lands, buildings, improvements or facilities subject to sale or forfeiture.

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ARTICLE XIII

TENANT'S COVENANTS TO MAINTAIN AND REPAIR

13.01 Notwithstanding any provisions of the Civil Code or any other applicable law or regulation, the TENANT agrees, subject to the provisions of Section 17.06, to maintain the SIMPSON BUILDING and, save as provided in Section 14.04, the SIMPSON SHOPPING CENTRE IMPROVEMENTS, as a careful owner would do, and accordingly the TENANT will at all times during the ORIGINAL TERM of this LEASE and any renewals thereof, at its own cost and expense, for its own account diligently carry out, make or cause to have carried out and made all repairs, major and minor, and maintenance (including repairs usually referred to as "grosses reparations") structural or otherwise, exterior or interior, including those made necessary by age or irresistible force, whether usually made by landlords or tenants, to the SIMPSON BUILDING and, save as aforesaid, the SIMPSON SHOPPING CENTRE IMPROVEMENTS, and other improvements from time to time therein or thereon and all equipment, machinery and other facilities therein, thereon or used in connection therewith or any part or portion thereof and will repair, replace, rebuild or reconstruct the same or any part thereof which may become worn, dilapidated or destroyed, in whole or in part, and, without limiting the generality of the foregoing, will repair, replace, rebuild or reconstruct the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS together with all structures, erections, roofs, foundations and appurtenances, water, sewer and gas connections, wiring, pipes and mains and all other fixtures, machinery, facilities and equipment belonging to or connected therewith or any part thereof or used in the operation thereof and whether owned by the LANDLORD or the TENANT; provided however, that nothing herein contained shall oblige the TENANT to repair, replace, rebuild or reconstruct any COMMON

UTILITIES unless such repair shall be occasioned by the negligence of the TENANT or the improper use of such COMMON UTILITIES by the TENANT and provided further that the TENANT shall be under no obligation to replace, rebuild or reconstruct any fixtures, whether moveable or immoveable installed in the SIMPSON BUILDING by the TENANT so long as such fixtures while in or forming part of the SIMPSON BUILDING remain in good repair. The provisions of this Article XIII shall apply to the TENANT with respect to the portion of the parking area used from time to time by it for the SIMPSON OUTDOOR SELLING AREA.

13.02 The LANDLORD and any employee, servant or agent of the LANDLORD shall be entitled at any reasonable time to enter and examine the state of maintenance, repair and order of the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS, all equipment and fixtures therein or thereon and any improvements now or hereafter made to the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the LANDLORD may give notice to the TENANT requiring that the TENANT perform the maintenance required by Section 13.01 or effect the repairs or replacements required by Section 13.01 as may be found necessary from such examination. The failure of the LANDLORD to give such notice shall not, however, relieve the TENANT from its obligations to maintain, repair and keep the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and appurtenances in the condition required by this LEASE.

13.03 In the event of any grosses reparations or capital or structural repair, replacement, rebuilding or reconstruction of the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS becoming necessary (and if a governmental body or agency of competent jurisdiction orders any such grosses reparations, capital or structural repair, replacement, rebuilding or reconstruction, such order shall be prima facie evidence that same has become necessary), the TENANT shall perform the same but

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before commencing or causing to be commenced any work in that respect shall submit the plans and specifications for the exterior elevations (including the elevations fronting on the mall, courts and arcades) and for the points of contact of such work with the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS to the LANDLORD for approval, which approval shall not be withheld or delayed so long as the proposed work will not result in any substantial decrease in the market value of the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS and so long as after the completion of such work the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS will comply with the provisions of Section 13.06 hereof. Notwithstanding the foregoing, the plans and specifications in respect of any grosses reparations, repair, replacement or rebuilding required by any governmental body or agency of competent jurisdiction shall be approved by the LANDLORD unless the LANDLORD, on reasonable grounds, shall not be satisfied with the proposed design or mode of construction and such design or mode of construction shall not be a part of the governmental requirement. Forthwith after such approval has been obtained, the TENANT shall proceed with such work with all reasonable speed.

13.04 In the event of the failure on the part of the TENANT to comply with the provisions of this Article, the LANDLORD shall have the right to take all such action as shall be reasonably required to remedy such failure on the part of the TENANT, provided that the LANDLORD shall take no action under this section unless it has given the TENANT thirty (30) days' notice of the failure complained of and the LANDLORD'S intention to remedy the same (or, in case such failure is of such a nature that it could reasonably be expected to result in serious damage or harm to the LANDLORD or to the SHOPPING CENTRE, such shorter period of notice as shall be reasonable in the circumstances) and the TENANT has not taken action in a diligent manner within

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the period of said notice to remedy such failure. Any costs incurred by the LANDLORD in taking any such action shall be immediately payable by the TENANT to the LANDLORD as additional rent.

13.05 All repairs, maintenance and other obligations of the TENANT under this Article shall be made by it in conformity with all applicable statutes, regulations and by-laws of all competent governmental authorities and the TENANT shall, before proceeding to commence or to effect the same, obtain at its own cost and if required in the name of the LANDLORD, all requisite licenses, permits and governmental permissions. All repairs, replacements, rebuildings and reconstructions to be made by the TENANT under this Article shall be made as expeditiously as possible and in such manner as to cause the least possible interference with the operations of the SHOPPING CENTRE. All repairs, replacements, rebuildings and reconstructions shall be made by contractors approved by the LANDLORD, which approval shall not be unreasonably withheld, provided that such approval may be withheld by the LANDLORD if, on reasonable grounds, the LANDLORD anticipates conflicts arising from the conflicting jurisdiction of labour unions or the absence of labour union affiliation.

13.06 After the completion of any such repairs, replacements, rebuildings and reconstructions, the exterior architectural treatment of the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS shall conform to the architectural treatment of the SHOPPING CENTRE as a whole, the FLOOR AREA of the SIMPSON BUILDING shall not be less than one hundred and twenty thousand (120,000) square feet and shall not exceed one hundred and eighty thousand (180,000) square feet (unless the TENANT shall have complied with the provisions of Article XIX hereof) and the functional utility and integration thereof with the remainder of the SHOPPING CENTRE shall not have been materially reduced. Provided the foregoing requirements and the requirements of Section 13.03 are

met the plan, design, form, shape and appearance of the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS after any such repair, replacement, rebuilding or reconstruction need not be the same as the plan, design, form, shape and appearance thereof prior to such repair, replacement, rebuilding or reconstruction. If any dispute shall arise as to whether the requirements of this Section will or have been met or as to the extent of any decrease in the market value of the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS under Section 13.03, such dispute shall be settled by arbitration.

13.07 At the termination of this LEASE, the TENANT will quit the SIMPSON LAND, the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA and shall have no rights therein and will peaceably surrender, yield and deliver the same up to the LANDLORD with other improvements thereon and all equipment, machinery, fixtures and other facilities therein, thereon or used in connection therewith (save such fixtures as are herein specifically excepted) in the condition in which the TENANT is required to maintain the same by the provisions of this LEASE and the same shall thereupon become the property of the LANDLORD and no compensation shall be paid by the LANDLORD to the TENANT therefor. Provided that at the termination hereof, the TENANT shall have the right to remove all fixtures, whether moveable or immoveable, installed by it, but the TENANT shall make good the damage or injury caused to the SIMPSON BUILDING, to the SIMPSON SHOPPING CENTRE IMPROVEMENTS and to the SIMPSON OUTDOOR SELLING AREA that shall have resulted from the installation and/or removal of such fixtures.

13.08 The LANDLORD and the TENANT agree one with the other that should any damage result from the doing of any work by one of the parties hereto to the premises of the other then the party doing the work or causing the same to be done shall be responsible in the absence of any neglect, wilful act or act of

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omission or commission on the part of the party injured; the LANDLORD and the TENANT hereby further agree that they will indemnify each other and save each other harmless from and in respect of all losses, costs and damages (including damages for personal injury or death) incurred by reason of the act of the party doing such work and to give effect to the foregoing provisions the party causing such work to be done shall, in the event of any action being taken in respect of the foregoing, defend such action in the name of the other or otherwise so that the other party shall suffer no loss or harm by reason thereof.

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ARTICLE XIV

LANDLORD'S COVENANTS TO MAINTAIN AND REPAIR

14.01 The LANDLORD agrees to maintain the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS as a careful owner would do, and accordingly will at all times during the ORIGINAL TERM of this LEASE and any renewal thereof, diligently carry out, make or cause to have carried out and made, all repairs, major and minor, and maintenance (including repairs usually referred to as "grosses reparations"), structural or otherwise, interior or exterior, including those made necessary by age or irresistible force, to the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS and other improvements from time to time therein or thereon and all equipment, machinery or other facilities therein, thereon or used in connection therewith or any part or portion thereof and will repair, replace, rebuild and reconstruct the same or any part thereof which may become worn, dilapidated or destroyed, in whole or in part, and without limiting the generality of the foregoing, will repair, replace, rebuild or reconstruct the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS together with all structures, erections, roofs, foundations and appurtenances, water, sewer and gas connections, wiring, pipes and mains and all other fixtures, machinery, facilities and equipment belonging to or connected therewith or any part thereof or used in the operation thereof. In the event of any "grosses reparations" or capital or structural repair, replacement, rebuilding or reconstruction, the LANDLORD shall carry out the same in such manner that the building, improvement or facility so repaired, replaced, rebuilt or reconstructed, is in the same form, as nearly as may be, as it was prior to such repair, replacement, rebuilding or reconstruction unless the LANDLORD shall intend to alter the form of such building, improvement or facility in which event the LANDLORD shall submit the plans and specifications therefor to the TENANT for approval, which approval shall not be

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withheld or delayed if after such proposed repair, replacement, rebuilding or reconstruction:

(a) the FLOOR AREA of the buildings in the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS is not reduced by more than twenty percent (20%) from the FLOOR AREA thereof on the OPENING DATE;

(b) the functional utility and integration of the buildings, improvements or facility so to be repaired, replaced, rebuilt or reconstructed with the remainder of the SHOPPING CENTRE shall not be materially reduced;

(c) the exterior architectural treatment of the building, improvement or facility so to be repaired, replaced, rebuilt or reconstructed (including the elevations fronting on the mall, courts and arcades) shall conform to the architectural treatment of the SHOPPING CENTRE as a whole; and

(d) the traffic or parking patterns in the SHOPPING CENTRE are not altered to the material detriment of the TENANT and the interests of the TENANT are not otherwise detrimentally affected to a material degree.

If any dispute shall arise as to whether the requirements of this Section have been met, such dispute shall be settled by arbitration.

14.02 As and from the OPENING DATE, the LANDLORD shall seed with grass and maintain a fifty (50) foot strip bordering the parking areas on the south and east sides of the SHOPPING CENTRE until such time as the FUTURE PARKING AREA is utilized pursuant to the terms of this LEASE or reverts to the LANDLORD as herein set out.

14.03 The covenant of the LANDLORD to repair and maintain,

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as contained in Section 14.01 of this Article insofar as it relates to areas used from time to time for the parking of vehicles, roads and sidewalks, shall be deemed to include a covenant to keep such areas in a condition of good repair, and without limiting the generality of the foregoing to:

(a) maintain a reasonably smooth surface thereon, evenly covered with the type of surfacing material originally installed thereon or such substitute therefor as shall in all respects be equal thereto in quality, use and durability;

(b) remove or cause to be removed therefrom all papers, debris, snow, ice, filth and refuse when reasonably necessary;

(c) keep the surfaces thereof sanded or treated with some other abrasive and/or keep the same salted when reasonably required; and

(d) keep the curbs, lighting equipment, sewers, drains and other installations therein or thereon in good repair and condition.

Insofar as such covenant and the covenant in Section 14.02 relate to landscaped areas, the same shall be deemed to include covenants to cut and weed all grass when reasonably necessary, to prune and spray all trees when reasonably necessary, to maintain all planting beds, and to water, fertilize and replace grass, trees, shrubs, flowers and beds when reasonably necessary.

Insofar as such covenants relate to the mall, courts and arcades, they shall be deemed to include covenants to maintain the mall, courts and arcades in a clean and sanitary condition and otherwise as will permit their use at all times for the purposes for which they are intended subject only to such interruptions as shall be necessary to complete repairs, replacements, rebuildings and reconstructions.

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Insofar as such covenants relate to the COMMON UTILITIES, the same shall be deemed to include a covenant to maintain the COMMON UTILITIES in such condition as will enable the supply of utilities to be provided subject only to such interruptions as shall be necessary to complete repairs, replacements, rebuildings and reconstructions.

14.04 Notwithstanding the provisions of Section 13.01, the LANDLORD shall perform all cleaning, snow removal and sanding in connection with the sidewalks and truck receiving court forming part of the SIMPSON SHOPPING CENTRE IMPROVEMENTS up to the same standard as is applied to similar areas elsewhere in the SHOPPING CENTRE and will care for the landscaped areas forming part of the SIMPSON SHOPPING CENTRE IMPROVEMENTS up to the same standard as is applied to the landscaped areas elsewhere in the SHOPPING CENTRE. For the purposes of Section 9.03, any expenditures made by the LANDLORD for such purposes shall be deemed to be costs of maintaining and operating COMMON AREA FACILITIES. If at any time the TENANT is not satisfied with such cleaning, snow removal, sanding, maintenance and care so provided by the LANDLORD, the TENANT may, on thirty (30) days' written notice to the LANDLORD, elect to itself perform the same, in which event the LANDLORD shall credit to the TENANT in each year an amount equal to the savings to the LANDLORD (calculated on the basis of the LANDLORD'S costs in respect of performing such services elsewhere in the SHOPPING CENTRE) by reason thereof. A calculation of the amount to be credited to the TENANT shall be included in the statement to be delivered by the LANDLORD to the TENANT under Section 9.08 hereof. The TENANT may at any time and at its own cost, elect to do additional landscaping in the landscaped areas forming part of the SIMPSON SHOPPING CENTRE IMPROVEMENTS in addition to that provided by the LANDLORD in accordance with the foregoing provisions. If the TENANT elects to perform any work pursuant to the provisions of this Section

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the TENANT shall perform such work to at least the same standard as that to which similar work is being performed by the LANDLORD elsewhere in the SHOPPING CENTRE.

14.05 Any repairs, replacements, rebuildings and reconstructions to be made by the LANDLORD under this Article shall be made as expeditiously as possible and in such manner as to cause the least possible interference with the operations of the SIMPSON BUILDING and the remainder of the SHOPPING CENTRE.

14.06 In the event of the failure on the part of the LANDLORD to comply with the provisions of this Article, after the expiration of the ORIGINAL TERM of this LEASE, the TENANT shall have the right to take all such action as shall be reasonably required to remedy such failure on the part of the LANDLORD and all costs incurred by the TENANT or its agent shall immediately be payable by the LANDLORD to the TENANT and the TENANT shall have the right to deduct the said amount from the rent payable hereunder, provided however that the TENANT shall take no action under this Section

(i) unless the TENANT shall have given the LANDLORD written notice of the failure complained of and of the TENANT'S intention to remedy the same, which notice shall specify in reasonable detail the action proposed to be taken;

(ii) if, within ten (10) days after its receipt of such notice, the LANDLORD shall have advised the TENANT that it disputes the existence of any such failure on its part, until the dispute shall have been settled by arbitration; and

(iii) unless the LANDLORD shall not have commenced action to remedy such failure with reasonable diligence within the period of thirty (30) days after its receipt of such notice or after the decision of such arbitration, as the case may be,

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or, depending on the subject matter of such failure, within such longer period after the receipt of such notice or such decision as is reasonable under the circumstances;

provided however that if the failure on the part of the LANDLORD shall be of such a nature as to adversely affect the business of the TENANT to a material degree or otherwise cause serious harm or damage to the TENANT or to the SHOPPING CENTRE, the foregoing subparagraphs (i), (ii) and (iii) shall not be applicable and the TENANT shall be entitled to take action under this Section if it shall have given the LANDLORD such notice of such failure as shall be reasonable in the circumstances and the LANDLORD shall not have taken action in a diligent manner within the period of such notice to remedy such failure.

ARTICLE XV

COVENANTS TO COMPLY AND CONFORM
TO APPLICABLE STATUTES, LAWS, ETC.

15.01 The TENANT shall during the ORIGINAL TERM hereof and any renewal term, comply with and conform to the requirements of every applicable statute, law, by-law, regulation, ordinance and order from time to time or at any time in force, and affecting the condition, equipment, maintenance, use or occupation of the SIMPSON LAND, the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA during all periods of its use by the TENANT and all equipment, machinery and facilities therein or thereon and with every applicable regulation, order and requirement of The Canadian Fire Underwriters Association or any person or body having similar functions and/or any liability or fire insurance company by which the LANDLORD and TENANT or either of them may be insured. The TENANT shall have the right to contest by proper proceedings the validity of any such statute, law, by-law, regulation, ordinance, requirement or order and may postpone compliance therewith until the final determination of such proceedings provided that such proceedings shall be prosecuted with due diligence and dispatch and provided further that such postponement shall not subject any part of the SHOPPING CENTRE to forfeiture or sale. In the event of the failure on the part of the TENANT to comply with the provisions of this Section 15.01, the LANDLORD shall have the right to take any necessary action at the cost of the TENANT, provided that, unless the LANDLORD shall be of the reasonable opinion that any delay would cause serious damage or harm to the LANDLORD or the SHOPPING CENTRE or involve the probability of serious legal action against the LANDLORD, the LANDLORD has given the TENANT thirty (30) days' notice of the LANDLORD'S intention to take such action and the TENANT has failed to commence such work in a

diligent manner within the said thirty (30) day period and all outlays by the LANDLORD or its agent shall immediately be payable by the TENANT to the LANDLORD as additional rent.

15.02 The LANDLORD shall, during the ORIGINAL TERM hereof and any renewal term, comply with and conform to the requirements of every applicable statute, law, by-law, ordinance, regulation and order from time to time or at any time in force and affecting the condition, equipment, maintenance, use or occupation of the SITE (other than the SIMPSON LAND and the SIMPSON AUTOMOTIVE CENTRE LANDS) and all equipment, machinery and facilities therein or thereon and with every applicable regulation, order and requirement of The Canadian Fire Underwriters Association or any person or body having similar functions and/or any liability or fire insurance company by which the LANDLORD may be insured. The LANDLORD shall have the right to contest by proper proceedings the validity of any such statute, law, by-law, ordinance, regulation or order and may postpone compliance therewith until the final determination of such proceedings, provided that such proceedings shall be prosecuted with due diligence and dispatch and provided further that such postponement shall not subject any part of the SITE to forfeiture or sale. In the event of the failure on the part of the LANDLORD to comply with the provisions of this Section 15.02 and if, in the reasonable opinion of the TENANT such failure could result in the forfeiture or sale of any part of the SITE or material damage or harm to the TENANT or to the SHOPPING CENTRE, the TENANT may, on thirty (30) days' notice to the LANDLORD (or on such shorter notice as shall be reasonable in the circumstances), take any necessary action to remedy such failure and all outlays by the TENANT or its agent for such purpose shall immediately be payable by the LANDLORD to the TENANT and the TENANT may deduct the same from the rent payable hereunder.

ARTICLE XVI

COVENANT AS TO PAYMENT OF MORTGAGES

16.01 The LANDLORD covenants and agrees that it will pay as and when the same fall due, all amounts payable under any mortgage, hypothec, charge or encumbrance affecting the interest of the LANDLORD in the SITE or any part thereof and/or any improvements thereon and will perform all covenants under any such mortgage, hypothec, charge or encumbrance and will not suffer to exist any default thereunder.

16.02 The TENANT covenants and agrees that it will pay as and when the same fall due all amounts payable under any mortgage, hypothec, charge or encumbrance of the interest of the TENANT in the SIMPSON LAND, the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and will perform all covenants under any such mortgage, hypothec, charge or encumbrance and will not suffer to exist any default thereunder.

16.03 In the event of any default by the LANDLORD in its obligations under this Article, the TENANT may, but need not, take such action as is required to cure such default and any amount expended by the TENANT for such purpose shall be paid forthwith by the LANDLORD to the TENANT and such amounts may be deducted by the TENANT from the rent payable hereunder, provided that in respect of any default under any mortgage, hypothec, charge or encumbrance the TENANT shall take no action to cure such default unless and until, within the period of ten (10) days after the TENANT shall have received notice of such default from the mortgagee, hypothecary creditor or other encumbrancer, the LANDLORD shall have failed to remedy such default or to satisfy the TENANT on reasonable grounds that it is proceeding to remedy such default and will remedy the same within the period of delay, if any, permitted under such mortgage, hypothec, charge or other encumbrance.

ARTICLE XVII

TENANT'S INSURANCE, DESTRUCTION AND REBUILDING

17.01 During the ORIGINAL TERM of this LEASE and any renewals hereof, the TENANT shall at its own cost and expense, insure or cause to be insured and shall take out and keep in force public liability and property damage insurance (naming the LANDLORD and the TENANT as insured parties) in the amount of at least two million dollars ($2,000,000) or such greater amount as the LANDLORD may reasonably require from time to time for injury or damage to any one person or damage arising out of any one accident, with a recognized insurance company or companies reasonably acceptable to the LANDLORD and qualified to do business in the Province of Quebec and to effect such insurance. The TENANT shall furnish to the LANDLORD for its approval certificates of the insurance company or companies evidencing the maintenance of such insurance and the coverage effected thereby, or, if required by any hypothecary creditor, copies of the insurance policies themselves. The TENANT shall advise the LANDLORD of any cancellation or change in the nature of any such policies. Should the TENANT fail to effect and to keep such insurance in force, or should such insurance not be approved by the LANDLORD, and should the TENANT not rectify such situation within forty-eight (48) hours after written notice by the LANDLORD to the TENANT (stating, if the LANDLORD does not approve of such insurance, the reason therefor) the LANDLORD shall have the right, without assuming any obligation in connection therewith, to effect such insurance at the cost of the TENANT and all outlays by the LANDLORD shall be immediately payable by the TENANT to the LANDLORD as additional rent, without prejudice to any other rights and recourses of the LANDLORD hereunder.

17.02 During the ORIGINAL TERM of this LEASE and any renewals hereof, the TENANT shall at all times insure at its own cost and

expense the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and all improvements, equipment, machinery and other facilities therein or thereon or used in connection therewith or any portion or portions thereof, against all losses by fire and all other hazards covered by policies and supplemental insurance contracts normally in use from time to time for buildings and improvements of a similar nature similarly situated in an amount equal at all times to not less than the full replacement value thereof, excluding the cost of foundations and footings and permitting a reasonable deductible amount of loss approved by the LANDLORD which approval shall be given if such amount does not exceed two percent (2%) of the amount insured. If required by the LANDLORD, the TENANT shall effect boiler and pressure vessel insurance in such amounts as the LANDLORD shall from time to time reasonably require, having relation to the nature of the boilers and pressure vessels utilized by the TENANT. Such insurance shall name the LANDLORD, its hypothecary creditors (including any trustee for bondholders) and the TENANT as insured parties with losses payable to such parties as their respective interest may appear. Save as provided in Section 17.06, the proceeds of any loss shall be applied to the repair, replacement, rebuilding or restoration of the property damaged or destroyed. The TENANT shall furnish to the LANDLORD certificates of the insurance companies evidencing the maintenance of such insurance and the coverage effected thereby, or, if required by any hypothecary creditor, copies of the insurance policies themselves, which shall at all times be carried by a recognized insurance company or companies qualified to effect such insurance and to do business in the Province of Quebec and reasonably acceptable to the LANDLORD and its hypothecary creditors. The TENANT shall advise the LANDLORD of any cancellation or change in the nature of any such policies. Should the TENANT fail to effect and keep such insurance in force or should

such insurance not be reasonably acceptable to either the LANDLORD or its hypothecary creditors, and should the TENANT not rectify such situation within forty-eight (48) hours after written notice by the LANDLORD to the TENANT (stating, if the LANDLORD does not accept such insurance the reason therefor) the LANDLORD shall have the right to effect such insurance at the cost of the TENANT and all outlays by the LANDLORD shall be immediately payable by the TENANT to the LANDLORD as additional rent without prejudice to any other rights and recourses of the LANDLORD hereunder.

17.03 Notwithstanding the provisions of the Civil Code of the Province of Quebec, if during the ORIGINAL TERM of this LEASE or any renewals hereof, the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS, or any improvements, equipment, machinery or other facilities thereon or therein are totally or partially destroyed by any cause whatsoever, there shall be no abatement of rent hereunder.

17.04 If the total proceeds of all policies of insurance in respect of any one loss arising out of damage are not in excess of fifty thousand dollars ($50,000) and if the TENANT is not in default hereunder, the LANDLORD shall release its interest and shall cause any hypothecary creditor to release its interest up to the said amount of fifty thousand dollars ($50,000) in and to any insurance moneys payable under the policies of insurance required to be maintained hereunder by the TENANT so that the same may be made available to the TENANT for the sole purpose of making expenditures for the required repairing, replacement, rebuilding and restoration or to compensate the TENANT in the event that such expenditures have been made by the TENANT with its own funds. If the total insurance proceeds with respect to any one loss arising out of damage or destruction are in excess of fifty thousand dollars ($50,000), the same shall be paid to the LANDLORD and the TENANT and any hypothecary creditor, in

trust, to be used for the purpose of repair, replacement, rebuilding and/or restoration by the TENANT as hereinafter provided. In the event that the total insurance proceeds available for the repair, replacement, rebuilding and/or reconstruction and/or restoration of the SIMPSON BUILDING and/or the SIMPSON SHOPPING CENTRE IMPROVEMENTS and any improvements, equipment, machinery and facilities thereon or therein (hereafter called the "available insurance proceeds") shall not be sufficient to fully repair and/or replace and/or rebuild and/or restore the same, the TENANT shall pay to the LANDLORD, in trust, for the said purposes, the amount of the deficiency and the TENANT shall promptly proceed at its own cost and expense to restore the SIMPSON BUILDING and/or the SIMPSON SHOPPING CENTRE IMPROVEMENTS or the parts thereof so damaged. Prior to the commencement of construction, the TENANT shall furnish to the LANDLORD a written estimate of an architect qualified to practice in the Province of Quebec selected by the TENANT and approved by the LANDLORD (which approval shall not be unreasonably withheld) of the total cost to fully effect the repairs, rebuilding, replacement and/or restoration required to be made by the TENANT. The available insurance proceeds shall be used for the purpose of the repair, rebuilding and restoration to be effected by the TENANT and for such purpose shall be disbursed to or to the order of the TENANT as the work proceeds, in the following manner:

> eighty-five percent (85%) of the amount certified in writing to the LANDLORD by such architect to have been expended by the TENANT in or towards such work and not covered by prior certificates, provided that if such architect certifies that the TENANT has held back fifteen percent (15%) of the COST of the work then completed, then one hundred percent (100%) of the amount expended shall be paid to the TENANT or to its order and the balance, if any, to the TENANT after

such work has been fully completed and after all periods for the exercise or registration of privileges or liens of any nature have expired; provided, however that if the cost of the work as estimated by the architect prior to the commencement by the TENANT of the work shall be greater than the total amount of the available insurance proceeds, the TENANT shall pay to the LANDLORD and the TENANT, in trust, the amount of any such excess which amount shall be expended hereunder for such purposes prior to any of the available insurance proceeds being expended for the said purposes, and provided also that if such repair, reconstruction and/or restoration are completed by the TENANT for less than the total amount of the available insurance proceeds, the TENANT shall be entitled to receive such excess of the available insurance proceeds upon completion of the work and after all periods for the exercise or registration of privileges and liens have expired; if the TENANT shall fail to receive any such proceeds by reason of any default of the LANDLORD, the TENANT shall be entitled to deduct the amount thereof from the rent payable hereunder.

17.05 Any repairs, replacements, rebuilding and/or restoration required to be effected by the TENANT under the provisions of this Article shall be carried out by the TENANT in accordance with the provisions of Article XIII hereof and, without limiting the generality of the foregoing, the provisions of Sections 13.04, 13.05, 13.06 and 13.07 shall be applicable thereto.

17.06 Notwithstanding anything in this LEASE contained, if the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS or any parts thereof shall be damaged or destroyed within the period of eighteen (18) months before the expiration of the ORIGINAL TERM hereof or any renewal term hereof, to the extent that the cost of repair, restoration or reconstruction, as

determined by the parties hereto or, failing agreement, by arbitration in accordance with Article XXV, exceeds fifty percent (50%) of the full insurable value (excluding foundation and excavation costs) of the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and if the TENANT shall not have given notice of the exercise of its option to renew this LEASE pursuant to Section 3.02, the TENANT shall not be required to repair, restore, rebuild or reconstruct the damaged or destroyed portion(s) or the whole thereof, as the case may be, if the TENANT so advises the LANDLORD within thirty (30) days after such damage or destruction and confirms that the TENANT has not or will not exercise its option to renew this LEASE. If the TENANT so advises the LANDLORD, then on the termination of this LEASE the TENANT shall release to the LANDLORD its interest in all insurance policies and insurance proceeds payable in respect of the damage or destruction to the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS. Any such insurance proceeds shall, as soon as reasonably possible, pending the termination of this LEASE, be invested in securities of or guaranteed by the Government of Canada or any Province thereof maturing within two (2) years from the date of investment or in certificates of deposit of any chartered bank in Canada or of guaranteed investment certificates of any trust company in Canada approved by the LANDLORD (which approval shall not be unreasonably withheld) payable at the option of the payeee prior to the termination of this LEASE, and the interest from such investments shall be paid to the TENANT.

17.07 No insurance taken out by the LANDLORD for the TENANT at the TENANT'S expense as provided for in this Article shall relieve the TENANT of its obligation to insure hereunder and the LANDLORD shall not be liable for any loss or damage suffered by the TENANT in connection therewith.

ARTICLE XVIII

LANDLORD'S INSURANCE

18.01 During the ORIGINAL TERM of this LEASE and any renewals hereof, the LANDLORD shall at its own cost and expense, insure or cause to be insured and shall take out and keep in force public liability and property damage insurance in the amount of at least two million dollars ($2,000,000), or such greater amount as may be required from time to time because of the nature of the LANDLORD'S business in the SHOPPING CENTRE, for injury or damage to any one person or damage arising out of any one accident, with a recognized insurance company or companies qualified to carry on business in the Province of Quebec and to effect such insurance. The LANDLORD shall from time to time at the request of the TENANT supply the TENANT with evidence reasonably satisfactory to the TENANT of the insurance carried by the LANDLORD pursuant to this Section.

18.02 During the ORIGINAL TERM of this LEASE and any renewals hereof, the LANDLORD shall at all times insure the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS and the COMMON AREA FACILITIES and all improvements, equipment, machinery and other facilities therein or thereon or used in connection therewith or any portion or portions thereof, against all losses by fire and all other hazards covered by policies and supplemental insurance contracts normally in use from time to time for building and improvements of a similar nature similarly situated in an amount equal at all times to not less than the full replacement value thereof, excluding the cost of foundations and footings and permitting a reasonable deductible amount of loss. The LANDLORD shall also effect boiler and pressure vessel insurance in such reasonable amounts as the LANDLORD shall determine, having relation to the nature of the boilers and pressure vessels utilized by the LANDLORD. Such insurance shall name the LANDLORD and its

hypothecary creditors as insured parties with losses payable to such parties as their respective interests may appear, provided that the proceeds of any loss are to be applied to the repair, replacement, rebuilding or restoration of the property damaged or destroyed. The LANDLORD shall from time to time at the request of the TENANT supply the TENANT with evidence reasonably satisfactory to the TENANT of the insurance carried by the LANDLORD pursuant to this Section.

18.03 The policies of insurance maintained pursuant to Section 18.02 hereof shall provide for the release of all rights of subrogation against the TENANT if such provision can be obtained without additional premium to the LANDLORD or if the TENANT shall reimburse the LANDLORD for the additional cost incurred by the LANDLORD in obtaining such provision.

ARTICLE XIX

EXPANSION OF SIMPSON BUILDING

19.01 The TENANT shall have the right, at any time and from time to time following the expiration of the first five (5) years of the term of this LEASE to expand the SIMPSON BUILDING (and the SIMPSON SHOPPING CENTRE IMPROVEMENTS related thereto) vertically and horizontally in accordance with the following provisions:

(a) whether the expansion is wholly vertical or part vertical and part horizontal, the FLOOR AREA of the SIMPSON BUILDING after such expansion shall not at any time exceed three hundred and sixty thousand (360,000) square feet;

(b) horizontal expansion of any floor shall be limited to an area not more than one-third (1/3rd) of the FLOOR AREA of such floor as originally constructed;

(c) horizontal expansion shall not materially

(i) interfere with traffic flow on the SITE, or

(ii) obstruct the view of the SHOPPING CENTRE from any adjacent roads.

19.02 In the event of horizontal expansion of the SIMPSON BUILDING (and the SIMPSON SHOPPING CENTRE IMPROVEMENTS related thereto), the SIMPSON LAND shall be expanded to include additional land which lies outside the limit of the SIMPSON LAND and upon which horizontal expansion shall take place and the LANDLORD shall lease to the TENANT at the commencement of construction of such expansion such additional land which shall thereafter form part of the SIMPSON LAND. No additional rent shall be payable on account of such additional land save that

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the TENANT shall be responsible as and from the date of the lease above contemplated for paying all taxes attributable to such additional land as provided for in Article XI and for the maintenance thereof as provided for in Article XIII. The LANDLORD covenants and agrees that it will, at the TENANT'S expense, prepare and execute all documents and perform all acts that may be required to give effect to the foregoing.

19.03 The TENANT shall give the LANDLORD and EATON not less than one (1) year's notice in writing of its intention to expand the SIMPSON BUILDING. The TENANT shall not commence any construction for such purpose without first submitting plans and specifications to the LANDLORD and obtaining its approval of the same, which approval shall not be unreasonably withheld if the exterior appearance of the SIMPSON BUILDING, as so expanded, will conform to the exterior architectural treatment of the SHOPPING CENTRE as a whole. For the purposes of this LEASE, construction shall be deemed to mean any new building, any extension to an existing building, any completion of existing space or any other act which will result in any increased FLOOR AREA for the SIMPSON BUILDING.

19.04 All construction in connection with any such expansion of the SIMPSON BUILDING shall be done in conformity with all applicable statutes, regulations and by-laws of all competent authorities and before commencing the same the TENANT shall obtain at its own cost and, if required, in the name of the LANDLORD, all requisite licenses, permits and governmental permissions. All such work shall be done as expeditiously as possible and in such manner as to cause the least interference with the operations of the SHOPPING CENTRE as reasonably possible.

19.05 Such construction shall be undertaken and carried out by the LANDLORD for the TENANT if, prior to the commencement of construction, the LANDLORD and the TENANT shall agree on the additional rent to be paid by the TENANT to the LANDLORD by

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reason thereof. If such an agreement is not reached between the LANDLORD and the TENANT, the TENANT may at its own cost and expense construct such addition to the SIMPSON BUILDING and to the SIMPSON SHOPPING CENTRE IMPROVEMENTS and in such event no additional rent shall be payable by the TENANT to the LANDLORD by reason of such construction except as otherwise expressly provided in this Article.

19.06 (i) The LANDLORD shall reserve, for a period of fifteen (15) years from the OPENING DATE, an area on the FUTURE PARKING AREA sufficient to construct a number of CAR SPACES equal to five (5) CAR SPACES for each one thousand (1,000) square feet of FLOOR AREA of expansion of the SIMPSON BUILDING up to a maximum of one hundred and ten thousand (110,000) square feet of FLOOR AREA of such expansion. The LANDLORD has undertaken to reserve for EATON, on the same terms, an area on the FUTURE PARKING AREA sufficient to construct the same number of CAR SPACES for each one thousand (1,000) square feet of FLOOR AREA of expansion of the EATON BUILDING up to a maximum of one hundred and forty thousand (140,000) square feet of FLOOR AREA of such expansion. Thereafter if the SIMPSON BUILDING shall not have been expanded, fifty percent (50%) of the area so reserved for the TENANT on the FUTURE PARKING AREA shall be available to be developed or used by the LANDLORD in accordance with the provisions of paragraph (iv) hereof. The balance of the area so reserved on the FUTURE PARKING AREA shall continue to be reserved for a further period of ten (10) years for

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the same purpose and, if not so used, shall at the end of such ten (10) year period be available to be developed or used by the LANDLORD in accordance with the provisions of paragraph (iv) hereof.

(ii) If during the period of fifteen (15) years after the OPENING DATE, the SIMPSON BUILDING shall have been expanded, the balance of the area reserved to provide additional parking for the maximum expansion provided for in paragraph (i) hereof and not used for such purpose shall continue to be so reserved until the expiration of twenty-five (25) years from the OPENING DATE; thereafter any area which shall not then be requiredto provide additional parking for the SIMPSON BUILDING as so expanded during the said twenty-five (25) years shall become available to the LANDLORD to be developed or used in accordance with paragraph (iv) hereof.

(iii) The area on the FUTURE PARKING AREA to be used, or to be reserved for use, in connection with an expansion of the SIMPSON BUILDING shall be located as closely as possible to the SIMPSON BUILDING, provided that satisfactory access, traffic and parking patterns shall be maintained for the SHOPPING CENTRE as a whole. Any dispute over the location of such area shall be settled by arbitration.

(iv) The LANDLORD shall have the right to develop or use land on the FUTURE PARKING AREA which becomes available in accordance with the foregoing provisions of this Section as it sees fit so long as such development or use does

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not unreasonably interfere with or detract from the value of the SIMPSON BUILDING to the TENANT in its use as a department store. Any dispute between the LANDLORD and the TENANT as to any intended development or use of the FUTURE PARKING AREA shall be settled by arbitration.

19.07 Prior to the completion of any such expansion of the SIMPSON BUILDING the LANDLORD shall construct a number of CAR SPACES which will equal the greater of

(a) the sum of

(i) five (5) CAR SPACES for each one thousand (1,000) square feet of FLOOR AREA of expansion of the SIMPSON BUILDING, and

(ii) any CAR SPACES which will have been taken up by the horizontal expansion of the SIMPSON BUILDING,

or

(b) the number of CAR SPACES which, when added to the CAR SPACES in existence immediately prior to such expansion, will be sufficient immediately after such expansion to meet the requirements of any parking, zoning or other governmental by-law, law or regulation then in force.

To the extent possible, CAR SPACES shall be constructed on an area of the FUTURE PARKING AREA reserved to provide parking on the TENANT'S expansion and, if such area is not sufficient, by ramp or underground parking on the FUTURE PARKING AREA or elsewhere as may be agreed by the LANDLORD and the TENANT.

The LANDLORD shall pay the cost of constructing such CAR SPACES as are required by reason of this Section 19.07 if a satisfactory rental adjustment can be agreed upon, failing which the TENANT shall on demand pay, or reimburse the

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LANDLORD for the cost of constructing such CAR SPACES, and, if required by the LANDLORD, shall deposit reasonable security with the LANDLORD prior to the commencement of construction to cover such cost. Such CAR SPACES shall be COMMON AREA FACILITIES.

19.08 If there shall be any change in the existing parking, zoning or other governmental regulations presently in effect and as a result thereof, on any proposed expansion of the SIMPSON BUILDING, CAR SPACES in addition to those required in respect of the FLOOR AREA of such expansion are required to be provided before such expansion can take place, the TENANT shall not proceed with such expansion unless and until either

(i) the TENANT shall have agreed with the LANDLORD to reimburse the LANDLORD for the cost of providing such additional CAR SPACES in the manner provided in Section 19.07, or

(ii) the TENANT and the LANDLORD shall have agreed as to the manner in which such cost is to be paid including the amount, if any, of such cost which is to be paid by the TENANT.

If the LANDLORD shall have entered into an agreement with EATON pursuant to the provisions in the EATON LEASE which are similar to this Section 19.08, in connection with the expansion of the EATON BUILDING, the LANDLORD shall (a) give prompt written notice thereof to the TENANT and (b) offer to enter into an agreement with the TENANT on substantially the same terms provided the TENANT shall have advised the LANDLORD of its desire to expand the SIMPSON BUILDING within a period of six (6) months from the date of receipt of said notice from the LANDLORD.

19.09 After the completion of any expansion of the SIMPSON BUILDING, the TENANT shall pay to the LANDLORD in each LEASE YEAR as additional rent payable by the TENANT hereunder

(a) an amount calculated by applying the factor hereinafter

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set out to the aggregate of the following amounts:

(i) the cost of acquiring the land on the FUTURE PARKING AREA or on the additional land, if any, referred to in Section 20.02, required to accommodate the CAR SPACES required for such expansion (but in the case of the erection of ramp parking, the cost of land shall not be charged more than once) determined by aggregating the following amounts (with deductions for any minus amounts)

(1) the aggregate of

(A) the purchase price paid or payable by or on behalf of the LANDLORD for the land shown outlined in red on Schedule "C"; and

(B) all legal and notarial fees, survey costs and all other acquisition costs paid or payable by or on behalf of the LANDLORD pertaining thereto,

at the average amount thereof per square foot of the lands outlined in red on Schedule "C", multiplied by the number of square feet in the land required to accommodate such CAR SPACES, and

(2) the aggregate of

(A) the purchase price paid or payable and all other acquisition costs, determined in accordance with sub-paragraph (1) hereof, for land expropriated by, or dedicated to any governmental authority and all other expenses and charges in connection therewith, excepting the dedication of lot 524 of the Parish

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of Longue Pointe (shown in blue on Schedule "C") and the expropriations made under by-laws 638, 679 and 690 of the Town of Anjou (shown in purple on Schedule "C" and identified on Schedule "Z1"), the whole as shown in orange and yellow on Schedule "C";

(B) payments made in lieu of dedication of land to the Town of Anjou being the tax or contribution for parks and playgrounds and all expenses in connection therewith in connection with the subdivision from the lands outlined in green on Schedule "C" of the lands outlined on Schedule "D";

(C) all subdivision permit fees, survey costs and other charges paid or payable in connection with the subdivision from the lands outlined in green on Schedule "C" of the lands outlined on Schedule "D"; less

(D) the indemnification received by the LANDLORD from all expropriations of lands outlined in orange on Schedule "C",

at the average amount per square foot of the lands outlined on Schedule "C" less the number of square feet so expropriated or so dedicated (shown in yellow and orange thereon), multiplied by the number of square feet in the land required to accommodate such CAR SPACES.

(ii) the carrying costs of such land including, without limiting the generality of the foregoing, real estate taxes, rates and assessments,

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including those payable under the by-laws of the Town of Anjou set out in Schedule "Z2", and interest at the effective rate paid by the LANDLORD and all other bank charges on borrowing related thereto from the date of acquisition of such land to the date of the commencement of the payment of rental under this Section; and

(iii) the costs and expenses incurred by the LANDLORD in maintaining such land from the OPENING DATE until the commencement of the payment of rental hereunder but not including any cost referred to in (ii) above.

Such factor shall be an amount which shall be sufficient

(1) to fully amortize the aforesaid aggregate amount over the remainder of the then current term of the LEASE at the weighted average interest rate (as defined in Section 4.01) which might be borne by any long-term debt (as defined in Section 4.01), and provided such long-term debt is assumed to be first mortgage debt, which might be sold by the LANDLORD at the time of the commencement of the payment of rental hereunder, and

(2) to provide a profit to the LANDLORD of four and one hundred and sixty-six one thousandths percent (4.166%) per annum of the amortization factor determined in accordance with subparagraph (1) above.

The factor for each renewal term shall be three percent (3%) per annum applied to the aggregate of the costs referred to in (i), (ii) and (iii) above; and

(b) that proportion of the real estate taxes, rates

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and assessments paid or payable in such LEASE YEAR in respect of all areas of the SHOPPING CENTRE used for parking and of the costs of maintaining and operating all such areas during such year which are reasonably attributable to the portion of the FUTURE PARKING AREA used in such year for parking provided under Section 19.07 for the expansion of the SIMPSON BUILDING, or, in the case of CAR SPACES provided for such expansion by means of ramp or underground parking, that portion of such real estate taxes, rates and assessments and such costs of maintaining and operating as are reasonably attributable to such ramp or underground parking and any structures or improvements provided in connection therewith.

The amount payable by the TENANT to the LANDLORD under this Section 19.09, shall be paid in advance on the first (1st) day of each month in every LEASE YEAR based on an estimate of such amounts prepared by the LANDLORD and based, except in the case of the first and second LEASE YEAR in which such amounts are payable, on the amounts payable in respect of the previous LEASE YEAR with adjustment for any anticipated increase or decrease. A detailed statement and calculation of the amounts payable by the TENANT under this Section 19.09, in respect of each LEASE YEAR shall be set forth in the statement to be provided by the LANDLORD to the TENANT under Section 9.08 and any amount by which the amount shown by such statement is less than or exceeds the aggregate of the monthly payments made by the TENANT during such LEASE YEAR shall be paid by the TENANT to the LANDLORD or by the LANDLORD to the TENANT in the manner and at the times provided in Section 9.08.

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ARTICLE XX

EXPANSION OF COMMON AREA FACILITIES AND LANDLORD'S SHOPPING CENTRE IMPROVEMENTS

20.01 The LANDLORD may at any time when reasonably necessary for the operation of the SHOPPING CENTRE (as then constructed), in accordance with the best shopping centre standards, construct additional COMMON AREA FACILITIES in the SHOPPING CENTRE, including ramp or underground parking to be constructed and provided in accordance with the provisions of Article XIX and of this Article. Save as provided in Article XIX, all costs incurred in connection with such construction shall be paid by the LANDLORD without contribution from the TENANT. Save as provided in Article XIX and this Article, the costs incurred by the LANDLORD in operating and maintaining such COMMON AREA FACILITIES shall be included in the determination made pursuant to Section 9.03. The LANDLORD shall give the TENANT not less than ninety (90) days notice prior to commencing construction of any such COMMON AREA FACILITIES and shall submit the plans and specifications therefor to the TENANT for its approval, which approval shall not be unreasonably withheld or delayed if the construction of such COMMON AREA FACILITIES does not materially alter traffic or parking patterns in the SHOPPING CENTRE to the detriment of the TENANT or otherwise detrimentally affect the interests of the TENANT to a material degree, and if the exterior architectural treatment thereof conforms to the architectural treatment of the SHOPPING CENTRE as a whole.

20.02 Subject to the provisions hereof, the LANDLORD may at any time construct additional FLOOR AREA by expanding existing buildings in the SHOPPING CENTRE or constructing new buildings or both, provided that such additional construction shall take place within the area outlined in distinguishing colour on the SHOPPING CENTRE PLANS. The LANDLORD shall comply with the provisions of

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Section 10.07 with respect to any such construction and if, by reason of such construction it becomes necessary to utilize part of the FUTURE PARKING AREA, the LANDLORD shall provide additional land being parts of subdivision four or six of lot 525 of the Parish of Longue Pointe equal in area to the part so utilized and contiguous to the FUTURE PARKING AREA for parking purposes in connection with an expansion of the SIMPSON BUILDING or the EATON BUILDING, which additional land shall be subject to the same terms and provisions as are applicable to that part of the FUTURE PARKING AREA to be utilized for such additional construction. The TENANT shall have a right to approve the location of such additional land subject to the LANDLORD'S right to locate such parking in a manner consistent with good shopping centre parking lot planning. The LANDLORD shall, at its expense, prepare any amendments to the LEASE which shall be required. Disputes concerning the location of the land or the contents of the amendments shall be settled by arbitration under Article XXV. The LANDLORD shall give the TENANT not less than one hundred and eighty (180) days notice prior to commencing any such construction and shall submit the plans and specifications therefor to the TENANT for its approval, which approval shall not be unreasonably withheld or delayed by the TENANT (a) unless such construction shall materially affect the design of the SHOPPING CENTRE as at the OPENING DATE or shall alter the traffic or parking patterns or the pedestrian traffic flow or shopping patterns within the SHOPPING CENTRE to the material detriment of the TENANT or shall otherwise affect the interests of the TENANT to its material detriment or (b) unless the exterior architectural treatment of such construction does not conform to the architectural treatment of the SHOPPING CENTRE as a whole.

20.03 The costs of operating and maintaining any additional COMMON AREA FACILITIES, including additional CAR SPACES provided

by underground or ramp parking structures or additional mall, arcade or court areas, constructed by the LANDLORD in relation to, in connection with or made necessary by any additional FLOOR AREA constructed pursuant to Section 20.02 shall not be included in the calculation to be made pursuant to Section 9.03. Wherever possible, the costs attributable to the operation and maintenance of such additional COMMON AREA FACILITIES shall be determined in accordance with the proportion that the area of such additional COMMON AREA FACILITIES bears to the area of all similar COMMON AREA FACILITIES in the SHOPPING CENTRE. Particulars of the amounts excluded from such calculation shall be included in the detailed statement and calculation to be delivered by the LANDLORD to the TENANT pursuant to the provisions of Section 9.08.

20.04 If there shall be any change in the existing parking, zoning or other governmental regulations presently in effect and as a result thereof, on any proposed expansion of the EATON BUILDING or the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS, CAR SPACES in addition to those required in respect of the FLOOR AREA of such expansion are required to be provided before such expansion can take place, the LANDLORD shall not proceed with such expansion or permit the same to be proceeded with unless and until either

(i) the LANDLORD shall have agreed to provide such additional CAR SPACES or to cause the same to be provided without contribution by the TENANT; or

(ii) the TENANT and the LANDLORD shall have agreed as to the manner in which the costs of providing such CAR SPACES are to be paid.

ARTICLE XXI

NET LEASE

21.01 It is the intention of the parties that the rent payable hereunder shall be net to the LANDLORD and that except as otherwise herein expressly provided, the TENANT shall at its expense and to the complete exoneration of the LANDLORD pay all costs, outlays and expenses of any nature and kind whatsoever relating to or affecting the SIMPSON LAND and the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA and in connection with any business carried on therein or thereon, provided that the TENANT shall not be responsible for the payment of any amounts or the performance of any obligations under any mortgage, hypothec or trust deed affecting the SIMPSON LAND, the SIMPSON BUILDING and/or the SIMPSON SHOPPING CENTRE IMPROVEMENTS except insofar as the TENANT is required to make any such payments or perform any such obligations under the terms of this LEASE.

21.02 Save as herein otherwise specifically provided, the TENANT hereby waives and renounces any and all existing and future claims, set-offs, confusion and compensations against any rental or other amounts due hereunder and agrees to pay such rentals and other amounts regardless of any claim, set-off, confusion or compensation which may be asserted by the TENANT or on its behalf.

ARTICLE XXII

SERVICES

22.01 The LANDLORD shall have the right to construct, erect, place and maintain pipes, drains, poles and wires and other similar services in, under and over the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA and/or the SIMPSON LAND for the purpose of servicing the SITE and/or the SHOPPING CENTRE or any part thereof. Any such installations shall be made only on and subject to the following terms and conditions:

(a) such services shall be installed underground if in the LANDLORD'S sole opinion it is reasonable so to do;

(b) the LANDLORD shall give the TENANT not less than sixty (60) days prior written notice of its intention to install such services and shall consult with the TENANT as to the mode of such installation;

(c) no such services shall be erected, constructed or installed in, over or under the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS or the SIMPSON OUTDOOR SELLING AREA without the prior written consent of the TENANT, which consent shall not be unreasonably withheld;

(d) the LANDLORD shall repair any damage to the SIMPSON LAND and to the SIMPSON BUILDING and to the SIMPSON SHOPPING CENTRE IMPROVEMENTS and to the SIMPSON OUTDOOR SELLING AREA caused by the erection, construction or installation of any such services and shall indemnify the TENANT against any loss, costs and damages arising

therefrom. The LANDLORD shall also repair any damage to any other part of the SHOPPING CENTRE caused by such erection, construction or installation;

(e) any such erection, construction or installation shall be done in such manner so as to cause no more inconvenience to the TENANT than is reasonably necessary.

The LANDLORD shall repair any such services, the work of repair to be carried out in accordance with the foregoing paragraphs (d) and (e) and on reasonable notice to the TENANT.

22.02 The LANDLORD shall, at the written request of the TENANT, construct or install utilities, in addition to the COMMON UTILITIES for the purpose of providing additional utility service for the exclusive benefit of the TENANT. Such utilities shall be constructed and installed by the LANDLORD in accordance with plans and specifications to be prepared and provided by the TENANT, and approved by the LANDLORD, which approval shall not be unreasonably withheld. All costs of such construction and installation shall be paid by the TENANT to the LANDLORD on demand. The LANDLORD shall maintain and repair such utilities and the TENANT shall reimburse the LANDLORD for all costs in respect thereof on demand.

22.03 The LANDLORD, its agents, servants, employees or contractors shall not be liable for any damage suffered by the TENANT or its customers or employees or any damage to the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS or the SIMPSON OUTDOOR SELLING AREA or the contents thereof by reason of the LANDLORD, its agents, servants, employees or contractors entering upon the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS or the SIMPSON OUTDOOR SELLING AREA to undertake any examination or any work therein except for any such damage resulting from fault, neglect, want of skill or misconduct.

ARTICLE XXIII

LIENS

23.01 The TENANT shall conduct any construction or other work so as to minimize the possibility of any hypothec, lien or privilege being imposed on the SHOPPING CENTRE or the SITE or any part thereof, and if any such lien or privilege is imposed shall forthwith take all reasonable steps to have the same discharged, provided, however, that the TENANT shall have the right to contest or review by legal proceedings or in any other manner as it may deem suitable any such hypothec, lien or privilege and in such event, the TENANT may defer payment of the contested item upon the condition that before instituting or contesting such proceedings, the TENANT shall furnish to the LANDLORD a surety bond of an insurance company, in form and term reasonably satisfactory to the LANDLORD or a cash deposit or other security satisfactory to the LANDLORD sufficient to cover the amount of such contested item or items with interest and penalty for the period for which such proceedings are expected to take and estimated costs in connection with such proceedings.

23.02 The LANDLORD shall conduct any construction or other work so as to minimize the possibility of any lien or privilege being imposed on the SHOPPING CENTRE or the SITE or any part thereof, and if any such hypothec, lien or privilege is imposed shall forthwith take all reasonable steps to have the same discharged, provided, however, that the LANDLORD shall have the right to contest or review by legal proceedings or in any other manner as it may deem suitable any such hypothec, lien or privilege and in such event the LANDLORD may defer payment of the contested item during the currency of such contestation provided the same is diligently prosecuted and provided further that such non-payment does not render the SHOPPING CENTRE or the SITE or any part thereof liable to forfeiture or sale.

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ARTICLE XXIV

GENERAL PROVISIONS

24.01 The LANDLORD shall not be liable for any damages in, upon or to the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS or, during all periods of its use by the TENANT or arising from such use, the SIMPSON OUTDOOR SELLING AREA or to the property of the TENANT or any person at any time on or within the SIMPSON BUILDING or the SIMPSON SHOPPING CENTRE IMPROVEMENTS, or during all periods of its use by the TENANT, the SIMPSON OUTDOOR SELLING AREA or on the SIMPSON LAND arising for any reason or cause whatsoever (save for damages resulting from the negligence of the LANDLORD or its agents, employees, officers and contractors or the failure by the LANDLORD to perform any of its covenants hereunder). The TENANT will indemnify and save harmless the LANDLORD of and from all fines, suits, claims demands and actions of any kind or nature to which the LANDLORD shall or may become liable for or suffer by reason of any breach, violation or non-performance by the TENANT of any covenant, term or provision hereof or by reason of any injury occasioned to or suffered by any person or persons including the LANDLORD or by any property by reason of any wrongful act, neglect or default on the part of the TENANT or any of its employees, officers of customers.

24.02 The TENANT shall not be liable for any damages upon, in or to the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS or to the EATON BUILDING or to the EATON SHOPPING CENTRE IMPROVEMENTS or to the EATON OUTDOOR SELLING AREA or to any other property of the LANDLORD or any person at any time on or within the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS or to the EATON BUILDING or to the EATON SHOPPING CENTRE IMPROVEMENTS or to the EATON OUTDOOR SELLING AREA arising for any reason or cause whatever (save for damages resulting from negligence of the TENANT or its agents, employees, officers and contractors or the failure of the TENANT to perform any of its covenants

hereunder). The LANDLORD will indemnify and save harmless the TENANT of and from all fines, suits, claims, demands and actions of any kind or nature to which the TENANT shall or may become liable for or suffer by reason of any breach, violation or non-performance by the LANDLORD of any covenant, term or provision hereof or by reason of any injury occasioned to or suffered by any person or persons including the TENANT or by any property by reason of any wrongful act, neglect or default on the part of the LANDLORD or any of its employees, officers or contractors.

24.03 Any condoning, excusing or overlooking by the LANDLORD or the TENANT of any default, breach or non-performance by the other at any time or times in respect of any payment, covenant, agreement, proviso or condition contained in this LEASE shall not operate as a waiver of or so as to defeat or affect in any way any rights in respect of any subsequent and/or continuing default, breach or non-performance. Time shall be of and continue to be the essence of this LEASE and of all covenants, agreements, provisos or conditions contained herein.

24.04 If the TENANT shall be in default hereunder in the payment of rent or any other amounts payable by it to the LANDLORD hereunder, the LANDLORD may give notice of such default to the TENANT and the TENANT shall have fifteen (15) days after receipt of such notice within which to remedy such default. If the TENANT shall be in default of any of its covenants and obligations hereunder, other than its covenant to pay rent or other amounts payable to the LANDLORD hereunder, the LANDLORD may give notice to the TENANT forthwith upon such default coming to the attention of the LANDLORD and in such notice the LANDLORD shall with reasonable particularity state the nature of the default and require the same to be remedied and the TENANT shall have from the receipt of such notice sixty (60) days (or such longer period as may reasonably be necessary having regard to the nature of such default) within which to remedy such default. If after the

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expiration of the times above limited the TENANT remains in default the LANDLORD may thereupon, at its option, either by itself or by its lawfully authorized agent enter and re-enter into and upon the SIMPSON LAND, the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA and at its option terminate this LEASE.

24.05 In the event that a writ of execution is issued against the goods, fixtures or equipment of the TENANT and, if not stayed, remains unsatisfied for a period of ninety (90) days, or in case the TENANT becomes bankrupt or insolvent or makes an assignment for the benefit of its creditors, or having become bankrupt or insolvent takes the benefit of any act that may be in force for bankrupt or insolvent debtors or makes a proposal for the benefit of its creditors, the full amount of the current month's rent and the next six (6) months rent shall immediately become due and payable and the LANDLORD may immediately claim the same together with any arrears then unpaid and any other amounts owing to the LANDLORD by the TENANT pursuant to this LEASE under reserve of and without prejudice to all rights, remedies and recourses of the LANDLORD and, at the option of the LANDLORD, this LEASE may be terminated and the LANDLORD may without notice or any form of legal process forthwith re-enter upon and take possession of the SIMPSON LAND, the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA and remove the TENANT'S effects therefrom, any law or statute to the contrary notwithstanding.

24.06 Subject to Section 10.09, the rights of the LANDLORD under this LEASE may be hypothecated, mortgaged, pledged, charged, ceded or transferred or assigned to a purchaser or to an hypothecary creditor or trustee for bondholders.

24.07 The TENANT agrees that it will at any time and from time to time (but not oftener than once in any calendar month) upon not less than ten (10) days' prior notice, execute and

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deliver to the LANDLORD, or as the LANDLORD may direct, a statement in writing certifying that this LEASE is unmodified and in full force and effect (or if modified, stating the modification and stating that the same is in full force and effect as modified) the amount of the annual rent and any other amounts then being paid hereunder, the dates to which by instalment or otherwise such rent and amounts and other charges payable hereunder have been paid and whether or not there is any existing default on the part of the LANDLORD of which the TENANT has notice. The LANDLORD agrees that it will at any time and from time to time (but not oftener than once in any calendar month) upon not less than ten (10) days prior notice execute and deliver to the TENANT, or as the TENANT may direct, a similar statement stating in addition whether or not there is existing default on the part of the TENANT of which the LANDLORD has notice, whether or not it has approved any plans and specifications for any structural repair, replacement or rebuilding and if the same have been completed in a manner satisfactory to it, the particulars and amounts of insurance policies on the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS in which its interest is noted, the amount of the annual rent and other amounts then being paid hereunder, the dates to which by instalment or otherwise such amounts and other charges payable hereunder by the TENANT have been paid and the amounts of any arrears of rent and any other amounts, if any. It is agreed that any such statement delivered pursuant to the provisions of this Section may be conclusively relied upon by any prospective purchaser or purchasers or any hypothecary creditor, mortgagee or trustee for bondholders or prospective hypothecary creditor, mortgagee or trustee for bondholders save as to any default on the part of the LANDLORD or the TENANT, of which the party giving such statement does not have knowledge at the date hereof.

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24.08 The LANDLORD may at any time within one (1) year before the end of the ORIGINAL TERM or any subsequent renewal hereof and provided that the TENANT has not exercised its current option of renewal, enter into and unto the SIMPSON LAND, the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA and bring others at all reasonable hours for the purpose of offering the same for rent, provided, however, that no such entry by the LANDLORD shall unreasonably interfere with the business of the TENANT.

24.09 Notwithstanding and in lieu of the provisions of Article 1609 of the Civil Code of the Province of Quebec, in the event that the TENANT remains in possession of the SIMPSON LAND, the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA after the end of the ORIGINAL TERM or any subsequent renewal term, without exercising any right of renewal to which it was entitled, and without the execution and delivery of a new lease, there shall be no tacit renewal of this LEASE and the TENANT shall be deemed to be occupying the same as a tenant from month to month, at a monthly rent payable in advance on the first (1st) day of each month, equal to the monthly rent payable during the last month of the ORIGINAL TERM of this LEASE or such renewal and upon the same terms, conditions and provisos as are set forth in this LEASE insofar as the same are applicable to a month-to-month tenancy.

24.10 The TENANT acknowledges to the LANDLORD that the SHOPPING CENTRE may be managed by The Fairview Corporation Limited (or such other party as the LANDLORD may in writing designate) and to all intents and purposes, the manager of the SHOPPING CENTRE shall be authorized to deal with the TENANT provided, however, that such manager shall have no right to alter, amend or vary any of the terms or conditions of this LEASE.

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24.11 Any notice, demand, request or consent required and contemplated by any provision of this LEASE to be given or made shall be given or made in writing and delivered in the case of the LANDLORD to Les Galeries d'Anjou Limitée, Suite 3300, Toronto-Dominion Bank Tower, Toronto 111, Ontario, or if mailed then by prepaid registered mail addressed to Les Galeries d'Anjou Limitée, P. O. Box 2, Toronto-Dominion Centre, Toronto 111, Ontario, and in the case of the TENANT delivered or mailed to Simpsons, Limited, 32nd Floor, Simpson Tower, Toronto 210, Ontario. Any such notice, demand or consent shall be mailed in Montreal or Toronto, and be conclusively deemed to have been given or made on the day on which such notice, demand, request or consent is delivered or, if mailed, then on the second (2nd) business day next following the date of the mailing, 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. All payments required to be made by this LEASE shall be delivered, or mailed by prepaid first class mail to the party for whom they are intended at the addresses provided in this Section 24.11.

24.12 Upon the termination of this LEASE by effluxion of time but not otherwise, the LANDLORD shall pay to the TENANT the value of any unexpired insurance upon the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the parties shall adjust, apportion and allow between themselves all items of taxes, water rates and other matters of a similar nature to the intent and purpose that the TENANT shall bear the burden thereof until it shall deliver up possession of the SIMPSON LAND, the SIMPSON BUILDING, the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the SIMPSON OUTDOOR SELLING AREA on the termination of the LEASE or at the expiry of any holding over but not afterwards.

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24.13 Whenever in this LEASE it is provided that anything be done or performed such provisions are subject to UNAVOIDABLE DELAYS. Neither the LANDLORD nor the TENANT shall be deemed to be in default in the performance of any obligation hereunder during the period of any UNAVOIDABLE DELAY relating thereto and any period for the performance of such obligation shall be extended accordingly. The LANDLORD and the TENANT shall immediately notify the other as to the commencement, duration and consequence (so far as the same is within the knowledge of the party in question) of any UNAVOIDABLE DELAY.

24.14 Notwithstanding anything contained in the Civil Code of the Province of Quebec the TENANT shall not have the right to terminate this LEASE in the event that the LANDLORD shall be in default hereunder.

24.15 This LEASE shall be construed under and governed by the laws of the Province of Quebec. Should any provision or provisions of this LEASE and/or its conditions be illegal or not enforceable, it or they shall be considered separate and severable from the remaining provisions and conditions of this LEASE which shall remain in force and be binding upon the parties hereto as though the said illegal or unenforceable provision or provisions or conditions had never been included.

24.16 Subject to the provisions of this LEASE respecting assignment by the TENANT, this indenture shall enure to the benefit of and be binding upon the LANDLORD, and the TENANT and their respective successors and assigns.

24.17 The LANDLORD and the TENANT agree that in performing any of the obligations of the other pursuant to this LEASE, they will do so in a reasonable manner and so as to interfere as little as possible with the activities and operations of the other.

24.18 In the event that either the TENANT or the LANDLORD shall fail to pay to the other any amount which shall be due

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hereunder such amount shall bear interest at six percent (6%) per annum or a rate per annum one quarter of one percent ($\frac{1}{4}$ of 1%) in excess of the prime rate for bank borrowings in Canada, whichever is greater, until paid, without derogation from any other rights of the parties under this LEASE.

24.19 The LANDLORD hereby waives the presumption in its favour set forth in Article 1629 of the Civil Code of the Province of Quebec.

24.20 This LEASE is entered into by the TENANT on the understanding that all of the obligations of the LANDLORD and the TENANT contained herein are of the essence hereof and form an integral part hereof, that each of such obligations has been entered into in consideration of the obligation of the TENANT to pay rent and its other obligations herein and that all of the rights of the TENANT contained in this LEASE can be enforced against any subsequent owner of the SITE, whether such owner has acquired the same from a previous owner thereof, under a hypothec, mortgage or charge, from the trustee in bankruptcy of a previous owner of the SITE or otherwise howsoever.

24.21 The LANDLORD hereby covenants with the TENANT that the TENANT paying the rent hereby reserved and performing the covenants hereinbefore on its part contained, shall and may peaceably possess and enjoy the premises hereby leased without any interruption or disturbance from the LANDLORD or any other person or persons lawfully claiming by, from, through or under the LANDLORD.

24.22 The LANDLORD shall cause EATON to perform its obligations under the EATON LEASE which are similar to the obligations of the TENANT as set forth in Articles XI, XIII, XV and XVII hereof.

24.23 When the term contract cost is utilized for the calculation of COST or for the distribution of taxes pursuant to Section 11.02 (i) or other charges, the contract cost of all

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buildings and improvements in the SHOPPING CENTRE shall include the actual amount of cash allowances made by the LANDLORD to tenants renting portions of the LANDLORD'S SHOPPING CENTRE IMPROVEMENTS at the OPENING DATE or to the first tenants renting space unoccupied at the OPENING DATE and the contract cost as at OPENING DATE of the SIMPSON BUILDING and the SIMPSON SHOPPING CENTRE IMPROVEMENTS and the EATON BUILDING and the EATON SHOPPING CENTRE IMPROVEMENTS shall be the aggregate of all amounts expended by the LANDLORD for the construction of such BUILDINGS and IMPROVEMENTS.

ARTICLE XXV

ARBITRATION

25.01 In the event that any dispute shall arise between the parties hereto arising out of or in any way connected with this LEASE or the interpretation thereof or the fulfilment of the obligations of the parties hereunder, the parties agree that the dispute shall be referred by the written submission of the parties to final and binding arbitration by a single arbitrator in accordance with Articles 940 to 951 of the Code of Civil Procedure of Quebec.

25.02 The party desiring such arbitration may at any time deliver to the other party a draft submission to arbitration signed by himself, stating the objects in dispute and naming an arbitrator. The party to whom such draft is delivered shall have a period of fourteen (14) days from receipt thereof either to execute the same or to propose such changes as he may wish in the terms thereof or in the arbitrator. If, at the end of such fourteen-day period, the parties have not agreed and jointly executed a submission to arbitration, either party may apply by motion to a judge of the Superior Court of Montreal to name an arbitrator and to state the objects in dispute and the judgment of such judge shall avail for all purposes as a submission to arbitration.

25.03 In the case of death, refusal, withdrawal or inability to act of the arbitrator a replacement shall be named by the parties within seven (7) days and if they fail to agree on such replacement such appointment shall be made by a judge of the Superior Court of the District of Montreal.

25.04 The proceedings of the arbitrator shall in all respect be governed by Articles 940 to 951 of the Code of Civil Procedure. The cost of any arbitration shall be borne equally by the parties hereto except as the arbitrator may otherwise determine.

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IN WITNESS WHEREOF the parties hereto have signed as of the date first hereinabove mentioned.

WITNESSES:

LES GALERIES D'ANJOU LIMITEE

Per: _____ DIRECTOR

Per: _____ DIRECTOR C/S

SIMPSONS, LIMITED

Per: _____ VICE-PRESIDENT

Per: _____ SECRETARY C/S

575

Les Galeries D'Anjou

STAFF TRAINING
ALTE.. WORKROOM
EXIT
BASIL OPE.
INVESTIGATION
MENS W.R.
LADIES' W.R.
HOSPITAL
EXIT
CARETAKER'S EQUIP
ENTTY
ELECTRICAL RM
FREIGHT
EXIT

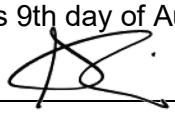
LEGEND
Proposed USEABLE 36,506
FALLOW 33,938
33,938

Schedule - Lease
36,536
33,938
70,474

SIMPSONS - 1035 S. ATTACHED TO INTER ADDL FEB 3/87 Jan 26/87

3553 3300

This is **Exhibit "G"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

Ivanhoé Cambridge
Caisse de dépôt et placement du Québec

LEASE

IVANHOE CAMBRIDGE INC.
(LANDLORD)

TO

HUDSON'S BAY COMPANY
d/b/a SAKS FIFTH AVENUE OFF FIFTH
(TENANT)

DATED JULY 22, 2015

DEMISED PREMISES IN
CROSSIRON MILLS, CALGARY
ALBERTA, CANADA

Ivanhoé Cambridge
Caisse de dépôt et placement du Québec

LEASE

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B - Site Plan of Shopping Centre
C - Title Exceptions
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E - Intentionally Deleted
F - Description of Landlord's Work
G - Rent Commencement Agreement
H - Tenant's Exterior Signage Drawings
I - Conceptual Images of Existing Shopping Centre Directional, Way-finding, Monument and other Shopping Centre Identification Signage displaying Tenant's Identification Signage
J - Intentionally Deleted
K - Additional Site Plan showing Locations of Tenancies with Restrictive Covenants/Exclusive Uses

Ivanhoé Cambridge
Caisse de dépôt et placement du Québec

LEASE

THIS LEASE (the "**Lease**") dated as of the 22nd day of July, 2015, by and between **Ivanhoe Cambridge Inc.**, having its principal office at 95 Wellington Street West, Suite 300, Toronto, Ontario, Canada M5J2R2 ("**Landlord**") and **Hudson's Bay Company**, having its principal office at 401 Bay Street, Suite 500, Toronto, Ontario, Canada M5H 2Y4 ("**Tenant**").

W I T N E S S E T H:

1. Landlord is the registered and beneficial owner of certain lands, together with the improvements located thereon, in Rocky View County, Alberta, Canada, which lands are more particularly described in Exhibit A and which lands and all improvements located thereon are situated as shown on Exhibit B.

2. Said lands and all improvements located thereon are operated by Landlord as a shopping centre under the name "**CrossIron Mills**" (the "**Shopping Centre**"), which Shopping Centre contains **1,122,065** square feet of rentable area.

3. The parties desire that certain premises in the Shopping Centre be leased by Landlord to Tenant as hereinafter more particularly provided.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and of good, lawful and valuable considerations moving to and received by each of the parties to be bound hereby, and intending to be legally bound hereby, the parties do hereby agree as follows:

ARTICLE 1
GRANT OF DEMISED PREMISES

Landlord does hereby demise and lease to Tenant and Tenant does hereby lease and take from Landlord, upon the terms, covenants and agreements and subject to the conditions hereinafter set forth, all those certain premises hereinafter mentioned and described and referred to herein as the "**Demised Premises**", to wit:

(i) that certain space known as Unit D shown outlined in **RED** on Exhibit B, which space contains approximately **30,000** square feet of rentable area;

(ii) the entrances to and exits from such space to and from the Common Area (as defined below), as such entrances and exits are shown on Exhibit B;

(iii) the exclusive loading dock and unloading areas which serve such space as shown outlined in **GREEN** on Exhibit B; and

(iv) all leasehold improvements now or hereafter located therein and thereon, including, without limitation, the Improvements (as such term is defined in Section 30.4 of this Lease) that are acquired with or funded by the Tenant Improvement Allowance (as defined in Section 30.3).

The Demised Premises are leased to Tenant together with all rights, privileges, benefits, rights of way and easements now or hereafter appurtenant or belonging thereto, whether arising under this Lease or any private or public grant or authority, including, without limitation, the direct right of ingress to and egress from the Demised Premises through the entrances and exits shown on Exhibit B.

Landlord does further hereby grant to Tenant and its employees, agents, customers, licensees and invitees a non-exclusive right and privilege to use, in common with others, those parts of the Shopping Centre (herein referred to as "**Common Area**") which constitute all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, (i) all non-leasable service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), (ii) all parking areas, parking decks, roadways, sidewalks, landscaped areas, and all roofs, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, common loading areas and truck courts, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, (iii) mall decorative installations, (iv) customer and service stairways, (v) mall directories and directional signs and information booths, (v) elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of the Common Area. Such use to be for the intended uses and purposes of the Common Area and the improvements therein and thereon, including, without limitation, ingress and egress and parking and passage and such other things as are authorized, permitted or required under the terms of this Lease. For the sake of greater certainty, the parties hereto hereby acknowledge and agree that the sprinkler room that provides sprinkler service throughout the Demised Premises forms part of the Common Area of the Shopping Centre and is the sole responsibility of Landlord to maintain as more particularly provided in Section 12.1 hereof.

The dimensions, shape and location of the Demised Premises as described herein are approximate and it is agreed and understood by Tenant that, upon the completion of construction of the Demised Premises, Landlord, at its sole cost, shall have the actual number of square feet of rentable area within the Demised Premises measured and certified by an architect licensed to do business in the Province of Alberta. No later than thirty (**30**) days following the Landlord Delivery Date (as that term is hereinafter defined) Landlord shall provide the Tenant with written notice of the number of square feet of rentable area for the Demised Premises and providing a copy of the said architect's certification thereof and supporting plans and calculations (the "**Measurement Notice**"), and the number of square feet of rentable area for the Demised Premises stated above in this Article 1 shall be adjusted as may be required (subject to Tenant's right of confirmation, below). Such measurement shall be made utilizing standard BOMA computation methods for retail premises and a copy of Landlord's architect's plans and calculations for such measurement shall be included with the Measurement Notice.

Tenant may, at its option, at its sole cost and expense and within thirty (30) days after the later of (i) the date Tenant receives the Measurement Notice and (ii) the date that Landlord delivers actual and exclusive possession of the Demised Premises to Tenant as described in Article 2 below, cause the Demised Premises to be measured by an architect retained by Tenant for such purpose. Tenant shall submit its architect's measurement to Landlord. In the event of a discrepancy which cannot be resolved by agreement of the parties, Landlord may cause its architect to re-measure the Demised Premises for purposes of verifying the measurement by Tenant's architect. If, after Landlord has had the opportunity to re-measure the Demised Premises, the parties are unable to reach agreement as to the number of square feet of rentable area within the Demised Premises, Landlord's and Tenant's architect shall appoint an independent third-party architect to measure the Demised Premises. The measurement by such third-party architect shall be binding on Landlord and Tenant, and shall replace the number of square feet of rentable area for the Demised Premises for all purposes of this Lease. The fees for such third-party architect shall be shared equally by the parties. The fees of each party's architect shall be paid by the respective parties.

ARTICLE 2
DELIVERY

Section 2.1 Delivery

Landlord shall satisfy the Opening Conditions (as defined in Section 8.1 below) and deliver actual and exclusive possession of the Demised Premises (in the condition described herein) to Tenant all by no later than **April 30, 2016**. Landlord shall deliver actual and exclusive possession of the Demised Premises to Tenant (i) free and clear of all tenancies, occupancies, restrictions, liens, encumbrances, reservations or other defects of title or claims of other parties except for the title exceptions listed in Exhibit C (the "**Permitted Exceptions**"), which Permitted Exceptions Landlord represents, warrants, and covenants do not and shall not involve or result in any interference with or impairment of Tenant's use, occupancy, and enjoyment of the Demised Premises or with Tenant's other rights hereunder, (ii) in a broom clean condition with all furniture, trade fixtures, merchandise and other items of personal property removed and (iii) with Landlord having completed, which Landlord hereby agrees to do, Landlord's Work (as defined below). In addition to the foregoing, on or before the date that Landlord shall deliver actual and exclusive possession of the Demises Premises to Tenant, Landlord shall also provide to Tenant the following (collectively, the "**Additional Requirements**"):

(i) a Phase I Environmental Report covering the Demised Premises and the remainder of the Shopping Centre, confirming that the Demised Premises and the remainder of the Shopping Centre are free from contamination and hazardous materials;

(ii) an updated title report;

(iii) all inspection and consultant reports on the Demised Premises and the remainder of the Shopping Centre in Landlord's possession or otherwise under Landlord's control;

(iv) ALTA survey(s) with respect to the Demised Premises and the remainder of the Shopping Centre;

(v) non-disturbance agreement(s) as described in Section 16.2 of this Lease for any existing Mortgage(s) on title to the Shopping Centre, provided, however, such non-disturbance agreement(s) shall be delivered to Tenant no later than the date set forth in Section 6.2 hereof;

(vi) any and all approvals from third parties, including, without limitation, any and all governmental approvals for the construction and operation of the Demised Premises and the remainder of the Shopping Centre, including, without limitation, any approvals necessary for signage; and

(vii) payment of the first instalment of the Tenant Improvement Allowance as described in Section 30.3 of this Lease.

Landlord further warrants and represents to Tenant that, as of the date of execution hereof, there are no Mortgages registered on title to the Shopping Centre.

The last date upon which Landlord (a) satisfies the Opening Conditions, (b) satisfies the Additional Requirements and (c) delivers actual and exclusive possession of the Demised Premises to Tenant in the condition set forth herein and the same are accepted by Tenant shall be the "**Landlord Delivery Date**". Tenant's acceptance of the Demised Premises shall be without waiver of the aforesaid requirements. In the event that the Landlord Delivery Date has not occurred by the date set forth above for any reason other than a delay occasioned by Force Majeure (as that term is hereinafter defined), Tenant shall receive, without waiver of its other rights and remedies against Landlord, a rent credit in the amount of Three Thousand Dollars (**$3,000.00**) for each day of delay ("**Delivery Credit**"). In the event that the Landlord Delivery Date does not occur by **April 30, 2016** due to a delay occasioned by Force Majeure, the date upon which the aforementioned rent credit shall commence to be payable to Tenant hereunder shall be extended beyond **April 30, 2016** by the same number of days that Landlord's failure to deliver actual and exclusive possession of the Demised Premises to Tenant in accordance with the foregoing conditions can be attributed exclusively to the intervention of such occasion of Force Majeure (and to no other

cause). As noted in Article 21 of this Lease, Landlord shall notify Tenant of the occurrence or potential occurrence of any occasion of Force Majeure that might delay the Landlord Delivery Date beyond **April 30, 2016** immediately upon Landlord becoming aware thereof, and Landlord shall thereupon and thereafter keep Tenant fully advised of the anticipated duration and consequences of such Force Majeure.

In the event that the Landlord Delivery Date does not occur by **July 31, 2016** ("**Sunset Delivery Date**"), Tenant shall have the right, without waiver of its other rights and remedies against Landlord, to terminate this Lease by notice of termination given to Landlord. If this Lease shall be terminated pursuant to the provisions of this Section 2.1, neither party shall have any further obligation to the other, except that Landlord shall pay to Tenant within ten (10) days of such termination as liquidated damages an amount equal to the Delivery Credit accrued through such termination date. The parties acknowledge and agree that the damages sustained by Tenant would be difficult or impossible to determine and Landlord and Tenant have agreed upon such liquidated amount as payment for such damages and not as a penalty.

Section 2.2 **Entry Prior to Delivery**

Tenant shall have the right at any time after **February 1, 2016** to enter upon the Demised Premises for the purpose of having an inspection of the Demised Premises performed by Tenant's engineers.

Section 2.3 **[Intentionally Deleted]**

Section 2.4 **Physical Condition**

Landlord represents, warrants and covenants to Tenant that, to Landlord's best knowledge, (i) no material, substance, chemical or waste which possesses or may possess hazardous or toxic characteristics has been generated, used, stored, leaked, discharged, released or is present in, on, under, above or from the Demised Premises and (ii) all materials, data and information relating to or affecting the Demised Premises which Landlord has provided or shall provide to Tenant are true, accurate and complete copies of the originals. Landlord shall indemnify, defend and hold harmless Tenant from and against all claims, costs, expenses (including reasonable attorneys' fees), losses, damages, injuries and liabilities arising from any breach of these representations and warranties.

ARTICLE 3
TERM; RENT COMMENCEMENT DATE; EXTENSIONS

Section 3.1 **Initial Term**

The initial term of this Lease ("**Initial Term**") shall commence on the date of execution of this Lease by both parties hereto and shall expire at 11:59 p.m., Eastern Time, of the last day of the month in which the tenth (10^{th}) anniversary of the Rent Commencement Date (as defined below) occurs, except where the Rent Commencement Date occurs on the first (1^{st}) day of a month, in which event the Initial Term shall end on the last day of the month preceding the tenth (10^{th}) anniversary of the Rent Commencement Date.

Section 3.2 **Rent Commencement Date**

Rent (as defined below) shall commence on the earlier of the following (in either event, the "**Rent Commencement Date**"):

(i) that date which is one hundred fifty (**150**) days after the Landlord Delivery Date (the "**Outside Date**") except that:

(a) if the Outside Date occurs on or between November 1 of any calendar year and February 28 of the following calendar year, then the Outside Date shall be extended to March 1;

(b) if the Outside Date occurs on or between the date that Easter occurs in any calendar year and the date that is thirty (30) days prior to Easter in such calendar year, then Outside Date shall be extended to two (2) weeks after Easter of such calendar year; and

(ii) the date on which Tenant opens the Demised Premises to the public for business.

Notwithstanding anything to the contrary, in no event shall the Rent Commencement Date occur prior to the date on which Landlord satisfies the Opening Conditions all as set forth in this Lease. In addition, notwithstanding anything to the contrary, if Tenant cannot obtain a temporary certificate of occupancy (or its applicable equivalent in the jurisdiction in which the Demised Premises are located) because of any required Landlord's Work or work under Landlord's control, including, without limitation, work anywhere else in the Shopping Centre which Landlord has the right to cause to be corrected under existing leases, reciprocal easement agreements or other agreements (other than Tenant's Work), Landlord shall perform or cause such work to be performed and both the Outside Date and the Rent Commencement Date shall be postponed on a day-for-day basis.

After the Rent Commencement Date shall have been determined, Tenant and Landlord shall execute and deliver duplicate originals of an agreement, substantially in the form of Exhibit G attached hereto and made a part hereof, setting forth the rentable area of the Demised Premises, the Rent Commencement Date, the date of expiration of the Initial Term and the commencement and expiration dates of any extended periods; provided, however, that the failure of either party to execute and deliver such agreement shall not affect the occurrence of the Rent Commencement Date or the date of expiration of the Initial Term.

Section 3.3 Extensions of Term

Tenant shall have the right and option to extend the Term of this Lease for five (**5**) consecutive extended terms of five (**5**) years each unless and until this Lease shall be sooner terminated pursuant to the terms of this Lease, provided that, in each instance, Tenant (or its then current successor or assign under this Lease) is occupying and carrying on business in and from the Demised Premises at the time Tenant exercises such right and option to extend. Each extended term shall commence immediately upon the expiration of the prior term and shall end at 11:59 p.m., Eastern Time, on the fifth (**5th**) anniversary of the commencement of such extended term (which date shall be the last day of the applicable month).

Tenant may exercise its option for an extended term by giving notice to Landlord of Tenant's intention to extend at least three hundred sixty-five (**365**) days prior to the expiration of the then existing term.

In order to prevent the inadvertent failure of Tenant to exercise any of the options set forth above within the time limits prescribed, this Lease shall not expire unless and until Landlord notifies Tenant (the "**Landlord Renewal Notice**") that Tenant has not exercised its option to extend and that Tenant's option to extend shall expire thirty (**30**) days after Tenant's receipt of such notice unless Tenant gives notice to Landlord that Tenant elects to extend prior to the expiration of such thirty (**30**) day period. In the event Tenant does not elect to exercise its option to extend prior to the expiration of said thirty (**30**) day period, Tenant's option to extend shall expire. If Landlord fails to so notify Tenant prior to the expiration of the Term of this Lease and Tenant shall remain in possession of the Demised Premises after the expiration of the Term of this Lease, such holding over shall not be deemed to extend the Term of this Lease or renew this Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at the monthly rental in effect during the last month of the Term of this Lease until (i) terminated by Tenant by notice to Landlord designating the date of termination, which notice shall be given ninety (**90**) or more

days prior to the date designated by Tenant for termination, or such earlier date as the Lease is terminated by reason of Tenant not exercising its option to extend within ninety (**90**) days after Tenant's receipt of the Landlord Renewal Notice. If Landlord finally gives Tenant the Landlord Renewal Notice following the expiration of the Term of this Lease and Tenant exercises its option to extend, then the effective date of such exercise shall be retroactive to the expiration of the Initial Term, the first extended term, the second extended term, the third extended term or the fourth extended term, as the case may be.

During the extended terms all of the terms and conditions of this Lease shall remain in full force and effect except as the expiration date and the Rent shall change by the exercise of any option.

The word "**Term**", as used in this Lease, shall mean, unless the context shall denote otherwise, the Initial Term and any and all extended terms of this Lease.

Section 3.4 **Option to Extend to January 31**

If the Term of this Lease expires on a date other than January 31 of a calendar year, and if Tenant either has no further options to extend the Term or Tenant has elected not to extend the Term, then Tenant shall have the right to extend the final Lease Year of the Term until the following January 31st. Tenant may exercise its option to extend such final Lease Year until January 31st by giving notice to Landlord of Tenant's intention to extend at least one hundred and eighty (180) days prior to expiration of the Term of this Lease.

Section 3.5 **Termination by Reason of Gross Sales**

Anything in this Lease to the contrary notwithstanding, and provided Tenant is not otherwise in default beyond any applicable cure period, Tenant shall have the option ("**Tenant's Termination Right**") to terminate this Lease upon sixty (**60**) days' written notice to Landlord (as hereinafter more particularly provided) setting forth the effective date of termination , which date shall be set no later than ninety (90) days following the date the notice is delivered to Landlord hereunder ("**Termination Notice**"), if at the end of the third (3rd) Percentage Rent Lease Year (as defined in Section 4.1) and/or at the end of the seventh (7th) Percentage Rent Lease Year, Gross Sales (as hereinafter defined) for such Percentage Rent Lease Year equal less than One Hundred Fifty Dollars (**$150.00**) per square foot of the rentable area of the Demised Premises, as certified by an officer of Tenant (the "**Sales Threshold**"). In the event that Tenant fails to exercise the Tenant's Termination Right pursuant to this Section 3.5 within sixty (**60**) days after the end of such third or seventh Percentage Rent Lease Year, the Tenant's Termination Right for the applicable Percentage Rent Lease Year shall be deemed waived and of no further force or effect. In the event that Tenant elects to terminate the Lease pursuant to this Section 3.5 then the following shall apply:

(a) Tenant shall provide Landlord with a certification from an officer of Tenant that Gross Sales for the third (3rd) or seventh (7th) Percentage Rent Lease Year, as the case may be, did not exceed the Sales Threshold;

(b) this Lease shall terminate upon expiration of the period stipulated in the Termination Notice, (the "**Termination Date**") and Tenant shall deliver vacant possession of the Demised Premises to Landlord by the Termination Date in accordance with all applicable provisions in this Lease and without compensation of any kind from Landlord;

(c) Tenant shall be responsible for the payment of all Rent and charges owing under the terms of this Lease up to and including the Termination Date; and

(d) neither party shall have any further liability or obligation to the other after the Termination Date, except for Tenant's obligations under Subsection (b) above, and except for any default under this Lease by either party occurring on or before the Termination Date.

ARTICLE 4
RENT

Section 4.1 Rent

Subject to the terms and provisions hereof and in consideration of Landlord's representations, warranties and covenants herein, Tenant agrees to pay to Landlord, from and after the Rent Commencement Date, as rent (the "**Rent**") for the Demised Premises, at the place and in the manner set forth herein for notices, an amount equal to **3.5%** of Gross Sales (as hereinafter defined) made from the Demised Premises during each Percentage Rent Lease Year (as hereinafter defined).

Rent shall be payable monthly in arrears within twenty (20) days following the end of each calendar month commencing with the month after the month in which Tenant opens the Demised Premises to the public for business. Along with the monthly payment of Rent, Tenant shall furnish Landlord a statement, which need not be certified, of the Gross Sales derived from the Demised Premises for the prior month, which statement shall be in accordance with generally accepted accounting principles, consistently applied. Within sixty (60) says after the end of each Percentage Rent Lease Year, other than the first Percentage Rent Lease Year, and within sixty (60) days after the end of the calculating period with respect to the first full Percentage Rent Lease Year, Tenant shall furnish Landlord a statement certified by an officer of Tenant showing the Gross Sales derived from the Demised Premises during such Percentage Rent Lease Year and the amounts, if any, of Rent required to be paid by Tenant or credited to Tenant for any overpayment or underpayment of Rent for the Percentage Rent Lease Year, which statement shall be in accordance with generally accepted accounting principles, consistently applied..

For purposes of calculating Rent under this Lease, the term "**Percentage Rent Lease Year**" as used in this Lease refers to the period from February 1 to the following January 31 of each year during the term of this Lease, provided that, if the Lease Commencement Date does not occur on February 1, then the first Percentage Rent Lease Year shall be for a period of less than twelve (12) consecutive months, commencing on the Lease Commencement Date and expiring on the following January 31, and further provided that any period of less than twelve (12) full calendar months occurring from and after February 1 at the expiry or earlier termination of the term shall be deemed to be a Percentage Rent Lease Year. The computation of Rent shall be made separately with regard to each Percentage Rent Lease Year or partial Percentage Rent Lease Year, as the case may be, it being understood and agreed that Gross Sales per any Percentage Rent Lease Year and Rent due thereon shall have no bearing on Gross Sales of any other Percentage Rent Lease Year.

Full true and accurate records from which Gross Sales in any Lease Year may be readily and correctly determined will be kept by Tenant, including, without limiting the generality of the foregoing, the requirement to retain all sources of primary sales records (that is, cash register tapes, pre-numbered sales tickets, daily sales reports, etc.) and otherwise in accordance with generally accepted accounting principles until at least the fifth (5th) anniversary of the end of such Percentage Rent Lease Year. Landlord or any Person designated by Landlord will have access to such records at any and all times during business hours for the purpose of examining and reviewing all the accounting records and procedures adopted by Tenant for the purpose of recording and control of all transactions affecting the determination of Gross Sales. For the sake of greater clarification, the parties hereto acknowledge that, in the event Landlord determines that Tenant has failed to report Gross Sales in accordance with its obligations contained herein, such failure shall constitute a default under this Lease and Landlord shall

have the right to exercise its remedies in the event of Tenant default under Section 19.1 of this Lease. Landlord will not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Shopping Centre.

Section 4.2 Gross Sales

The term "**Gross Sales**" as used in this Lease means the actual sale price of all goods, wares and merchandise sold in, upon or from any part of the Demised Premises, including actual receipts from services rendered by Tenant as well as the total actual sales and services rendered by any licensee, subtenant or concessionaire occupying any portion of the Demised Premises, including, without limitation, such sales, income, receipts, revenues and services which Tenant, any licensee, subtenant or concessionaire occupying any portion of the Demised Premises (collectively, "**Other Occupants**") in the normal and customary course of business would credit or attribute to its business upon the Demised Premises or any part or parts thereof, provided, however, that the term "Gross Sales" shall not be deemed to mean and there shall be excluded from "Gross Sales" amounts representing: (i) amounts credited by Tenant or Other Occupants for returned or defective merchandise; (ii) amount of discount on sales to bona fide employees of Tenant and bona fide employees of any affiliates of Tenant; (iii) allowances granted to customers for damaged or defective merchandise; (iv) trade and other discounts; (v) GST (as hereinafter defined) and all other sales, excise and similar taxes levied upon sales made at the Demised Premises; (vi) workroom charges for alterations, repairs or installation of merchandise sold, or similar services rendered in connection with merchandise sold; (vii) charges for services rendered primarily to accommodate customers or employees; (viii) charges for making deliveries, shipments or transfers of merchandise in the regular course of business; (ix) carrying charges on time sales; (x) fees and charges paid by Tenant or Other Occupants to issuers of third party credit cards; (xi) charges for inter-store transfers of merchandise; (xii) sales of merchandise in bulk to non-retail customers; and (xiii) the proceeds of sales of trade fixtures, operating equipment or other property used by Tenant or Other Occupants in the operation of its business and not acquired by it for the purpose of sale.

Sales shall be deemed to have been made when merchandise has been shipped or delivered, and services shall be deemed to have been rendered when completed, or when such sales or services, as the case may be, have been charged against the purchaser or customer on the books of Tenant or Other Occupants, whichever of such events shall be the first to occur. Transactions shall be included whether for cash or on credit and whether the amount thereof is collected or uncollected. The phrase "sold in, upon or from any part of the Demised Premises" as used herein to modify "Gross Sales" shall include such sales as shall be in good faith credited by Tenant or Other Occupant in the regular course of its business to personnel employed at the time of sale in, at or in connection with the retail store to be operated by Tenant or Other Occupant in the Demised Premises but shall in no event include any sales that are transacted by Tenant or any Other Occupant in the Demised Premises as part of an independent electronic business conducted by Tenant or any Other Occupant in the Demised Premises by way of any internet or other electronic communications that are not being sold in the regular course of business in the Demised Premises, even if the merchandise sold pursuant to such transactions is delivered to customers at or from the Demised Premises. Subject to the foregoing, the said phrase shall include transactions conducted by mail or telephone, and other orders received at the Demised Premises, even though filled elsewhere, provided the particular items ordered are ones which are at the time being sold in the regular course of business in the Demised Premises. Said phrase shall not include, in any event, sales transacted by mail or telephone or other orders received at a place other than the Demised Premises even though the same may be filled from stocks at the Demised Premises, unless recorded on the books of the Demised Premises as a sale for the Demises Premises. Tenant makes no representation or warranty as to the Gross Sales, if any, which it expects to derive from the Demised Premises.

ARTICLE 5
TAXES

Section 5.1 **Landlord's Obligation re Real Estate Taxes**

Landlord shall pay before the date due any and all real estate taxes and assessments (general and special, ordinary and extraordinary, foreseen or unforeseen, and including, without limitation, applicable local improvement taxes) (collectively "**Real Estate Taxes**") levied, assessed or otherwise imposed upon the Demised Premises and/or the remainder of the Shopping Centre throughout the Term. Tenant shall have no obligation to contribute to the payment of Real Estate Taxes as such Real Estate Taxes are intentionally included in the Rent provided for herein.

Section 5.2 **Other Taxes**

(a) For the sake of greater certainty, the parties hereto hereby acknowledge and agree that nothing contained in this Lease shall require Tenant to pay any franchise, corporate, estate inheritance, succession, capital or transfer levy or tax of Landlord, or any taxes on Landlord's income, profits or revenue.

(b) Tenant shall be responsible for paying such business taxes (if any) as may be imposed at any time during the term by municipal or other government authorities having jurisdiction exclusively in respect of the business and activities carried on by Tenant and its assignees, subtenants and concessionaires in or from the Demised Premises,

ARTICLE 6
UTILITIES

Landlord shall cause to be provided and separately metered all utility services necessary for the conduct of Tenant's business in the Demised Premises, but Tenant, at its option, shall have the right to make arrangements directly with utility companies for such utility services as Tenant may desire. Tenant shall pay such utility charges directly to the furnisher of each utility service. If any utility services are provided by Landlord the charges payable therefor by Tenant shall not exceed Landlord's cost therefor. Landlord shall submit to Tenant copies of all utility bills documenting the utility charges purchased from Landlord together with the statement showing in detail the method of calculating that portion of the utility charges billed to Tenant.

Landlord hereby grants to Tenant the right, privilege, and easement for the installation, use, operation, maintenance, repair and replacement of utility lines, apparatus and facilities to serve the Demised Premises and the improvements thereto in, under, upon, through and across the Shopping Centre.

Any charges for utilities consumed in the Demised Premises applicable to any period prior to the date actual and exclusive possession of the Demised Premises is delivered to Tenant shall be paid by Landlord and subsequent to that date and until termination of this Lease shall be paid by Tenant.

If Landlord shall be notified by any party that utility services will be interrupted, Landlord shall promptly notify Tenant of such fact so that Tenant may (but need not) provide alternate utility services.

ARTICLE 7
MAINTENANCE AND REPAIR

Section 7.1 **Tenant's Obligation**

Subject to Landlord's obligations set forth in Articles 2 and 29 and Section 7.2, Tenant shall, at its own cost and expense (except as otherwise provided herein), keep the interior of the Demised Premises and all heating, ventilation and air conditioning equipment exclusively serving the Demised Premises (the "**HVAC**") in good order, and condition and repair, ordinary wear and tear excepted, and make all necessary non-structural interior repairs to the Demised Premises and all plate glass and glass entrance doors serving the Demised Premises, but in no event shall Tenant be required by this Section 7.1 to make any repairs or replacements that are necessary as a result of damage or destruction by structural fault or failure of the building of which the Demised Premises are a part or by Landlord's negligence or default, which repairs or replacements shall be the responsibility of Landlord to perform, at its cost.

In the event one or more of the HVAC units serving the Demised Premises requires replacement (or any major component of such unit(s) requires replacement), Tenant shall promptly contract for said replacement at Landlord's cost and expense. If Landlord does not promptly pay for such replacement and Tenant pays for same, Landlord shall reimburse Tenant for the cost and expenses thereof (including without limitation the cost of the labour) within thirty (30) days of written demand therefor, provided however, that Tenant shall then be responsible for paying the HVAC Rent Adjustment as provided herein once Landlord has reimbursed Tenant. Provided Landlord has paid for same (or reimbursed Tenant for same as provided herein), Tenant shall reimburse Landlord for each HVAC unit (or major component) replaced in the amount of a "HVAC Rent Adjustment" (as hereinafter defined).

Commencing on the tenth day of the month immediately following the later of (i) the month in which the HVAC unit (or major component) is replaced and (ii) the month in which Landlord pays for (or reimburses Tenant for, as the case may be) the costs thereof, Tenant shall pay to Landlord (at the same time and place as Rent is payable) an "**HVAC Rent Adjustment**" which shall be an amount equal to the actual, out-of-pocket, third party costs (provided such costs shall not exceed the prevailing market rate for same) incurred by Landlord in connection with replacement of the HVAC unit (or major component), amortized on a straight line basis over ten (**10**) years. Such sum shall be payable for the remainder of the Term of the Lease (including extensions or renewals) until the first to occur of (i) the termination date of the Lease, or (ii) the last day of the one hundred ninetieth (119th) month immediately following the first payment of the HVAC Rent Adjustment. As an example of the foregoing, assume that the total replacement costs for one (1) HVAC unit equals $7,500.00. $7,500.00 shall be amortized on a straight line basis over ten (10) years. Therefore, the HVAC Rent Adjustment shall equal $62.50 per month and if the Lease terminates earlier than the end of such one hundred ninetieth (119th) month, Tenant shall not be liable to Landlord for any remaining amounts (and the HVAC Rent Adjustment due for any partial month at the end of the Term shall be prorated).

Section 7.2 **Landlord's Obligation**

Landlord shall, at its own cost and expense, keep in good order, condition and repair, and make all necessary replacements to (i) the exterior and structure of the Demised Premises and all foundations, exterior walls, downspouts, gutters, roof, canopies, utility services extending to the building service connections of the Demised Premises, (ii) all plumbing, sewage facilities, electrical equipment and sprinkler equipment and facilities located within or serving the Demised Premises and (iii) all other portions, improvements and elements of the Demised Premises which Tenant is not required to maintain pursuant to Section 7.1, but in no event shall Landlord be required by this Section 7.2 to make any repairs or replacements which are necessary as a result of Tenant's gross negligence or willful misconduct.

ARTICLE 8
USE

Section 8.1 Tenant's Opening Covenant

Subject to the following conditions (the "**Opening Conditions**"):

(i) Landlord's completion of all the Landlord's Work and all on-site and off-site improvements in a timely fashion in order to deliver to Tenant actual and exclusive possession of the Demised Premises as described in Article 2,

(ii) Landlord's operation of the Shopping Centre as a first class enclosed outlet shopping centre, and

(iii) Landlord not being in default of any of the terms and/or provisions of this Lease,

Tenant will build out the Demised Premises from the "white box" condition as described herein and open the Demised Premises for business with the public not later than the Outside Date (subject to Force Majeure) for at least one (1) day staffed, stocked and fixtured as an off-price retail store for the use described in Article 8.2 below consistent with its other off-price retail stores in Canada operating under the trade name "*Saks Fifth Avenue Off Fifth*", "*Off 5th*", "*Saks 5th Avenue Off 5th*", "*Saks 5th*", "*Off 5th-Saks 5th Avenue Outlet*", "*Saks*", "*Saks Fifth Avenue*" or such other trade name being used from time to time to identify the majority of the off-price retail stores operated by Tenant in Canada that were previously operated as a Saks Fifth Avenue Off Fifth. Thereafter, Tenant shall have no obligation to operate the Demised Premises.

Tenant further covenants that, upon opening the Demised Premises for business with the public, the interior décor and fixturing of the Demised Premises will be generally consistent with the décor and fixturing of the off-price retail store operating under the trade name "*Saks Fifth Avenue Off Fifth*" located in Costa Mesa-South Coast Plaza, California.

Section 8.2 Tenant's Use Generally

Tenant shall have the right to use and occupy, if at all, the Demised Premises or any portion or portions thereof, for the operation of an off-price retail store selling better quality apparel, accessories, shoes, handbags, jewellery and other better quality merchandise as is typically sold from time to time in Tenant's similar off-price retail stores in Canada operating under the name *Saks Fifth Avenue Off Fifth*", "*Off 5th*", "*Saks 5th Avenue Off 5th*", "*Saks 5th*", "*Off 5th-Saks 5th Avenue Outlet*", "*Saks*", "*Saks Fifth Avenue*" (or such other trade name being used from time to time to identify the majority of the other similar off-price retail stores operated by Tenant in Canada) and in other similar off-price retail stores selling better quality merchandise currently operating in North America, such as, by way of example only and without limitation, those off-price retail stores operating under the names "*Nordstrom Rack*", "*Holt Renfrew's HR2*", and "*Nieman Marcus Last Call*".

Landlord hereby warrants and represents to Tenant that, as of the date signing hereof, Landlord has granted the following restrictive covenants and/or exclusive rights of use to certain other tenants of the Shopping Centre:

(a) Under the existing lease of those premises at the Shopping Centre that are shown outlined in **YELLOW** on the plan of the Shopping Centre attached hereto as Exhibit K currently being operated under the name "*Bass Pro Shops Outdoor World*" (the "**Existing Bass Pro Lease**"), Landlord has granted the tenant the exclusive right to use its premises for the sale and display of

boats, recreational vehicles, off-road vehicles or all-terrain vehicles at the Shopping Centre and has further covenanted not to permit any other tenants of the Shopping Centre to use their respective premises for the sale of hunting, fishing or camping products or services unless the sale of such products or services is incidental to such tenants' use of their respective premises. Notwithstanding the aforementioned, Landlord shall be permitted the following uses in the Shopping Centre: (i) a specialty good store selling golf equipment and related accessories provided that it is located over 100 feet from the premises outlined in YELLOW; (ii) a specialty sporting goods store selling hockey equipment and related accessories; (iii) a specialty sporting goods store selling ski and snowboard equipment and related accessories; (iv) a "*Sports Chek*" store or a store of similar concept; or (v) one full line sporting goods store.

(b) Under the existing lease of those premises at the Shopping Centre that are shown outlined in **GREEN** on the plan of the Shopping Centre attached hereto as Exhibit K and are currently being operated as a cinema under the name "*Cineplex*" (the "**Existing Cinema Lease**"), Landlord has covenanted not to permit any other tenants of the Shopping Centre to use their respective premises for or with respect to or in connection with, in whole or in part, the carrying on of the business of or the operation of a motion picture theatre or the exhibition of motion pictures.

(c) Under the existing lease of those premises at the Shopping Centre that are shown outlined in **ORANGE** on the plan of the Shopping Centre attached hereto as Exhibit K and are currently being operated under the name "*Toys R Us*" (the "**Existing Toys R Us Lease**"), Landlord has covenanted not to permit any other tenants of the Shopping Centre to use their respective premises for the purpose of carrying on as their principal business the sale of (a) toys and/or (b) children's educational toys and/or (c) babies' and infants' "hard goods" and baby gear (excluding babies' and infants' clothing), such as, by way of example and without limitation, car seats, booster seats, cradles, cribs, carriages, strollers, playpens, play-yards, high chairs, swings, exercisers, case goods, mattresses and gliders and babies' and infants' "soft goods" (excluding babies' and infants' clothing) such as by way of example and without limitation, bedding and room decor and/or babies' and infants' care products, such as, by way of example and without limitation, diapers, wipes, formula, HBA, breast feeding, bottle feeding, baths, monitors, diaper pails and safety products,

(d) Under the existing lease of those premises at the Shopping Centre that are shown outlined in **BROWN** on the plan of the Shopping Centre attached hereto as Exhibit K and are currently being operated under the name "*Bed Bath & Beyond*" (the "**Existing BBB Lease**"), Landlord has covenanted *inter alia,* not to lease any premises in the Shopping Centre to any tenant for the operation of a store operating under the name "*Home Outfitters*" or under the name "*Linens N Things*";

(e) Under the existing lease of those premises at the Shopping Centre that are shown hatched in **BLACK** on the plan of the Shopping Centre attached hereto as Exhibit K and are currently being operated under the name "*Indigo Books & Music*" (the "**Existing Book Store Lease**"), Landlord has covenanted not to allow any other tenant or other occupant of premises in the Shopping Centre to operate their respective premises for the principal use of selling books, magazines, educational materials and information and entertainment related products, such as, by way of example, those stores currently operating under the name "*Archambault*", "*McNally*", :*Robinson*", "*Renaud Bray*", "*Page-Turner*", "*Barnes & Noble*" and "*Borders*".

(f) Under the existing lease of those premises at the Shopping Centre that are shown cross-hatched in **BLACK** on the plan of the Shopping Centre attached hereto as Exhibit K and are currently being operated under the name "*Pro Hockey Life*" (the "**Existing Hockey Products Lease**"), Landlord has covenanted not to permit any other tenants of the Shopping Centre to use their respective premises for the operation of a business having as its primary use the retail sale of hockey

equipment, including but not limited to hockey sticks, hockey helmets, hockey pads, hockey skates and hockey jerseys (collectively, "**Hockey Products**") nor to permit any other tenant in the Shopping Centre to use more than 20% of its premises' selling area (where such premises rentable area does not exceed 10,000 square feet) or to use more than 10% of its premises' selling area (where such premises rentable area exceeds 10,000 square feet) for the sale of Hockey Products, provided further that the foregoing restrictive covenants shall not apply to any deals Landlord has conducted with Champs, Footlocker, Jersey City, Nike, Reebok and Adidas.

For greater certainty, Tenant hereby acknowledges and agrees that, if and for so long as each of the aforementioned exclusive uses and/or restrictive covenants granted by Landlord to the respective tenants (including their respective successors and assigns) under each of the Existing Bass Pro Lease, the Existing Cinema Lease, the Existing Toys R Us Lease, the Existing BBB Lease, the Existing Book Store Lease and the Existing Hockey Products Lease remains unamended and in full legal force and effect thereunder, Tenant shall not use the Demised Premises or permit the Demised Premises to be used for the operation of any business or the sale of any merchandise or services that would cause Landlord to be in default of any such exclusive use and/or restrictive covenant.

No provision of this Lease imposes (i) any obligation on Tenant to operate a business in or make any sales from the Demised Premises (except to the limited extent as may be provided in Section 8.1) or (ii) any radius or other operating restrictions on Tenant; and no operation, business, sale or other activity of Tenant outside of the Shopping Centre shall entitle Landlord to any rent or other compensation. Subject to the provisions in this Lease (including but not limited to the provisions governing Tenant's use of the Demised Premises in the preceding paragraph), the hours of business, the number and types of departments to be operated, the particular contents, wares and merchandise to be offered for sale in, and the services to be rendered, the methods and extent of merchandising and storage thereof and the manner of operating the Demised Premises, if at all, in every respect whatsoever shall be within the sole and absolute discretion of Tenant, but must be consistent with Tenant's general practice in its other similar off-price retail stores in Canada. Subject to the provisions of Article 10 of this Lease, Tenant may operate, or cause to be operated, the department or departments within the Demised Premises, in whole or in part, by licensees, sub-tenants and/or concessionaires, provided that the Demised Premises continue to be carried on, and retain the appearance to the public of being carried on, as an integrated, and not a multiple tenant, off-price retail store. Tenant will carry on its business on the Demised Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Demised Premises that will result in or bring about a breach of any provision of this Lease. Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Demised Premises as an off-price retail store or other permitted use hereunder in a first class manner in keeping with the said standards of the shopping centre industry.

Notwithstanding the provisions of the opening paragraph of this Section 8.2, Tenant shall not, at any time during the Term, conduct or carry on in the Demised Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any call centre operation (iii) a store conducted principally for the sale of war surplus articles, insurance salvage stock, or fire sale stock; (iv) the sale of merchandise damaged by fire except in the event of a fire taking place on the Demised Premises and then only for the sale of merchandise damaged by such fire; (v) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (vi) an auction sale; and (vii) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

Section 8.3 **Landlord's Right of Recapture**

If at any time during the Term less than the whole or substantially the whole of the Demised Premises is occupied and open to the public for business for a period exceeding two (**2**) months for any reason other than Force Majeure (as that term is hereinafter defined), damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, Landlord shall thereafter have the right to terminate this Lease while such cessation of operation continues by giving Tenant no less than thirty (**30**) days prior written notice thereof, provided that Tenant may nullify such notice of termination and this Lease shall not be terminated if Tenant re-opens the whole or substantially the whole of the Demised Premises to the public for business prior to the termination date specified in Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Demised Premises open for business for at least twelve (**12**) consecutive months (failing which Landlord's termination of the Lease shall be effective immediately upon Tenant ceasing to operate during the aforementioned 12-month period). In the event that Tenant nullifies Landlord's notice of termination as aforesaid, the provisions of this Section 8.3 shall continue to apply throughout the balance of the Term.

ARTICLE 9
ALTERATIONS; SIGNS

Section 9.1 **Alterations**

Tenant shall have the right at any time and from time to time, at its own cost and expense, to make such repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the non-structural components and/or interior of the Demised Premises as Tenant, acting in its sole discretion, may deem necessary or desirable, without requiring the prior consent of Landlord thereto.

Tenant shall have the further right at any time and from time to time, at its own cost and expense, to make repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the structural components and/or exterior façade of the Demised Premises, provided that:

(a) Any such repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the structural components and/or exterior of the Demised Premises (hereinafter collectively referred to as "**Tenant's Structural or Exterior Work**") shall be subject to Landlord's prior approval (which approval shall not be unreasonably withheld, conditioned or delayed).

(b) Any Tenant's Structural or Exterior Work so approved by Landlord shall be carried out by Landlord in a diligent, good and workmanlike manner in accordance with such plans, specifications or designs therefor as have been prepared by Tenant and approved by Landlord, in accordance with all governmental laws, rules, regulations and code requirements applicable thereto, and in accordance with a work schedule that has approved in advance by Tenant (which approval shall not be unreasonably withheld, conditioned or delayed).

(c) Landlord shall provide Tenant with estimates of the total cost to perform any Tenant's Structural or Exterior Work hereunder from at least two (**2**) independent contractors (collectively, the "**Submitting Contractors**") for Tenant's review and approval, and Tenant, acting in its sole discretion, shall determine which of the said Submitting Contractors shall be engaged by Landlord to carry out the Tenant's Structural or Exterior Work by providing written notice thereof to Landlord within fifteen (**15**) days following its receipt of the said cost estimates. Should Tenant elect not to proceed with any Tenant's Structural or Exterior Work following its review of the said cost estimates therefor, it shall promptly provide written notice of its decision to Landlord.

(d) Following Landlord's completion of any Tenant's Structural or Exterior Work as aforesaid, Tenant shall reimburse Landlord for the costs incurred by Landlord in carrying out such Tenant's Structural or Exterior Work within thirty (**30**) days following Tenant's receipt of Landlord's invoice therefor, which invoice shall be accompanied by receipted proof of payment and/or such other evidence in support thereof as Tenant may reasonably request.

Tenant shall save Landlord harmless from and indemnify Landlord against all liens, claims and damages which may be asserted against Landlord or the Demised Premises or both by reason of any work which Tenant elects to do as authorized in this Article 9. Tenant agrees that any work performed by it pursuant to this Section shall be performed in a good and workmanlike manner and in accordance with all governmental laws, rules, regulations and code requirements applicable thereto. Landlord shall cooperate with Tenant in obtaining all permits, licenses and approvals for such work and shall join Tenant in the execution of any application for any such permit, license or approval.

Until the expiration or sooner termination of this Lease, title to any improvement constructed or installed by Tenant in or upon the Demised Premises or any other capital improvement made to the Demised Premises by Tenant or any fixture provided by Tenant shall remain solely in Tenant, and Tenant alone shall be entitled to deduct all depreciation and take all investment tax credits and other tax benefits on Tenant's income tax return for any such items.

Section 9.2 **Tenant's Signs**

(a) Tenant shall have the unrestricted right to install and maintain within the Demised Premises at any time and from time to time whatever interior signage it desires or requires in order to meet the needs of the business conducted therein and therefrom.

(b) Tenant shall have the right to install, replace or remove the following signage upon the exterior facades of the Demised Premises, at locations chosen by Tenant, including, without limitation, over the entrance(s) to the Demised Premises:

(i) Tenant shall have the right to install one (1) of its standard exterior signs upon each one of the three (3) exterior facades of the Demised Premises currently facing onto the exterior parking areas of the Shopping Centre;;

(ii) Tenant shall have the right to install two (2) of its standard interior mall signs upon the exterior facades of the Demised Premises facing into the interior pedestrian mall of the Shopping Centre; and

(iii) Tenant shall have the further right to install two (2) of its standard blade signs upon the exterior facades of the Demised Premises facing into the interior pedestrian mall of the Shopping Centre;

(which signage is collectively referred to herein as the "**Tenant's Exterior Signage**"), provided further that Tenant shall obtain any mandatory governmental approvals for the Tenant's Exterior Signage and all of the said Tenant's Exterior Signage shall comply with the reasonable requirements of such sign policy (if any) governing the standard design criteria of all exterior signs erected at the Shopping Centre that is implemented and enforced by Landlord against all tenants of the Shopping Centre, which sign policy shall represent good shopping centre practice for a first-class shopping centre and shall maintain the dignity and appearance of the whole of the Shopping Centre. Landlord hereby further grants to Tenant an easement for the purpose of installing (at Tenant's election), maintaining, operating, repairing, replacing and removing all of the aforesaid Tenant's

Exterior Signage, the lighting for which shall be controlled by Tenant directly from an electrical panel board operated by Tenant within the Demised Premises. Landlord shall cooperate with Tenant in obtaining all permits, licenses and approvals of or for all of the Tenant's Exterior Signage and shall join Tenant in the execution of any application for any such permits, licenses or approvals.

(c) The parties hereto hereby acknowledge and agree that the number, design, dimensions and locations of the Tenant's Exterior Signage that shall be installed on the exterior facades of the Demised Premises on the day that Tenant first opens the Demised Premises to the public for business are more particularly shown on the drawings attached hereto as Exhibit H,

(d) The parties hereto hereby acknowledge and agree that Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with the Tenant's Exterior Signage or any other signage installed at any time or from time to time in or upon the Demised Premises.

Section 9.3 Pylon Signs and Directional Signage

(a) Tenant shall have the right to have a sign panel on any existing or future pylon signs ("**Pylons**") installed and/or located on the Shopping Centre (or installed and/or located on other property for the purpose of advertising the Shopping Centre) that identify any one or more of the occupants of the Shopping Centre, subject to any pre-existing and conflicting rights to sole representation on any such Pylons as Landlord may have granted to other occupants of the Shopping Centre prior to **April 1, 2015**. Tenant's sign panel(s) on any such Pylons shall be supplied, installed, operated and maintained by Landlord, at Landlord's sole cost and expense and the design of the sign panels identifying Tenant on any such Pylons shall be subject to Tenant's prior approval. Subject to the said sign panels of Tenant complying with all governmental laws, rules, regulations and code requirements applicable thereto, and further subject to any pre-existing and conflicting rights to representation on any such Pylons as Landlord may have granted to other occupants of the Shopping Centre prior to **April 1, 2015**, Tenant's sign panels shall be placed in a prominent location on each such Pylon and shall be at least the size of the largest sign panel thereon. Tenant shall also have the right, at Landlord's sole cost and expense, to have its business name or other signage identifying the business operated in and from the Demised Premises ("**Tenant's Identification Signage**") included on any existing or future directional, way-finding and/or monument sign and/or other Shopping Centre identification signs that identify retail occupants of the Shopping Centre (wherever located in both the interior and exterior Common Area of the Shopping Centre), approximately as shown on the conceptual images of the existing directional, way-finding and monument signs and other Shopping Centre identification signs attached hereto as Exhibit I. The said Tenant's Identification Signage shall be supplied, installed, operated and maintained by Landlord at Landlord's sole cost and expense, and, subject to the Tenant's Identification Signage complying with all governmental laws, rules, regulations and code requirements applicable thereto, and further subject to any pre-existing and conflicting rights to representation on any such directional, way-finding and/or monument sign and/or other Shopping Centre identification signs as Landlord may have granted to other occupants of the Shopping Centre prior to **April 1, 2015**, Tenant's Identification Signage shall be placed in a prominent location and shall be at least the size of the largest identification signage situated thereon. Landlord shall, at its sole cost and expense, maintain, operate, repair, replace and reconstruct the Pylons, directional, way-finding, monument and other identification signs.

(b) The parties hereto hereby acknowledge and agree that Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with any signage

identifying Tenant that is installed at any time or from time to time upon any of the aforesaid Pylons, directional, way-finding, monument and/or other identification signs.

ARTICLE 10
ASSIGNMENT

Section 10.1 **Right to Assign or Sublease and Leasehold Mortgage**

Save and except as otherwise herein expressly provided, Tenant will not assign this Lease or sublet the whole or any portion of the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably conditioned or withheld or unduly delayed.

Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease or sublet the whole or any part of the Demised Premises to, and may in any event permit the Demised Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by the *Canada Business Corporations Act)*

(b) assign this Lease to any corporation with which Tenant merges or consolidates; and

(c) assign this Lease to any corporation to which Tenant transfers no less than ten (**10**) of its other similar off-price retail stores in Canada, has a net worth equal to or greater than One Hundred Million Dollars (**$100,000,000.00**) and is a first class reputable retail operator of a business selling better quality merchandise;

(which corporate entities are herein referred to as "**Permitted Transferees**"),

Notwithstanding anything that may be contained in this Lease to the contrary, Tenant shall also have the right, acting in its sole and absolute discretion and without the consent of Landlord, to grant licenses or subleases of departments or concessions for the sale of merchandise and services in or from the portions of the Demised Premises covered by such departments or licenses consistent with Tenant's general practice in its other similar off-price retail stores in Canada, provided that:

(a) the Demised Premises continue to be carried on, and retain the appearance to the public of being carried on as an integrated, and not a multiple tenant, off-price retail store; and

(b) not more than twenty percent (**20%**) of the rentable area of the Demised Premises in aggregate is so sublet or has rights granted as aforesaid.

The parties hereto further acknowledge and agree as follows:

1. No assignment of this Lease or subletting of all or any portion of the Demised Premises shall be deemed to relieve Tenant from its obligations pursuant to this Lease.

2. Any Permitted Transferee and any other assignee of the Lease and/or subtenant, licensee or concessionaire occupying the Demised Premises shall use the Demised Premises only for carrying on such business as is permitted to be carried on in accordance with the provisions of this Lease (including but not limited to the provisions contained in Article 8 of this Lease).

3. Any party to whom Tenant assigns the Lease or subleases the Demised Premises in whole or in part or grants licenses, concessions, or rights to occupy the Demised Premises in whole or in part shall be a bona fide retail operator.

4. For any sublease, license or concession of the whole or substantially the whole of the Demised Premises to any Permitted Transferee by Tenant, where the gross amount of the rent, fees or monies received by Tenant from the Permitted Transferee pursuant to the governing sublease, license or concession agreement exceeds the gross amount of the Rent received by Landlord from Tenant under the Lease throughout the term of such sublease, license or concession agreement, Tenant shall then pay to Landlord as additional rent hereunder the said amount by which the gross amount of the rent, fees or monies received by Tenant from the Permitted Transferee under the sublease, license or concession agreement exceeds the gross amount of the Rent received by Landlord from Tenant under the Lease throughout the term of such sublease, license or concession. The aforesaid additional rent, fees or monies so payable by Tenant hereunder (the "**Excess Rent**") shall be paid to Landlord on a monthly basis at the same time that Tenant's monthly payment of Rent is delivered to Landlord. Along with the monthly payment of Rent, Tenant shall provide Landlord with a statement, certified by an officer of Tenant and prepared in accordance with generally accepted accounting principles, consistently applied, showing the gross amount of the rent, fees or monies received by Tenant from the Permitted Transferee during the reporting period in question and confirming the calculation of the amount of the Excess Rent payable to Landlord in respect of such reporting period.

As used in this Lease, **"Mortgage"** means any mortgage, deed of trust or other instrument securing a loan and **"Mortgagee"** means a mortgagee under a mortgage or a trustee or beneficiary or both under a deed of trust or a lender under any other instrument securing a loan. Tenant shall have the right, without Landlord's consent, to encumber the whole or any part of its leasehold estate in the Demised Premises by Mortgage, but the rights of any Mortgagee shall be subject and subordinate at all times to the provisions of this Lease and the right of Landlord to exercise all or any of Landlord's rights and remedies provided in this Lease or by law (except as limited by the specific provisions of this Lease), and shall in no way alter, affect or diminish the reversionary interest of Landlord. Notwithstanding the foregoing, if Tenant executes a Mortgage of its leasehold interest hereunder to secure any obligation, the Mortgagee from time to time may designate, by written instrument delivered to Landlord, a place where notices may be sent to such Mortgagee. In the event the Mortgagee furnishes Landlord with the information set forth in the preceding sentence, Landlord agrees that if, after receipt of such notice and while such Mortgage is in effect, Landlord gives any notice to Tenant, Landlord shall mail a copy of such notice to such Mortgagee to the place last designated in the written instrument delivered to Landlord as aforesaid, and such Mortgagee shall have and is hereby expressly given the right to do or perform any covenant or obligation of Tenant and shall have the right to cure any breach. In such event, Landlord will take no action against Tenant by reason of such breach by Tenant if the Mortgagee shall, within thirty (**30**) days after service on the Mortgagee of written notice from Landlord of Landlord's intention to take such action, either cure such breach if the same can be cured by the payment of money, or, if such is not the case, undertake in writing to perform all covenants of this Lease capable of performance by such Mortgagee. In the event of such undertaking to cure, such breach shall be deemed cured if such Mortgagee shall proceed in a timely and diligent manner to succeed to the interest of Tenant hereunder by foreclosure, whether by judicial sale, by power of sale contained in any security instrument, or by deed given in lieu of foreclosure. The obligation of any such Mortgagee for the performance of the terms of this Lease shall terminate upon the date of transfer or assignment of the right, title and interest of such Mortgagee in the leasehold estate to any other person or entity.

ARTICLE 11

INSURANCE AND INDEMNIFICATION

Section 11.1 Landlord Insurance

Throughout the Term of this Lease Landlord, at no cost to Tenant, will carry the following insurance:

(1) a policy of "all risk" insurance on the Demised Premises (save and excepting those leasehold improvements located within and forming part of the Demised Premises that Tenant covenants to insure under subparagraph (3) of Section 11.2 hereof) and on all other buildings, structures and improvements of any kind and description in and forming part of the Shopping Centre, in each case for no less than the full replacement cost thereof and with such reasonable deductibles as are normally effected by owners in insuring similar first-class shopping centres.

(2) commercial general liability insurance (including coverage for legal liability) on a per occurrence basis covering Claims (as that term is hereinafter defined), other than standard exclusions, for bodily injury or personal injury to or death of persons and property damage arising out of Landlord's use, operation and/or maintenance of the Shopping Centre, which insurance shall have per occurrence limits of not less than Three Million Dollars (**$3,000,000.00**) and an annual aggregate limit of no less than Ten Million Dollars (**$10,000,000.00**) .

(3) Any other insurance Landlord will deem appropriate and that a prudent owner of similar property would carry.

All of the foregoing insurance that Landlord covenants to carry throughout the Term of this Lease shall be carried with financially responsible insurance companies rated at least A- -X in the then most current edition of Bests' Rating Guide and shall be federally licensed to carry on the business of insurance in all provinces of Canada.

The "all risk" insurance coverage that Landlord covenants to provide under subparagraph (1) of this Section 11.1 shall:

(i) insure against loss or damage from causes that are from time to time included as covered risks under standard insurance industry practices within the classification of difference in conditions coverage and all risk coverage, and specifically against the following perils: fire, windstorm, hail, cyclone, hurricane, tornado, riots, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage and sprinkler leakage, flood, earthquake and, if coverage is available, nuclear or other explosion with no co-insurance penalties; and

(ii) shall provide no co-insurance penalties.

In addition to the foregoing, Landlord hereby covenants and warrants that all proceeds collected under the "all risk" insurance coverage that Landlord covenants to provide under subparagraph (1) of this Section 11.1 shall be payable to Landlord, Tenant and the Landlord's Mortgagee, if any, as their respective interests may appear, and that all such proceeds payable in the event of loss, damage or destruction to the insured property that are received by Landlord or Landlord's Mortgagee (as the case may be) shall be made available for the reconstruction or repair of any building or buildings and other improvements damaged or destroyed, provided further that, if any of such proceeds are to be payable to any such Mortgagee, Landlord covenants with Tenant to require such Mortgagee to agree in writing (or to be bound by the terms of its Mortgage) to make all such proceeds available for such reconstruction or repair regardless of the existence of any default under the Mortgage granted to such Mortgagee..

The commercial general liability insurance coverage that Landlord covenants to provide under subparagraph (2) of this Section 11.1 shall name Tenant as an additional insured.

Landlord shall provide Tenant with no less than thirty (**30**) days' prior written notice of any cancellation or non-renewal of the insurance policies Landlord is required to carry under Section 11.1 hereof.

Landlord shall, on reasonable request, promptly furnish Tenant with a certificate of insurance evidencing Landlord's compliance with the foregoing insurance coverage requirements of this Section.

Section 11.2 Tenant Insurance

Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the following insurance:

(1) a policy of "all risk" insurance on the leasehold improvements located within and forming part of the Demised Premises from time to time and Tenant's tenant fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents situated in and upon the Demised Premises, which policy shall insure against loss or damage from causes that are from time to time included as covered risks under standard insurance industry practices within the classification of difference in conditions coverage and all risks coverage, and specifically against the following perils: fire, windstorm, hail, cyclone, hurricane, tornado, riots, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage and sprinkler leakage, flood, earthquake and, if coverage is available, nuclear or other explosion, to 100% of the full replacement cost thereof, provided that, notwithstanding the foregoing, Tenant shall be entitled in the alternative to self-insure against loss or damage to the said leasehold improvements, trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Demised Premises, and provided further that, if Tenant does maintain the aforementioned policy of "all risks" insurance against loss or damage to the aforesaid leasehold improvements, trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Demised Premises, the loss payable shall be paid only to Tenant without any trust provisions;

(2) business interruption insurance in such amount as will reimburse Tenant for direct or indirect loss of gross earnings attributable to damage to the whole or any portion of the Demised Premises or attributable to prevention of access to the Demised Premises or the Shopping Centre for a period of no less than twelve (**12**) months;

(3) commercial general liability insurance (including coverage for legal liability) on a per occurrence basis covering Claims (as that term is hereinafter defined), other than standard exclusions, for bodily injury or personal injury to or death of persons and property damage arising out of Tenant's use, operation and/or maintenance of the Demised Premises, which insurance shall have per occurrence limits of not less than Three Million Dollars (**$3,000,000.00**) and an annual aggregate limit of no less than Ten Million Dollars (**$10,000,000.00**) .

All of the foregoing insurance that Tenant covenants to carry throughout the Term of this Lease shall be carried with financially responsible insurance companies rated at least A- -X in the then most current edition of Bests' Rating Guide and shall be federally licensed to carry on the business of insurance in all provinces of Canada.

The commercial general liability insurance coverage that Tenant covenants to provide under subparagraph (3) of this Section 11.2 shall name Landlord as an additional insured.

Tenant shall provide Landlord with no less than thirty (**30**) days' prior written notice of any cancellation or non-renewal of the insurance policies Tenant is required to carry under Section 11.2 hereof.

Tenant shall, on reasonable request, promptly furnish Landlord with a certificate of insurance evidencing Tenant's compliance with the foregoing insurance coverage requirements of this Section.

Section 11.3 Indemnification

Except to the extent that Tenant has been specifically released pursuant to the provisions of Section 11.5 hereof, Tenant shall indemnify, protect, defend and hold harmless Landlord against all claims, costs, expenses (including, without limitation, reasonable attorneys' fees) losses, damages, injuries and liabilities (in this Article 11 collectively called "**Claims**") arising from the death of or any accident, occurrence, injury, loss or damage whatsoever caused to any third party natural person or to the property of any third party person or entity arising out of Tenant's operation and/or of Tenant's use and/or maintenance of the Demised Premises from and after the date Tenant accepts actual and exclusive possession of the Demised Premises (except to the extent such Claims arise from any gross negligence or willful misconduct of Landlord or its employees, servants or agents).

Except to the extent that Landlord has been specifically released pursuant to the provisions of subclause 11.5 hereof, then, notwithstanding anything in this Lease to the contrary, including, without limitation, the immediately preceding paragraph, Landlord shall indemnify, protect, defend and hold Tenant harmless from all Claims arising from the death of or any accident, occurrence, injury, loss or damage whatsoever caused to any person or to the property of any person or entity arising out of Landlord's use, operation and/or maintenance of the Shopping Centre or the carrying out (or failure to carry out) its obligations under this Lease, including, without limitation, any such Claims arising out of Landlord's performance of Landlord's Work hereunder (except to the extent such Claims arise from any gross negligence or willful misconduct of Tenant or its employees, servants or agents).

The indemnitee hereunder shall give the indemnitor timely notice of any suit or proceeding arising from any of the items for which it is entitled to indemnification as hereinabove provided and the indemnitor shall have the right to defend the indemnitee in said suit or proceeding with counsel acceptable to the indemnitee. Failure to give such notice shall not, however, in any manner negate or invalidate the obligation to provide such indemnification except to the extent the indemnitor is prejudiced by such failure.

Section 11.4 Self-Insurance; Blanket Policies

Tenant may satisfy its obligations under subparagraphs (1) and (2) of Sections 11.2, in whole or in part, by means of self-insurance or by a so-called blanket policy.

Section 11.5 **Waiver of Rights of Recovery**

Landlord agrees that Landlord's policy or policies of insurance shall contain a waiver of subrogation clause as to Tenant, and, anything in this Lease to the contrary notwithstanding, Landlord hereby waives all rights of recovery and causes of action, and releases Tenant from any and all liability for all losses and damages occasioned to the Demised Premises and/or any other property within or upon or constituting a part of the Shopping Centre, which losses and damages are of the type covered under the policies required to be carried by Landlord under Section 11.1, whether such claim or demand may arise because of the negligence or fault of Tenant and its agents, contractors, servants, employees, licensees, customers, business invitees or otherwise; provided, however, to the extent any such losses or damages are caused by the negligence or willful misconduct of Tenant or its agents, contractors, servants, employees, licensees, customers, business invitees and all or any portion of such loss is "deductible" or part of a "self-insured retention", then Tenant shall pay to Landlord the amount of such loss (not to exceed $25,000 per event, and hereinafter referred to in this paragraph as the "deductible loss"). Except with respect to any deductible loss, as aforesaid, Landlord agrees to look to Landlord's insurance coverage only in the event of such loss.

Tenant agrees that Tenant's policy or policies of insurance shall contain a waiver of subrogation clause as to Landlord, and, anything in this Lease to the contrary notwithstanding, Tenant waives all rights of recovery and causes of action, and releases Landlord from any and all liability for all losses and damages occasioned to the Demised Premises and/or any other property within or upon or constituting a part of the Shopping Centre, which losses and damages are of the type covered under the policies required to be carried by Tenant under Section 11.2, whether such claim or demand may arise because of the negligence or fault of Landlord and its agents, contractors, servants, employees, licensees or otherwise; provided, however, to the extent any such loss or damage to or destruction of such property of Tenant are caused by the negligence or willful misconduct of Landlord or its agents, contractors, servants, employees, licensees and all or any portion of such loss is "deductible" or part of a "self-insured retention", then Landlord shall pay to Tenant the amount of such loss (not to exceed $25,000 per event, and hereinafter referred to in this paragraph as the "deductible loss"). Except with respect to any deductible loss, as aforesaid, Tenant agrees to look to Tenant's insurance coverage only in the event of such loss.

ARTICLE 12
COMMON AREA MAINTENANCE AND CHARGES

Section 12.1 **Common Area Maintenance**

At all times during the Term of this Lease, Landlord shall, at Landlord's sole cost and expense, operate, manage, clean, heat, air-condition, light, maintain, repair, provide snow and ice removal, replace and provide security (collectively "**Common Area Maintenance**") for the Common Area and all improvements thereon and thereto (including, without limitation, all interior and exterior pedestrian malls, sidewalks, curbs and disks, parking areas, parking decks, access roads and ramps, landscaping, lighting standards, traffic and directional signs, traffic striping and markings, Shopping Centre monument and pylon signs, storm drainage facilities, sanitary sewer systems, natural gas systems, water systems, sprinkler and other fire protection installations, methane recovery/remediation systems, electrical lines and power cables and all other similar amenities and like improvements constructed or installed for the non-exclusive use, convenience or benefit of tenants in the Shopping Centre or their customers, visitors and invitees) in good order, condition and repair, in a first-class, clean manner and condition and in accordance with this Lease.

Section 12.2 **General Common Area Operation and Maintenance Standards**

Without limiting the generality of anything set forth in this Article 12, Landlord, in the performance of Common Area Maintenance, shall perform, without limitation, the following services in accordance with the standards of a first-class shopping centre:

(1) Inspect, maintain, repair and replace the surface of the parking areas, curbs, and sidewalks, keeping them level and smooth and keeping the parking area surfaced with durable black-top or cement and concrete (or such other materials as may be commonly used in lieu thereof from time to time by other shopping centres operating in accordance with the standards of a first-class shopping centre) and the curbs and sidewalks repaired or replaced with cement and concrete (or such other materials as may be commonly used in lieu thereof from time to time by other shopping centres operating in accordance with the standards of a first-class shopping centre);

(2) Maintain the Common Area free of any obstructions; promptly remove all papers, debris, filth, refuse, and surface waters, snow and ice from the Shopping Centre; wash and thoroughly sweep paved areas as required, at intervals before the Demised Premises are open for business;

(3) Maintain in an attractive condition, in keeping with the operating standards of a first-class shopping centre, all parking area entrance, exit and directional signs, markers, and all amenities, decorative elements and benches of the Common Area and promptly replace or repair the same upon the occurrence of any defects or irregularities thereto;

(4) Clean parking area lighting fixtures, replace lighting fixtures when no longer functioning and relamp as needed;

(5) Repaint hard-surfaced markings and striping as the same become unsightly or indistinct;

(6) Maintain, repair and replace landscaping, including the removal of dead plants, weeds and foreign matter, pruning, fertilizing and such replanting and replacement as the occasion may require;

(7) Clean, relamp and repair signs of the Shopping Centre (as contrasted from those of tenants);

(8) Empty all trash and rubbish containers located in the Common Area, wash the same at intervals sufficient to maintain the same in a clean and sanitary condition, and otherwise keep and maintain the same in good working order and condition;

(9) Clean, maintain and repair and replace all storm drainage and sanitary sewer lines, as required to keep the systems in a free-flowing condition at all times, and all other utility facilities serving the Shopping Centre, to the extent the same is not done by public utilities;

(10) Provide traffic control and security and security patrol;

(11) Furnish necessary pest abatement controls;

(12) Repair or replace, in accordance with all applicable laws, regulations, or ordinances, all surface utility facilities servicing the Shopping Centre (including, without limitation, hose

bibbs, stand pipes, sprinklers, and domestic water lines) upon the occurrence of any defect or malfunctioning; and

(13) Sweep and wash at regular intervals all stairs, if any, sufficient to maintain the same in a clean condition and promptly repair the same upon the occurrence of any irregularities or worn portions thereof.

Section 12.3 **[Intentionally Deleted]**

Section 12.4 **Tenant's Contribution Toward Common Area Maintenance Cost**

A. **Tenant's Share.** Tenant shall have no obligation to contribute to the cost of the Common Area Maintenance as such costs are intentionally included in the Rent provided for herein.

B. **Common Area Lighting.** Without limiting the generality of anything set forth in this Article 12, during any period when the Demised Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, Landlord shall keep all Common Area on the Shopping Centre lighted and opened to the public. Landlord agrees that it shall keep all Common Area on the Shopping Centre lighted for security purposes seven (7) days each week during the hours of darkness such lighting is necessary for such purpose. Landlord shall pay for all costs of electricity for lighting the Common Area (i) during any period when the Demised Premises are open for business and for such longer reasonable period of time of at least one-half (**1/2**) hour before and after such business hours, but not later than 11:00 p.m., MST, (ii) during any other period, in addition to the period described in the immediately preceding clause (i), when both the Demised Premises and at least fifty percent (**50%**) of the remainder of the floor area in the Shopping Centre are open for business and (iii) during the times and to the extent such lighting is required under the second sentence of this Subsection B. of Section 12.4.

The cost of electricity for lighting the Common Area at times or to the extent such cost is not considered part of Landlord's costs in accordance with the preceding paragraph shall be paid as follows:

(i) If the Demised Premises are open for business, then Tenant shall pay its proportionate share (based on the square footage of the Demised Premises compared to the square footage of the premises of all occupants that are open for business) of the cost of electricity to light the Common Area,

(ii) If the Demised Premises are not open for business, Landlord shall pay the cost of electricity to light the Common Area.

ARTICLE 13
COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 13.1 **General Landlord Covenants**

Landlord covenants and agrees that it shall operate or cause to be operated the Shopping Centre in the following manner:

(1) To continuously manage and operate the Shopping Centre as a complex of retail stores and commercial and service enterprises;

(2) To maintain a first class quality of management and operation;

(3) To use its best efforts to have all the rentable floor area of the Shopping Centre occupied in its entirety;

(4) To use its best efforts to have all rentable floor area of the Shopping Centre utilized to the maximum extent possible and to consider the objective of maintaining a balanced and diversified grouping of retail stores, merchandise and services;

(5) In accordance with the Rules and Regulations attached hereto as Exhibit D (provided, and the parties hereto expressly acknowledge and agree, that the said Rules and Regulations shall apply to Tenant's use and occupancy of the Demised Premises only to the extent that they are consistent and do not conflict with the provisions of this Lease, and, in the event of any conflict or inconsistency between the provisions of this Lease and the provisions of any of the Rules and Regulations governing the operation and occupation of the Shopping Centre at any time, the provisions of this Lease shall prevail in all respects);

(6) To maintain and not change, modify or alter the exterior or design of the other improvements in the Shopping Centre that would in any way:

(i) obstruct the visibility of the Demised Premises or the visibility of the remainder of the Shopping Centre from the Demised Premises; or

(ii) interfere with pedestrian and/or vehicular access to and from the Demised Premises; or

(iii) materially reduce pedestrian traffic flow to or near the Demised Premises.

Landlord further covenants and agrees that it shall at no time during the Term transfer ownership of any portion of the lands in and upon which the Shopping Centre is located (either as such lands exist as of the date of signing hereof or as may be expanded from time to time hereafter) to any third party unless the party acquiring ownership of such portion of the Shopping Centre lands (the "**Sale Parcel**") enters into an appropriate agreement with Landlord whereby, inter alia, (a) the buildings and improvements located in and upon the Sale Parcel and the balance of the Shopping Centre lands owned by Landlord will appear to the public to be operated as an integrated first class shopping centre and (b) the lands and improvements of the Sale Parcel shall be subject to easements granted in favour of the balance of the Shopping Centre lands then owned by Landlord for pedestrian and vehicular access across the Sale Parcel lands and the use of parking facilities located thereon for the benefit of the tenants and occupants of the balance of the Shopping Centre lands owned by Landlord. The parties acknowledge that the covenant of Landlord set forth in the immediately preceding sentence is specific to the present Lease.

Section 13.2 **Representations and Warranties of Landlord**

Landlord represents and warrants to Tenant that:

A. Landlord has validly executed this Lease and the same constitutes its authority to enter into this Lease and to consummate the transactions contemplated hereby.

B. The making of this Lease and the provisions of this Lease:

(i) do not, and will not violate or breach any term or provision of any agreements, covenants or restrictions whether written or oral, between Landlord and any third party,

(ii) do not, and will not conflict with any applicable municipal, provincial or federal law, judgment, order, regulation, rule or ordinance,

(iii) do not, and will not conflict with any applicable public or private restrictions applicable to the Shopping Centre,

(iv) do not require any consent or approval of any public or private authority which has not been obtained,

(v) are not threatened with invalidity of unenforceability by any action, proceeding or investigation pending, or to Landlord's knowledge, threatened, or by or against (x) Landlord without regard to capacity, (y) any person with whom Landlord may be jointly or severally liable or (z) the Shopping Centre or any portion thereof.

C. Landlord has not received notice of any condemnation or expropriation proceedings or negotiations for the purchase of any of the Shopping Centre in lieu of condemnation and has no knowledge that any expropriation proceedings or negotiations have been commenced or threatened in connection with the Shopping Centre or any portion thereof.

D. No litigation or other actions or proceedings are pending or, to the knowledge of Landlord, threatened, relating to the Shopping Centre, or any part thereof, which may have a material adverse effect thereon or which challenge or threaten Landlord's capacity or ability to validly perform its obligations in this Lease.

E. There are no agreements to which Landlord is a party or of which Landlord has knowledge which materially affects the Shopping Centre other than this Lease and the Permitted Exceptions.

F. There is no fact known to Landlord pertaining to the physical condition of the Shopping Centre and no environmental factors known to Landlord affecting the Shopping Centre (i) which Landlord has not disclosed to Tenant in writing prior to the date of this Lease, and (ii) which, as determined by Tenant, materially adversely affects or will materially adversely affect the Shopping Centre or the contemplated use or enjoyment or the value thereof.

G. To the best of Landlord's knowledge, this Lease does not (i) contain an untrue statement of a material fact or (ii) omit a material fact necessary to make the statements contained therein or herein not substantially misleading. There is no fact which Landlord, to the best of its knowledge, has not disclosed to Tenant in writing which materially adversely affects the Shopping Centre or Tenant's anticipated use thereof.

H. Landlord has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Landlord's creditors, (iii) suffered the appointment of a receiver to take all, or substantially all, of Landlord's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all of Landlord's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

I. [**Intentionally Deleted**].

J. The Shopping Centre is validly zoned and will be validly zoned on the date the Demised Premises are open or required to open so as to permit the operation thereon of an enclosed shopping centre and a retail store in the Demised Premises and that the Shopping Centre has been constructed and may be developed, used and operated as a shopping centre in the manner contemplated by this Lease without violation of any applicable laws, regulations, or ordinances; that no portion of the Shopping

Centre is located in a flood plain nor contains designated wetlands; and that all on-site and off-site improvements can be and have been installed and used as contemplated.

K. The current zoning for the Shopping Centre and any existing Record of Site Condition and/or Certificate of Property Use for the Shopping Centre that has been accepted and filed with the Alberta Ministry of the Environment that are currently in force with respect to the Shopping Centre provide for and permit the construction, occupation and use of the Demised Premises as described in this Lease.

L. The development, use and operation of the Shopping Centre in the manner contemplated by this Lease is not now prohibited by any existing municipal, provincial or federal environmental protection act or regulations and that all required studies, reports, permits (except construction permits for Tenant's work in the Demised Premises) and approvals relating thereto have been obtained by Landlord so as to permit the Demised Premises to open and operate.

M. Landlord is not currently party to and shall not enter into any lease or other occupancy agreement with any other tenant or occupant of the Shopping Centre whereby that party is given exclusive rights of use or any other privileges that would prevent Tenant from using the Demised Premises for the typical operation of a Saks Fifth Avenue Off Fifth store or for any other lawful use.

N. Tenant has good and marketable leasehold title and Landlord has good and marketable fee-simple title in and to the Demised Premises, free and clear of all claims of other parties, mortgages, liens, encumbrances, restrictions, violations, reservations and defect except for the Permitted Exceptions.

Landlord shall protect, indemnify, defend and hold Tenant harmless from and against any and all loss, cost, damage, expense and attorneys' fees and expenses incurred by Tenant by reason of any breach by Landlord of the representations and warranties set forth above.

Section 13.3 **Representations and Warranties of Tenant**

Tenant represents and warrants to Landlord that:

A. Tenant has the full power and authority to enter into this Lease and to consummate the transactions contemplated hereby.

B. The making of this Lease and the provisions of this Lease do not and will not violate any agreements, covenants or restrictions, whether written or oral, between Tenant and any third party.

C. As of the date of signing hereof, Tenant has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Tenant's creditors, (iii) suffered the appointment of a receiver to take all, or substantially all, of Tenant's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all of Tenant's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

Tenant shall protect, indemnify, defend and hold Landlord harmless from and against any loss, cost, damage, expense and attorney fees incurred by Landlord by reason of any breach by Tenant of the representations and warranties set forth above.

Section 13.4 **Asbestos and Other Hazardous Materials**

A. Notwithstanding any other provision of this Lease, Landlord represents and warrants that the Demised Premises will be, as of the date Tenant takes possession of the Demised Premises, free of all Hazardous Materials (as defined below). Landlord shall provide to Tenant, on or before delivering the Demised Premises to Tenant as described in this Lease, evidence acceptable to Tenant that the Demised Premises do not contain asbestos or any other Hazardous Materials and that the methane gas levels within the Demised Premises (if any) are within acceptable range. Notwithstanding any provision of this Lease to the contrary, Tenant shall have no obligation to make any repairs, alterations or improvements to the Demised Premises or incur any costs or expenses whatsoever as a result of Hazardous Materials in the Demised Premises, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant, any subtenant, concessionaire, or licensee of Tenant or any of their respective officers, employees, agents, customers, invitees or contractors (collectively, under this Section, "**Tenant**"). Landlord shall be solely responsible for any changes to the Demised Premises relating to Hazardous Materials, including the removal thereof if required by any Requirement (as defined below), or as required by any present or future laws, ordinances or regulations of any governmental authority, insurance carrier or any similar body, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant.

B. Landlord shall indemnify and hold Tenant harmless from and against all liabilities, costs, damages and expenses which Tenant may incur (including, without limitation, reasonable attorneys' fees and disbursements), other than consequential damages, as the result of the presence of Hazardous Materials at the Demised Premises or at the Shopping Centre, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant.

C. If, and to the extent, Tenant is unable to operate its business in and from the Demised Premises as a result of Landlord's removal or abatement of Hazardous Materials as provided herein (and except where the Hazardous Materials were introduced by Tenant), all Rent shall abate from the date of Tenant's closure until the date that Tenant is able to open and operate its business in and from the Demised Premises for a period in excess of sixty (**60**) days. In the event only a portion of the Demised Premises is rendered unusable, there shall be a proportional abatement based upon the rentable area thereof that is rendered unusable. Notwithstanding anything to the contrary, in the event that Tenant is unable to operate its business in and from the Demised Premises as a result of Hazardous Materials and/or the removal or abatement thereof as provided herein (except where the Hazardous Materials were introduced by Tenant), then Tenant, in addition to all of the rights and remedies hereunder, shall have the right to terminate this Lease upon thirty (**30**) days advanced notice given to Landlord.

D. As used herein, the term "**Hazardous Materials**" shall mean each and every element, compound, material, mixture, substance, waste, hazardous substance, hazardous waste, hazardous material, toxic substance, pollutant or contaminant either as those terms are defined under any law or regulation enacted or promulgated by any government having jurisdiction or the presence of which may cause harm to any person(s) and/or liability at common law, including, without limitation, methane gas, polychlorinated biphenols, ureaformaldehyde, chlorofluorocarbons asbestos and/or asbestos-containing products, whether or not currently friable.

E. As used herein, the term "**Requirement**" shall mean all applicable laws, statutes, ordinances (including, but not limited to, building codes and zoning regulations and ordinances), orders, rules, regulations and requirements of all federal, provincial and municipal governments, and the appropriate agencies, officers, departments, boards and commissions thereof, whether now or hereafter in force.

ARTICLE 14
SHOPPING CENTRE LAYOUT AND APPEARANCE

Section 14.1 Location of Buildings and Other Improvements

Landlord shall not erect, construct or expand, or permit the erection, construction or expansion of, any building or buildings or other structures or improvements, other than Common Area improvements within those portions of the Shopping Centre shown outlined in **BLUE** on Exhibit B (the "**No-Build Area**") without the prior written consent of Tenant, which consent may be granted, denied and/or withheld in Tenant's sole and absolute discretion. Landlord represents and warrants that the Common Area improvements shown on Exhibit B exist and are located as shown on Exhibit B and Tenant duly acknowledges its acceptance of the same. Landlord covenants and agrees that no changes or alterations shall be made in any portion of the Common Area of the Shopping Centre (or in the location and design of the improvements thereon and thereto) from that shown on Exhibit B that would materially affect Tenant's parking, ingress, egress, access or visibility to Tenant's Demised Premises.

Section 14.2 [Intentionally Deleted]

Section 14.3 [Intentionally Deleted]

Section 14.4 [Intentionally Deleted]

Section 14.5 Limitation on Detrimental Characteristics

No use or operation shall be made, conducted or permitted in any part of the Shopping Centre which use or operation is clearly objectionable to the development or operation of the Shopping Centre. Included among the uses or operations which are prohibited because of their obvious detrimental effect upon the general appearance of the Shopping Centre and conflict with the reasonable standards of appearance, maintenance and housekeeping required by this Lease, are uses or operations which produce or are accompanied by the following characteristics, which list is not intended to be all inclusive:

(1) Any noise, litter, odor or other activity which may constitute a public or private nuisance;

(2) Any unusual firing, explosion or other damaging or dangerous hazards;

(3) Any assembly, manufacturer, distillation, refining, smelting, industrial, agriculture, drilling or mining operation;

(4) Any trailer court, mobile home park, lot for sale of new or used motor vehicles, labour camp, junk yard, stock yard or animal raising (other than pet shops and veterinarians);

(5) Any dumping, disposal, incineration or reduction of garbage or refuse other than handling or reducing such waste if produced on the Demised Premises from authorized uses and if handled in a reasonably clean and sanitary manner.

Section 14.6 Non-Interference with Circulation

(a) So as not to interfere with efficient automobile and pedestrian traffic flow between the Demised Premises and all other areas in the Shopping Centre, there shall be no selling activities conducted within those portions of the Common Area of the Shopping Centre that are contained within the areas of the Shopping Centre shown outlined in **YELLOW** on Exhibit B without the prior written consent of Tenant, which consent may be granted, denied and/or withheld in Tenant's sole and absolute discretion. For the sake of greater clarification, the parties hereto hereby acknowledge and agree that the foregoing restriction shall not apply to any marketing and promotional events

that do not include any kind of selling activities and are conducted solely for the benefit of the Shopping Centre in collaboration with various businesses operating in the County of Rocky Mountain and/or for the promotion of tourism.

(b) Landlord agrees to maintain an adequate and sufficient area adjacent to and adjoining Tenant's service entrance(s) and loading docks for unobstructed standing, loading, unloading and otherwise servicing the Demised Premises.

Section 14.7 Fences; Obstructions

No fence, structure or other obstruction of any kind (except as may be specifically permitted herein or as may be indicated on Exhibit B or except for decorative features and customer conveniences) shall be placed, kept, permitted or maintained upon the Common Area in the Shopping Centre, except such of the foregoing as are reasonably necessary or proper for the construction, repair or rebuilding authorized hereunder. Without limiting the foregoing, Landlord covenants that Tenant at all times shall have unobstructed and adequate means of ingress and egress between each of the entrances to the Demised Premises and the adjacent public streets and highways. Landlord further agrees not to change or alter the access points to the Shopping Centre contained within the areas outlined in **ORANGE** on Exhibit B hereto without Tenant's prior written approval, which approval shall not be unreasonably withheld, delayed or conditioned.

Section 14.8 Sign Policy

Landlord covenants and agrees that if it at any time and/or from time to time establishes a sign policy governing the standard design criteria of all exterior signs erected at the Shopping Centre, such sign policy shall represent good shopping centre practice for a first-class shopping centre and shall maintain the dignity and appearance of the whole of the Shopping Centre and shall be implemented and enforced by Landlord against all tenants of the Shopping Centre.

Section 14.9 Maintenance of Buildings

Without limiting or adding to Landlord's obligations as to the Demised Premises, which obligations are set forth elsewhere in this Lease, Landlord agrees that it shall, throughout the Term of this Lease, maintain or cause to be maintained, at no expense to Tenant, the buildings in the Shopping Centre, other than the non-structural interior of the Demised Premises, in good order, condition and repair, ordinary wear and tear excepted.

ARTICLE 15
PARKING REQUIREMENTS

Section 15.1 Parking Area

Landlord represents and warrants that the Shopping Centre currently contains **1,122,065** square feet of total rentable area and **6,294** parking spaces. Landlord covenants and agrees that it shall at all times maintain a parking ratio for the entire Shopping Centre that is the greater of that required under applicable law and **4.2** car spaces per **1,000** square feet of rentable area of the Shopping Centre thereon. Notwithstanding anything that may be contained in this Lease to the contrary, Landlord shall not reduce the aforementioned number of parking spaces shown on Exhibit B. Landlord further covenants that it shall not change or alter the layout, design and/or configuration of the parking areas located within the No-Build Area of the Shopping Centre from that shown on Exhibit B without obtaining Tenant's prior written consent thereto, which consent shall not be unreasonably withheld, delayed or conditioned.

Section 15.2 Charges for Parking; Employee Parking Areas

(a) Landlord shall not make or collect, nor permit to be made or collected, any charge of any type for the right to park vehicles in the parking areas of the Shopping Centre.

(b) Landlord hereby warrants and represents to Tenant that, as of the date of signing hereof, no portion of the parking facilities of the Shopping Centre has been designated for use by employees of the tenants or occupants of the Shopping Centre. The parties hereto further acknowledge and agree that, if at any time during the Term Landlord intends to designate a portion of the parking facilities for use by employees of the tenants or occupants of the Shopping Centre, it shall designate a sufficient portion of the parking areas of the Shopping Centre for such purpose in one or more locations outside of the No-Build Area that are reasonably acceptable to Tenant, in which event Tenant shall use its reasonable and diligent efforts to require its employees to park their vehicles in the area(s) so established by Landlord for employee parking and Landlord shall use its reasonable and diligent efforts to require the employees of other tenant or occupants of the Shopping Centre to park their vehicles in such area(s).

Section 15.3 Use of Parking Areas

Landlord shall take whatever steps may be appropriate and reasonable to prevent persons other than Landlord, the tenants and other occupants of the Shopping Centre and their respective employees, agents, customers, licensees and invitees from using the parking areas of the Shopping Centre for the parking of motor vehicles (such as, by way of example only and without limitation, commuters in the area using the said parking areas while travelling on the public transit system).

ARTICLE 16
QUIET ENJOYMENT

Section 16.1 Quiet Enjoyment

Landlord covenants, warrants and represents that it has full right and power to execute and perform this Lease and to grant the estate demised herein, and covenants that Tenant, provided that Tenant is not in default hereunder, shall peaceably and quietly have, hold and enjoy the Demised Premises and all rights, easements, appurtenances and privileges belonging or in anywise appertaining thereto, during the full Term of this Lease including any extension thereof.

Landlord further covenants, warrants and represents that: (i) it owns a fee simple interest in and to the Demised Premises and the remainder of the Shopping Centre; (ii) that the Demised Premises and the remainder of the Shopping Centre are free of all liens, encumbrances, restrictions and violations except as specifically listed on Exhibit C; (iii) that there are no claims of other parties, encumbrances, Mortgages or other liens, restrictions, reservations or defects in Landlord's title which could interfere with or impair or result in any interference with or impairment of Tenant's use, occupancy and enjoyment of the Demised Premises or with Tenant's other rights hereunder, all in accordance with the terms of this Lease; and (iv) that it shall indemnify and hold harmless Tenant from and against any loss and expense, including, without limitation, attorney's fees and consequential damages, incurred on account of any breach of its warranties.

Landlord covenants and agrees that it shall promptly and duly perform all of its obligations under any Mortgages, leases, liens, agreements and other instruments, whether of record or not, which have, in whole or in part, priority over this Lease. Landlord further covenants and warrants that such prior instruments shall not interfere with Tenant's full enjoyment of this Lease or the Demised Premises or the

easements and appurtenances thereto, nor impose on Tenant any greater or other obligations than are set forth in this Lease. The provisions of this paragraph shall not in any way limit Landlord's warranties of title and quiet enjoyment nor enlarge the title exceptions listed in Exhibit C.

Section 16.2 Non-Disturbance Agreement by Mortgagee(s)

In the event there is a Mortgage registered on title to the Shopping Centre prior to notice of the Lease being registered on title, Landlord shall obtain and deliver to Tenant a non-disturbance agreement executed by the Mortgagee or Mortgagees under any such Mortgage, which agreement shall be in form and substance acceptable to counsel for Tenant and shall provide in substance that, notwithstanding any default or foreclosure under the Mortgage in question, so long as no event of default under this Lease shall have occurred on the part of Tenant after the expiration of all applicable grace periods with respect to defaults as herein provided, the Mortgagee and its successors and assigns shall not abrogate or diminish or otherwise adversely affect any rights of Tenant under this Lease and this Lease shall remain in effect as a direct lease between Tenant and the Mortgagee and its successors or assigns, and said Mortgagee shall be bound by the obligations of Landlord under this Lease provided that Tenant agrees to attorn to said Mortgagee as Landlord under this Lease.

Upon Landlord's request, Tenant agrees to execute an agreement subordinating this Lease to the lien of any Mortgage hereafter placed by Landlord upon Landlord's interest in the Demised Premises. The form and substance of such subordination agreement to be executed by Tenant shall be as approved by Tenant in its reasonable discretion, and shall include a provision stating that in the event of any foreclosure of or transfer (including a deed in lieu of foreclosure) under any Mortgage to which this Lease has been subordinated pursuant to this Section, Tenant shall not be disturbed in its possession of the Demised Premises so long as it is not in default under this Lease beyond any applicable cure periods and it shall attorn to the purchaser or Mortgagee as Landlord under this Lease.

Landlord shall, within fifteen (**15**) days after Tenant's request, deliver to Tenant a recognition and non-disturbance agreement reasonably acceptable to Tenant, Landlord and any subtenant, executed and acknowledged by Landlord, Tenant and subtenant, for the benefit of any subtenant of all or any portion of the Demised Premises, subject to the following requirements: (1) the subtenant leases at least 10,000 square feet of floor area; (2) the rights of the subtenant under the sublease shall not be greater than the rights of Tenant under this Lease; and (3) Landlord receives a copy of the sublease.

Section 16.3 Default Under Section 16.2

In the event that Landlord fails to deliver any of said executed non-disturbance agreement(s) to Tenant then, notwithstanding any tender of delivery or acceptance of possession of the Demised Premises, Tenant shall have the right to terminate this Lease by notice of termination given to Landlord and Tenant shall have no liability to Landlord on account of such termination.

Notwithstanding any provision of this Lease to the contrary or inconsistent herewith and notwithstanding the fulfillment of any or all other conditions to this Lease, Tenant shall not be obligated to pay Rent or any other sums under this Lease and Tenant shall not in any manner or for any purpose be bound by this Lease unless and until Landlord shall have delivered to Tenant said executed non-disturbance agreement(s) as provided in this Article 16.

ARTICLE 17
DAMAGE OR DESTRUCTION

Section 17.1 Demised Premises

A. If the Demised Premises are damaged or destroyed so that (i) in Tenant's reasonable opinion the same are not suitable for the purpose of Tenant's business, (ii) in the reasonable opinion of Tenant's architect, they cannot be repaired with reasonable diligence within one hundred and eighty (**180**) days of the date of such damage or destruction, or (iii) there remains only two (**2**) years or less on the Term of this Lease as the same may have been extended by Tenant, then Tenant shall have the right to terminate this Lease upon thirty (**30**) days' notice to Landlord. In the event of such termination, Rent and all other charges payable by Tenant shall be payable only to the date of the damage or destruction and any Rent or other charges paid in advance, if any, by Tenant shall be refunded by Landlord to Tenant to the extent that the same are for a period after the damage or destruction.

B. If the Demised Premises are damaged or destroyed and Tenant does not exercise its right to terminate as provided in Subsection A. of this Section 17.1, then Landlord shall rebuild and restore the Demised Premises with all reasonable diligence to the condition it existed prior to such damage or destruction, including without limitation, restoring and replacing the Improvements (as such term is defined in Section 30.4 below) that were acquired with or funded by the Tenant Improvement Allowance (as defined in Section 30.3 below) and during the period from the date of such damage or destruction until completion of rebuilding and restoration, the charges payable by Tenant shall abate as follows:

(1) If the Demised Premises are used during such period, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the damaged or destroyed portion bears to the whole and Rent and all other charges shall be paid on the basis of the number of square feet of rentable area in the Demised Premises which are actually used; or

(2) If the Demised Premises are not used during such period for the purpose of retail sales, then there shall be a complete abatement of Rent and all other charges from the date of damage until thirty (**30**) days after completion of rebuilding and restoration.

C. If any damage to or condition of the Demised Premises, which by this Lease is Landlord's responsibility, shall in Tenant's reasonable judgment be considered of such a nature as to require emergency action, Tenant may undertake, at Landlord's expense, temporary emergency measures and Landlord shall reimburse Tenant for the costs and expenses associated with such measures taken by Tenant upon its receipt of Tenant's written demand therefor (which written demand shall be accompanied by copies of receipted invoices or other reasonable evidence of the costs and expenses so claimed by Tenant). If the amount so due to Tenant is not paid within thirty (**30**) days after Landlord's receipt of the said demand therefor, Tenant shall have the right to deduct said amount, including interest, from Rent and all other charges thereafter payable by Tenant to Landlord under the Lease. Tenant shall use reasonable commercial efforts to promptly notify Landlord (by telephone or otherwise) of any such emergency and shall allow Landlord reasonable opportunity to undertake such necessary emergency measures prior to Tenant undertaking same.

Section 17.2 Common Area

If any portion of the Common Area of the Shopping Centre is rendered or found to be unfit for the use for which it was intended and if the Demised Premises are thereby rendered not reasonably usable for retail sales, then during the period that the Demised Premises are not reasonably usable for retail sales Rent and all other charges payable hereunder by Tenant shall be entirely abated. In the event that thirty percent (**30%**) or more of the Common Area of the entire Shopping Centre or ten percent (**10%**) or more

of the portion thereof within three hundred (**300**) feet of the Demised Premises is rendered unfit for its intended use for any reason for a period of ninety (**90**) days or more, then Tenant shall have the option to terminate this Lease by notice to Landlord at any time after such ninety (**90**) day period has terminated and while such portion of the Common Area remains unfit for its intended use. If any portion of the Common Area of the Shopping Centre is damaged or destroyed Landlord shall promptly repair and restore the same at its sole cost and expense or cause the same to be repaired at no expense to Tenant.

Section 17.3 **Other Area in the Shopping Centre**

In the event that more than twenty-five percent (**25%**) of the rentable area in the Shopping Centre other than the Demised Premises is damaged or destroyed, then Tenant shall have the option to terminate this Lease by notice to Landlord at any time within one hundred and twenty (**120**) days after such damage or destruction. If Tenant does not exercise its right to terminate this Lease as aforesaid and either (i) more than two (**2**) years remain on the Term of this Lease as the same may have been extended by Tenant or (ii) there remains less than two (**2**) years on the Term as may be extended but their remains at least one (**1**) unexercised option to extend the Term and Tenant agrees to exercise such option, then Landlord shall rebuild or restore the damaged or destroyed rentable area with all reasonable diligence.

Section 17.4 **Performance of Repair or Restoration**

All work required of Landlord under the provisions of this Article shall be prosecuted by Landlord with all due diligence and shall be completed in a good and workmanlike manner, using first quality workmanship and materials.

ARTICLE 18
CONDEMNATION

Section 18.1 **Definition of Condemnation**

The term "**Condemnation**" or "**Condemned**" means the taking or expropriation of any portion of the Shopping Centre pursuant to an exercise of the power of eminent domain or any conveyance in lieu of expropriation under threat thereof by a government authority having the power of expropriation or the requisitioning and possession of any portion of the Shopping Centre by any governmental authority for any purpose arising out of a temporary emergency or other temporary circumstances.

Section 18.2 **Tenant's Right to Terminate**

In the event of the occurrence of any of the following events, Tenant shall have the right and option to terminate this Lease:

(a) if the whole of the Demised Premises shall be Condemned;

(b) if any part of the Demised Premises shall be Condemned;

(c) if ten percent (**10%**) or more of the rentable area of the other buildings in the Shopping Centre shall be Condemned;

(d) if twenty percent (**20%**) or more of the number of parking spaces in the Shopping Centre shall be Condemned and Landlord shall not have, within sixty (**90**) days of the

date upon which such Condemnation takes effect, replaced the same on the Shopping Centre or on land adjacent to the Shopping Centre in a location reasonably satisfactory to Tenant;

(e) if any of Tenant's means of vehicular ingress and egress between any entrance to the Shopping Centre and public roads are Condemned or impaired and Landlord shall not have, within sixty (**60**) days of the date upon which such Condemnation or impairment takes effect, replaced such ingress and egress by similar ones reasonably satisfactory to Tenant.

Tenant may exercise its option to terminate this Lease, as a result of the foregoing events, by giving Landlord no less than ninety (**90**) days prior written notice (given no later than one hundred twenty (**120**) days after the date of the Condemnation). The termination shall be effective upon the earlier of (a) the last day of the calendar month next following the expiration of the ninety (**90**) day notice period or (b) the date when title becomes vested in the party exercising the right of Condemnation or (c) the earlier date of termination as specified by Tenant in its notice. Rent and all other charges to be paid by Tenant shall be pro-rated and paid to the date of termination and all amounts paid in advance, if any, shall be immediately refunded by Landlord to Tenant.

Section 18.3 **Effect of Condemnation Where Tenant Does Not Have the Right to Terminate or Where Tenant Does Not Elect to Exercise Its Right to Terminate**

In the event that this Lease is not terminated as the result of a Condemnation of the Demised Premises and/or any other rentable premises in the Shopping Centre pursuant to the provisions of the foregoing Section 18.2, Landlord shall, within one hundred eighty (**180**) days after the occurrence of any Condemnation, at Landlord's expense, repair, restore and rebuild the Demised Premises (or the other premises) to a condition, as nearly as practicable, to that which existed prior to the Condemnation, so as to effect thereby an architectural and operating unit similar to that which existed before the taking. During the period of repair and restoration, if Tenant is unable to operate its business on the Demised Premises, Rent and all other charges payable hereunder shall be entirely abated. If, during the period of restoration Tenant operates its business or a portion thereof in the Demised Premises, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the unused portion of the Demised Premises bears to the former whole thereof and Rent and all other charges shall be paid on the basis of the number of square feet of floor area in the Demised Premises which Tenant uses for the operation of its business during the period of restoration. After the completion of repair and restoration, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the portion taken bears to the remaining Demised Premises and thereafter Rent and all other charges shall be paid on the basis of the number of square feet of floor area remaining in the Demised Premises.

If this Lease is not so terminated and a portion of the parking area shall have been Condemned, then Landlord, at its expense, shall restore the parking, within the boundaries of the Shopping Centre, in order to maintain the parking ratio required pursuant to Section 15.1.

Section 18.4 **Condemnation Award**

Both Landlord and Tenant agree to cooperate with each other in respect of any Condemnation of all or any part of the Demised Premises or any other part of the Shopping Centre so that each may receive the maximum award to which each is respectively entitled by law, provided that either party shall have the right to appeal any order or decision under which such award is issued. Without limiting the foregoing rights of Tenant, Tenant shall have the right to prove and obtain a portion of any Condemnation award that is allocable to the loss, or diminution in value, of Tenant's leasehold interest and leasehold improvements and for loss or damage to Tenant's trade fixtures and other personal property, and for damages or

interruption of Tenant's business and for relocation and moving expenses.

Section 18.5 No Transfers; Notice

Landlord covenants and agrees to make no transfer, conveyance or assignment under threat of Condemnation without the prior written consent of Tenant, which consent shall not be unreasonably withheld or delayed. Landlord further covenants and agrees that, upon the filing or notice of any Condemnation proceedings, it shall promptly notify Tenant and give Tenant full opportunity to participate in any such proceedings to the extent Tenant deems such participation advisable.

ARTICLE 19
DEFAULTS

Section 19.1 Tenant Defaults

In any of the following events (which events are referred to herein as a "**default**"):

(A) Tenant shall fail to pay Rent to Landlord when due and such failure continues for fifteen (**15**) days after Tenant's receipt of notice from Landlord of such failure; or

(B) Tenant shall fail to take all reasonable steps to perform any other term, covenant, or condition on its part to be performed hereunder, other than the payment of Rent, within thirty (**30**) days after receipt of notice from Landlord so to do (or, if such default cannot be cured within said thirty (**30**) day period, then within such additional period of time as may be reasonably required to cure such default provided Tenant is diligently pursuing to completion the curing of such default);

then Landlord may by giving ten (**10**) days prior notice to Tenant at any time thereafter during the continuance of such default either (a) terminate this Lease or (b) re-enter the Demised Premises by summary proceedings, expelling Tenant and removing all property therefrom and re-let the Demised Premises at the best possible rent obtainable, making reasonable efforts therefor, and receive the rent therefrom; but Tenant shall remain liable for the equivalent of the amount of all rent reserved herein less the avails of re-letting, if any, after deducting therefrom the reasonable cost of obtaining possession of the Demised Premises and of any repairs and alterations necessary to prepare them for re-letting. Any and all monthly deficiencies so payable by Tenant shall be paid monthly on the date herein provided for the payment of rent. Notwithstanding the foregoing provisions, upon the happening of any alleged default on the part of Tenant (other than a default in the payment of Rent), if, within thirty (**30**) days after receipt of the aforementioned thirty (**30**) day notice thereof from Landlord, Tenant shall, in good faith, either (i) commence and thereafter diligently prosecute in a court of competent jurisdiction a proceeding to determine whether or not such alleged default or defaults have occurred or (ii) institute arbitration proceedings for the determination of whether or not such alleged default or defaults shall have occurred, then Landlord may not terminate this Lease or re-enter as provided above unless the final judgment in such court proceedings or the award in such arbitration proceedings, as the case may be, shall be adverse to Tenant and Tenant, in such case, shall have a further grace period of twenty (**20**) days from the date of the final judgment in such court proceedings or of the award in such arbitration proceedings within which to cure such defaults or, if any such default or defaults cannot reasonably be cured within such twenty (**20**) days, within which to commence and thereafter diligently prosecute to completion the work of curing such default or defaults.

Provided further, if Tenant fails to make any payment to Landlord required under this Lease when due hereunder, the full amount of the said payment owing by Tenant to Landlord shall bear interest at the rate of two percent (**2%**) per annum over the then existing prime rate of interest charged from time to time by

the Canadian Imperial Bank of Commerce at its main Toronto branch to its most creditworthy customers (but in no event exceeding the maximum rate per annum permitted by law) from the time payment was due hereunder until paid.

Section 19.2 Landlord's Defaults

A. If Landlord shall fail to perform or to make any of the obligations, agreements, payments or covenants to be performed or made by Landlord pursuant to this Lease, and said default is not cured within the "**Curing Period**" as defined and limited in Subsection B of this Section, then, in addition to the right to collect damages therefor and all other rights and remedies available to Tenant under the circumstances, Tenant shall have the following rights and remedies:

(1) the right to enjoin said violation in a court of competent jurisdiction. Said right shall also exist with respect to any threatened violation.

(2) The right, but not the obligation (said right not imposing any duties on Tenant with respect to its exercise), to perform any such obligation, agreement, payment or covenant, including any payment to a third party required hereunder, and Tenant by reason of so doing shall not be liable or responsible for any loss or damage thereby sustained by Landlord or anyone claiming under or through Landlord except for losses due to Tenant's gross negligence.

(3) The right to terminate the Lease.

If Landlord fails to make any payment to Tenant required under this Lease when due hereunder, the full amount of the said payment owing by Landlord to Tenant shall bear interest at the rate of two percent (**2%**) per annum over the then existing prime rate of interest charged from time to time by the Canadian Imperial Bank of Commerce at its main Toronto branch to its most creditworthy customers (but in no event exceeding the maximum rate per annum permitted by law) from the time of expenditure or damage until paid. If the amount so due to Tenant is not paid within thirty (**30**) days after said statement is submitted, Tenant shall have the right to deduct said amount, including interest, from Rent and all other charges thereafter payable by Tenant to Landlord.

B. The "**Curing Period**" for any default under this Lease by Landlord shall be thirty (**30**) days commencing with the receipt by Landlord of notice from Tenant of said default; provided, however, that if the default relates to a matter which, in Tenant's reasonable judgment, is of an emergency nature, the Curing Period shall be forty-eight (**48**) hours or such lesser period as is reasonable under the circumstances. If said default is of such a character as reasonably to require more than thirty (**30**) days to cure, said Curing Period shall be extended to such period as may be reasonably required for such cure if Landlord has commenced curing said default within said thirty (**30**) day period and is diligently pursuing said cure to completion.

C. Landlord hereby grants to Tenant non-exclusive easements in, over, under and through any and all parts of the Shopping Centre (excluding the right to enter any store occupied by tenants or occupants) for all purposes reasonably necessary to enable Tenant, acting in accordance with the provisions of Subsection A of this Section 19.2, directly or through employees, agents or contractors, to perform any of the terms, provisions, agreements, obligations, covenants or conditions of this Lease which Landlord shall have failed to perform.

ARTICLE 20
[INTENTIONALLY DELETED]

ARTICLE 21
EXCUSES FOR NON-PERFORMANCE

Notwithstanding anything contained in this Lease, each party shall be excused from performing any obligation under this Lease, and any delay in the performance of any obligation under this Lease shall be excused, if and so long as the performance of the obligation is prevented, delayed or otherwise hindered by acts of God, fire, earthquake, floods, explosion, actions of the elements, war, riots, mob violence, inability to procure or a general shortage of labour, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labour unions, condemnation, court orders, laws or orders of governmental or military authorities or any other cause, whether similar or dissimilar to the foregoing, not within the control of such Party (other than lack of or inability to procure monies to fulfill its commitments and obligations under this Lease) ("**Force Majeure**"). Each party shall promptly notify the other of the occurrence of any Force Majeure that might prevent or delay the doing or performance of acts or things required to be done or performed by it upon becoming aware of such Force Majeure, and shall also advise the other of the anticipated duration and consequences of such Force Majeure..

ARTICLE 22
REMOVAL OF PERSONAL PROPERTY

At any time during the Term of this Lease Tenant may remove any or all trade fixtures, furniture, furnishings, signs, equipment, carpeting, cash registers, inventory and any and all items of personal property placed in, on or about the Demised Premises by Tenant or by Tenant's subtenants, licensees or concessionaires. Tenant agrees to repair any damage to the Demised Premises occasioned by the removal of any such item, but such obligation shall not extend to painting or redecorating the Demised Premises. Title to all of such trade fixtures, furniture, furnishings, signs, equipment, machinery, carpeting, cash registers, inventory and any and all items of personal property shall remain in Tenant and Tenant alone shall be entitled to claim depreciation therefor. Landlord hereby waives, releases and relinquishes any and all rights of distraint, levy, attachment or recourse to the trade fixtures, furnishings, signs, equipment, machinery, carpeting, cash registers, inventory and personal property in the Demised Premises. Although the foregoing waiver, release and relinquishment shall be self-operative without the necessity for any further instrument or document, Landlord hereby agrees to furnish Tenant or any vendor or other supplier under any conditional sale, chattel mortgage or other security arrangement, or any consignor and holder of reserved title or any holder of a security interest, upon request from time to time, waivers of Landlord's right to distraint, levy, attachment or recourse with respect thereto and exempting the same from distraint, levy, attachment or recourse.

ARTICLE 23
SURRENDER; HOLDING OVER

Upon the expiration or earlier termination of the term of this Lease, Tenant covenants that it shall peaceably and quietly leave and surrender the Demised Premises together with all alterations, additions and improvements then a part of such Demised Premises in good order and condition, reasonable wear and tear, physical depreciation, obsolescence, and any restoration, repairs and replacements required to be made by Landlord excepted, and loss or damage by fire, the elements and casualty excepted.

Should Tenant hold over in possession after the expiration of the term, such holding over shall not be deemed to extend the term or renew this Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at the monthly rate of rental in effect during the last month of the term, until terminated by either party by notice designating the date of termination given to the other party sixty (**60**) or more days before such date.

ARTICLE 24
BROKERS' FEES

Tenant and Landlord each represent and warrant to the other that it has had no dealings, negotiations, or consultations with any broker, representative, salesperson, employee, agent or other intermediary in connection with this Lease and/or any other any other transaction between Tenant and Landlord respecting the Demised Premises. Tenant shall defend, protect, indemnify and hold Landlord harmless from and against all liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees) arising out of or related to any claim (whether meritorious or not) of any broker, representative, salesperson, employee, agent, finder or other intermediary claiming to have dealt on Tenant's behalf for any and all commission and/or fees arising out of or related to the transaction described in this Lease and/or any other transaction between Landlord and Tenant respecting the Demised Premises. Landlord shall defend, protect, indemnify and hold Tenant harmless from and against all liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees) arising from any claim (whether meritorious or not) of any broker, representative, salesperson, employee, agent, finder or other intermediary, claiming to have dealt on Landlord's behalf for any and all commissions and/or fees arising out of or related to the transaction described in this Lease and/or any other transaction between Landlord and Tenant respecting the Demised Premises.

ARTICLE 25
REGISTRATION

Tenant may register a notice of this Lease on title to those lands in and upon which the Shopping Centre is located, the form and content of which will be subject to Landlord's prior approval, which approval shall not be unreasonably withheld or delayed. All costs related to such registration shall be the responsibility of Tenant. The notice of Lease so registered on title will not disclose any information concerning the rent or rental rates to be paid hereunder or any other financial provisions of this Lease. Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the notice of Lease to be discharged, vacated or otherwise removed from title to the Shopping Centre and to provide proof of such action to Landlord, within thirty (**30**) days following the date of such expiry or early termination.

ARTICLE 26
NOTICES

Except as expressly provided otherwise in this Lease, any notice, demand, request, consent, approval or other communication which either party hereto is required or desires to give or make or communicate to the other hereunder shall be in writing and shall be given or made or communicated either by personal delivery, by registered or certified mail, return receipt requested, postage prepaid, or by a nationally-recognized overnight delivery service that provides a receipt to indicate delivery, and addressed in the case of Landlord to:

Ivanhoe Cambridge Inc.
95 Wellington Street West, Suite 300
Toronto, Ontario
M5J 2R2
Attention: Legal Affairs Department

with a copy thereof to:

Ivanhoe Cambridge Inc.
261055 CrossIron Blvd.
Calgary, Alberta

T4A 0G3
Attention: General Manager

and addressed in the case of Tenant to:

Hudson's Bay Company Real Estate Department
Third Floor
698 Lawrence Avenue
Toronto, Ontario
M6A 3A5
Attention: Senior Vice President Real Estate

with a copy thereof to:

Hudson's Bay Company
15 West 38th Street, 11th Floor
New York, New York 10018
Attention: President-Real Estate

subject to the right of either party to designate different addresses by giving notice as above provided. Any notice, demand, request, consent, approval, or other communication so sent shall be deemed to have been given, made or communicated, as the case may be, (i) on the date the same was deposited in the Canadian mail as registered or certified mail, with postage fully prepaid, regardless of the time of actual delivery, (ii) if by personal delivery, on the date thereof or (iii) one (**1**) business day after the same was deposited with such nationally-recognized overnight delivery service for overnight delivery. In no event shall either party be required to give notice to more than three addresses or persons, nor shall Tenant be required to cut multiple checks for the payment of Rent.

No successor to Landlord's interest in the Demised Premises shall be entitled to receive Rent nor any other amounts due hereunder until thirty (**30**) days after Tenant's receipt of proper notice of such change, together with a copy of the executed document or documents evidencing such change from the grantor, assignor or party entitled to receive Rent and other amounts immediately preceding such change. Until such receipt, Tenant shall continue to pay the Rent and any and all other amounts due to Landlord hereunder to the party to which, and in the manner in which, the last preceding instalment of Rent and/or any other amounts due hereunder was paid or pending receipt of such property notification and documentation, accrue and withhold payment of any and all such amounts.

ARTICLE 27
ESTOPPEL CERTIFICATES

Each of Landlord and Tenant covenant that within twenty (**20**) days after a written request of the other, it shall issue to the other party's prospective lender or prospective purchaser of its interest in the Shopping Centre (or as to Tenant, its interest in the Lease and/or the Demised Premises), specified by such requesting party, an estoppel certificate stating to the best of its knowledge: (i) whether any notice of default has been sent for a default under the Lease not yet cured; (ii) whether the Lease has been modified or amended in any way (and if it has, then listing the names and dates of the applicable modification and/or amendment documents); and (iii) that the Lease as of that date is in full force and effect. Such statements shall not subject the party furnishing it to any liability, notwithstanding the negligent or otherwise inadvertent failure of such party to disclose correct and/or relevant information. However, the party furnishing the certificate shall not be permitted to assert or enforce any claim against the person or entity to whom it is delivered (or against such person's or entity's property) which is inconsistent with the statements contained in the certificate, except to the extent that the person or entity

against whom the claim would otherwise be asserted or enforced had actual knowledge of facts to the contrary. Either party hereto who is requested to give an estoppel certificate under this Article 27 (the "**Requested Party**") may require, as a condition to fulfilling its obligation to provide such estoppel certificate, that the other party hereto requesting such estoppel certificate give a similar estoppel certificate to the Requested Party.

ARTICLE 28
MISCELLANEOUS

Section 28.1 Captions

The captions of the Articles and Sections of this Lease are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 28.2 Remedies Cumulative

The various rights, options, elections, powers and remedies contained in this Lease, including the rights herein granted to terminate this Lease, shall be construed as cumulative and no one of them shall be exclusive of any of the others, or of any other legal or equitable remedy which either party might otherwise have in the event of breach or default in the terms hereof, and the exercise of one right or remedy by such party shall not impair its right to any other right or remedy until all obligations imposed upon the other party have been fully performed; provided, however, that legal or equitable remedies not specifically provided for in this Lease shall not be exercisable concurrently with, the rights, options, elections, powers and remedies contained in Sections 19.1 and 19.2 to the extent of and for the periods set forth in said Sections 19.1 and 19.2. It is intended that each of the agreements and covenants of Landlord and Tenant set forth herein be deemed both a covenant and a condition.

Section 28.3 Governing Law

This Lease shall be governed and interpreted by and in accordance with the laws of the Province of Alberta and the laws of Canada applicable thereto.

Section 28.4 Successors and Assigns

Each and all of the provisions of this Lease shall be binding upon and enure of the benefit of the parties hereto and their respective heirs, executors, administrators, permitted successors-in-interest, permitted successors and permitted assigns, subject at all times, nevertheless, to all agreements, covenants and conditions contained elsewhere in this Lease.

Section 28.5 No Partnership

Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, and neither the method of computation or rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

Section 28.6 No Waiver

No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and then only for the time and to the extent therein stated. No delay or omission by either party hereto to exercise any right or power accruing upon any non-compliance or default by the other party with respect to any of the terms hereof, or otherwise accruing hereunder shall impair any such right or power or be construed to be a waiver thereof. One or more waivers of any breach of any covenant, term or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by a party to or of any act by the other party requiring the former party's consent or approval shall not be deemed to waive or render unnecessary such former party's consent or approval to or of any subsequent similar acts by the other party.

Section 28.7 Entire Agreement; Amendment

As of the execution hereof, this Lease contains all covenants and agreements between Landlord and Tenant exclusively relating in any manner to the rental, use and occupancy of the Demised Premises and the other matters set forth in this Lease. No prior agreement or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease cannot be altered, changed, modified or added to, except in writing signed by Landlord and Tenant.

Section 28.8 Severability

If any provision of this Lease or the application thereof to any one or to any circumstance shall to any extent be invalid or unenforceable, the validity and enforceability of this Lease or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and all remaining terms, conditions and provisions of this Lease (except those which are conditioned upon or made subject to such invalid or unenforceable provision) shall be valid and shall be enforceable to the extent permitted by law, unless enforcement or performance of this Lease, without the invalid and/or unenforceable term, conditions or provisions, would be unreasonable or inequitable to Landlord or Tenant under all the circumstances or would frustrate the purposes of this Lease. An invalid or unenforceable provision shall be deemed modified so as to constitute a provision conforming as nearly as possible to said invalid or unenforceable provision while still maintaining valid and enforceable the remaining terms, conditions and provisions of this Lease and the intent of the parties.

Section 28.9 Assumption Agreement

Landlord agrees to deliver to Tenant an agreement signed by any party or parties who may purchase or succeed to all or any part of Landlord's interest in the Demised Premises and/or the remainder of the Shopping Centre, which agreement shall formally recognize the obligations of such party or parties as purchasers from and successors to Landlord and the assumption by such party or parties as purchasers of and successors to all of Landlord's obligations, responsibilities and duties hereunder. Such agreement shall be in a form reasonably satisfactory to the counsel of Tenant and shall be delivered to Tenant before any such sale or transfer by Landlord can become final. No assignment or other transfer by Landlord shall relieve Landlord of its obligations, covenants, representations or warranties under this Lease.

Section 28.10 Construction

Landlord and Tenant have participated equally in the preparation of this Lease. This Lease was subject to revision and modification by both parties and has been accepted and approved as its final form

by counsel for both parties. Accordingly, any uncertainty or ambiguity existing in this Lease shall not be interpreted against any one party hereto as a result of the manner of the preparation of this Lease.

Section 28.11 References to Landlord and Tenant

Wherever in this Lease reference is made to Landlord or Tenant, it shall be held to include and apply to one or more persons or entities which may be such Landlord or Tenant and use of singular or plural verbs and pronouns shall be appropriately adapted.

Section 28.12 Time of the Essence

Time is of the essence with respect to all matters provided in this Lease.

Section 28.13 Locative Adverbs

The locative adverbs "**herein**", "**hereunder**", "**hereto**", "**hereby**", "**hereinafter**", and like words wherever the same appear herein, mean and refer to this Lease in its entirety and not to any specific Article, Section or Subsection hereof.

Section 28.14 Exhibits

All exhibits referred to in this Lease and attached hereto are and shall be incorporated in this Lease and made a part hereof.

Section 28.15 Counterparts

This Lease may be signed in counterparts, each of which, when delivered by both parties, shall be deemed to be an original, and all of which shall be taken to be one and the same instrument, with the same effect as if both parties hereto had signed the same signature page. Any signature page of this Lease may be detached from any counterpart of this Lease without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Lease identical in form hereto but having attached to it one or more additional signature pages. Any counterpart to which is attached the signatures of both parties shall constitute an original of this Lease.

Section 28.16 Image Transmission

The transmission of an image of any signed original document will have the same binding effect as an original bearing an original signature. No party may raise the use of a facsimile machine or other image transmission device or method or the fact that any signature was transmitted as an image as a defense to the enforcement of such document. At the request of either party, the parties will confirm signatures by signing and delivering an original document.

Section 28.17 Calculation of Ends of Periods

Whenever in this Lease it is provided that an action may or must be taken or that an event is to occur within a specified number of days, if the last day of the specified number of days falls on a Saturday or Sunday or a public holiday, such last day shall, instead of such Saturday, Sunday or public holiday, be deemed to be the following business day after such Saturday, Sunday or public holiday.

Section 28.18 The Term "And/Or"

The term "**and/or**" as used in this Lease means one or the other or both, or any one or ones of all, of the items, entities or persons in connection with which the words are used.

Section 28.19 References to Articles and Sections

All references herein to a given Article or Section refer to the Article or Section of this Lease, unless otherwise stated.

Section 28.20 [Intentionally Deleted]

Section 28.21 Leasehold Policy

Landlord shall pay all premiums and other charges of a title company (selected by Tenant) (the "**Title Company**") to issue to Tenant an ALTA, Form B, extended coverage leasehold policy of title insurance in the amount of One Million Dollars ($1,000,000.00), insuring the leasehold in the Demised Premises and insuring Tenant's easement rights, including without limitation for parking, vehicular and pedestrian ingress and egress and use of the Common Area for their intended purposes, as set forth in this Lease, all to be good in Tenant on the date hereof without any exceptions except the Permitted Exceptions (the "**Leasehold Policy**"). The Leasehold Policy shall be in such form and contain such endorsements as may be deemed necessary by Tenant in its sole and absolute discretion. Landlord shall satisfy such reasonable requirements of the Title Company for issuance of the Leasehold Policy as are set forth in the commitment therefore and provide to Title Company any items reasonably requested to facilitate removal of certain exceptions, including, without limitation, affidavits and surveys. If the Title Company charges any fees for the commitment, the search of the records and/or for obtaining copies of all of the exceptions to title, then Landlord shall also pay such charges to the Title Company upon demand therefor.

Section 28.22 [Intentionally Deleted]

Section 28.23 Roof Equipment

Tenant shall have the right, without charge but subject to Landlord's prior approval (not to be unreasonably withheld, conditioned or delayed), to install, maintain, repair, operate, use, replace and remove, at Tenant's expense, a wireless communications antenna, and/or other telecom equipment including, without limitation, satellite dishes, satellite poles or other communications facilities (collectively, the "**Roof Equipment**") on the roof of the Demised Premises, including the right to connect the Roof Equipment to the interior of the Demised Premises. Tenant shall have access to the roof upon reasonable notice to Landlord for the purpose of installing, operating, servicing, maintaining, repairing, replacing or removing the Roof Equipment, but subject to Landlord's reasonable policies regarding insurance coverage for contractors. Upon the expiration or earlier termination of this Lease, Tenant shall remove the Roof Equipment from the roof and repair any damage to the roof caused by the Roof Equipment. Tenant shall indemnify and hold Landlord harmless from and against any damage arising out of the erection, maintenance, existence and/or removal of the Roof Equipment. Tenant shall similarly have access to the roof upon reasonable notice to Landlord for the purpose of inspecting, maintaining, repairing and replacing the HVAC units and related equipment located thereon.

Section 28.24 Intentionally Deleted

Section 28.25 Confidentiality

The parties agree that the terms and conditions of this Lease shall remain confidential and that neither party may disclose any of the terms of this Lease to any person that is not a party to this Lease without the prior written consent of the other party, except that each party shall be permitted to disclose

this Lease and/or the provisions hereof (a) to its attorneys, consultants, accountants, directors or employees; (b) any lender, purchaser, or prospective partner of Landlord or Tenant; (c) any prospective assignee of this Lease; (d) any prospective subtenant all or any portion of the Demised Premises; (e) as may be reasonably necessary to enforce the provisions of this Lease; and (f) as may otherwise be required by law or court order.

Landlord shall not issue any press statements regarding Tenant's entering into this Lease or any other agreement to lease space in the Shopping Centre without having obtained Tenant's prior written approval thereof.

Section 28.26 Intentionally Deleted

Section 28.27 GST.

Notwithstanding any other provision of this Lease, Tenant shall pay to the appropriate party designated by law all goods and service taxes, sales taxes, value-added taxes or multi-stage taxes, howsoever characterized at law, and imposed on Tenant in respect of any rent or other charges payable to Landlord hereunder in the manner and at the times permitted or specified by the appropriate taxing legislation (hereinafter collectively and individually called the "**GST**"). In the event that Tenant is required by law to pay the GST to Landlord (acting as agent for the taxing authority) the GST shall not be considered as rent, despite any other provision of this Lease, but Landlord shall have the same remedies for and rights of recovery with respect to the amount of GST as it has for non-payment of rent under the Lease or at law.

ARTICLE 29
LANDLORD'S WORK

Section 29.1 Landlord's Work; Drawings and Specifications

Landlord shall put the Demised Premises in a good quality "white box" condition (i.e., the only work remaining for Tenant is to install fixtures and other finishes) by completing the work described in Tenant's Minimum Technical Specifications attached hereto as Exhibit F on or prior to the date Landlord is, pursuant to Section 2.1, required to deliver to Tenant actual and exclusive possession of the Demised Premises.

The work described in the first sentence of this Section 29.1 is referred to herein as "**Landlord's Work**." All of Landlord's Work shall be performed in accordance with drawings and specifications prepared by Landlord and approved by Tenant. Tenant shall review and either approve or disapprove in Tenant's reasonable judgment all drawings and specifications which are prepared by Landlord within twenty (**20**) days of Tenant's receipt of such drawings and specifications. If the drawings and specifications prepared by Landlord are approved by Tenant, Tenant shall initial one set and return them to Landlord; if disapproved by Tenant, Tenant shall give to Landlord a written explanation of the reasons for the disapproval and Landlord shall, within ten (**10**) days, submit revised working drawings and specifications for Tenant's review and approval or disapproval. Tenant shall further review and Landlord shall further revise all such working drawings and specifications as provided in this Article 29 until approved.

Section 29.2 Completion of Landlord's Work

On or before the date Landlord is, pursuant to Section 2.1, required to deliver to Tenant actual and exclusive possession of Demised Premises, Landlord shall complete Landlord's Work to Tenant's satisfaction in accordance with Exhibit F and the drawings and specifications approved by Tenant. Landlord shall, at its sole expense, obtain and furnish all labour, materials, licenses, permits, plans, draw-

ings, specifications, studies, tests, surveys, and any and all other things required to be furnished by Landlord or necessary to the completion of Landlord's Work. All of Landlord's Work shall be performed in accordance with all applicable governmental and insurance requirements. Landlord shall consult with Tenant from time to time concerning the scheduling and progress of Landlord's Work so as to keep Tenant informed of the progress and the estimated completion date for each portion of Landlord's Work. Tenant or its representative shall have the right at all reasonable times with prior written notice to enter upon the Demised Premises for the purpose of inspecting Landlord's Work to verify that it conforms with Exhibit F and the drawings and specifications approved by Tenant.

Section 29.3 Landlord's Warranties

Landlord warrants that all of the Landlord's Work shall be completed in a good and workmanlike manner, using first quality workmanship and materials, all of which are hereby guaranteed against all defects for a period of two (2) years from and after the completion date and such further period as materials and equipment shall be subject to manufacturer's warranty. All manufacturers' warranties applicable to any portion of the Demised Premises which Tenant is required to maintain shall be assigned to Tenant. Landlord has secured from the governmental agencies having jurisdiction thereof, in final form, all approvals required in respect of the Demised Premises and/or the Shopping Centre as to all work and improvements which Landlord and Tenant are obligated or permitted to complete or cause to be completed pursuant to this Lease so as to permit both Landlord and Tenant to submit its plans for construction and obtain building and other permits in respect thereof and to open and use the Demised Premises for retail sales and, if there are any conditions on Landlord with respect to such approvals which require performance after securing such approvals, then Landlord shall promptly fulfill such conditions.

Section 29.4 Common Area Improvements

Landlord shall, at its sole cost and expense, provide all on and off-site common area improvements required for the entire Shopping Centre, including those common area improvements and parking fields serving the Demised Premises. Landlord's work shall include, without limitation, all excavation, fill, compaction, utility relocation, and other preparation for the Shopping Centre site, including all road improvements adjacent to the Shopping Centre and leading thereto and required traffic signalization, all parking lot improvements, parking decks, sidewalks, walkways, curbs, gutters, streets, roadways, berms, retaining walls, landscaped areas, storm water disposal systems, sanitary sewer systems and all utilities (permanent and temporary) including the utilities serving the Demised Premises stubbed to a mutually acceptable location within the Demised Premises, street lighting, parking deck lighting, construction roads and staging areas and all other on and off-site common improvements reasonably necessary for the construction, operation and use of the Shopping Centre, and all tests, studies and certificates required in connection with any such work.

Landlord's work and improvements shall comply with all applicable codes, laws, ordinances, permits and regulations of all public authorities having jurisdiction and Landlord shall be responsible for procuring at Landlord's expense (except as specifically provided in the next sentence), all governmental, quasi-governmental and private permits, approvals, entitlements, variances, etc. necessary or appropriate so as to permit construction and subsequent operation of the Demised Premises and the remainder of the Shopping Centre. Tenant shall not be obligated to pay or incur any cost or expense in connection with said procurement and compliance, including, without limitation, costs or expenses associated with environmental controls or permits, development fees, utility connection charges, tap-in fees and hook-up fees for the utilities serving the Demised Premises, except that Tenant shall bear building permit costs imposed in connection with Tenant's improvements to the extent that such costs do not constitute or are not otherwise a substitute for development fees and the like.

ARTICLE 30
TENANT'S WORK AND TENANT IMPROVEMENT ALLOWANCE

Section 30.1 Tenant's Work

Landlord acknowledges that Tenant, at its own cost and expense, may design, construct and install within the Demised Premises such improvements, equipment, fixtures, point of sale system, furniture, signs and other personal property as Tenant may determine (hereinafter called "**Tenant's Work**"), subject to the terms of this Lease.

Section 30.2 Easements for Construction and Repairs

Landlord hereby grants to Tenant, for use by Tenant and its servants, agents, employees and independent contractors working on or in connection with the construction, renovation and/or modification of the Demised Premises, and/or the installation, maintenance, repair and/or replacement of trade fixtures or building equipment (including, without limitation, the HVAC equipment), all necessary or appropriate rights of reasonable access, ingress and egress to and from the front, back, sides and roof of the Demised Premises during the course of Tenant's Work and any subsequent construction, renovation and/or modifications of the Demised Premises and/or trade fixtures or building equipment (including without limitation, the HVAC equipment). Landlord shall cooperate reasonably with Tenant in all ways so that Tenant's Work may proceed as expeditiously as reasonably possible.

Section 30.3 Tenant Improvement Allowance

Landlord agrees to pay to Tenant a tenant improvement allowance in the amount of Eighty-Seven Dollars and Fifty Cents (**$87.50**) per square foot of rentable area of the Demised Premises, plus applicable GST (the "**Tenant Improvement Allowance**"), subject to any holdback requirements applicable to such payment under the then current legislation in the Province of Alberta. Such Tenant Improvement Allowance shall be paid by Landlord to Tenant in instalments as follows: (i) fifty percent (**50%**) shall be paid by Landlord to Tenant no later than the date Landlord delivers possession of the Demised Premises to Tenant, (ii) forty percent (**40%**) shall be paid by Landlord to Tenant upon the earlier to occur of the Rent Commencement Date and the date Tenant opens for business, and (iii) the balance shall be paid by Landlord to Tenant upon Tenant providing Landlord with a statutory declaration signed by an officer of Tenant confirming that the Tenant's Work has been substantially completed and a subsearch of title to the Shopping Centre lands confirming that no construction liens have been filed on title in connection with the Tenant's Work. Should Landlord fail to pay any amount of the Tenant Improvement Allowance and/or the GST applicable thereto when due to Tenant hereunder for any reason, then, in addition to whatever remedies are otherwise available to Tenant under this Lease or at law:

(a) interest shall accrue thereon (including interest on any unpaid GST to the extent and from the date that Tenant is required to pay GST to the applicable governmental authority) in favour of Tenant commencing as of the date on which payment was due to the date on which payment is made to Tenant at a rate of one and one-half percent (**1.5%**) per month, which interest shall be calculated and compounded at the end of each calendar month and shall be charged in lieu of the interest that would otherwise accrue on such unpaid sum(s) under the provisions of Section 19.2 of this Lease; and

(b) if any such payment falls due to Tenant prior to the then scheduled Rent Commencement Date, then, notwithstanding anything to the contrary herein contained or suggested, the date upon which the Rent Commencement Date is scheduled to occur shall be postponed on a day-for-day basis for the same

number of days as occur between the date on which such payment was due to Tenant to the date on which such payment is made in full to Tenant.

Section 30.4 Use of Tenant Improvement Allowance

Landlord and Tenant acknowledge that the Tenant Improvement Allowance is provided to Tenant for the purpose of constructing or improving all alterations, additions, permanently-installed fixtures, HVAC equipment and other permanently-installed items in or about the Demised Premises (collectively, "**Improvements**"), and for the purpose of purchasing and installing Tenant's trade fixtures, furniture, point of sale system and other personal property to be used in connection with Tenant's trade or business at the Demised Premises.

ARTICLE 31
[INTENTIONALLY DELETED]

ARTICLE 32
LIENS

Each of Landlord and Tenant shall so conduct any construction or other work done by it so as to minimize the possibility of any claim for lien being registered against any part of the Shopping Centre lands and if any such claim for lien shall be registered shall forthwith take all reasonable steps to have the same vacated by the court having jurisdiction or discharged, but nevertheless may defer payment of any contested claim for lien if and so long as the same is being diligently contested, and provided that non-payment thereof does not render any part of the Shopping Centre lands liable to forfeiture or sale. In the conduct of any construction or other work each of Landlord and Tenant shall comply with all the provisions of applicable statutes available to it for the protection of the Shopping Centre lands from claims for lien. In the event that either Landlord or Tenant shall make default in the payment of moneys justly due in connection with any such construction or other work and a claim for lien shall be filed or registered and not promptly secured, vacated or discharged, the other party may, on not less than thirty (**30**) days prior notice to the defaulting party, obtain a court order vacating the registration of the claim for lien and in conjunction therewith may make payment into court or post security to the extent required to obtain such order, and all expenses incurred by it shall be promptly repaid to it by the party in default.

[Signatures on following page]

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IN WITNESS WHEREOF, the parties have executed this Lease.

Signed this 22nd day of July, 2015

IVANHOE CAMBRIDGE INC.

By: Paul W. Gleeson
Name: Paul W. Gleeson
Title: Executive Vice President, Global Development

By: Sunita Mahant
Name: Sunita V. Mahant
Title: Director, Legal Affairs

(*We have the authority to bind the Corporation*)

Signed this 23rd day of July, 2015

HUDSON'S BAY COMPANY

By:
Name: Bruce Nevin
Title: S.V.P Real Estate

By: D.
Name: David Pickwoad
Title: SVP & General Counsel

(*We have the authority to bind the Corporation*)

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Exhibit A - Legal Description of Shopping Centre lands

The Land is comprised of and legally described as:

Plan 0716136
Block 1
Lot 3
Excepting Thereout all Mines and Minerals
Area: 44.655 Hectares (110.34 Acres) More or Less.

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Exhibit B - Site Plan of Shopping Centre

'BLUE' OUTLINE - NO-BUILD AREA (SECTION 14.1)

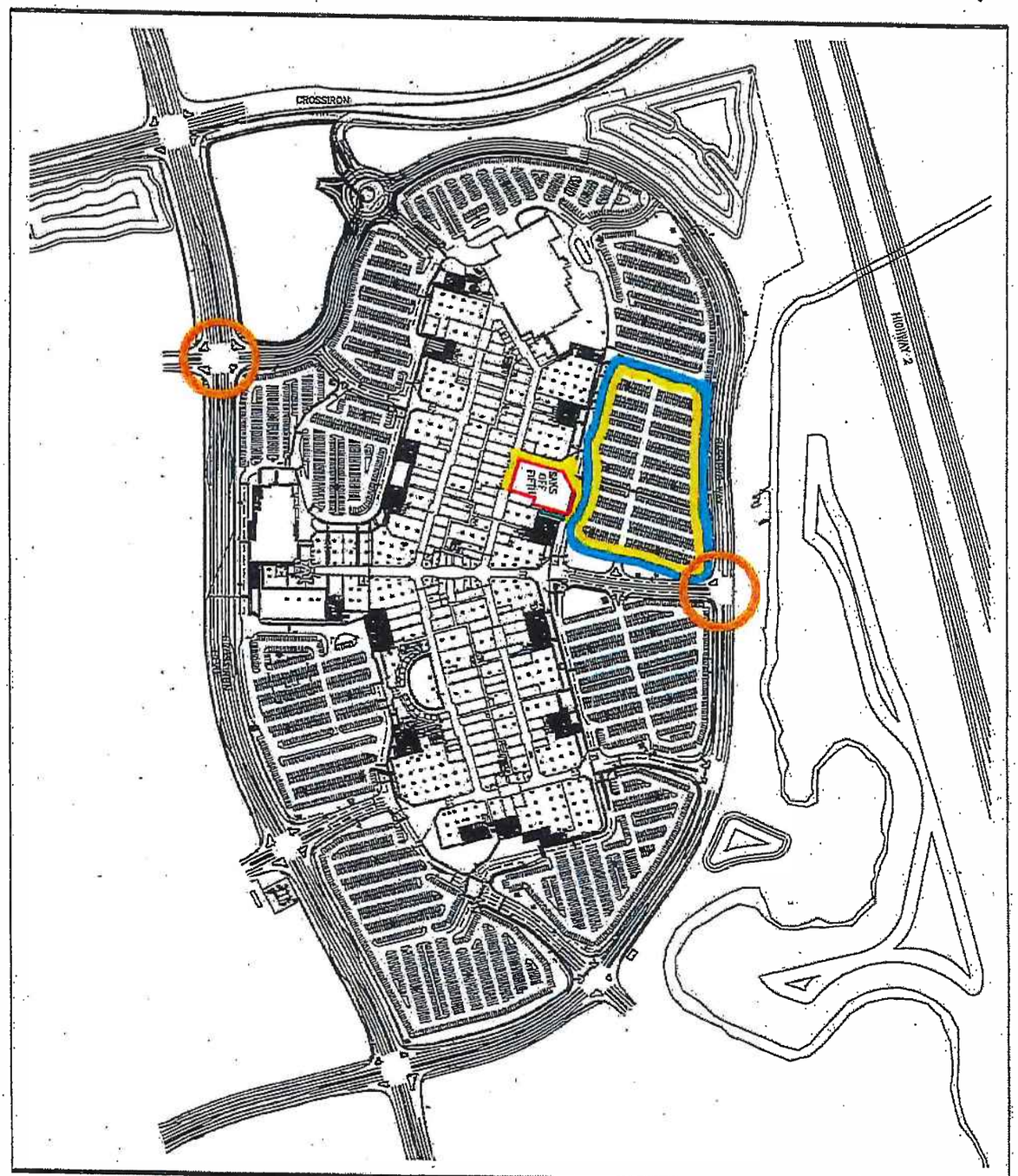
'YELLOW' OUTLINE - NO MERCHANDISING AREA (SECTION 14.6)

'ORANGÉ' OUTLINE - LOCATION OF ACCESS CONTROL AREAS (SEC. 14.7)

LEASED PREMISES (Unit D) - OUTLINED IN RED (MAIN PREMISES) AND GREEN (LOADING DOCK AND UNLOADING AREAS)

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EXHIBIT B



READ IN CONJUNCTION WITH DRAWING:

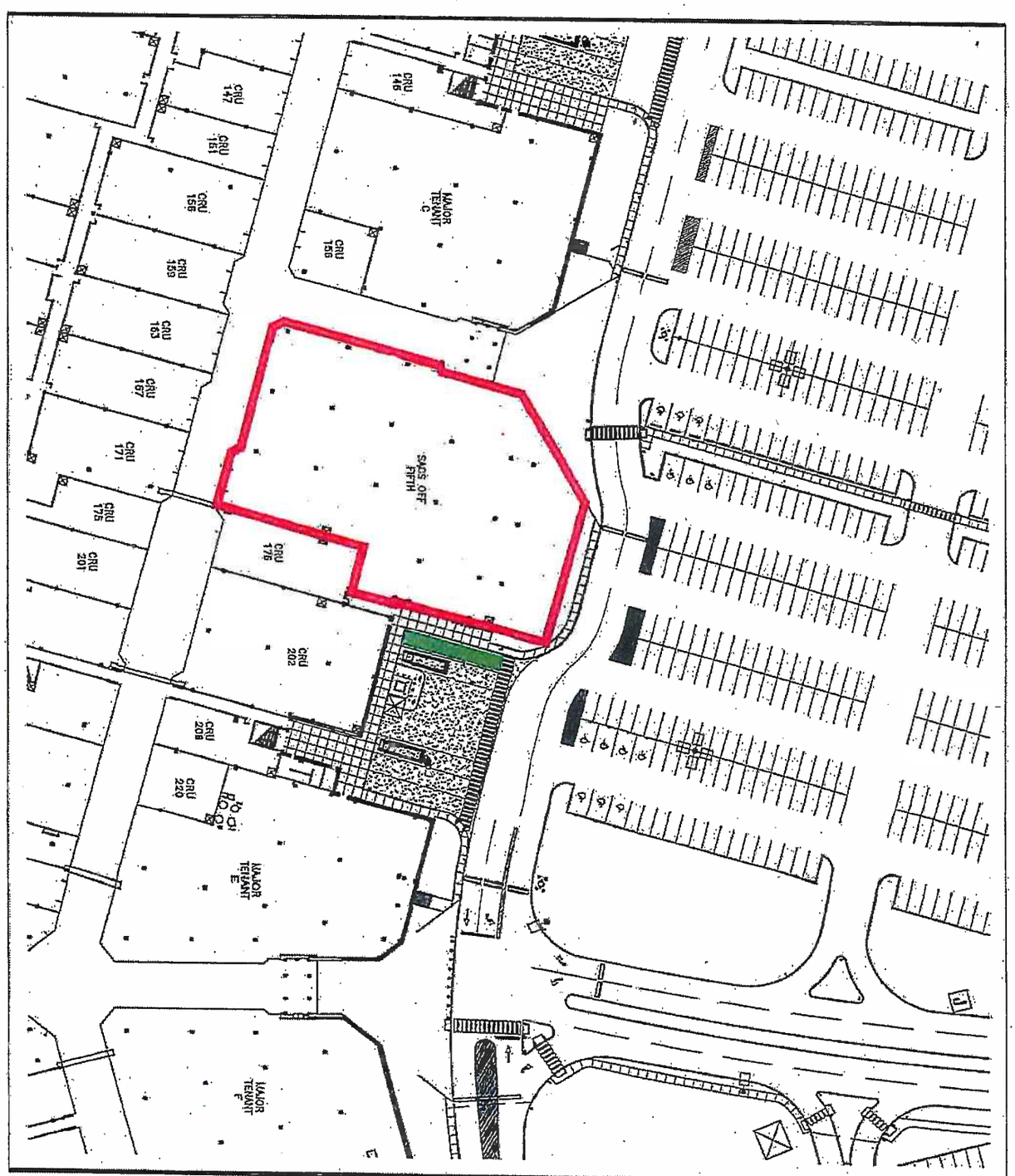
DIALOG

PROJECT TITLE: CROSSIRON MILLS
PROJECT #: 02599C039
DRAWING TITLE: OVERALL SITE PLAN

DRAWING #: SP01-SK1
DRAWN BY: MA
CHECKED BY: DM
DATE: 2015-02-03

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EXHIBIT B



READ IN CONJUNCTION WITH DRAWING:

DIALOG

PROJECT TITLE: CROSSIRON MILLS
PROJECT #: 02599C039
DRAWING TITLE: OVERALL SITE PLAN

DRAWING #: SP01-SK2
DRAWN BY: MA
CHECKED BY: DM
DATE: 2015-02-03

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Exhibit C - Title Exceptions

Lands in Rocky View County, Alberta legally described as:

PLAN 0716136
BLOCK 1
LOT 3
EXCEPTING THEREOUT ALL MINES AND MINERALS

Registered Owner:

IVANHOE CAMBRIDGE INC.
OF CENTRE CDP CAPITAL
1001, SQUARE VICTORIA
BUREAU C-500
MONTREAL
QUEBEC H2Z 2B5

REGISTERED ENCUMBRANCES AND INTERESTS

1. Zoning Regulations
(Subject to Calgary International Zoning Regulations)
Registration Number: 771 147 064
Registration Date: October 20, 1977

2. Utility Right Of Way in favour of Rocky View County
Registration Number: 071 595 179
Registration Date: December 10, 2007

3. Utility Right Of Way in favour of Rocky View County
Registration Number: 071 595 180
Registration Date: December 10, 2007

4. Utility Right Of Way in favour of Atco Gas And Pipelines Ltd., Fortis Alberta Inc. and Telus Communications Inc.
Registration Number: 071 595 414
Registration Date: December 10, 2007

5. Mutual Access Right of Way Easement for Public Access Road
Registration Number: 071 595 987
Registration Date: December 10, 2007

6. Utility Right Of Way in favour of Rocky View County
Registration Number: 071 595 989
Registration Date: December 10, 2007

7. Caveat claiming interest in Restrictive Covenant (Gaming) registered by United Horsemen of Alberta Inc.
Registration Number: 071 596 262
Registration Date: December 10, 2007

8. Caveat claiming interest in Lease registered by La Senza Corporation
Registration Number: 081 030 041
Registration Date: January 22, 2008

9. Caveat claiming interest in Lease registered by WMI - 1 Holding Company as General Partner of Winners Merchants International
Registration Number: 081 123 818
Registration Date: April 4, 2008

10. Caveat claiming interest in Lease registered by WMI - 1 Holding Company as General L.P. Partner of Winners Merchants International LP
Registration Number: 081 129 425
Registration Date: April 9, 2008

11. Utility Right Of Way and Easement Agreement in favour of Shaw Cablesystems Limited
Registration Number: 081 137 545
Registration Date: April 15, 2008

12. Caveat claiming interest in Lease registered by H&M Hennes & Mauritz Inc.
Registration Number: 081 166 701
Registration Date: May 7, 2008

13. Caveat claiming interest in Lease registered by Toys "R" Us (Canada) Ltd.
Registration Number: 081 238 548
Registration Date: July 8, 2008

14. Caveat claiming interest in Lease registered by Watch It! Incorporated.
Registration Number: 081 345 575
Registration Date: September 15, 2008

15. Utility Right Of Way and Easement Agreement in favour of Fortis Alberta Inc., Shaw Cablesystems Limited and Telus Communications Inc.
Registration Number: 081 362 877
Registration Date: September 25, 2008

16. Utility Right Of Way in favour of Atco Gas and Pipelines Ltd.
Registration Number: 081 394 978
Registration Date: October 21, 2008

17. Caveat claiming interest in Lease registered by The TDL Group Corp./Groupe TDL Corporation
Registration Number: 091 118 477
Registration Date: May 4, 2009

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18. Caveat claiming interest in Lease registered by Fossil Canada Inc.
Registration Number: 091 173 763
Registration Date: June 19, 2009

19. Caveat claiming interest in Lease registered by BBB Canada Ltd.
Registration Number: 091 190 899
Registration Date: July 7, 2009

20. Caveat claiming interest in Lease registered by Running Room Canada Inc.
Registration Number: 091 240 256
Registration Date: August 17, 2009

21. Order vacating Builders Lien that had been registered against Toys "R" Us (Canada) Ltd. leasehold interest
Affects instrument: 091235885
Affects instrument: 091286104
Registration Number: 091 330 791
Registration Date: November 3, 2009

22. Caveat claiming interest in Easements, Covenants, Conditions and Restrictions Agreement by Lowe's Companies Canada, ULC
Registration Number: 091 388 205
Registration Date: December 12, 2009

23. Restrictive Covenant (Retail uses) registered by Costco Wholesale Canada Ltd.
Registration Number: 101 092 989
Registration Date: March 31, 2010

24. Caveat claiming interest in Lease registered by Swimco Aquatic Supplies Ltd.
Registration Number: 101 220 079
Registration Date: July 23, 2010

25. Caveat claiming interest in Lease registered by Loblaw Properties West Inc.
Registration Number: 111 287 864
Registration Date: November 4, 2011

26. Caveat claiming interest in Lease registered by Indigo Books & Music, Inc.
Registration Number: 111 335 265
Registration Date: December 23, 2011

27. Caveat claiming interest in Lease registered by Tween Brands Canada Stores Ltd.
Registration Number: 121 034 131
Registration Date: February 8, 2012

28. Caveat claiming interest in Lease registered by PVH Canada, Inc.
Registration Number: 121 230 614
Registration Date: September 6, 2012

29. Caveat claiming interest in Lease registered by PVH Canada, Inc.
Registration Number: 121 230 615
Registration Date: September 6, 2012

30. Caveat claiming interest in Lease registered by Prime Restaurants Inc.
Registration Number: 131 057 594
Registration Date: March 8, 2013

31. Caveat claiming interest in Lease registered by Southern Music Ltd.
Registration Number: 141 119 447
Registration Date: May 15, 2014

32. Restrictive Covenant (Retail Use) registered by Ivanhoe Cambridge Inc.
Registration Number: 141 146 953
Registration Date: June 13, 2014

33. Caveat claiming interest in Lease registered by Churgin Holdings Ltd.
Registration Number: 151 003 153
Registration Date: January 6, 2015

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Exhibit D - Rules and Regulations

Tenant will not be required to comply with any rule or regulation unless the rule or regulation applies to all tenants in the Shopping Centre.

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

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Exhibit E
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Exhibit F - Description of Landlord's Work

Saks Fifth Avenue/Off Fifth,
Crossiron Mills
Exhibit – F
(1 of 7)

LL Initials/Date:
Tenant Initials/Date: 2/10/15

Landlord, at landlord's sole cost and expense, shall deliver the shell building to the tenant as per Landlord's shell drawings and material/equipment specification bookincorporating the Tenant's requirements and in accordance with the Landlord's Design Criteria as set forth below:

I. Administrative Requirements

1. Landlord to provide Saks Fifth Avenue/Off Fifth with documents, and electronically in pdf and acad format for all of the Landlord's work relative to the Tenant's space for review and approval. Documents and Drawings to be provided based on the following submissions:
   A. Tenant Outline Drawings for premises
   B. Shell Construction Documents (C/Ds)
   C. Site Plan Drawings

   Tenant to review design development drawings and note fixed facility locations (i.e. toilet rooms, break room, janitors closet, entrances, etc.) and roof top HVAC locations and return to the within 30 days of receipt of Landlord's drawings.

   Landlord shall submit the comprehensive set of Shell C/Ds, a Lease Outline Drawings and Auto CAD files for Tenant review and approval as follows:
   - 33 weeks prior to Landlord's Expected Possession Date (EPD): Tenant shall receive a full set of Landlord Shell Construction Documents (C/Ds)
   - 2weeks later: Landlord shall receive initial review/comments back from Tenant.
   - 2 weeks later: Tenant shall receive revised C/Ds, based on its review comments.
   - 3 weeks later: Landlord shall receive second round of review/comments back from Tenant (as needed).
   - 2 weeks later: Tenant shall receive Final C/Ds from Landlord.
   - 2weeks later: Landlord shall receive final Tenant comments.
   - 2 weeks prior to Landlord's EPD: Landlord shall receive "Final Approved by Tenant" C/Ds.
2. Landlord or its agent(s) shall submit a color rendering of exterior storefront elevation(s, to Tenant for review and approval at time of Design Development submission developed from the tenant's architectural drawings. Landlord shall not submit exterior elevations and material selections to the authority(s) having jurisdiction without Tenant approval. Tenant has already approved subject to revisions to signage to Tenant's current standards and Landlord's Design Criteria.
3. Fully-developed C/Ds shall be submitted to the Tenant and Tenants Architect both electronically in .pdf and ACAD file format. The *full submittal set shall include all applicable Architectural, Mechanical, Electrical, and Plumbing plans information and locations.

2/10/15

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Exh. h.1 F
(2 of 7)

I. Administrative Requirements – cont'd

4. Landlord shall provide Tenant with a written project development schedule, including timing, upon lease execution and a construction schedule at the start of project construction. Landlord shall inform the Tenant immediately of any changes that will have a positive or negative impact to delivery on the expected possession date.
5. Landlord shall provide construction progress photographs to Tenant's Director of Construction, on a timely basis (not less than once a month), of the job site from the start of site work until delivery of the premises. Photographs shall be representative of the most recent work completed.
6. Tenant to provide Landlord with detailed "punchlist" within one week after the "Expected Possession Date" (as defined by the lease). Landlord shall complete punchlist immediately, but not later than 30 days after the "Expected Possession Date". Unfinished punchlist items remaining after 30 days shall, at Tenant's option, be completed by Tenant and paid back by Landlord.
7. Within thirty (30) days of the "Expected Possession Date", Landlord shall supply Tenant with Area Certification by a licensed Architect
8. All signage to be per the lease. Included shall be dimensioned elevations and site plan indicating location of signage and adjacent roads. Landlord shall allow Tenant's use of temporary banners and site identification signage, in accordance with governing municipal codes.

Landlord, at landlord's sole cost and expense, shall deliver to tenant at time of "substantial completion", in accordance with the lease exhibits and all applicable codes governing Landlord's Work, the following:

II. Site Work

1. Sidewalks, paving & striping, loading docks (existing) and landscaping as per approved site plan and local code requirements prior to Store Opening Date.
2. Handicap curb cut or ramp in sidewalk shall be installed directly in front of Tenant's entry doors. Coordinate location with Tenant's plan.
3. Parking lot lighting shall provide as per Landlord's site plan approval and agreed that the minimum average of two foot-candles at ground level for the Tenant's storefront entry, subject to authorities having jurisdiction.
4. Building lighting (exterior), consisting of perimeter luminaries, entry canopy downlights and dock area floodlights, shall provide a minimum illumination of one foot-candle (or as dictated by code) and shall be fully operational, wired to the Landlord house panel. All shell building exit doors to have emergency powered exterior egress lights if required by code.
5. A loading dock, dedicated to Tenant,
6. A shared trash compactor area with concrete pad (existing).
7. Screening the compactor and any dumpster areas as required by local codes & ordinances. Screening is not to interfere with the normal operational requirements of the equipment.

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Exhibit F
(3 of 7)

II. Site Work – cont'd

8. Steps, bollard (at base of metal steps at man door in the receiving area), ramps and railings at all perimeter egress door locations, as required per code. Landlord shall install exterior lighting and metal overhead weather protection over the exterior side of all egress doors and loading dock doors.
9. Architectural grade security bollards at all entrances and glazing facing roadways or parking areas (max spacing face to face of bollard to be 4'-6") to be recessed mounted as indicated in the prototype drawings. Security bollard installed at the loading dock man door / staircase.

III. Architectural

Shell Building Components –

1. Building shell including exterior and roof assembly existing to meet all applicable local energy code requirements.
2. Concrete floor slabs to be minimum 4" thick, , with live load of 100 lbs. per sq. ft. and as required by applicable code. Slab shall be measured for flatness and level in accordance with Canadian Standards Association (#A23.1). F-numbers to be as per Landlord's base building standard FF25/FL 15 (partially existing) which complies with CSA 23.1 for industrial and commercial buildings. This specification must be met at time of slab pour installation and Landlord shall provide certification of this requirement to Tenant. Slab shall be free of all pocking, spalling and all foreign materials, including curing compounds. Gypsum-based materials shall NOT be used for any slab repairs.
3. All concrete subfloors must be tested for moisture, PH(alkalinity)and proper adhesive bond for tenants floor finish installation. Tests must be conducted on the slab after the building is fully sealed in and has acclimated to final working temperature & humidity levels. All tests must be certified by a local testing agency. Results shall be forwarded to the tenant project manager no later than (30) thirty days prior to tenant taking possession. Should the test results exceed 5lbs/1000s.f., an RH level of 85% or be less than a PH level of 9, landlord shall be responsible for correcting the slab prior to, which may include applying materials such as a waterproofing membrane. Any corrective work is to be completed prior to the possession date.
4. Clear height from above finished floor to any obstruction shall be a minimum 17'-0" a.f.f.
5. All perimeter walls in accordance with base building specifications (including front, rear, and side walls) shall receive gypsum wallboard(GWB) on metal studs to underside of structure. GWB to be taped, spackled, sanded and ready for Tenant's finishes to underside of roof deck in areas where there is not ceiling and otherwise to 12'-0" A.F.F.. Roof deck shall be clear of defects and ready for Tenant's finishes.
6. All common demising walls that are not constructed of CMU or tilt up concrete panels shall have metal diamond mesh fastened across the framing from the slab to a height of 7'-9".
7. Metal strapping (6" inch, 20 gauge, 8'-0" AFF to the centerline of strap) to be installed on all perimeter walls, across metal studs and drywall over it.
8. If roof structure/roof deck requires fireproofing, intumescent paint is to be used. (N/R)

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Exhibit F
(4 of 7)

III. Architectural – cont'd

Shell Building Components –

9. If required by code, electrical and sprinkler rooms shall be framed with drywall (including front, rear, and side walls) on metal studs tight to deck above. Electrical room shall be fire-rated if required by applicable codes. Gypsum board to be taped, sanded and ready for Tenant's finishes.
10. Egress and Fire Department access doors to exterior as dictated by code and in accordance with Tenant's fixture plan (subject to reasonable review). All doors to have Tenant hardware, as specified on the prototypical plans.
11. Loading dock door shall be 8'-0" wide x 9'-0" high overhead, insulated metal commercial grade motorized sectional door, per Arbon/Rite-Hite Corporation. Please contact **Chris Agnello at 732.225.5220 x1011.**
12. 3'-0" x 7'-0" hollow metal receiving area door.
13. Exterior door hardware as follows:

    Hollow metal employee entrance (per location selected by tenant)
    Trident 200/KLT keyed entry and pull handle with IC Best compatible seven pin interchangeable IC cylinder
    Detex 500 surface mounted battery exit alarm
    Full length astragal
    Peep hole
    Hinges
    Closer
    Weather seal if necessary

    (All doors to have seven pin IC Best exchangeable cores)

14. A common area roof access ladder will be provided

Storefront Components –

1. Exterior facade shall be in accordance with the lease exhibit subject to approval of authorities having jurisdiction and in accordance with the Landlord's Design Criteria.
2. The Tenant acknowledges that incremental costs to upgrade above the standard door specifications provided by the Landlord to the Tenant's new standard door specifications (as follows) will be to the Tenant's account. Doors at each storefront exterior entry to be Stanley Dura-Storm 3000 series sliding automatic entrances. Door package to be 12'-0" wide x 7'-8" to the top of the head. Configuration to be two sliding leaves and two full sidelights with emergency breakaway capability. All glazing to be 9/16" impact glass. Doors to accept Best seven pin cylinders. All power and wiring to be by landlord. **Please contact Don Mattson of MacKenzie Doors at 212.227.1630 ext.334.**
3. Aluminum Frame Systems shall consist of a 2-1/2" x 5" (69.9 x 127.0) exterior, thermally broken impact resistant system. Kawneer IR 501 is listed as a standard of quality.
   - YKK AP America Inc., EFCO Corporation & Vistawall Architectural Products are listed as recognized equal manufacturers, subject to compliance with all requirements.
   - Finish to be Clear Anodized aluminum
   - Frame system to accommodate impact glazing system as listed below.
4. Store glazing system(including glass doors)shall consist of the following:
   - Inner Layer: 1/4" clear tempered

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- Airspace: 1/2"
- Inner Laminated Layer: 1/4" clear tempered .090 PVB interlayer, 1/4" clear tempered and low-e coating.
- Visible light: transmittance 72% minimum, solar energy 40%, Ultraviolet <1%
- Reflectance: visible light exterior 12%, visible light interior 12%, solar energy 20%
- ASHRAE U-Value
- Winter nighttime 0.31 Btu/(hr x sq ft x degrees F)
- Summer Daytime 0.28 Btu/(hr x sq ft x degrees F)
- Shading Coefficient 0.61
- Relative Heat Gain 127 Btu/hr x sq ft
- Solar Factor (SHGC) 0.53
- LSG 1.37

IV. Electrical & Telephone

1. Electrical requirements shall include an 600 amp, 347/600 volt, 3 phase, 4 wire service based on Tenant's prototypical drawings as follows;
   - Meter, meter socket and CT located outside of Tenant's electrical room.
   - One 600 amp, 347/600 volt, 3 phase, 4 wire power distribution panel, Square D I-Line type HCM with an 600 amp main circuit breaker and a minimum of 72 inches of bussed circuit breaker mounting space. . This panelboard will be known as Panel "MDP."
2. Distribution panel(s) and all related electrical equipment shall be located in an area designated by Tenant (i.e., electrical room).
3. Landlord shall furnish, install and wire electric utility meter(s) dedicated solely to Tenant. The electrical system must be inspected and approved by the local authorities and be fully operational at the time of possession. Landlord shall establish the electric utility account and Tenant will transfer into their name at time of possession, so that Tenant is billed directly by utility. Otherwise, Landlord is to provide a Quad-Logic electronic check meter and bills Tenant directly.

Wiring -

4. Mechanical units shall be wired to main distribution panel and be fully operational, including all 110v convenience outlets.
5. Landlord shall provide exit signs at each required exit door as indicated on the LOD or as required by code.
6. Landlord shall provide and install all code required emergency egress lights (interior and exterior) wired to appropriate tenant panel as per code.

Phone –

7. Telephone conduit (sized for 25 pair) with a 25 pair phone line stubbed and pulled to phone board as indicated on Lease Outline Drawing.

V. Mechanical

1. HVAC roof top unit(s) including Landlord's standard thermostat coiled in ceiling space with 50' of wiring and "supply" and "return" air ducts 'dropped' into the Premises.
2.
3. HVAC units will be furnished and installed by Landlord at a ratio of 1 ton per 350 square feet of the Premises. Landlord's thermostat will be placed in a temporary location near the HVAC unit and Landlord's contractor will start

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and test the HVAC unit prior to turnover. Maximum quantity of air to be delivered from an individual rooftop unit not to exceed 4,000 cfm. Provide a minimum of 6 HVAC units spaced evenly throughout the sales area for connection to concentric diffuser.

4. Tenant to approve Landlord's locations of new rooftop units upon finalization of Tenant's interior floor plan in accordance with item 1.2 of this Exhibit.
5. Landlord to provide roof opening vent for tenant to provide code compliant toilet exhaust system.
6. Landlord to furnish and install a roof opening and base mounting pad to allow for the Tenant's installation of a ductless split system air conditioner rated at 12000 BTU cooling capacity to serve IT room. Location to be confirmed on site.
7. Landlord to furnish and install a roof opening and base mounting pad to allow for the Tenant's installation of a ductless split system air conditioner rated at 12000 BTU cooling capacity to serve AP room. Location to be confirmed on site.

VI. Plumbing

Toilets -

Landlord shall provide 4" sewer line and 2" sanitary waste vent stubbed to a location on the Tenant's approved layout

Water -

1. Incoming ¾" cold water line extended to deck above plumbing stub areas and sized in accordance with code requirements.
2. All water supplies to have RPZ valves and back flow-preventer, if required by code, and water-pressure sufficient for normal and proper operation of all water fixtures.
3. Landlord shall insulate all water lines (condensates, potable, roof drains) within Tenant's space. Existing and Code Compliant.
4. Provide roof vent stacks with piping stubs for all sewer runs, per plans.
5. Public Sewer line shall be a minimum of 4" in diameter.
6. All impact & tap fees, and any other fees relative to bringing public sewer and water service to the point of Tenant connection shall be the responsibility of the landlord. All fees shall be based on Tenant's final plans.

Gas -

7. Gas piping and all associated work required to service all HVAC units. All piping will be run on the roof .
8. Landlord shall furnish and install gas utility meter(s) dedicated solely to Tenant if available from local public utility. The system must be inspected and approved by the local authorities and be fully operational at the time of possession. Landlord shall establish the gas utility account and Tenant will transfer into their name at time of possession, so that Tenant is billed directly by utility (if available).

VII. Fire Sprinkler System

1. An automatic wet sprinkler system installed on a grid consisting of main and branch piping, which complies with all local codes and the NFPA 13. The system shall be designed for the intended use,. Sprinkler system hydraulic calculations shall meet the appropriate discharge density and design area as required by NFPA 13 and the Authority Having Jurisdiction for storage of products including. The sprinkler system to be delivered with 'turned-up' heads. Any upgrades above 1 head per 130 square feet at 12 feet high are by Tenant at Tenant's cost including any fire pump and/or heads.

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VIII. Fire Alarm System

1. To the extent the installation of any component of the fire alarm system serving the Premises may be necessitated as a condition of Landlord's Work pursuant to applicable governmental codes and regulations, Landlord will provide and install such components so as to deliver to Tenant a code compliant shell building. The system shall include ceiling-mounted spot-type smoke detectors in locations required by NFPA 72 in jurisdictions where smoke detection is required, including beam pockets.

2/10/15

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Exhibit G – Rent Commencement Agreement
Form of Rent Commencement Date Memorandum

THIS RENT COMMENCEMENT DATE MEMORANDUM ("**Memorandum**") dated as of _____, ____, by and between _____, a _____ ("**Landlord**"), and _____, a _____ corporation ("**Tenant**").

RECITALS:

A. By that certain Lease dated as of _____, 20___, (the "**Lease**") between Landlord and Tenant, Landlord leased to Tenant and Tenant leased from Landlord the Demised Premises, subject to the conditions and limitations therein contained.

B. Section 3.2 of the Lease provides that, upon determination of the Rent Commencement Date and the determination of the number of square feet of rentable area within the Demised Premises, Landlord and Tenant shall execute a memorandum which shall set forth, among other things, the actual Rent Commencement Date, the rentable area of the Demised Premises, annual Rent, the expiration of the initial term, and the dates when Tenant may exercise its renewal options pursuant to Section 3.3.

C. The Rent Commencement Date and the rentable area of the Demised Premises have been determined and, accordingly, the parties desire to enter into this Memorandum pursuant to Section 3.2.

D. Unless otherwise provided herein, all capitalized words and terms in this Memorandum shall have the same meanings ascribed to such words and terms as in the Lease.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Rent Commencement Date is _____.
2. The initial term expires _____, unless the Lease is sooner terminated in accordance with the terms thereof.
3. The rentable area of the Demised Premises is _____ square feet.
4. Tenant shall exercise its right to the first renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
5. Tenant shall exercise its right to the second renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
6. Tenant shall exercise its right to the third renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
7. Tenant shall exercise its right to the fourth renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
8. Tenant shall exercise its right to the fifth renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease

9. This Memorandum may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum as of the day and year first above written.

LANDLORD:

_____,

By: _____

Its: _____

By: _____

Its: _____

(*We have the authority to bind the Corporation*)

TENANT:

_____,

By: _____

Its: _____

By: _____

Its: _____

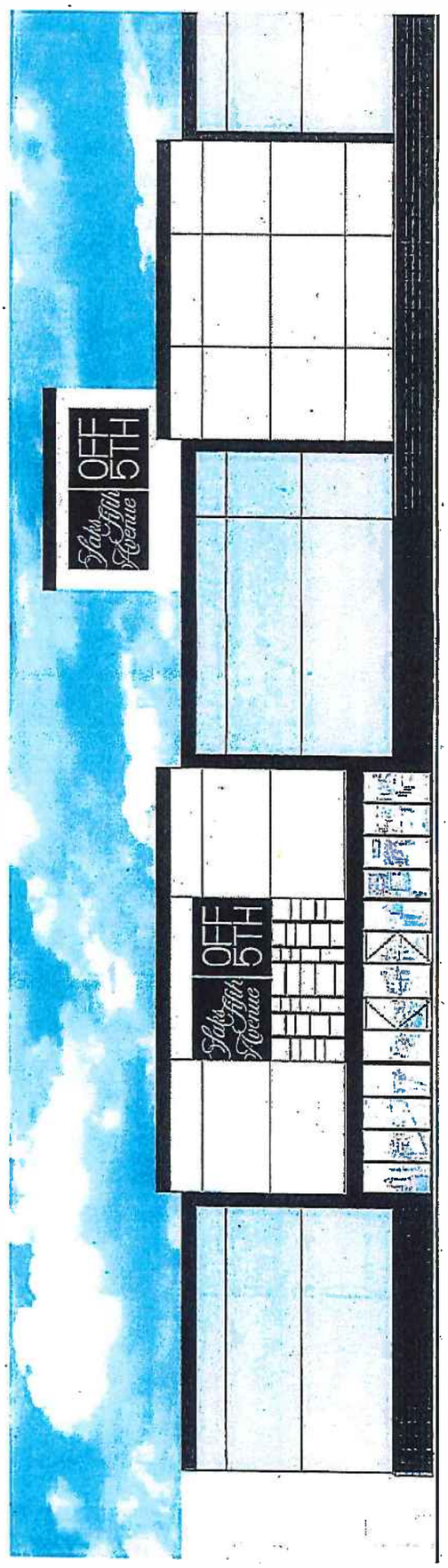
(*We have the authority to bind the Corporation*)

651

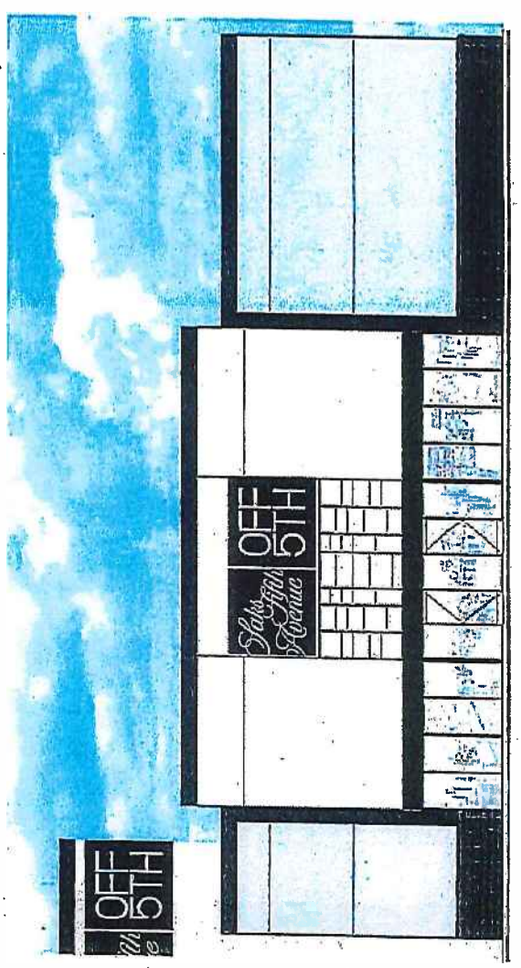
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Exhibit H - Tenant's Exterior Signage Drawings

EXHIBIT H
(1 of 2)



WEST ELEVATION



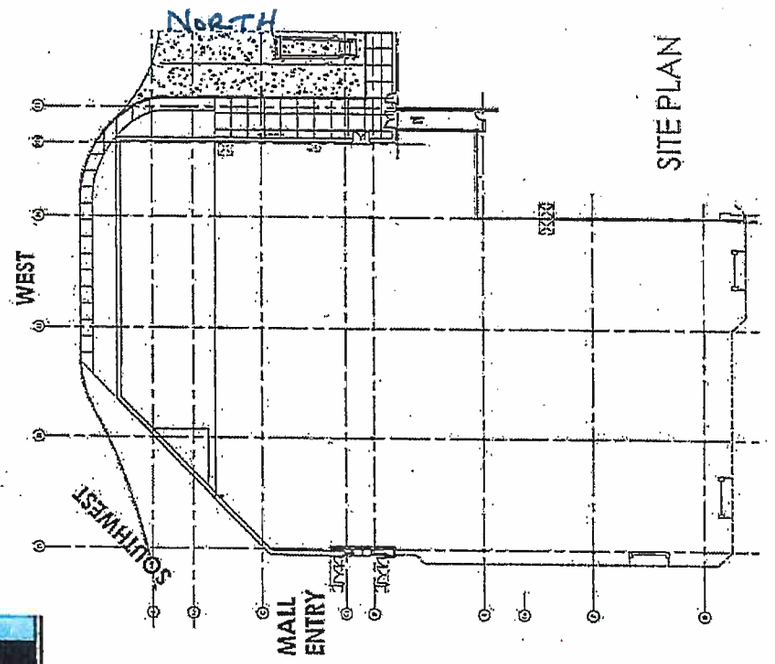
SOUTHWEST ELEVATION

652

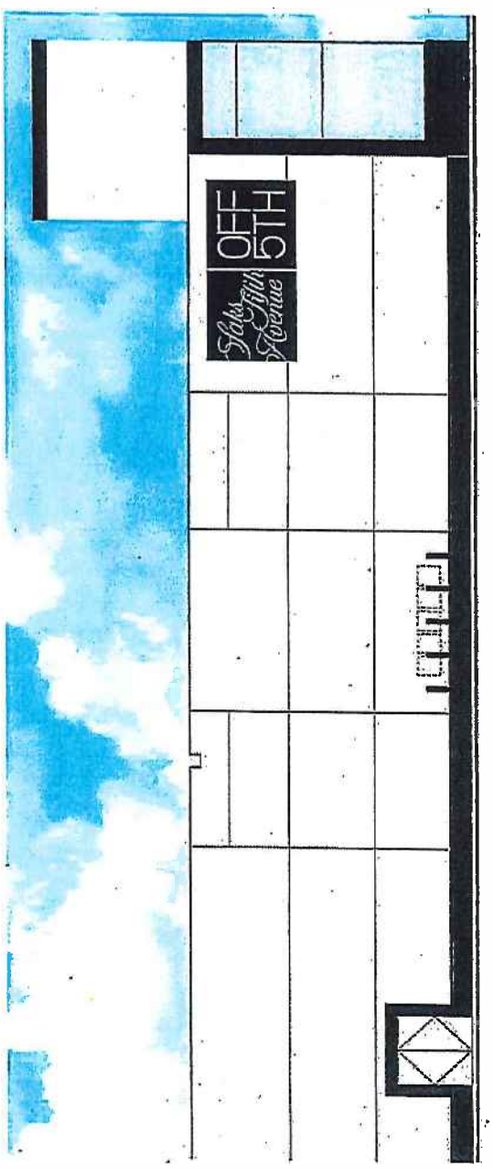
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EXHIBIT H

(20f2)



SITE PLAN



NORTH ELEVATION

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Exhibit I

CONCEPTUAL IMAGES OF EXISTING SHOPPING CENTRE DIRECTIONAL, WAY-FINDING, MONUMENT AND OTHER SHOPPING CENTRE IDENTIFICATION SIGNAGE DISPLAYING TENANT'S IDENTIFICATION SIGNAGE

EXHIBIT I (1 of 6)

1)



2)

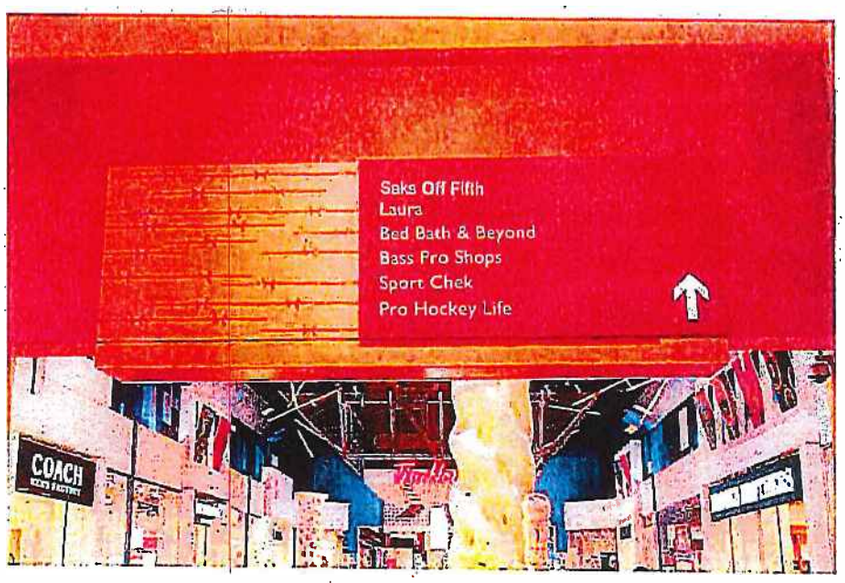


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Exhibit 1
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3)



4)

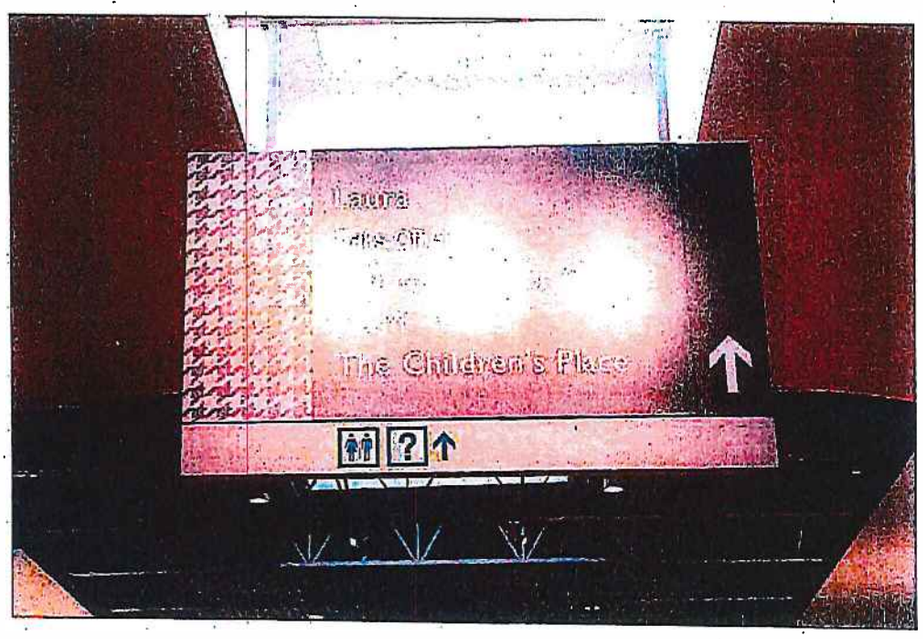
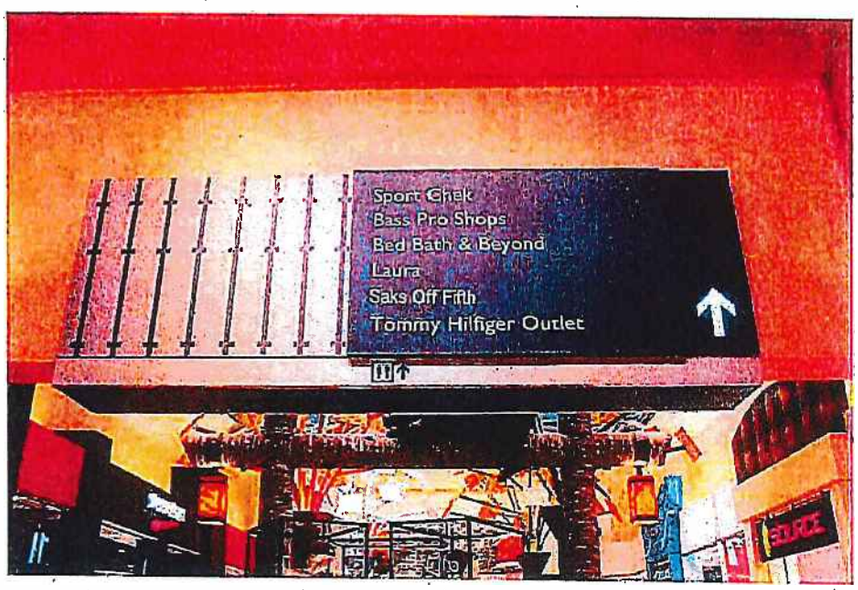


Exhibit 1
(3 of 6)

5)



6)

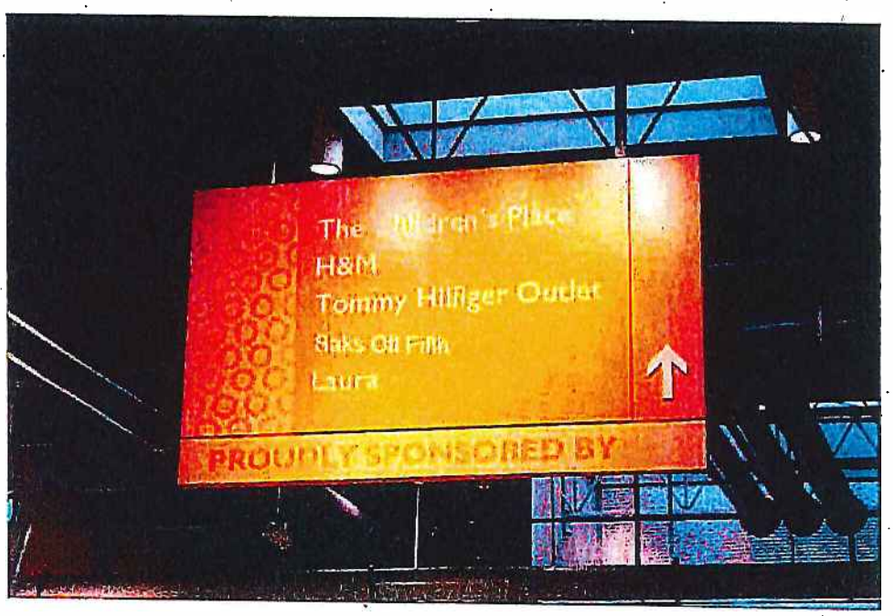


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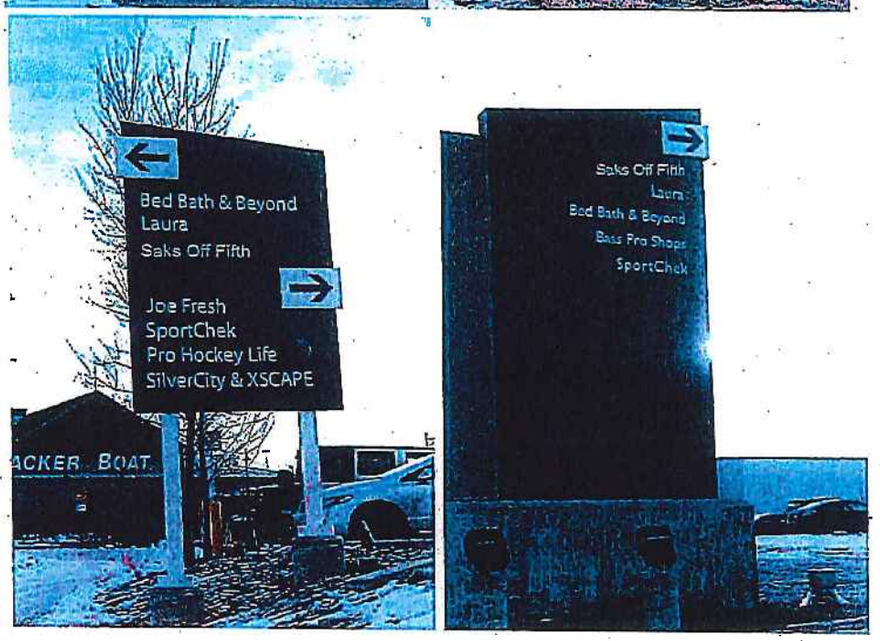
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Exhibit 1
C5 of 6



E1

E2



E3

E4

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Exhibit 1
C6 of 6)



E5

E6

E7 New Exterior Way Finding Sign – Similar to Above

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Exhibit J
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Exhibit K
Additional Plan of Shopping Centre Showing Locations of those Leased Premises that are subject to leases granting the tenants thereunder certain restrictive covenants and/or exclusive uses

YELLOW - outline of Existing Bass Pro Shops Outlet premises

GREEN - outline of Existing Cinema Lease motion picture theatre premises

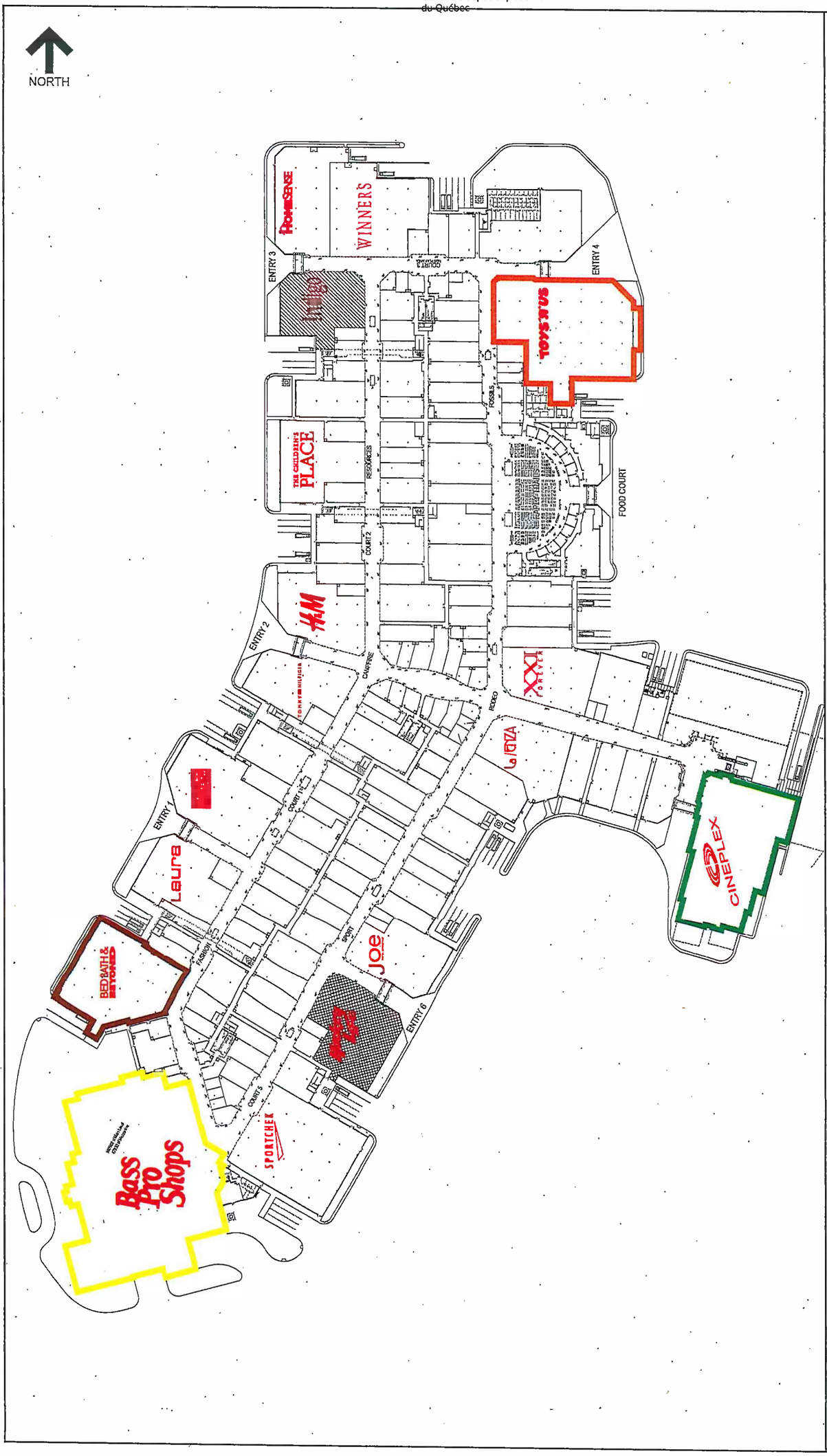
ORANGE - outline of Existing Toys R Us Lease premises

BROWN - outline of Existing Bed Bath & Beyond Lease premises

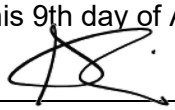
HATCHED IN BLACK - location of Existing Book Store Lease premises

CROSS-HATCHED IN BLACK - location of Existing Hockey Products Lease premises

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This is **Exhibit "H"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE

THE OUTLET COLLECTION (NIAGARA) LIMITED
(LANDLORD)

TO

HUDSON'S BAY COMPANY
d/b/a SAKS FIFTH AVENUE OFF FIFTH
(TENANT)

DATED FEBRUARY 17, 2015

DEMISED PREMISES IN
OUTLET COLLECTION AT NIAGARA-ON-THE-LAKE
ONTARIO, CANADA

LEASE

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LEASE

THIS LEASE (the "**Lease**") dated as of the 17th day of February, 2015 by and between **The Outlet Collection (Niagara) Limited**, having its principal office at 95 Wellington Street West, Suite 300, Toronto, Ontario, Canada M5J2R2 ("**Landlord**") and **Hudson's Bay Company**, having its principal office at 401 Bay Street, Suite 500, Toronto, Ontario, Canada M5H2Y4 ("**Tenant**").

W I T N E S S E T H:

1. Landlord is the registered and beneficial owner of certain lands, together with the improvements located thereon, in Niagara-on-the-Lake, Ontario, Canada, which lands are more particularly described in Exhibit A and which lands and all improvements located thereon are situated as shown on Exhibit B.

2. Said lands and all improvements located thereon are operated by Landlord as a shopping centre under the name "Outlet Collection at Niagara" (the "**Shopping Centre**"), which Shopping Centre contains **514,258** square feet of rentable area.

3. The parties desire that certain premises in the Shopping Centre be leased by Landlord to Tenant as hereinafter more particularly provided.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and of good, lawful and valuable considerations moving to and received by each of the parties to be bound hereby, and intending to be legally bound hereby, the parties do hereby agree as follows:

ARTICLE 1
GRANT OF DEMISED PREMISES

Landlord does hereby demise and lease to Tenant and Tenant does hereby hire and take from Landlord, upon the terms, covenants and agreements and subject to the conditions hereinafter set forth, all those certain premises hereinafter mentioned and described and referred to herein as the "**Demised Premises**", to wit:

(i) that certain space known as Unit A-7 shown single hatched on Exhibit B, which space contains approximately **32,200** square feet of rentable area;

(ii) the entrances to and exits from such space to and from the Common Area (as defined below), as such entrances and exits are shown on Exhibit B;

(iii) the exclusive loading dock and unloading areas which serve such space as shown on Exhibit B; and

(iv) all leasehold improvements now or hereafter located therein and thereon, including, without limitation, the Improvements (as such term is defined in Section 30.4 of this Lease) that are acquired with or funded by the Tenant Improvement Allowance (as defined in Section 30.3).

The Demised Premises are leased to Tenant together with all rights, privileges, benefits, rights of way and easements now or hereafter appurtenant or belonging thereto, whether arising under this Lease or any private or public grant or authority, including, without limitation, the direct right of ingress to and egress from the Demised Premises through the entrances and exits shown on Exhibit B.

Landlord does further hereby grant to Tenant and its employees, agents, customers, licensees and invitees a non-exclusive right and privilege to use, in common with others, those parts of the Shopping Centre (herein referred to as "**Common Area**") which constitute all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, (i) all non-leasable service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), (ii) all parking areas, parking decks, roadways, sidewalks, landscaped areas, and all roofs, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, common loading areas and truck courts, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, (iii) mall decorative installations, (iv) customer and service stairways, (v) mall directories and directional signs and information booths, (v) elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of the Common Area. Such use to be for the intended uses and purposes of the Common Area and the improvements therein and thereon, including, without limitation, ingress and egress and parking and passage and such other things as are authorized, permitted or required under the terms of this Lease. For the sake of greater certainty, the parties hereto hereby acknowledge and agree that the sprinkler room that provides sprinkler service throughout the Demised Premises forms part of the Common Area of the Shopping Centre and is the sole responsibility of Landlord to maintain as more particularly provided in Section 12.1 hereof.

The dimensions, shape and location of the Demised Premises as described herein are approximate and it is agreed and understood by Tenant that, upon the completion of construction of the Demised Premises, Landlord, at its sole cost, shall have the actual number of square feet of rentable area within the Demised Premises measured and certified by an architect licensed to do business in the Province of Ontario. No later than thirty (**30**) days following the Landlord Delivery Date (as that term is hereinafter defined) Landlord shall provide the Tenant with written notice of the number of square feet of rentable area for the Demised Premises and providing a copy of the said architect's certification thereof and supporting plans and calculations (the "**Measurement Notice**"), and the number of square feet of rentable area for the Demised Premises stated above in this Article 1 shall be adjusted as may be required (subject to Tenant's right of confirmation, below). Such measurement shall be made utilizing standard BOMA computation methods for retail premises and a copy of Landlord's architect's plans and calculations for such measurement shall be included with the Measurement Notice.

Tenant may, at its option, at its sole cost and expense and within thirty (30) days after the later of (i) the date Tenant receives the Measurement Notice and (ii) the date that Landlord delivers actual and exclusive possession of the Demised Premises to Tenant as described in Article 2 below, cause the Demised Premises to be measured by an architect retained by Tenant for such purpose. Tenant shall submit its architect's measurement to Landlord. In the event of a discrepancy which cannot be resolved by agreement of the parties, Landlord may cause its architect to re-measure the Demised Premises for purposes of verifying the measurement by Tenant's architect. If, after Landlord has had the opportunity to re-measure the Demised Premises, the parties are unable to reach agreement as to the number of square feet of rentable area within the Demised Premises, Landlord's and Tenant's architect shall appoint an independent third-party architect to measure the Demised Premises. The measurement by such third-party architect shall be binding on Landlord and Tenant, and shall replace the number of square feet of rentable area for the Demised Premises for all purposes of this Lease. The fees for such third-party architect shall be shared equally by the parties. The fees of each party's architect shall be paid by the respective parties.

ARTICLE 2
DELIVERY

Section 2.1 Delivery

Landlord shall satisfy the Opening Conditions (as defined in Section 8.1 below) and deliver actual and exclusive possession of the Demised Premises (in the condition described herein) to Tenant all by no later than **November 15, 2015**. Landlord shall deliver actual and exclusive possession of the Demised Premises to Tenant (i) free and clear of all tenancies, occupancies, restrictions, liens, encumbrances, reservations or other defects of title or claims of other parties except for the title exceptions listed in Exhibit C (the "**Permitted Exceptions**"), which Permitted Exceptions Landlord represents, warrants, and covenants do not and shall not involve or result in any interference with or impairment of Tenant's use, occupancy, and enjoyment of the Demised Premises or with Tenant's other rights hereunder, (ii) in a broom clean condition with all furniture, trade fixtures, merchandise and other items of personal property removed and (iii) with Landlord having completed, which Landlord hereby agrees to do, Landlord's Work (as defined below). In addition to the foregoing, on or before the date that Landlord shall deliver actual and exclusive possession of the Demises Premises to Tenant, Landlord shall also provide to Tenant the following (collectively, the "**Additional Requirements**"):

(i) a Phase I Environmental Report covering the Demised Premises and the remainder of the Shopping Centre, confirming that the Demised Premises and the remainder of the Shopping Centre are free from contamination and hazardous materials;

(ii) an updated title report;

(iii) all inspection and consultant reports on the Demised Premises and the remainder of the Shopping Centre in Landlord's possession or otherwise under Landlord's control;

(iv) ALTA survey(s) with respect to the Demised Premises and the remainder of the Shopping Centre;

(v) non-disturbance agreement(s) as described in Section 16.2 of this Lease for any existing Mortgage(s) on title to the Shopping Centre, provided, however, such non-disturbance agreement(s) shall be delivered to Tenant no later than the date set forth in Section 6.2 hereof;

(vi) any and all approvals from third parties, including, without limitation, any and all governmental approvals for the construction and operation of the Demised Premises and the remainder of the Shopping Centre, including, without limitation, any approvals necessary for Landlord's signage; and

(vii) payment of the first instalment of the Tenant Improvement Allowance as described in Section 30.3 of this Lease.

The Tenant hereby acknowledges that, as of the date of execution hereof, Landlord has already provided the Tenant with the items described above in subparagraphs (i), (ii), (iii) and (iv) of this Section 2.1. Landlord further warrants and represents to the Tenant that, as of the date of execution hereof, there are no Mortgages registered on title to the Shopping Centre.

The last date upon which Landlord (a) satisfies the Opening Conditions, (b) satisfies the Additional Requirements and (c) delivers actual and exclusive possession of the Demised Premises to Tenant in the condition set forth herein and the same are accepted by Tenant shall be the "**Landlord Delivery Date**". Tenant's acceptance of the Demised Premises shall be without waiver of the aforesaid requirements. In the event that the Landlord Delivery Date has not occurred by the date set forth above for any reason other than a delay occasioned by Force Majeure (as that term is hereinafter defined), Tenant shall receive, without waiver of its other rights and remedies against Landlord, a rent credit in the amount of Three Thousand Dollars (**$3,000.00**) for each day of delay ("**Delivery Credit**"). In the event that the Landlord Delivery Date does not occur by **November 15, 2015** due to a delay occasioned by Force Majeure, the date upon which the aforementioned rent credit shall commence to be payable to Tenant hereunder shall be extended beyond **November 15, 2015** by the same number of days that Landlord's failure to deliver

actual and exclusive possession of the Demised Premises to Tenant in accordance with the foregoing conditions can be attributed exclusively to the intervention of such occasion of Force Majeure (and to no other cause). As noted in Article 21 of this Lease, Landlord shall notify Tenant of the occurrence or potential occurrence of any occasion of Force Majeure that might delay the Landlord Delivery Date beyond **November 15, 2015** immediately upon Landlord becoming aware thereof, and Landlord shall thereupon and thereafter keep Tenant fully advised of the anticipated duration and consequences of such Force Majeure.

In the event that the Landlord Delivery Date does not occur by **January 31, 2016** ("**Sunset Delivery Date**"), Tenant shall have the right, without waiver of its other rights and remedies against Landlord, to terminate this Lease by notice of termination given to Landlord, provided further that the Tenant shall have the right to extend the said Sunset Delivery Date from **January 31, 2016** to **April 1, 2016** by giving Landlord notice of its election to do so no later than **January 31, 2016**. If this Lease shall be terminated pursuant to the provisions of this Section 2.1, neither party shall have any further obligation to the other, except that Landlord shall pay to Tenant within ten (10) days of such termination as liquidated damages an amount equal to the Delivery Credit accrued through such termination date. The parties acknowledge and agree that the damages sustained by Tenant would be difficult or impossible to determine and Landlord and Tenant have agreed upon such liquidated amount as payment for such damages and not as a penalty.

Section 2.2 **Entry Prior to Delivery**

Tenant shall have the right at any time after **August 15, 2015** to enter upon the Demised Premises for the purpose of having an inspection of the Demised Premises performed by Tenant's engineers.

Section 2.3 **[Intentionally Deleted]**

Section 2.4 **Physical Condition**

Landlord represents, warrants and covenants to Tenant that, to Landlord's best knowledge, (i) no material, substance, chemical or waste which possesses or may possess hazardous or toxic characteristics has been generated, used, stored, leaked, discharged, released or is present in, on, under, above or from the Demised Premises and (ii) all materials, data and information relating to or affecting the Demised Premises which Landlord has provided or shall provide to Tenant are true, accurate and complete copies of the originals. Landlord shall indemnify, defend and hold harmless Tenant from and against all claims, costs, expenses (including reasonable attorneys' fees), losses, damages, injuries and liabilities arising from any breach of these representations and warranties.

ARTICLE 3
TERM; RENT COMMENCEMENT DATE; EXTENSIONS

Section 3.1 **Initial Term**

The initial term of this Lease ("**Initial Term**") shall commence on the date of execution of this Lease by both parties hereto and shall expire at 11:59 p.m., Eastern Time, of the last day of the month in which the tenth (10^{th}) anniversary of the Rent Commencement Date (as defined below) occurs, except where the Rent Commencement Date occurs on the first (1^{st}) day of a month, in which event the Initial Term shall end on the last day of the month preceding the tenth (10^{th}) anniversary of the Rent Commencement Date.

Section 3.2 **Rent Commencement Date**

Rent (as defined below) shall commence on the earlier of the following (in either event, the "**Rent Commencement Date**"):

(i) that date which is one hundred fifty (**150**) days after the Landlord Delivery Date (the "**Outside Date**") except that:

(a) if the Outside Date occurs on or between November 1 of any calendar year and February 28 of the following calendar year, then the Outside Date shall be extended to March 1;

(b) if the Outside Date occurs on or between the date that Easter occurs in any calendar year and the date that is thirty (30) days prior to Easter in such calendar year, then Outside Date shall be extended to two (2) weeks after Easter of such calendar year; and

(ii) the date on which Tenant opens the Demised Premises to the public for business.

Notwithstanding anything to the contrary, in no event shall the Rent Commencement Date occur prior to the date on which Landlord satisfies the Opening Conditions all as set forth in this Lease. In addition, notwithstanding anything to the contrary, if Tenant cannot obtain a temporary certificate of occupancy (or its applicable equivalent in the jurisdiction in which the Demised Premises are located) because of any required Landlord's Work or work under Landlord's control, including, without limitation, work anywhere else in the Shopping Centre which Landlord has the right to cause to be corrected under existing leases, reciprocal easement agreements or other agreements (other than Tenant's Work), Landlord shall perform or cause such work to be performed and both the Outside Date and the Rent Commencement Date shall be postponed on a day-for-day basis.

After the Rent Commencement Date shall have been determined, Tenant and Landlord shall execute and deliver duplicate originals of an agreement, substantially in the form of Exhibit G attached hereto and made a part hereof, setting forth the rentable area of the Demised Premises, the Rent Commencement Date, the date of expiration of the Initial Term and the commencement and expiration dates of any extended periods; provided, however, that the failure of either party to execute and deliver such agreement shall not affect the occurrence of the Rent Commencement Date or the date of expiration of the Initial Term.

Section 3.3 **Extensions of Term**

Tenant shall have the right and option to extend the Term of this Lease for five (**5**) consecutive extended terms of five (**5**) years each unless and until this Lease shall be sooner terminated pursuant to the terms of this Lease, provided that, in each instance, Tenant (or its then current successor or assign under this Lease) is occupying and carrying on business in and from the Demised Premises at the time Tenant exercises such right and option to extend. Each extended term shall commence immediately upon the expiration of the prior term and shall end at 11:59 p.m., Eastern Time, on the fifth (**5th**) anniversary of the commencement of such extended term (which date shall be the last day of the applicable month).

Tenant may exercise its option for an extended term by giving notice to Landlord of Tenant's intention to extend at least three hundred sixty-five (**365**) days prior to the expiration of the then existing term.

In order to prevent the inadvertent failure of Tenant to exercise any of the options set forth above within the time limits prescribed, this Lease shall not expire unless and until Landlord notifies Tenant (the "**Landlord Renewal Notice**") that Tenant has not exercised its option to extend and that Tenant's option to extend shall expire thirty (**30**) days after Tenant's receipt of such notice unless Tenant gives notice to Landlord that Tenant elects to extend prior to the expiration of such thirty (**30**) day period. In the event Tenant does not elect to exercise its option to extend prior to the expiration of said thirty (**30**) day period,

Tenant's option to extend shall expire. If Landlord fails to so notify Tenant prior to the expiration of the Term of this Lease and Tenant shall remain in possession of the Demised Premises after the expiration of the Term of this Lease, such holding over shall not be deemed to extend the Term of this Lease or renew this Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at the monthly rental in effect during the last month of the Term of this Lease until (i) terminated by Tenant by notice to Landlord designating the date of termination, which notice shall be given ninety (**90**) or more days prior to the date designated by Tenant for termination, or such earlier date as the Lease is terminated by reason of the Tenant not exercising its option to extend within ninety (**90**) days after Tenant's receipt of the Landlord Renewal Notice. If Landlord finally gives Tenant the Landlord Renewal Notice following the expiration of the Term of this Lease and Tenant exercises its option to extend, then the effective date of such exercise shall be retroactive to the expiration of the Initial Term, the first extended term, the second extended term, the third extended term or the fourth extended term, as the case may be.

During the extended terms all of the terms and conditions of this Lease shall remain in full force and effect except as the expiration date and the Rent shall change by the exercise of any option.

The word "**Term**", as used in this Lease, shall mean, unless the context shall denote otherwise, the Initial Term and any and all extended terms of this Lease.

Section 3.4 **Option to Extend to January 31**

If the Term of this Lease expires on a date other than January 31 of a calendar year, and if Tenant either has no further options to extend the Term or Tenant has elected not to extend the Term, then Tenant shall have the right to extend the final Lease Year of the Term until the following January 31st. Tenant may exercise its option to extend such final Lease Year until January 31st by giving notice to Landlord of Tenant's intention to extend at least one hundred and eighty (180) days prior to expiration of the Term of this Lease.

Section 3.5 **Termination by Reason of Gross Sales**

Anything in this Lease to the contrary notwithstanding, and provided Tenant is not otherwise in default beyond any applicable cure period, Tenant shall have the option ("**Tenant's Termination Right**") to terminate this Lease upon sixty (**60**) days' written notice to Landlord (as hereinafter more particularly provided) setting forth the effective date of termination , which date shall be set no later than ninety (90) days following the date the notice is delivered to Landlord hereunder ("**Termination Notice**"), if at the end of the third (3rd) Percentage Rent Lease Year (as defined in Section 4.1) and/or at the end of the seventh (7th) Percentage Rent Lease Year, Gross Sales (as hereinafter defined) for such Percentage Rent Lease Year equal less than One Hundred Fifty Dollars (**$150.00**) per square foot of the rentable area of the Demised Premises, as certified by an officer of Tenant (the "**Sales Threshold**"). In the event that Tenant fails to exercise the Tenant's Termination Right pursuant to this Section 3.5 within sixty (**60**) days after the end of such third or seventh Percentage Rent Lease Year, the Tenant's Termination Right for the applicable Percentage Rent Lease Year shall be deemed waived and of no further force or effect. In the event that Tenant elects to terminate the Lease pursuant to this Section 3.5 then the following shall apply:

(a) Tenant shall provide Landlord with a certification from an officer of Tenant that Gross Sales for the third (3rd) or seventh (7th) Percentage Rent Lease Year, as the case may be, did not exceed the Sales Threshold;

(b) this Lease shall terminate upon expiration of the period stipulated in the Termination Notice, (the "**Termination Date**") and Tenant shall deliver vacant possession of the Premises to Landlord by the Termination Date in accordance with all applicable provisions in this Lease and without compensation of any kind from Landlord;

(c) Tenant shall be responsible for the payment of all Rent and charges owing under the terms of this Lease up to and including the Termination Date; and

(d) neither party shall have any further liability or obligation to the other after the Termination Date, except for Tenant's obligations under Subsection (b) above, and except for any default under this Lease by either party occurring on or before the Termination Date.

ARTICLE 4
RENT

Section 4.1 Rent

Subject to the terms and provisions hereof and in consideration of Landlord's representations, warranties and covenants herein, Tenant agrees to pay to Landlord, from and after the Rent Commencement Date, as rent (the "**Rent**") for the Demised Premises, at the place and in the manner set forth herein for notices, an amount equal to **3.5%** of Gross Sales (as hereinafter defined) made from the Demised Premises during each Percentage Rent Lease Year (as hereinafter defined).

Rent shall be payable monthly in arrears within twenty (20) days following the end of each calendar month commencing with the month after the month in which Tenant opens the Demised Premises to the public for business. Along with the monthly payment of Rent, Tenant shall furnish Landlord a statement, which need not be certified, of the Gross Sales derived from the Demised Premises for the prior month, which statement shall be in accordance with generally accepted accounting principles, consistently applied. Within sixty (60) says after the end of each Percentage Rent Lease Year, other than the first Percentage Rent Lease Year, and within sixty (60) days after the end of the calculating period with respect to the first full Percentage Rent Lease Year, Tenant shall furnish Landlord a statement certified by an officer of Tenant showing the Gross Sales derived from the Demised Premises during such Percentage Rent Lease Year and the amounts, if any, of Rent required to be paid by Tenant or credited to Tenant for any overpayment or underpayment of Rent for the Percentage Rent Lease Year, which statement shall be in accordance with generally accepted accounting principles, consistently applied..

For purposes of calculating Rent under this Lease, the term "**Percentage Rent Lease Year**" as used in this Lease refers to the period from February 1 to the following January 31 of each year during the term of this Lease, provided that, if the Lease Commencement Date does not occur on February 1, then the first Percentage Rent Lease Year shall be for a period of less than twelve (12) consecutive months, commencing on the Lease Commencement Date and expiring on the following January 31, and further provided that any period of less than twelve (12) full calendar months occurring from and after February 1 at the expiry or earlier termination of the term shall be deemed to be a Percentage Rent Lease Year. The computation of Rent shall be made separately with regard to each Percentage Rent Lease Year or partial Percentage Rent Lease Year, as the case may be, it being understood and agreed that Gross Sales per any Percentage Rent Lease Year and Rent due thereon shall have no bearing on Gross Sales of any other Percentage Rent Lease Year.

Full true and accurate records from which Gross Sales in any Lease Year may be readily and correctly determined will be kept by Tenant, including, without limiting the generality of the foregoing, the requirement to retain all sources of primary sales records (that is, cash register tapes, pre-numbered sales tickets, daily sales reports, etc.) and otherwise in accordance with generally accepted accounting principles until at least the fifth (5th) anniversary of the end of such Percentage Rent Lease Year. Landlord or any Person designated by Landlord will have access to such records at any and all times during business hours for the purpose of examining and reviewing all the accounting records and

procedures adopted by Tenant for the purpose of recording and control of all transactions affecting the determination of Gross Sales. For the sake of greater clarification, the parties hereto acknowledge that, in the event Landlord determines that Tenant has failed to report Gross Sales in accordance with its obligations contained herein, such failure shall constitute a default under this Lease and Landlord shall have the right to exercise its remedies in the event of Tenant default under Section 19.1 of this Lease. Landlord will not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Shopping Centre.

Section 4.2 **Gross Sales**

The term "**Gross Sales**" as used in this Lease means the actual sale price of all goods, wares and merchandise sold in, upon or from any part of the Demised Premises, including actual receipts from services rendered by Tenant as well as the total actual sales and services rendered by any licensee, subtenant or concessionaire occupying any portion of the Demised Premises, including, without limitation, such sales, income, receipts, revenues and services which Tenant, any licensee, subtenant or concessionaire occupying any portion of the Demised Premises (collectively, "**Other Occupants**") in the normal and customary course of business would credit or attribute to its business upon the Demised Premises or any part or parts thereof, provided, however, that the term "Gross Sales" shall not be deemed to mean and there shall be excluded from "Gross Sales" amounts representing: (i) amounts credited by Tenant or Other Occupants for returned or defective merchandise; (ii) amount of discount on sales to bona fide employees of the Tenant and bona fide employees of any affiliates of the Tenant; (iii) allowances granted to customers for damaged or defective merchandise; (iv) trade and other discounts; (v) HST (as hereinafter defined) and all other sales, excise and similar taxes levied upon sales made at the Demised Premises; (vi) workroom charges for alterations, repairs or installation of merchandise sold, or similar services rendered in connection with merchandise sold; (vii) charges for services rendered primarily to accommodate customers or employees; (viii) charges for making deliveries, shipments or transfers of merchandise in the regular course of business; (ix) carrying charges on time sales; (x) fees and charges paid by Tenant or Other Occupants to issuers of third party credit cards; (xi) charges for inter-store transfers of merchandise; (xii) sales of merchandise in bulk to non-retail customers; and (xiii) the proceeds of sales of trade fixtures, operating equipment or other property used by Tenant or Other Occupants in the operation of its business and not acquired by it for the purpose of sale.

Sales shall be deemed to have been made when merchandise has been shipped or delivered, and services shall be deemed to have been rendered when completed, or when such sales or services, as the case may be, have been charged against the purchaser or customer on the books of Tenant or Other Occupants, whichever of such events shall be the first to occur. Transactions shall be included whether for cash or on credit and whether the amount thereof is collected or uncollected. The phrase "sold in, upon or from any part of the Demised Premises" as used herein to modify "Gross Sales" shall include such sales as shall be in good faith credited by Tenant or Other Occupant in the regular course of its business to personnel employed at the time of sale in, at or in connection with the retail store to be operated by Tenant or Other Occupant in the Demised Premises but shall in no event include any sales that are transacted by the Tenant or any Other Occupant in the Demised Premises as part of an independent electronic business conducted by the Tenant or any Other Occupant in the Demised Premises by way of any internet or other electronic communications that are not being sold in the regular course of business in the Demised Premises, even if the merchandise sold pursuant to such transactions is delivered to customers at or from the Demised Premises. Subject to the foregoing, the said phrase shall include transactions conducted by mail or telephone, and other orders received at the Demised Premises, even though filled elsewhere, provided the particular items ordered are ones which are at the time being sold in the regular course of business in the Demised Premises. Said phrase shall not include, in any event, sales transacted by mail or telephone or other orders received at a place other than the Demised Premises even though the same may be filled from stocks at the Demised Premises, unless recorded on the books of the

Demised Premises as a sale for the Demises Premises. Tenant makes no representation or warranty as to the Gross Sales, if any, which it expects to derive from the Demised Premises.

ARTICLE 5
TAXES

Section 5.1 Landlord's Obligation re Real Estate Taxes

Landlord shall pay before the date due any and all real estate taxes and assessments (general and special, ordinary and extraordinary, foreseen or unforeseen, and including, without limitation, applicable local improvement taxes) (collectively "**Real Estate Taxes**") levied, assessed or otherwise imposed upon the Demised Premises and/or the remainder of the Shopping Centre throughout the Term. Tenant shall have no obligation to contribute to the payment of Real Estate Taxes as such Real Estate Taxes are intentionally included in the Rent provided for herein.

Section 5.2 Other Taxes

(a) For the sake of greater certainty, the parties hereto hereby acknowledge and agree that nothing contained in this Lease shall require Tenant to pay any franchise, corporate, estate inheritance, succession, capital or transfer levy or tax of Landlord, or any taxes on Landlord's income, profits or revenue.

(b) Tenant shall be responsible for paying such business taxes (if any) as may be imposed at any time during the term by municipal or other government authorities having jurisdiction exclusively in respect of the business and activities carried on by the Tenant and its assignees, subtenants and concessionaires in or from the Demised Premises,

ARTICLE 6
UTILITIES

Landlord shall cause to be provided and separately metered all utility services necessary for the conduct of Tenant's business in the Demised Premises, but Tenant, at its option, shall have the right to make arrangements directly with utility companies for such utility services as Tenant may desire. Tenant shall pay such utility charges directly to the furnisher of each utility service. If any utility services are provided by Landlord the charges payable therefor by Tenant shall not exceed Landlord's cost therefor. Landlord shall submit to Tenant copies of all utility bills documenting the utility charges purchased from Landlord together with the statement showing in detail the method of calculating that portion of the utility charges billed to Tenant.

Landlord hereby grants to Tenant the right, privilege, and easement for the installation, use, operation, maintenance, repair and replacement of utility lines, apparatus and facilities to serve the Demised Premises and the improvements thereto in, under, upon, through and across the Shopping Centre.

Any charges for utilities consumed in the Demised Premises applicable to any period prior to the date actual and exclusive possession of the Demised Premises is delivered to Tenant shall be paid by Landlord and subsequent to that date and until termination of this Lease shall be paid by Tenant.

If Landlord shall be notified by any party that utility services will be interrupted, Landlord shall promptly notify Tenant of such fact so that Tenant may (but need not) provide alternate utility services.

ARTICLE 7
MAINTENANCE AND REPAIR

Section 7.1 Tenant's Obligation

Subject to Landlord's obligations set forth in Articles 2 and 29 and Section 7.2, Tenant shall, at its own cost and expense (except as otherwise provided herein), keep the interior of the Demised Premises and all heating, ventilation and air conditioning equipment exclusively serving the Demised Premises (the "**HVAC**") in good order, and condition and repair, ordinary wear and tear excepted, and make all necessary non-structural interior repairs to the Demised Premises and all plate glass and glass entrance doors serving the Demised Premises, but in no event shall Tenant be required by this Section 7.1 to make any repairs or replacements that are necessary as a result of damage or destruction by structural fault or failure of the building of which the Demised Premises are a part or by Landlord's negligence or default, which repairs or replacements shall be the responsibility of Landlord to perform, at its cost.

In the event one or more of the HVAC units serving the Demised Premises requires replacement (or any major component of such unit(s) requires replacement), Tenant shall promptly contract for said replacement at Landlord's cost and expense. If Landlord does not promptly pay for such replacement and Tenant pays for same, Landlord shall reimburse Tenant for the cost and expenses thereof (including without limitation the cost of the labour) within thirty (30) days of written demand therefor, provided however, that Tenant shall then be responsible for paying the HVAC Rent Adjustment as provided herein once Landlord has reimbursed Tenant. Provided Landlord has paid for same (or reimbursed Tenant for same as provided herein), Tenant shall reimburse Landlord for each HVAC unit (or major component) replaced in the amount of a "HVAC Rent Adjustment" (as hereinafter defined).

Commencing on the tenth day of the month immediately following the later of (i) the month in which the HVAC unit (or major component) is replaced and (ii) the month in which Landlord pays for (or reimburses Tenant for, as the case may be) the costs thereof, Tenant shall pay to Landlord (at the same time and place as Rent is payable) an "**HVAC Rent Adjustment**" which shall be an amount equal to the actual, out-of-pocket, third party costs (provided such costs shall not exceed the prevailing market rate for same) incurred by Landlord in connection with replacement of the HVAC unit (or major component), amortized on a straight line basis over ten (**10**) years. Such sum shall be payable for the remainder of the Term of the Lease (including extensions or renewals) until the first to occur of (i) the termination date of the Lease, or (ii) the last day of the one hundred ninetieth (119th) month immediately following the first payment of the HVAC Rent Adjustment. As an example of the foregoing, assume that the total replacement costs for one (1) HVAC unit equals $7,500.00. $7,500.00 shall be amortized on a straight line basis over ten (10) years. Therefore, the HVAC Rent Adjustment shall equal $62.50 per month and if the Lease terminates earlier than the end of such one hundred ninetieth (119th) month, Tenant shall not be liable to Landlord for any remaining amounts (and the HVAC Rent Adjustment due for any partial month at the end of the Term shall be prorated).

Section 7.2 Landlord's Obligation

Landlord shall, at its own cost and expense, keep in good order, condition and repair, and make all necessary replacements to (i) the exterior and structure of the Demised Premises and all foundations, exterior walls, downspouts, gutters, roof, canopies, utility services extending to the building service connections of the Demised Premises, (ii) all plumbing, sewage facilities, electrical equipment and sprinkler equipment and facilities located within or serving the Demised Premises and (iii) all other portions, improvements and elements of the Demised Premises which Tenant is not required to maintain

pursuant to Section 7.1, but in no event shall Landlord be required by this Section 7.2 to make any repairs or replacements which are necessary as a result of Tenant's gross negligence or willful misconduct.

ARTICLE 8
USE

Section 8.1 Tenant's Opening Covenant

Subject to the following conditions (the "**Opening Conditions**"):

(i) Landlord's completion of all the Landlord's Work and all on-site and off-site improvements in a timely fashion in order to deliver to Tenant actual and exclusive possession of the Demised Premises as described in Article 2,

(ii) Landlord's operation of the Shopping Centre as a first class, open-air, outlet shopping centre, and

(iii) Landlord not being in default of any of the terms and/or provisions of this Lease,

Tenant will build out the Demised Premises from the "white box" condition as described herein and open the Demised Premises for business with the public not later than the Outside Date (subject to Force Majeure) for at least one (1) day staffed, stocked and fixtured as a retail department store under the trade name "*Saks Fifth Avenue Off Fifth*", "*Off 5th*", "*Saks 5th Avenue Off 5th*", "*Saks 5th*", "*Off 5th-Saks 5th Avenue Outlet*", "*Saks*", "*Saks Fifth Avenue*" or such other trade name being used from time to time to identify the majority of the off-price retail stores operated by Tenant in Canada that were previously operated as a Saks Fifth Avenue Off Fifth. Thereafter, Tenant shall have no obligation to operate the Demised Premises.

Section 8.2 Tenant's Use Generally

Tenant shall have the right to use and occupy, if at all, the Demised Premises or any portion or portions thereof, for any and all lawful retail purposes, provided that, notwithstanding the foregoing, the Tenant shall not use the Demised Premises for the purpose of selling hunting, fishing or camping products or services and/or the sale or display of boats, recreational vehicles, off-road vehicles or all-terrain vehicles if and for so long as the existing lease of those premises that are operated as of January 1, 2015 under the name "*Bass Pro Shops Outpost*" and are shown outlined in **YELLOW** on Exhibit B hereto (the "**Bass Pro Shop Premises**") continues to grant the tenant thereunder the exclusive right to sell or display the aforementioned items of merchandise.

No provision of this Lease imposes (i) any obligation on Tenant to operate a business in or make any sales from the Demised Premises (except to the limited extent as may be provided in Section 8.1) or (ii) any radius or other operating restrictions on Tenant; and no operation, business, sale or other activity of Tenant outside of the Shopping Centre shall entitle Landlord to any rent or other compensation. The hours of business, the number and types of departments to be operated, the particular contents, wares and merchandise to be offered for sale in, and the services to be rendered, the methods and extent of merchandising and storage thereof and the manner of operating the Demised Premises, if at all, in every respect whatsoever shall be within the sole and absolute discretion of Tenant. Tenant may operate, or cause to be operated, the department or departments within the Demised Premises, in whole or in part, by licensees, tenants and/or concessionaires. Tenant will carry on its business on the Demised Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Demised Premises that will result in or bring about a breach of any provision of this Lease. Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre

in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Demised Premises as an off-price retail store or other permitted use hereunder in a first class manner in keeping with the said standards of the shopping centre industry.

Notwithstanding the provisions of the opening paragraph of this Section 8.2, Tenant shall not, at any time during the Term, conduct or carry on in the Demised Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any call centre operation (iii) a store conducted principally for the sale of war surplus articles, insurance salvage stock, or fire sale stock; (iv) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire; (v) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; and (vi) an auction sale.

Section 8.3 **Landlord's Right of Recapture**

If at any time during the Term less than the whole or substantially the whole of the Demised Premises is occupied and open to the public for business for a period exceeding two (**2**) months for any reason other than Force Majeure (as that term is hereinafter defined), damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, Landlord shall thereafter have the right to terminate this Lease while such cessation of operation continues by giving Tenant no less than thirty (**30**) days prior written notice thereof, provided that Tenant may nullify such notice of termination and this Lease shall not be terminated if Tenant re-opens the whole or substantially the whole of the Demised Premises to the public for business prior to the termination date specified in Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Demised Premises open for business for at least twelve (**12**) consecutive months (failing which Landlord's termination of the Lease shall be effective immediately upon Tenant ceasing to operate during the aforementioned 12-month period). In the event that Tenant nullifies Landlord's notice of termination as aforesaid, the provisions of this Section 8.3 shall continue to apply throughout the balance of the Term.

ARTICLE 9
ALTERATIONS; SIGNS

Section 9.1 **Alterations**

Tenant shall have the right at any time and from time to time, at its own cost and expense, to make such repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the non-structural components and/or interior of the Demised Premises as Tenant, acting in its sole discretion, may deem necessary or desirable, without requiring the prior consent of Landlord thereto.

Tenant shall have the further right at any time and from time to time, at its own cost and expense, to make repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the structural components and/or exterior façade of the Demised Premises, provided that:

(a) Any such repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the structural components and/or exterior of the Demised Premises (hereinafter collectively referred to as "**Tenant's Structural or Exterior Work**") shall be subject to Landlord's prior approval (which approval shall not be unreasonably withheld, conditioned or delayed).

(b) Any Tenant's Structural or Exterior Work so approved by Landlord shall be carried out by Landlord in a diligent, good and workmanlike manner in accordance with such plans,

specifications or designs therefor as have been prepared by Tenant and approved by Landlord, in accordance with all governmental laws, rules, regulations and code requirements applicable thereto, and in accordance with a work schedule that has approved in advance by Tenant (which approval shall not be unreasonably withheld, conditioned or delayed).

(c) Landlord shall provide Tenant with estimates of the total cost to perform any Tenant's Structural or Exterior Work hereunder from at least two (**2**) independent contractors (collectively, the "**Submitting Contractors**") for Tenant's review and approval, and Tenant, acting in its sole discretion, shall determine which of the said Submitting Contractors shall be engaged by Landlord to carry out the Tenant's Structural or Exterior Work by providing written notice thereof to Landlord within fifteen (**15**) days following its receipt of the said cost estimates. Should Tenant elect not to proceed with any Tenant's Structural or Exterior Work following its review of the said cost estimates therefor, it shall promptly provide written notice of its decision to Landlord.

(d) Following Landlord's completion of any Tenant's Structural or Exterior Work as aforesaid, Tenant shall reimburse Landlord for the costs incurred by Landlord in carrying out such Tenant's Structural or Exterior Work within thirty (**30**) days following Tenant's receipt of Landlord's invoice therefor, which invoice shall be accompanied by receipted proof of payment and/or such other evidence in support thereof as Tenant may reasonably request.

Tenant shall save Landlord harmless from and indemnify Landlord against all liens, claims and damages which may be asserted against Landlord or the Demised Premises or both by reason of any work which Tenant elects to do as authorized in this Article 9. Tenant agrees that any work performed by it pursuant to this Section shall be performed in a good and workmanlike manner and in accordance with all governmental laws, rules, regulations and code requirements applicable thereto. Landlord shall cooperate with Tenant in obtaining all permits, licenses and approvals for such work and shall join Tenant in the execution of any application for any such permit, license or approval.

Until the expiration or sooner termination of this Lease, title to any improvement constructed or installed by Tenant in or upon the Demised Premises or any other capital improvement made to the Demised Premises by Tenant or any fixture provided by Tenant shall remain solely in Tenant, and Tenant alone shall be entitled to deduct all depreciation and take all investment tax credits and other tax benefits on Tenant's income tax return for any such items.

Section 9.2 **Tenant's Signs**

(a) Tenant shall have the unrestricted right to install and maintain within the Demised Premises at any time and from time to time whatever interior signage it desires or requires in order to meet the needs of the business conducted therein and therefrom.

(b) Tenant shall have the right to install, replace or remove its standard exterior signs on all exterior facades of the Demised Premises at locations chosen by Tenant, including, without limitation, over the exterior entrance(s) to the Demised Premises and upon the rear and side walls enclosing the Demised Premises (which signage is collectively referred to herein as the "**Demised Premises Exterior Signage**"), and at the location at Outlet Entry 03 on the Shopping Centre's South East Entrance Portal South View, as more particularly shown on the drawing attached hereto as Exhibit I (the "**Outlet Entry 03 Signage**"), provided that:

(i) Tenant shall obtain any mandatory governmental approvals for the Demised Premises Exterior Signage and Outlet Entry 03 Signage (collectively, the "**Tenant's Exterior Signage**") and all of the said Tenant's Exterior Signage shall comply with the reasonable

requirements of such sign policy (if any) governing the standard design criteria of all exterior signs erected at the Shopping Centre that is implemented and enforced by Landlord against all tenants of the Shopping Centre, which sign policy shall represent good shopping centre practice for a first-class shopping centre and shall maintain the dignity and appearance of the whole of the Shopping Centre; and

(ii) Landlord, at its cost, shall carry out whatever installation, replacement or removal of the Outlet Entry 03 Signage may be required by Tenant pursuant to the terms of this Lease.

Landlord hereby further grants to Tenant an easement for the purpose of installing (at Tenant's election), maintaining, operating, repairing, replacing and removing all of the aforesaid Demised Premises Exterior Signage, the lighting for which shall be controlled by Tenant directly from an electrical panel board operated by Tenant within the Demised Premises. Landlord hereby warrants, covenants and agrees that the lighting of the Outlet Entry 03 Signage shall be controlled directly from an electric panel board operated by Landlord and serving the Common Area and/or other premises in the Shopping Centre, in which case the Outlet Entry 03 Signage shall be lighted during the Shopping Centre's standard hours of operation, with electrical charges therefor to be paid by Landlord. Landlord shall cooperate with Tenant in obtaining all permits, licenses and approvals of or for all of the Tenant's Exterior Signage and shall join Tenant in the execution of any application for any such permits, licenses or approvals.

(c) The parties hereto hereby acknowledge and agree that the number, design, dimensions and locations of the Demised Premises Exterior Signage that shall be installed on the exterior facades of the Demised Premises on the day that Tenant first opens the Demised Premises to the public for business are more particularly shown on the drawings attached hereto as Exhibit H.

(d) The parties hereto hereby acknowledge and agree that Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with the Tenant's Exterior Signage or any other signage installed at any time or from time to time in or upon the Demised Premises.

Section 9.3 Pylon Signs and Directional Signage

(a) Tenant shall have the right to have a sign panel on any existing or future pylon signs ("**Pylons**") installed and/or located on the Shopping Centre (or installed and/or located on other property for the purpose of advertising the Shopping Centre) that identify any one or more of the occupants of the Shopping Centre, subject to any pre-existing and conflicting rights to sole representation on any such Pylons as Landlord may have granted to other occupants of the Shopping Centre prior to January 1, 2015, such as, by way of example, the tenant under the existing lease of the Bass Pro Shop Premises (the "**Existing Bass Pro Shop Lease**"), which Existing Bass Pro Shop Lease currently grants the tenant thereunder the right to construct and install a Pylon at the Shopping Centre advertising only the Bass Pro Shop Premises, The Tenant's sign panel(s) on any such Pylons shall be supplied, installed, operated and maintained by Landlord, at Landlord's sole cost and expense and the design of the sign panels identifying Tenant on any such Pylons shall be subject to Tenant's prior approval. Subject to the said sign panels of the Tenant complying with all governmental laws, rules, regulations and code requirements applicable thereto, and further subject to any pre-existing and conflicting rights to representation on any such Pylons as Landlord may have granted to other occupants of the Shopping Centre prior to January 1, 2015, Tenant's sign panels shall be placed in a prominent location on each such Pylon and shall be at least the size of the largest sign panel thereon. Tenant shall also have the right, at Landlord's sole cost and expense, to place a sign panel identifying Tenant on any existing or future directional and/or monument sign and/or other Shopping Centre identification signs that identify retail

occupants of the Shopping Centre, which sign panel shall be supplied, installed, operated and maintained by Landlord, at Landlord's sole cost and expense, and, subject to the Tenant's said sign panel complying with all governmental laws, rules, regulations and code requirements applicable thereto, and further subject to any pre-existing and conflicting rights to representation on any such directional and/or monument sign and/or other Shopping Centre identification signs as Landlord may have granted to other occupants of the Shopping Centre prior to January 1, 2015, Tenant's sign panel shall be placed in a prominent location and shall be at least the size of the largest sign panel thereon. Landlord shall, at its sole cost and expense, maintain, operate, repair, replace and reconstruct the Pylons, directional, monument and other identification signs.

(b) The parties hereto hereby acknowledge and agree that Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with any sign panel identifying Tenant that is installed at any time or from time to time upon any of the aforesaid Pylons, directional, monument and/or other identification signs.

ARTICLE 10
ASSIGNMENT

Section 10.1 Right to Assign or Sublease and Leasehold Mortgage

Tenant shall have the right, in its sole and absolute discretion to assign or transfer this Lease or sublet all or any portion of the Demised Premises or license the use of all or any portion of the Demised Premises and shall provide prior written notice of any such assignment, transfer or sublet to Landlord. Notwithstanding anything that may be contained in this Lease to the contrary, Tenant shall also have the right, in its sole and absolute discretion, to grant licenses or subleases of departments or concessions for the sale of merchandise and services in or from the portions of the Demised Premises covered by such departments or licenses consistent with Tenant's general practice in its other similar stores.

No assignment of this Lease or subletting of all or any portion of the Demised Premises shall be deemed to relieve Tenant from its obligations pursuant to this Lease except in the event of an assignment of this Lease to a party that:

(i) also acquires the majority of Tenant's outlet stores then operating in Canada under the trade name "*Saks Fifth Avenue Off Fifth*" (or such other trade name as is then being used by Tenant for its operation of the Demised Premises hereunder);

(ii) has a net worth equal to or greater than Fifty Million Dollars (**$50,000,000.00**);

(iii) is a first class reputable operator of a business selling better quality merchandise; and

(iv) executes and delivers to Landlord an agreement in which the said assignee expressly assumes and covenants, for the benefit of Landlord, to perform and be bound by all the terms, covenants and conditions under this Lease to be performed by Tenant;

in which case Tenant shall be released thereafter from all further obligations and liability under this Lease.

As used in this Lease, **"Mortgage"** means any mortgage, deed of trust or other instrument securing a loan and **"Mortgagee"** means a mortgagee under a mortgage or a trustee or beneficiary or both under a deed of trust or a lender under any other instrument securing a loan. Tenant shall have the right, without Landlord's consent, to encumber the whole or any part of its leasehold estate in the Demised Premises by Mortgage, but the rights of any Mortgagee shall be subject and subordinate at all times to the provisions of this Lease and the right of Landlord to exercise all or any of Landlord's rights and remedies provided in this Lease or by law (except as limited by the specific provisions of this Lease), and shall in

no way alter, affect or diminish the reversionary interest of Landlord. Notwithstanding the foregoing, if Tenant executes a Mortgage of its leasehold interest hereunder to secure any obligation, the Mortgagee from time to time may designate, by written instrument delivered to Landlord, a place where notices may be sent to such Mortgagee. In the event the Mortgagee furnishes Landlord with the information set forth in the preceding sentence, Landlord agrees that if, after receipt of such notice and while such Mortgage is in effect, Landlord gives any notice to Tenant, Landlord shall mail a copy of such notice to such Mortgagee to the place last designated in the written instrument delivered to Landlord as aforesaid, and such Mortgagee shall have and is hereby expressly given the right to do or perform any covenant or obligation of Tenant and shall have the right to cure any breach. In such event, Landlord will take no action against Tenant by reason of such breach by Tenant if the Mortgagee shall, within thirty (**30**) days after service on the Mortgagee of written notice from Landlord of Landlord's intention to take such action, either cure such breach if the same can be cured by the payment of money, or, if such is not the case, undertake in writing to perform all covenants of this Lease capable of performance by such Mortgagee. In the event of such undertaking to cure, such breach shall be deemed cured if such Mortgagee shall proceed in a timely and diligent manner to succeed to the interest of Tenant hereunder by foreclosure, whether by judicial sale, by power of sale contained in any security instrument, or by deed given in lieu of foreclosure. The obligation of any such Mortgagee for the performance of the terms of this Lease shall terminate upon the date of transfer or assignment of the right, title and interest of such Mortgagee in the leasehold estate to any other person or entity.

ARTICLE 11
INSURANCE AND INDEMNIFICATION

Section 11.1 Landlord Insurance

Throughout the Term of this Lease Landlord, at no cost to the Tenant, will carry the following insurance:

(1) a policy of "all risk" insurance on the Demised Premises (save and excepting those leasehold improvements located within and forming part of the Demised Premises that the Tenant covenants to insure under subparagraph (3) of Section 11.2 hereof) and on all other buildings, structures and improvements of any kind and description in and forming part of the Shopping Centre, in each case for no less than the full replacement cost thereof and with such reasonable deductibles as are normally effected by owners in insuring similar first-class shopping centres.

(2) commercial general liability insurance (including coverage for legal liability) on a per occurrence basis covering Claims (as that term is hereinafter defined), other than standard exclusions, for bodily injury or personal injury to or death of persons and property damage arising out of Landlord's use, operation and/or maintenance of the Shopping Centre, which insurance shall have per occurrence limits of not less than Three Million Dollars (**$3,000,000.00**) and an annual aggregate limit of no less than Ten Million Dollars (**$10,000,000.00**) .

(3) Any other insurance Landlord will deem appropriate and that a prudent owner of similar property would carry.

All of the foregoing insurance that Landlord covenants to carry throughout the Term of this Lease shall be carried with financially responsible insurance companies rated at least A- -X in the then most current edition of Bests' Rating Guide and shall be federally licensed to carry on the business of insurance in all provinces of Canada.

The "all risk" insurance coverage that Landlord covenants to provide under subparagraph (1) of this Section 11.1 shall:

(i) insure against loss or damage from causes that are from time to time included as covered risks under standard insurance industry practices within the classification of difference in conditions coverage and all risk coverage, and specifically against the following perils: fire, windstorm, hail, cyclone, hurricane, tornado, riots, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage and sprinkler leakage, flood, earthquake and, if coverage is available, nuclear or other explosion with no co-insurance penalties; and

(ii) shall provide no co-insurance penalties.

In addition to the foregoing, Landlord hereby covenants and warrants that all proceeds collected under the "all risk" insurance coverage that Landlord covenants to provide under subparagraph (1) of this Section 11.1 shall be payable to Landlord, Tenant and the Landlord's Mortgagee, if any, as their respective interests may appear, and that all such proceeds payable in the event of loss, damage or destruction to the insured property that are received by Landlord or Landlord's Mortgagee (as the case may be) shall be made available for the reconstruction or repair of any building or buildings and other improvements damaged or destroyed, provided further that, if any of such proceeds are to be payable to any such Mortgagee, Landlord covenants with Tenant to require such Mortgagee to agree in writing (or to be bound by the terms of its Mortgage) to make all such proceeds available for such reconstruction or repair regardless of the existence of any default under the Mortgage granted to such Mortgagee..

The commercial general liability insurance coverage that Landlord covenants to provide under subparagraph (2) of this Section 11.1 shall name Tenant as an additional insured.

Landlord shall provide Tenant with no less than thirty (**30**) days' prior written notice of any cancellation or non-renewal of the insurance policies Landlord is required to carry under Section 11.1 hereof.

Landlord shall, on reasonable request, promptly furnish Tenant with a certificate of insurance evidencing Landlord's compliance with the foregoing insurance coverage requirements of this Section.

Section 11.2 Tenant Insurance

Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the following insurance:

(1) a policy of "all risk" insurance on the leasehold improvements located within and forming part of the Demised Premises from time to time and the Tenant's tenant fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents situated in and upon the Demised Premises, which policy shall insure against loss or damage from causes that are from time to time included as covered risks under standard insurance industry practices within the classification of difference in conditions coverage and all risks coverage, and specifically against the following perils: fire, windstorm, hail, cyclone, hurricane, tornado, riots, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage and sprinkler leakage, flood, earthquake and, if coverage is available, nuclear or other explosion, to 100% of the full replacement cost thereof, provided that, notwithstanding the foregoing, Tenant shall be entitled in the alternative to self-insure against loss or damage to the said leasehold improvements, trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Demised Premises, and provided further that, if Tenant does maintain the aforementioned policy of "all risks" insurance against loss or damage to the aforesaid leasehold

improvements, trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Demised Premises, the loss payable shall be paid only to the Tenant without any trust provisions;

(2) business interruption insurance in such amount as will reimburse Tenant for direct or indirect loss of gross earnings attributable to damage to the whole or any portion of the Demised Premises or attributable to prevention of access to the Demised Premises or the Shopping Centre for a period of no less than twelve (**12**) months;

(3) commercial general liability insurance (including coverage for legal liability) on a per occurrence basis covering Claims (as that term is hereinafter defined), other than standard exclusions, for bodily injury or personal injury to or death of persons and property damage arising out of Tenant's use, operation and/or maintenance of the Demised Premises, which insurance shall have per occurrence limits of not less than Three Million Dollars (**$3,000,000.00**) and an annual aggregate limit of no less than Ten Million Dollars (**$10,000,000.00**) .

All of the foregoing insurance that Tenant covenants to carry throughout the Term of this Lease shall be carried with financially responsible insurance companies rated at least A- -X in the then most current edition of Bests' Rating Guide and shall be federally licensed to carry on the business of insurance in all provinces of Canada.

The commercial general liability insurance coverage that Tenant covenants to provide under subparagraph (3) of this Section 11.2 shall name Landlord as an additional insured.

Tenant shall provide Landlord with no less than thirty (**30**) days' prior written notice of any cancellation or non-renewal of the insurance policies Tenant is required to carry under Section 11.2 hereof.

Tenant shall, on reasonable request, promptly furnish Landlord with a certificate of insurance evidencing Tenant's compliance with the foregoing insurance coverage requirements of this Section.

Section 11.3 Indemnification

Except to the extent that Tenant has been specifically released pursuant to the provisions of Section 11.5 hereof, Tenant shall indemnify, protect, defend and hold harmless Landlord against all claims, costs, expenses (including, without limitation, reasonable attorneys' fees) losses, damages, injuries and liabilities (in this Article 11 collectively called "**Claims**") arising from the death of or any accident, occurrence, injury, loss or damage whatsoever caused to any third party natural person or to the property of any third party person or entity arising out of Tenant's operation and/or of Tenant's use and/or maintenance of the Demised Premises from and after the date Tenant accepts actual and exclusive possession of the Demised Premises (except to the extent such Claims arise from any gross negligence or willful misconduct of Landlord or its employees, servants or agents).

Except to the extent that Landlord has been specifically released pursuant to the provisions of subclause 11.5 hereof, then, notwithstanding anything in this Lease to the contrary, including, without limitation, the immediately preceding paragraph, Landlord shall indemnify, protect, defend and hold Tenant harmless from all Claims arising from the death of or any accident, occurrence, injury, loss or damage whatsoever caused to any person or to the property of any person or entity arising out of Landlord's use, operation and/or maintenance of the Shopping Centre or the carrying out (or failure to carry out) its obligations under this Lease, including, without limitation, any such Claims arising out of Landlord's performance of Landlord's Work hereunder (except to the extent such Claims arise from any gross negligence or willful misconduct of Tenant or its employees, servants or agents).

The indemnitee hereunder shall give the indemnitor timely notice of any suit or proceeding arising from any of the items for which it is entitled to indemnification as hereinabove provided and the indemnitor shall have the right to defend the indemnitee in said suit or proceeding with counsel acceptable to the indemnitee. Failure to give such notice shall not, however, in any manner negate or invalidate the obligation to provide such indemnification except to the extent the indemnitor is prejudiced by such failure.

Section 11.4 Self-Insurance; Blanket Policies

Tenant may satisfy its obligations under subparagraphs (1) and (2) of Sections 11.2, in whole or in part, by means of self-insurance or by a so-called blanket policy.

Section 11.5 Waiver of Rights of Recovery

Landlord agrees that Landlord's policy or policies of insurance shall contain a waiver of subrogation clause as to Tenant, and, anything in this Lease to the contrary notwithstanding, Landlord hereby waives all rights of recovery and causes of action, and releases Tenant from any and all liability for all losses and damages occasioned to the Demised Premises and/or any other property within or upon or constituting a part of the Shopping Centre, which losses and damages are of the type covered under the policies required to be carried by Landlord under Section 11.1, whether such claim or demand may arise because of the negligence or fault of Tenant and its agents, contractors, servants, employees, licensees, customers, business invitees or otherwise; provided, however, to the extent any such losses or damages are caused by the negligence or willful misconduct of Tenant or its agents, contractors, servants, employees, licensees, customers, business invitees and all or any portion of such loss is "deductible" or part of a "self-insured retention", then Tenant shall pay to Landlord the amount of such loss (not to exceed $25,000 per event, and hereinafter referred to in this paragraph as the "deductible loss"). Except with respect to any deductible loss, as aforesaid, Landlord agrees to look to Landlord's insurance coverage only in the event of such loss.

Tenant agrees that Tenant's policy or policies of insurance shall contain a waiver of subrogation clause as to Landlord, and, anything in this Lease to the contrary notwithstanding, Tenant waives all rights of recovery and causes of action, and releases Landlord from any and all liability for all losses and damages occasioned to the Demised Premises and/or any other property within or upon or constituting a part of the Shopping Centre, which losses and damages are of the type covered under the policies required to be carried by Tenant under Section 11.2, whether such claim or demand may arise because of the negligence or fault of Landlord and its agents, contractors, servants, employees, licensees or otherwise; provided, however, to the extent any such loss or damage to or destruction of such property of Tenant are caused by the negligence or willful misconduct of Landlord or its agents, contractors, servants, employees, licensees and all or any portion of such loss is "deductible" or part of a "self-insured retention", then Landlord shall pay to Tenant the amount of such loss (not to exceed $25,000 per event, and hereinafter referred to in this paragraph as the "deductible loss"). Except with respect to any deductible loss, as aforesaid, Tenant agrees to look to Tenant's insurance coverage only in the event of such loss.

ARTICLE 12
COMMON AREA MAINTENANCE AND CHARGES

Section 12.1 Common Area Maintenance

At all times during the Term of this Lease, Landlord shall, at Landlord's sole cost and expense, operate, manage, light, maintain, repair, provide snow and ice removal, replace and provide security (collectively "**Common Area Maintenance**") for the Common Area and all improvements thereon and

thereto (including, without limitation, all sidewalks, curbs and disks, parking areas, parking decks, access roads and ramps, landscaping, lighting standards, traffic and directional signs, traffic striping and markings, Shopping Centre monument and pylon signs, storm drainage facilities, sanitary sewer systems, natural gas systems, water systems, sprinkler and other fire protection installations, methane recovery/remediation systems, electrical lines and power cables and all other similar amenities and like improvements constructed or installed for the non-exclusive use, convenience or benefit of tenants in the Shopping Centre or their customers, visitors and invitees) in good order, condition and repair, in a first-class, clean manner and condition and in accordance with this Lease.

Section 12.2 General Common Area Operation and Maintenance Standards

Without limiting the generality of anything set forth in this Article 12, Landlord, in the performance of Common Area Maintenance, shall perform, without limitation, the following services in accordance with the standards of a first-class shopping centre:

(1) Inspect, maintain, repair and replace the surface of the parking areas, curbs, and sidewalks, keeping them level and smooth and keeping the parking area surfaced with durable black-top or cement and concrete (or such other materials as may be commonly used in lieu thereof from time to time by other shopping centres operating in accordance with the standards of a first-class shopping centre) and the curbs and sidewalks repaired or replaced with cement and concrete (or such other materials as may be commonly used in lieu thereof from time to time by other shopping centres operating in accordance with the standards of a first-class shopping centre);

(2) Maintain the Common Area free of any obstructions; promptly remove all papers, debris, filth, refuse, and surface waters, snow and ice from the Shopping Centre; wash and thoroughly sweep paved areas as required, at intervals before the Demised Premises are open for business;

(3) Maintain in an attractive condition, in keeping with the operating standards of a first-class shopping centre, all parking area entrance, exit and directional signs, markers, and all amenities, decorative elements and benches of the Common Area and promptly replace or repair the same upon the occurrence of any defects or irregularities thereto;

(4) Clean parking area lighting fixtures, replace lighting fixtures when no longer functioning and relamp as needed;

(5) Repaint hard-surfaced markings and striping as the same become unsightly or indistinct;

(6) Maintain, repair and replace landscaping, including the removal of dead plants, weeds and foreign matter, pruning, fertilizing and such replanting and replacement as the occasion may require;

(7) Clean, relamp and repair signs of the Shopping Centre (as contrasted from those of tenants);

(8) Empty all trash and rubbish containers located in the Common Area, wash the same at intervals sufficient to maintain the same in a clean and sanitary condition, and otherwise keep and maintain the same in good working order and condition;

(9) Clean, maintain and repair and replace all storm drainage and sanitary sewer lines, as required to keep the systems in a free-flowing condition at all times, and all other utility

facilities serving the Shopping Centre, to the extent the same is not done by public utilities;

(10) Provide traffic control and security and security patrol;

(11) Furnish necessary pest abatement controls;

(12) Repair or replace, in accordance with all applicable laws, regulations, or ordinances, all surface utility facilities servicing the Shopping Centre (including, without limitation, hose bibbs, stand pipes, sprinklers, and domestic water lines) upon the occurrence of any defect or malfunctioning; and

(13) Sweep and wash at regular intervals all stairs, if any, sufficient to maintain the same in a clean condition and promptly repair the same upon the occurrence of any irregularities or worn portions thereof.

Section 12.3 **[Intentionally Deleted]**

Section 12.4 **Tenant's Contribution Toward Common Area Maintenance Cost**

A. **Tenant's Share.** Tenant shall have no obligation to contribute to the cost of the Common Area Maintenance as such costs are intentionally included in the Rent provided for herein.

B. **Common Area Lighting.** Without limiting the generality of anything set forth in this Article 12, during any period when the Demised Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, Landlord shall keep all Common Area on the Shopping Centre lighted and opened to the public. Landlord agrees that it shall keep all Common Area on the Shopping Centre lighted for security purposes seven (7) days each week during the hours of darkness such lighting is necessary for such purpose. Landlord shall pay for all costs of electricity for lighting the Common Area (i) during any period when the Demised Premises are open for business and for such longer reasonable period of time of at least one-half (**1/2**) hour before and after such business hours, but not later than 11:00 p.m., EST, (ii) during any other period, in addition to the period described in the immediately preceding clause (i), when both the Demised Premises and at least fifty percent (**50%**) of the remainder of the floor area in the Shopping Centre are open for business and (iii) during the times and to the extent such lighting is required under the second sentence of this Subsection B. of Section 12.4.

The cost of electricity for lighting the Common Area at times or to the extent such cost is not considered part of Landlord's costs in accordance with the preceding paragraph shall be paid as follows:

(i) If the Demised Premises are open for business, then Tenant shall pay its proportionate share (based on the square footage of the Demised Premises compared to the square footage of the premises of all occupants that are open for business) of the cost of electricity to light the Common Area,

(ii) If the Demised Premises are not open for business, Landlord shall pay the cost of electricity to light the Common Area.

ARTICLE 13
COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 13.1 General Landlord Covenants

Landlord covenants and agrees that it shall operate or cause to be operated the Shopping Centre in the following manner:

(1) To continuously manage and operate the Shopping Centre as a complex of retail stores and commercial and service enterprises;

(2) To maintain a first class quality of management and operation;

(3) To use its best efforts to have all the rentable floor area of the Shopping Centre occupied in its entirety;

(4) To use its best efforts to have all rentable floor area of the Shopping Centre utilized to the maximum extent possible and to consider the objective of maintaining a balanced and diversified grouping of retail stores, merchandise and services;

(5) In accordance with the Rules and Regulations attached hereto as Exhibit D (provided, and the parties hereto expressly acknowledge and agree, that the said Rules and Regulations shall apply to Tenant's use and occupancy of the Demised Premises only to the extent that they are consistent and do not conflict with the provisions of this Lease, and, in the event of any conflict or inconsistency between the provisions of this Lease and the provisions of any of the Rules and Regulations governing the operation and occupation of the Shopping Centre at any time, the provisions of this Lease shall prevail in all respects);

(6) To maintain and not change, modify or alter the exterior or design of the other improvements in the Shopping Centre that would in any way:

(i) obstruct the visibility of the Demised Premises or the visibility of the remainder of the Shopping Centre from the Demised Premises; or

(ii) interfere with pedestrian and/or vehicular access to and from the Demised Premises; or

(iii) materially reduce pedestrian traffic flow to or near the Demised Premises.

(7) To manage and operate the Shopping Centre under the name "*Outlet Collection at Niagara*" and under no other name without Tenant's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed.

Landlord further covenants and agrees that it shall at no time during the Term transfer ownership of any portion of the lands in and upon which the Shopping Centre is located (either as such lands exist as of the date of signing hereof or as may be expanded from time to time hereafter) to any third party unless the party acquiring ownership of such portion of the Shopping Centre lands (the "**Sale Parcel**") enters into an appropriate agreement with Landlord whereby, inter alia, (a) the buildings and improvements located in and upon the Sale Parcel and the balance of the Shopping Centre lands owned by Landlord will appear to the public to be operated as an integrated first class shopping centre and (b) the lands and improvements of the Sale Parcel shall be subject to easements granted in favour of the balance of the Shopping Centre lands then owned by Landlord for pedestrian and vehicular access across the Sale Parcel lands and the use of parking facilities located thereon for the benefit of the tenants and occupants of the balance of the

Shopping Centre lands owned by Landlord. The parties acknowledge that the covenant of the Landlord set forth in the immediately preceding sentence is specific to the present Lease.

Section 13.2 Representations and Warranties of Landlord

Landlord represents and warrants to Tenant that:

A. Landlord has validly executed this Lease and the same constitutes its authority to enter into this Lease and to consummate the transactions contemplated hereby.

B. The making of this Lease and the provisions of this Lease:

(i) do not, and will not violate or breach any term or provision of any agreements, covenants or restrictions whether written or oral, between Landlord and any third party,

(ii) do not, and will not conflict with any applicable municipal, provincial or federal law, judgment, order, regulation, rule or ordinance,

(iii) do not, and will not conflict with any applicable public or private restrictions applicable to the Shopping Centre,

(iv) do not require any consent or approval of any public or private authority which has not been obtained,

(v) are not threatened with invalidity of unenforceability by any action, proceeding or investigation pending, or to Landlord's knowledge, threatened, or by or against (x) Landlord without regard to capacity, (y) any person with whom Landlord may be jointly or severally liable or (z) the Shopping Centre or any portion thereof.

C. Landlord has not received notice of any condemnation or expropriation proceedings or negotiations for the purchase of any of the Shopping Centre in lieu of condemnation and has no knowledge that any expropriation proceedings or negotiations have been commenced or threatened in connection with the Shopping Centre or any portion thereof.

D. No litigation or other actions or proceedings are pending or, to the knowledge of Landlord, threatened, relating to the Shopping Centre, or any part thereof, which may have a material adverse effect thereon or which challenge or threaten Landlord's capacity or ability to validly perform its obligations in this Lease.

E. There are no agreements to which Landlord is a party or of which Landlord has knowledge which materially affects the Shopping Centre other than this Lease and the Permitted Exceptions.

F. There is no fact known to Landlord pertaining to the physical condition of the Shopping Centre and no environmental factors known to Landlord affecting the Shopping Centre (i) which Landlord has not disclosed to Tenant in writing prior to the date of this Lease, and (ii) which, as determined by Tenant, materially adversely affects or will materially adversely affect the Shopping Centre or the contemplated use or enjoyment or the value thereof.

G. To the best of Landlord's knowledge, this Lease does not (i) contain an untrue statement of a material fact or (ii) omit a material fact necessary to make the statements contained therein or herein not substantially misleading. There is no fact which Landlord, to the best of its knowledge, has not

disclosed to Tenant in writing which materially adversely affects the Shopping Centre or Tenant's anticipated use thereof.

H. Landlord has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Landlord's creditors, (iii) suffered the appointment of a receiver to take all, or substantially all, of Landlord's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all of Landlord's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

I. [**Intentionally Deleted**].

J. The Shopping Centre is validly zoned and will be validly zoned on the date the Demised Premises are open or required to open so as to permit the operation thereon of an open-air shopping centre and a retail store in the Demised Premises and that the Shopping Centre has been constructed and may be developed, used and operated as a shopping centre in the manner contemplated by this Lease without violation of any applicable laws, regulations, or ordinances; that no portion of the Shopping Centre is located in a flood plain nor contains designated wetlands; and that all on-site and off-site improvements can be and have been installed and used as contemplated.

K. The current zoning for the Shopping Centre and any existing Record of Site Condition and/or Certificate of Property Use t for the Shopping Centre that has been accepted and filed with the Ontario Ministry of the Environment that are currently in force with respect to the Shopping Centre provide for and permit the construction, occupation and use of the Demised Premises as described in this Lease.

L. The development, use and operation of the Shopping Centre in the manner contemplated by this Lease is not now prohibited by any existing municipal, provincial or federal environmental protection act or regulations and that all required studies, reports, permits (except construction permits for Tenant's work in the Demised Premises) and approvals relating thereto have been obtained by Landlord so as to permit the Demised Premises to open and operate.

M. Landlord is not currently party to and shall not enter into any lease or other occupancy agreement with any other tenant or occupant of the Shopping Centre whereby that party is given exclusive rights of use or any other privileges that would prevent Tenant from using the Demised Premises for the typical operation of a Saks Fifth Avenue Off Fifth store or for any other lawful use.

N. Tenant has good and marketable leasehold title and Landlord has good and marketable fee-simple title in and to the Demised Premises, free and clear of all claims of other parties, mortgages, liens, encumbrances, restrictions, violations, reservations and defect except for the Permitted Exceptions.

Landlord shall protect, indemnify, defend and hold Tenant harmless from and against any and all loss, cost, damage, expense and attorneys' fees and expenses incurred by Tenant by reason of any breach by Landlord of the representations and warranties set forth above.

Section 13.3 Representations and Warranties of Tenant

Tenant represents and warrants to Landlord that:

A. Tenant has the full power and authority to enter into this Lease and to consummate the transactions contemplated hereby.

B. The making of this Lease and the provisions of this Lease do not and will not violate any agreements, covenants or restrictions, whether written or oral, between Tenant and any third party.

C. As of the date of signing hereof, Tenant has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Tenant's creditors, (iii) suffered the appointment of a receiver to take all, or substantially all, of Tenant's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all of Tenant's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

Tenant shall protect, indemnify, defend and hold Landlord harmless from and against any loss, cost, damage, expense and attorney fees incurred by Landlord by reason of any breach by Tenant of the representations and warranties set forth above.

Section 13.4 Asbestos and Other Hazardous Materials

A. Notwithstanding any other provision of this Lease, Landlord represents and warrants that the Demised Premises will be, as of the date Tenant takes possession of the Demised Premises, free of all Hazardous Materials (as defined below). Landlord shall provide to Tenant, on or before delivering the Demised Premises to Tenant as described in this Lease, evidence acceptable to Tenant that the Demised Premises do not contain asbestos or any other Hazardous Materials and that the methane gas levels within the Demised Premises (if any) are within acceptable range. Notwithstanding any provision of this Lease to the contrary, Tenant shall have no obligation to make any repairs, alterations or improvements to the Demised Premises or incur any costs or expenses whatsoever as a result of Hazardous Materials in the Demised Premises, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant, any subtenant, concessionaire, or licensee of Tenant or any of their respective officers, employees, agents, customers, invitees or contractors (collectively, under this Section, "**Tenant**"). Landlord shall be solely responsible for any changes to the Demised Premises relating to Hazardous Materials, including the removal thereof if required by any Requirement (as defined below), or as required by any present or future laws, ordinances or regulations of any governmental authority, insurance carrier or any similar body, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant.

B. Landlord shall indemnify and hold Tenant harmless from and against all liabilities, costs, damages and expenses which Tenant may incur (including, without limitation, reasonable attorneys' fees and disbursements), other than consequential damages, as the result of the presence of Hazardous Materials at the Demised Premises or at the Shopping Centre, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant.

C. If, and to the extent, Tenant is unable to operate its business in and from the Demised Premises as a result of Landlord's removal or abatement of Hazardous Materials as provided herein (and except where the Hazardous Materials were introduced by Tenant), all Rent shall abate from the date of Tenant's closure until the date that Tenant is able to open and operate its business in and from the Demised Premises for a period in excess of sixty (**60**) days. In the event only a portion of the Demised Premises is rendered unusable, there shall be a proportional abatement based upon the rentable area thereof that is rendered unusable. Notwithstanding anything to the contrary, in the event that Tenant is unable to operate its business in and from the Demised Premises as a result of Hazardous Materials and/or the removal or abatement thereof as provided herein (except where the Hazardous Materials were introduced by Tenant), then Tenant, in addition to all of the rights and remedies hereunder, shall have the right to terminate this Lease upon thirty (**30**) days advanced notice given to Landlord.

D. As used herein, the term "**Hazardous Materials**" shall mean each and every element, compound, material, mixture, substance, waste, hazardous substance, hazardous waste, hazardous material, toxic substance, pollutant or contaminant either as those terms are defined under any law or regulation enacted or promulgated by any government having jurisdiction or the presence of which may cause harm to any person(s) and/or liability at common law, including, without limitation, methane gas, polychlorinated biphenols, ureaformaldehyde, chlorofluorocarbons asbestos and/or asbestos-containing products, whether or not currently friable.

E. As used herein, the term "**Requirement**" shall mean all applicable laws, statutes, ordinances (including, but not limited to, building codes and zoning regulations and ordinances), orders, rules, regulations and requirements of all federal, provincial and municipal governments, and the appropriate agencies, officers, departments, boards and commissions thereof, whether now or hereafter in force.

ARTICLE 14
SHOPPING CENTRE LAYOUT AND APPEARANCE

Section 14.1 Location of Buildings and Other Improvements

Landlord shall not erect, construct or expand, or permit the erection, construction or expansion of, any building or buildings or other structures or improvements, other than Common Area improvements within those portions of the Shopping Centre shown outlined in **GREEN** on Exhibit B (the "**No-Build Area**") without the prior written consent of Tenant, which consent may be granted, denied and/or withheld in Tenant's sole and absolute discretion. Landlord represents and warrants that the Common Area improvements shown on Exhibit B exist and are located as shown on Exhibit B and Tenant duly acknowledges its acceptance of the same. Landlord covenants and agrees that no changes or alterations shall be made in the Common Area or in the location and design of the improvements thereon and thereto from that shown on Exhibit B that would materially affect Tenant's parking, ingress, egress, access or visibility to Tenant's Demised Premises.

Section 14.2 [Intentionally Deleted]

Section 14.3 Height Limitations

Landlord covenants and agrees that, subject to the following exception, the existing and any future buildings in the Shopping Centre located within the coloured areas shown on the site plan of the Shopping Centre attached hereto as Exhibit J shall not be built, reconstructed or expanded to exceed the maximum heights identified on Exhibit J for any buildings located within the said coloured areas hereto, and no other buildings that may be added to the Shopping Centre in future shall be built, reconstructed or expanded to exceed a maximum height of 18.5 metres. Notwithstanding the foregoing, the parties hereto hereby acknowledge and agree that the foregoing limitation on building height shall not apply to the Bass Pro Shop Premises throughout the term of the Existing Bass Pro Shop Lease.

Section 14.4 [Intentionally Deleted]

Section 14.5 Limitation on Detrimental Characteristics

No use or operation shall be made, conducted or permitted in any part of the Shopping Centre which use or operation is clearly objectionable to the development or operation of the Shopping Centre. Included among the uses or operations which are prohibited because of their obvious detrimental effect upon the general appearance of the Shopping Centre and conflict with the reasonable standards of

appearance, maintenance and housekeeping required by this Lease, are uses or operations which produce or are accompanied by the following characteristics, which list is not intended to be all inclusive:

(1) Any noise, litter, odor or other activity which may constitute a public or private nuisance;

(2) Any unusual firing, explosion or other damaging or dangerous hazards;

(3) Any assembly, manufacturer, distillation, refining, smelting, industrial, agriculture, drilling or mining operation;

(4) Any trailer court, mobile home park, lot for sale of new or used motor vehicles, labour camp, junk yard, stock yard or animal raising (other than pet shops and veterinarians);

(5) Any dumping, disposal, incineration or reduction of garbage or refuse other than handling or reducing such waste if produced on the Demised Premises from authorized uses and if handled in a reasonably clean and sanitary manner.

Section 14.6 Non-Interference with Circulation

(a) So as not to interfere with efficient automobile and pedestrian traffic flow between the Demised Premises and all other areas in the Shopping Centre, there shall be no selling activities conducted within those portions of the Common Area of the Shopping Centre that are contained within the areas of the Shopping Centre shown outlined in **BLUE** on Exhibit B without the prior written consent of Tenant, which consent may be granted, denied and/or withheld in Tenant's sole and absolute discretion. For the sake of greater clarification, the parties hereto hereby acknowledge and agree that the foregoing restriction shall not apply to any marketing and promotional events that do not include any kind of selling activities and are conducted solely for the benefit of the Shopping Centre in collaboration with the various businesses operating in the Town of Niagara-on-the-Lake and/or for the promotion of local tourism.

(b) Landlord agrees to maintain an adequate and sufficient area adjacent to and adjoining Tenant's service entrance(s) and loading docks for unobstructed standing, loading, unloading and otherwise servicing the Demised Premises.

Section 14.7 Fences; Obstructions

No fence, structure or other obstruction of any kind (except as may be specifically permitted herein or as may be indicated on Exhibit B or except for decorative features and customer conveniences) shall be placed, kept, permitted or maintained upon the Common Area in the Shopping Centre, except such of the foregoing as are reasonably necessary or proper for the construction, repair or rebuilding authorized hereunder. Without limiting the foregoing, Landlord covenants that Tenant at all times shall have unobstructed and adequate means of ingress and egress between each of the entrances to the Demised Premises and the adjacent public streets and highways. Landlord further agrees not to change or alter the access points to the Shopping Centre contained within the areas outlined in **ORANGE** on Exhibit B hereto without Tenant's prior written approval, which approval shall not be unreasonably withheld, delayed or conditioned.

Section 14.8 Sign Policy

Landlord covenants and agrees that if it at any time and/or from time to time establishes a sign policy governing the standard design criteria of all exterior signs erected at the Shopping Centre, such sign

policy shall represent good shopping centre practice for a first-class shopping centre and shall maintain the dignity and appearance of the whole of the Shopping Centre and shall be implemented and enforced by Landlord against all tenants of the Shopping Centre.

Section 14.9 Maintenance of Buildings

Without limiting or adding to Landlord's obligations as to the Demised Premises, which obligations are set forth elsewhere in this Lease, Landlord agrees that it shall, throughout the Term of this Lease, maintain or cause to be maintained, at no expense to Tenant, the buildings in the Shopping Centre, other than the non-structural interior of the Demised Premises, in good order, condition and repair, ordinary wear and tear excepted.

ARTICLE 15
PARKING REQUIREMENTS

Section 15.1 Parking Area

Landlord represents and warrants that the Shopping Centre currently contains **514,258** square feet of total rentable area and **2,621** parking spaces. Landlord covenants and agrees that it shall at all times maintain a parking ratio for the entire Shopping Centre that is the greater of that required under applicable law and **4.2** car spaces per **1,000** square feet of rentable area of the Shopping Centre thereon. Notwithstanding anything that may be contained in this Lease to the contrary, Landlord shall not reduce the aforementioned number of parking spaces shown on Exhibit B. Landlord further covenants that it shall not change or alter the layout, design and/or configuration of the parking areas located within the No-Build Area of the Shopping Centre from that shown on Exhibit B without obtaining Tenant's prior written consent thereto, which consent shall not be unreasonably withheld, delayed or conditioned.

Section 15.2 Charges for Parking; Employee Parking Areas

(a) Landlord shall not make or collect, nor permit to be made or collected, any charge of any type for the right to park vehicles in the parking areas of the Shopping Centre.

(b) Landlord hereby warrants and represents to Tenant that, as of the date of signing hereof, no portion of the parking facilities of the Shopping Centre has been designated for use by employees of the tenants or occupants of the Shopping Centre. The parties hereto further acknowledge and agree that, if at any time during the Term Landlord intends to designate a portion of the parking facilities for use by employees of the tenants or occupants of the Shopping Centre, it shall designate a sufficient portion of the parking areas of the Shopping Centre for such purpose in one or more locations outside of the No-Build Area that are reasonably acceptable to Tenant, in which event Tenant shall use its reasonable and diligent efforts to require its employees to park their vehicles in the area(s) so established by Landlord for employee parking and Landlord shall use its reasonable and diligent efforts to require the employees of other tenant or occupants of the Shopping Centre to park their vehicles in such area(s).

Section 15.3 Use of Parking Areas

Landlord shall take whatever steps may be appropriate and reasonable to prevent persons other than Landlord, the tenants and other occupants of the Shopping Centre and their respective employees, agents, customers, licensees and invitees from using the parking areas of the Shopping Centre for the parking of motor vehicles (such as, by way of example only and without limitation, commuters in the area using the said parking areas while travelling on the public transit system).

ARTICLE 16
QUIET ENJOYMENT

Section 16.1 Quiet Enjoyment

Landlord covenants, warrants and represents that it has full right and power to execute and perform this Lease and to grant the estate demised herein, and covenants that Tenant, provided that Tenant is not in default hereunder, shall peaceably and quietly have, hold and enjoy the Demised Premises and all rights, easements, appurtenances and privileges belonging or in anywise appertaining thereto, during the full Term of this Lease including any extension thereof.

Landlord further covenants, warrants and represents that: it owns a fee simple interest in and to the Demised Premises and the remainder of the Shopping Centre; that the Demised Premises and the remainder of the Shopping Centre are free of all liens, encumbrances, restrictions and violations except as specifically listed on Exhibit C; that there are no claims of other parties, encumbrances, Mortgages or other liens, restrictions, reservations or defects in Landlord's title which could interfere with or impair or result in any interference with or impairment of Tenant's use, occupancy and enjoyment of the Demised Premises or with Tenant's other rights hereunder, all in accordance with the terms of this Lease; and that it shall indemnify and hold harmless Tenant from and against any loss and expense, including, without limitation, attorney's fees and consequential damages, incurred on account of any breach of its warranties.

Landlord covenants and agrees that it shall promptly and duly perform all of its obligations under any Mortgages, leases, liens, agreements and other instruments, whether of record or not, which have, in whole or in part, priority over this Lease. Landlord further covenants and warrants that such prior instruments shall not interfere with Tenant's full enjoyment of this Lease or the Demised Premises or the easements and appurtenances thereto, nor impose on Tenant any greater or other obligations than are set forth in this Lease. The provisions of this paragraph shall not in any way limit Landlord's warranties of title and quiet enjoyment nor enlarge the title exceptions listed in Exhibit C.

Section 16.2 Non-Disturbance Agreement by Mortgagee(s)

In the event there is a Mortgage registered on title to the Shopping Centre prior to notice of the Lease being registered on title, Landlord shall obtain and deliver to Tenant a non-disturbance agreement executed by the Mortgagee or Mortgagees under any such Mortgage, which agreement shall be in form and substance acceptable to counsel for Tenant and shall provide in substance that, notwithstanding any default or foreclosure under the Mortgage in question, so long as no event of default under this Lease shall have occurred on the part of Tenant after the expiration of all applicable grace periods with respect to defaults as herein provided, the Mortgagee and its successors and assigns shall not abrogate or diminish or otherwise adversely affect any rights of Tenant under this Lease and this Lease shall remain in effect as a direct lease between Tenant and the Mortgagee and its successors or assigns, and said Mortgagee shall be bound by the obligations of Landlord under this Lease provided that Tenant agrees to attorn to said Mortgagee as Landlord under this Lease.

Upon Landlord's request, Tenant agrees to execute an agreement subordinating this Lease to the lien of any Mortgage hereafter placed by Landlord upon Landlord's interest in the Demised Premises. The form and substance of such subordination agreement to be executed by Tenant shall be as approved by Tenant in its reasonable discretion, and shall include a provision stating that in the event of any foreclosure of or transfer (including a deed in lieu of foreclosure) under any Mortgage to which this Lease has been subordinated pursuant to this Section, Tenant shall not be disturbed in its possession of the

Demised Premises so long as it is not in default under this Lease beyond any applicable cure periods and it shall attorn to the purchaser or Mortgagee as Landlord under this Lease.

Landlord shall, within fifteen (**15**) days after Tenant's request, deliver to Tenant a recognition and non-disturbance agreement reasonably acceptable to Tenant, Landlord and any subtenant, executed and acknowledged by Landlord, Tenant and subtenant, for the benefit of any subtenant of all or any portion of the Demised Premises, subject to the following requirements: (1) the subtenant leases at least 10,000 square feet of floor area; (2) the rights of the subtenant under the sublease shall not be greater than the rights of Tenant under this Lease; and (3) Landlord receives a copy of the sublease.

Section 16.3 Default Under Section 16.2

In the event that Landlord fails to deliver any of said executed non-disturbance agreement(s) to Tenant then, notwithstanding any tender of delivery or acceptance of possession of the Demised Premises, Tenant shall have the right to terminate this Lease by notice of termination given to Landlord and Tenant shall have no liability to Landlord on account of such termination.

Notwithstanding any provision of this Lease to the contrary or inconsistent herewith and notwithstanding the fulfillment of any or all other conditions to this Lease, Tenant shall not be obligated to pay Rent or any other sums under this Lease and Tenant shall not in any manner or for any purpose be bound by this Lease unless and until Landlord shall have delivered to Tenant said executed non-disturbance agreement(s) as provided in this Article 16.

ARTICLE 17
DAMAGE OR DESTRUCTION

Section 17.1 Demised Premises

A. If the Demised Premises are damaged or destroyed so that (i) in Tenant's reasonable opinion the same are not suitable for the purpose of Tenant's business, (ii) in the reasonable opinion of Tenant's architect, they cannot be repaired with reasonable diligence within one hundred and eighty (**180**) days of the date of such damage or destruction, or (iii) there remains only two (**2**) years or less on the Term of this Lease as the same may have been extended by Tenant, then Tenant shall have the right to terminate this Lease upon thirty (**30**) days' notice to Landlord. In the event of such termination, Rent and all other charges payable by Tenant shall be payable only to the date of the damage or destruction and any Rent or other charges paid in advance, if any, by Tenant shall be refunded by Landlord to Tenant to the extent that the same are for a period after the damage or destruction.

B. If the Demised Premises are damaged or destroyed and Tenant does not exercise its right to terminate as provided in Subsection A. of this Section 17.1, then Landlord shall rebuild and restore the Demised Premises with all reasonable diligence to the condition it existed prior to such damage or destruction, including without limitation, restoring and replacing the Improvements (as such term is defined in Section 30.4 below) that were acquired with or funded by the Tenant Improvement Allowance (as defined in Section 30.3 below) and during the period from the date of such damage or destruction until completion of rebuilding and restoration, the charges payable by Tenant shall abate as follows:

(1) If the Demised Premises are used during such period, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the damaged or destroyed portion bears to the whole and Rent and all other charges shall be paid on the basis of the number of square feet of rentable area in the Demised Premises which are actually used; or

(2) If the Demised Premises are not used during such period for the purpose of retail sales, then there shall be a complete abatement of Rent and all other charges from the date of damage until thirty (30) days after completion of rebuilding and restoration.

C. If any damage to or condition of the Demised Premises, which by this Lease is Landlord's responsibility, shall in Tenant's reasonable judgment be considered of such a nature as to require emergency action, Tenant may undertake, at Landlord's expense, temporary emergency measures and Landlord shall reimburse Tenant for the costs and expenses associated with such measures taken by Tenant upon its receipt of Tenant's written demand therefor (which written demand shall be accompanied by copies of receipted invoices or other reasonable evidence of the costs and expenses so claimed by Tenant). If the amount so due to Tenant is not paid within thirty (30) days after Landlord's receipt of the said demand therefor, Tenant shall have the right to deduct said amount, including interest, from Rent and all other charges thereafter payable by Tenant to Landlord under the Lease. Tenant shall use reasonable commercial efforts to promptly notify Landlord (by telephone or otherwise) of any such emergency and shall allow Landlord reasonable opportunity to undertake such necessary emergency measures prior to Tenant undertaking same.

Section 17.2 Common Area

If any portion of the Common Area of the Shopping Centre is rendered or found to be unfit for the use for which it was intended and if the Demised Premises are thereby rendered not reasonably usable for retail sales, then during the period that the Demised Premises are not reasonably usable for retail sales Rent and all other charges payable hereunder by Tenant shall be entirely abated. In the event that thirty percent (30%) or more of the Common Area of the entire Shopping Centre or ten percent (10%) or more of the portion thereof within three hundred (300) feet of the Demised Premises is rendered unfit for its intended use for any reason for a period of ninety (90) days or more, then Tenant shall have the option to terminate this Lease by notice to Landlord at any time after such ninety (90) day period has terminated and while such portion of the Common Area remains unfit for its intended use. If any portion of the Common Area of the Shopping Centre is damaged or destroyed Landlord shall promptly repair and restore the same at its sole cost and expense or cause the same to be repaired at no expense to Tenant.

Section 17.3 Other Area in the Shopping Centre

In the event that more than twenty-five percent (25%) of the rentable area in the Shopping Centre other than the Demised Premises is damaged or destroyed, then Tenant shall have the option to terminate this Lease by notice to Landlord at any time within one hundred and twenty (120) days after such damage or destruction. If Tenant does not exercise its right to terminate this Lease as aforesaid and either (i) more than two (2) years remain on the Term of this Lease as the same may have been extended by Tenant or (ii) there remains less than two (2) years on the Term as may be extended but their remains at least one (1) unexercised option to extend the Term and Tenant agrees to exercise such option, then Landlord shall rebuild or restore the damaged or destroyed rentable area with all reasonable diligence.

Section 17.4 Performance of Repair or Restoration

All work required of Landlord under the provisions of this Article shall be prosecuted by Landlord with all due diligence and shall be completed in a good and workmanlike manner, using first quality workmanship and materials.

ARTICLE 18
CONDEMNATION

Section 18.1 Definition of Condemnation

The term "**Condemnation**" or "**Condemned**" means the taking or expropriation of any portion of the Shopping Centre pursuant to an exercise of the power of eminent domain or any conveyance in lieu of expropriation under threat thereof by a government authority having the power of expropriation or the requisitioning and possession of any portion of the Shopping Centre by any governmental authority for any purpose arising out of a temporary emergency or other temporary circumstances.

Section 18.2 Tenant's Right to Terminate

In the event of the occurrence of any of the following events, Tenant shall have the right and option to terminate this Lease:

(a) if the whole of the Demised Premises shall be Condemned;

(b) if any part of the Demised Premises shall be Condemned;

(c) if ten percent (**10%**) or more of the rentable area of the other buildings in the Shopping Centre shall be Condemned;

(d) if twenty percent (**20%**) or more of the number of parking spaces in the Shopping Centre shall be Condemned and Landlord shall not have, within sixty (**90**) days of the date upon which such Condemnation takes effect, replaced the same on the Shopping Centre or on land adjacent to the Shopping Centre in a location reasonably satisfactory to Tenant;

(e) if any of Tenant's means of vehicular ingress and egress between any entrance to the Shopping Centre and public roads are Condemned or impaired and Landlord shall not have, within sixty (**60**) days of the date upon which such Condemnation or impairment takes effect, replaced such ingress and egress by similar ones reasonably satisfactory to Tenant.

Tenant may exercise its option to terminate this Lease, as a result of the foregoing events, by giving Landlord no less than ninety (**90**) days prior written notice (given no later than one hundred twenty (**120**) days after the date of the Condemnation). The termination shall be effective upon the earlier of (a) the last day of the calendar month next following the expiration of the ninety (**90**) day notice period or (b) the date when title becomes vested in the party exercising the right of Condemnation or (c) the earlier date of termination as specified by Tenant in its notice. Rent and all other charges to be paid by Tenant shall be pro-rated and paid to the date of termination and all amounts paid in advance, if any, shall be immediately refunded by Landlord to Tenant.

Section 18.3 Effect of Condemnation Where Tenant Does Not Have the Right to Terminate or Where Tenant Does Not Elect to Exercise Its Right to Terminate

In the event that this Lease is not terminated as the result of a Condemnation of the Demised Premises and/or any other rentable premises in the Shopping Centre pursuant to the provisions of the foregoing Section 18.2, Landlord shall, within one hundred eighty (**180**) days after the occurrence of any Condemnation, at Landlord's expense, repair, restore and rebuild the Demised Premises (or the other premises) to a condition, as nearly as practicable, to that which existed prior to the Condemnation, so as to effect thereby an architectural and operating unit similar to that which existed before the taking. During the period of repair and restoration, if Tenant is unable to operate its business on the Demised

Premises, Rent and all other charges payable hereunder shall be entirely abated. If, during the period of restoration Tenant operates its business or a portion thereof in the Demised Premises, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the unused portion of the Demised Premises bears to the former whole thereof and Rent and all other charges shall be paid on the basis of the number of square feet of floor area in the Demised Premises which Tenant uses for the operation of its business during the period of restoration. After the completion of repair and restoration, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the portion taken bears to the remaining Demised Premises and thereafter Rent and all other charges shall be paid on the basis of the number of square feet of floor area remaining in the Demised Premises.

If this Lease is not so terminated and a portion of the parking area shall have been Condemned, then Landlord, at its expense, shall restore the parking, within the boundaries of the Shopping Centre, in order to maintain the parking ratio required pursuant to Section 15.1.

Section 18.4 Condemnation Award

Both Landlord and Tenant agree to cooperate with each other in respect of any Condemnation of all or any part of the Demised Premises or any other part of the Shopping Centre so that each may receive the maximum award to which each is respectively entitled by law, provided that either party shall have the right to appeal any order or decision under which such award is issued. Without limiting the foregoing rights of Tenant, Tenant shall have the right to prove and obtain a portion of any Condemnation award that is allocable to the loss, or diminution in value, of Tenant's leasehold interest and leasehold improvements and for loss or damage to Tenant's trade fixtures and other personal property, and for damages or interruption of Tenant's business and for relocation and moving expenses.

Section 18.5 No Transfers; Notice

Landlord covenants and agrees to make no transfer, conveyance or assignment under threat of Condemnation without the prior written consent of Tenant, which consent shall not be unreasonably withheld or delayed. Landlord further covenants and agrees that, upon the filing or notice of any Condemnation proceedings, it shall promptly notify Tenant and give Tenant full opportunity to participate in any such proceedings to the extent Tenant deems such participation advisable.

ARTICLE 19
DEFAULTS

Section 19.1 Tenant Defaults

In any of the following events (which events are referred to herein as a "**default**"):

(A) Tenant shall fail to pay Rent to Landlord when due and such failure continues for fifteen (**15**) days after Tenant's receipt of notice from Landlord of such failure; or

(B) Tenant shall fail to take all reasonable steps to perform any other term, covenant, or condition on its part to be performed hereunder, other than the payment of Rent, within thirty (**30**) days after receipt of notice from Landlord so to do (or, if such default cannot be cured within said thirty (**30**) day period, then within such additional period of time as may be reasonably required to cure such default provided Tenant is diligently pursuing to completion the curing of such default);

then Landlord may by giving ten (**10**) days prior notice to Tenant at any time thereafter during the continuance of such default either (a) terminate this Lease or (b) re-enter the Demised Premises by summary proceedings, expelling Tenant and removing all property therefrom and re-let the Demised Premises at the best possible rent obtainable, making reasonable efforts therefor, and receive the rent therefrom; but Tenant shall remain liable for the equivalent of the amount of all rent reserved herein less the avails of re-letting, if any, after deducting therefrom the reasonable cost of obtaining possession of the Demised Premises and of any repairs and alterations necessary to prepare them for re-letting. Any and all monthly deficiencies so payable by Tenant shall be paid monthly on the date herein provided for the payment of rent. Notwithstanding the foregoing provisions, upon the happening of any alleged default on the part of Tenant (other than a default in the payment of Rent), if, within thirty (**30**) days after receipt of the aforementioned thirty (**30**) day notice thereof from Landlord, Tenant shall, in good faith, either (i) commence and thereafter diligently prosecute in a court of competent jurisdiction a proceeding to determine whether or not such alleged default or defaults have occurred or (ii) institute arbitration proceedings for the determination of whether or not such alleged default or defaults shall have occurred, then Landlord may not terminate this Lease or re-enter as provided above unless the final judgment in such court proceedings or the award in such arbitration proceedings, as the case may be, shall be adverse to Tenant and Tenant, in such case, shall have a further grace period of twenty (**20**) days from the date of the final judgment in such court proceedings or of the award in such arbitration proceedings within which to cure such defaults or, if any such default or defaults cannot reasonably be cured within such twenty (**20**) days, within which to commence and thereafter diligently prosecute to completion the work of curing such default or defaults.

Provided further, if Tenant fails to make any payment to Landlord required under this Lease when due hereunder, the full amount of the said payment owing by Tenant to Landlord shall bear interest at the rate of two percent (**2%**) per annum over the then existing prime rate of interest charged from time to time by the Canadian Imperial Bank of Commerce at its main Toronto branch to its most creditworthy customers (but in no event exceeding the maximum rate per annum permitted by law) from the time payment was due hereunder until paid.

Section 19.2 **Landlord's Defaults**

A. If Landlord shall fail to perform or to make any of the obligations, agreements, payments or covenants to be performed or made by Landlord pursuant to this Lease, and said default is not cured within the "**Curing Period**" as defined and limited in Subsection B of this Section, then, in addition to the right to collect damages therefor and all other rights and remedies available to Tenant under the circumstances, Tenant shall have the following rights and remedies:

(1) the right to enjoin said violation in a court of competent jurisdiction. Said right shall also exist with respect to any threatened violation.

(2) The right, but not the obligation (said right not imposing any duties on Tenant with respect to its exercise), to perform any such obligation, agreement, payment or covenant, including any payment to a third party required hereunder, and Tenant by reason of so doing shall not be liable or responsible for any loss or damage thereby sustained by Landlord or anyone claiming under or through Landlord except for losses due to Tenant's gross negligence.

(3) The right to terminate the Lease.

If Landlord fails to make any payment to Tenant required under this Lease when due hereunder, the full amount of the said payment owing by Landlord to Tenant shall bear interest at the rate of two percent (**2%**) per annum over the then existing prime rate of interest charged from time to time by the Canadian Imperial Bank of Commerce at its main Toronto branch to its most creditworthy customers (but in no event

exceeding the maximum rate per annum permitted by law) from the time of expenditure or damage until paid. If the amount so due to Tenant is not paid within thirty (**30**) days after said statement is submitted, Tenant shall have the right to deduct said amount, including interest, from Rent and all other charges thereafter payable by Tenant to Landlord.

B. The "**Curing Period**" for any default under this Lease by Landlord shall be thirty (**30**) days commencing with the receipt by Landlord of notice from Tenant of said default; provided, however, that if the default relates to a matter which, in Tenant's reasonable judgment, is of an emergency nature, the Curing Period shall be forty-eight (**48**) hours or such lesser period as is reasonable under the circumstances. If said default is of such a character as reasonably to require more than thirty (**30**) days to cure, said Curing Period shall be extended to such period as may be reasonably required for such cure if Landlord has commenced curing said default within said thirty (**30**) day period and is diligently pursuing said cure to completion.

C. Landlord hereby grants to Tenant non-exclusive easements in, over, under and through any and all parts of the Shopping Centre (excluding the right to enter any store occupied by tenants or occupants) for all purposes reasonably necessary to enable Tenant, acting in accordance with the provisions of Subsection A of this Section 19.2, directly or through employees, agents or contractors, to perform any of the terms, provisions, agreements, obligations, covenants or conditions of this Lease which Landlord shall have failed to perform.

ARTICLE 20
[INTENTIONALLY DELETED]

ARTICLE 21
EXCUSES FOR NON-PERFORMANCE

Notwithstanding anything contained in this Lease, each party shall be excused from performing any obligation under this Lease, and any delay in the performance of any obligation under this Lease shall be excused, if and so long as the performance of the obligation is prevented, delayed or otherwise hindered by acts of God, fire, earthquake, floods, explosion, actions of the elements, war, riots, mob violence, inability to procure or a general shortage of labour, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labour unions, condemnation, court orders, laws or orders of governmental or military authorities or any other cause, whether similar or dissimilar to the foregoing, not within the control of such Party (other than lack of or inability to procure monies to fulfill its commitments and obligations under this Lease) ("**Force Majeure**"). Each party shall promptly notify the other of the occurrence of any Force Majeure that might prevent or delay the doing or performance of acts or things required to be done or performed by it upon becoming aware of such Force Majeure, and shall also advise the other of the anticipated duration and consequences of such Force Majeure..

ARTICLE 22
REMOVAL OF PERSONAL PROPERTY

At any time during the Term of this Lease Tenant may remove any or all trade fixtures, furniture, furnishings, signs, equipment, carpeting, cash registers, inventory and any and all items of personal property placed in, on or about the Demised Premises by Tenant or by Tenant's subtenants, licensees or concessionaires. Tenant agrees to repair any damage to the Demised Premises occasioned by the removal of any such item, but such obligation shall not extend to painting or redecorating the Demised Premises. Title to all of such trade fixtures, furniture, furnishings, signs, equipment, machinery, carpeting, cash registers, inventory and any and all items of personal property shall remain in Tenant and Tenant alone shall

be entitled to claim depreciation therefor. Landlord hereby waives, releases and relinquishes any and all rights of distraint, levy, attachment or recourse to the trade fixtures, furnishings, signs, equipment, machinery, carpeting, cash registers, inventory and personal property in the Demised Premises. Although the foregoing waiver, release and relinquishment shall be self-operative without the necessity for any further instrument or document, Landlord hereby agrees to furnish Tenant or any vendor or other supplier under any conditional sale, chattel mortgage or other security arrangement, or any consignor and holder of reserved title or any holder of a security interest, upon request from time to time, waivers of Landlord's right to distraint, levy, attachment or recourse with respect thereto and exempting the same from distraint, levy, attachment or recourse

ARTICLE 23
SURRENDER; HOLDING OVER

Upon the expiration or earlier termination of the term of this Lease, Tenant covenants that it shall peaceably and quietly leave and surrender the Demised Premises together with all alterations, additions and improvements then a part of such Demised Premises in good order and condition, reasonable wear and tear, physical depreciation, obsolescence, and any restoration, repairs and replacements required to be made by Landlord excepted, and loss or damage by fire, the elements and casualty excepted.

Should Tenant hold over in possession after the expiration of the term, such holding over shall not be deemed to extend the term or renew this Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at the monthly rate of rental in effect during the last month of the term, until terminated by either party by notice designating the date of termination given to the other party sixty (**60**) or more days before such date.

ARTICLE 24
BROKERS' FEES

Tenant and Landlord each represent and warrant to the other that it has had no dealings, negotiations, or consultations with any broker, representative, salesperson, employee, agent or other intermediary in connection with this Lease and/or any other any other transaction between Tenant and Landlord respecting the Demised Premises. Tenant shall defend, protect, indemnify and hold Landlord harmless from and against all liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees) arising out of or related to any claim (whether meritorious or not) of any broker, representative, salesperson, employee, agent, finder or other intermediary claiming to have dealt on Tenant's behalf for any and all commission and/or fees arising out of or related to the transaction described in this Lease and/or any other transaction between Landlord and Tenant respecting the Demised Premises. Landlord shall defend, protect, indemnify and hold Tenant harmless from and against all liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees) arising from any claim (whether meritorious or not) of any broker, representative, salesperson, employee, agent, finder or other intermediary, claiming to have dealt on Landlord's behalf for any and all commissions and/or fees arising out of or related to the transaction described in this Lease and/or any other transaction between Landlord and Tenant respecting the Demised Premises.

ARTICLE 25
REGISTRATION

Tenant may register a notice of this Lease on title to those lands in and upon which the Shopping Centre is located, the form and content of which will be subject to Landlord's prior approval, which approval shall not be unreasonably withheld or delayed. All costs related to such registration shall be the responsibility of Tenant. The notice of Lease so registered on title will not disclose any information concerning the rent or rental rates to be paid hereunder or any other financial provisions of this Lease.

Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the notice of Lease to be discharged, vacated or otherwise removed from title to the Shopping Centre and to provide proof of such action to Landlord, within thirty (**30**) days following the date of such expiry or early termination.

ARTICLE 26
NOTICES

Except as expressly provided otherwise in this Lease, any notice, demand, request, consent, approval or other communication which either party hereto is required or desires to give or make or communicate to the other hereunder shall be in writing and shall be given or made or communicated either by personal delivery, by registered or certified mail, return receipt requested, postage prepaid, or by a nationally-recognized overnight delivery service that provides a receipt to indicate delivery, and addressed in the case of Landlord to:

The Outlet Collection (Niagara) Limited
95 Wellington Street West, Suite 300
Toronto, Ontario
M5J 2R2
Attention: Legal Affairs Department

with a copy thereof to:

The Outlet Collection (Niagara) Limited
300 Taylor Road
Niagara on the Lake, Ontario
L0S 1J0
Attention: General Manager

and addressed in the case of Tenant to:

Hudson's Bay Company Real Estate Department
Third Floor
698 Lawrence Avenue
Toronto, Ontario
M6A 3A5
Attention: Senior Vice President Real Estate

with a copy thereof to:

Hudson's Bay Company
15 West 38th Street, 11th Floor
New York, New York 10018
Attention: President-Real Estate

subject to the right of either party to designate different addresses by giving notice as above provided. Any notice, demand, request, consent, approval, or other communication so sent shall be deemed to have been given, made or communicated, as the case may be, (i) on the date the same was deposited in the Canadian mail as registered or certified mail, with postage fully prepaid, regardless of the time of actual delivery, (ii) if by personal delivery, on the date thereof or (iii) one (**1**) business day after the same was deposited with such nationally-recognized overnight delivery service for overnight delivery. In no event shall either party be required to give notice to more than three addresses or persons, nor shall Tenant be required to cut multiple checks for the payment of Rent.

No successor to Landlord's interest in the Demised Premises shall be entitled to receive Rent nor any other amounts due hereunder until thirty (**30**) days after Tenant's receipt of proper notice of such change, together with a copy of the executed document or documents evidencing such change from the grantor, assignor or party entitled to receive Rent and other amounts immediately preceding such change. Until such receipt, Tenant shall continue to pay the Rent and any and all other amounts due to Landlord hereunder to the party to which, and in the manner in which, the last preceding instalment of Rent and/or any other amounts due hereunder was paid or pending receipt of such property notification and documentation, accrue and withhold payment of any and all such amounts.

ARTICLE 27
ESTOPPEL CERTIFICATES

Each of Landlord and Tenant covenant that within twenty (**20**) days after a written request of the other, it shall issue to the other party's prospective lender or prospective purchaser of its interest in the Shopping Centre (or as to Tenant, its interest in the Lease and/or the Demised Premises), specified by such requesting party, an estoppel certificate stating to the best of its knowledge: (i) whether any notice of default has been sent for a default under the Lease not yet cured; (ii) whether the Lease has been modified or amended in any way (and if it has, then listing the names and dates of the applicable modification and/or amendment documents); and (iii) that the Lease as of that date is in full force and effect. Such statements shall not subject the party furnishing it to any liability, notwithstanding the negligent or otherwise inadvertent failure of such party to disclose correct and/or relevant information. However, the party furnishing the certificate shall not be permitted to assert or enforce any claim against the person or entity to whom it is delivered (or against such person's or entity's property) which is inconsistent with the statements contained in the certificate, except to the extent that the person or entity against whom the claim would otherwise be asserted or enforced had actual knowledge of facts to the contrary. Either party hereto who is requested to give an estoppel certificate under this Article 27 (the "**Requested Party**") may require, as a condition to fulfilling its obligation to provide such estoppel certificate, that the other party hereto requesting such estoppel certificate give a similar estoppel certificate to the Requested Party.

ARTICLE 28
MISCELLANEOUS

Section 28.1 Captions

The captions of the Articles and Sections of this Lease are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 28.2 Remedies Cumulative

The various rights, options, elections, powers and remedies contained in this Lease, including the rights herein granted to terminate this Lease, shall be construed as cumulative and no one of them shall be exclusive of any of the others, or of any other legal or equitable remedy which either party might otherwise have in the event of breach or default in the terms hereof, and the exercise of one right or remedy by such party shall not impair its right to any other right or remedy until all obligations imposed upon the other party have been fully performed; provided, however, that legal or equitable remedies not specifically provided for in this Lease shall not be exercisable concurrently with, the rights, options, elections, powers and remedies contained in Sections 19.1 and 19.2 to the extent of and for the periods set forth in said Sections 19.1 and 19.2. It is intended that each of the agreements and covenants of Landlord and Tenant set forth herein be deemed both a covenant and a condition.

Section 28.3 Governing Law

This Lease shall be governed and interpreted by and in accordance with the laws of the Province of Ontario and the laws of Canada applicable thereto.

Section 28.4 Successors and Assigns

Each and all of the provisions of this Lease shall be binding upon and enure of the benefit of the parties hereto and their respective heirs, executors, administrators, permitted successors-in-interest, permitted successors and permitted assigns, subject at all times, nevertheless, to all agreements, covenants and conditions contained elsewhere in this Lease.

Section 28.5 No Partnership

Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, and neither the method of computation or rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

Section 28.6 No Waiver

No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and then only for the time and to the extent therein stated. No delay or omission by either party hereto to exercise any right or power accruing upon any non-compliance or default by the other party with respect to any of the terms hereof, or otherwise accruing hereunder shall impair any such right or power or be construed to be a waiver thereof. One or more waivers of any breach of any covenant, term or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by a party to or of any act by the other party requiring the former party's consent or approval shall not be deemed to waive or render unnecessary such former party's consent or approval to or of any subsequent similar acts by the other party.

Section 28.7 Entire Agreement; Amendment

As of the execution hereof, this Lease contains all covenants and agreements between Landlord and Tenant exclusively relating in any manner to the rental, use and occupancy of the Demised Premises and the other matters set forth in this Lease. No prior agreement or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease cannot be altered, changed, modified or added to, except in writing signed by Landlord and Tenant.

Section 28.8 Severability

If any provision of this Lease or the application thereof to any one or to any circumstance shall to any extent be invalid or unenforceable, the validity and enforceability of this Lease or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and all remaining terms, conditions and provisions of this Lease (except those which are conditioned upon or made subject to such invalid or unenforceable provision) shall be valid and shall be enforceable to the extent permitted by law, unless enforcement or performance of this Lease, without the invalid and/or unenforceable term, conditions or provisions, would

be unreasonable or inequitable to Landlord or Tenant under all the circumstances or would frustrate the purposes of this Lease. An invalid or unenforceable provision shall be deemed modified so as to constitute a provision conforming as nearly as possible to said invalid or unenforceable provision while still maintaining valid and enforceable the remaining terms, conditions and provisions of this Lease and the intent of the parties.

Section 28.9 Assumption Agreement

Landlord agrees to deliver to Tenant an agreement signed by any party or parties who may purchase or succeed to all or any part of Landlord's interest in the Demised Premises and/or the remainder of the Shopping Centre, which agreement shall formally recognize the obligations of such party or parties as purchasers from and successors to Landlord and the assumption by such party or parties as purchasers of and successors to all of Landlord's obligations, responsibilities and duties hereunder. Such agreement shall be in a form reasonably satisfactory to the counsel of Tenant and shall be delivered to Tenant before any such sale or transfer by Landlord can become final. No assignment or other transfer by Landlord shall relieve Landlord of its obligations, covenants, representations or warranties under this Lease.

Section 28.10 Construction

Landlord and Tenant have participated equally in the preparation of this Lease. This Lease was subject to revision and modification by both parties and has been accepted and approved as its final form by counsel for both parties. Accordingly, any uncertainty or ambiguity existing in this Lease shall not be interpreted against any one party hereto as a result of the manner of the preparation of this Lease.

Section 28.11 References to Landlord and Tenant

Wherever in this Lease reference is made to Landlord or Tenant, it shall be held to include and apply to one or more persons or entities which may be such Landlord or Tenant and use of singular or plural verbs and pronouns shall be appropriately adapted.

Section 28.12 Time of the Essence

Time is of the essence with respect to all matters provided in this Lease.

Section 28.13 Locative Adverbs

The locative adverbs "**herein**", "**hereunder**", "**hereto**", "**hereby**", "**hereinafter**", and like words wherever the same appear herein, mean and refer to this Lease in its entirety and not to any specific Article, Section or Subsection hereof.

Section 28.14 Exhibits

All exhibits referred to in this Lease and attached hereto are and shall be incorporated in this Lease and made a part hereof.

Section 28.15 Counterparts

This Lease may be signed in counterparts, each of which, when delivered by both parties, shall be deemed to be an original, and all of which shall be taken to be one and the same instrument, with the same effect as if both parties hereto had signed the same signature page. Any signature page of this Lease may be detached from any counterpart of this Lease without impairing the legal effect of any signatures

thereon and may be attached to another counterpart of this Lease identical in form hereto but having attached to it one or more additional signature pages. Any counterpart to which is attached the signatures of both parties shall constitute an original of this Lease.

Section 28.16 Image Transmission

The transmission of an image of any signed original document will have the same binding effect as an original bearing an original signature. No party may raise the use of a facsimile machine or other image transmission device or method or the fact that any signature was transmitted as an image as a defense to the enforcement of such document. At the request of either party, the parties will confirm signatures by signing and delivering an original document.

Section 28.17 Calculation of Ends of Periods

Whenever in this Lease it is provided that an action may or must be taken or that an event is to occur within a specified number of days, if the last day of the specified number of days falls on a Saturday or Sunday or a public holiday, such last day shall, instead of such Saturday, Sunday or public holiday, be deemed to be the following business day after such Saturday, Sunday or public holiday.

Section 28.18 The Term "And/Or"

The term "**and/or**" as used in this Lease means one or the other or both, or any one or ones of all, of the items, entities or persons in connection with which the words are used.

Section 28.19 References to Articles and Sections

All references herein to a given Article or Section refer to the Article or Section of this Lease, unless otherwise stated.

Section 28.20 [Intentionally Deleted]

Section 28.21 Leasehold Policy

Landlord shall pay all premiums and other charges of a title company (selected by Tenant) (the "**Title Company**") to issue to Tenant an ALTA, Form B, extended coverage leasehold policy of title insurance in the amount of One Million Dollars ($1,000,000.00), insuring the leasehold in the Demised Premises and insuring Tenant's easement rights, including without limitation for parking, vehicular and pedestrian ingress and egress and use of the Common Area for their intended purposes, as set forth in this Lease, all to be good in Tenant on the date hereof without any exceptions except the Permitted Exceptions (the "**Leasehold Policy**"). The Leasehold Policy shall be in such form and contain such endorsements as may be deemed necessary by Tenant in its sole and absolute discretion. Landlord shall satisfy such reasonable requirements of the Title Company for issuance of the Leasehold Policy as are set forth in the commitment therefore and provide to Title Company any items reasonably requested to facilitate removal of certain exceptions, including, without limitation, affidavits and surveys. If the Title Company charges any fees for the commitment, the search of the records and/or for obtaining copies of all of the exceptions to title, then Landlord shall also pay such charges to the Title Company upon demand therefor.

Section 28.22 [Intentionally Deleted]

Section 28.23 Roof Equipment

Tenant shall have the right, without charge but subject to Landlord's prior approval (not to be unreasonably withheld, conditioned or delayed), to install, maintain, repair, operate, use, replace and remove, at Tenant's expense, a wireless communications antenna, and/or other telecom equipment including, without limitation, satellite dishes, satellite poles or other communications facilities (collectively, the "**Roof Equipment**") on the roof of the Demised Premises, including the right to connect the Roof Equipment to the interior of the Demised Premises. Tenant shall have access to the roof upon reasonable notice to Landlord for the purpose of installing, operating, servicing, maintaining, repairing, replacing or removing the Roof Equipment, but subject to Landlord's reasonable policies regarding insurance coverage for contractors. Upon the expiration or earlier termination of this Lease, Tenant shall remove the Roof Equipment from the roof and repair any damage to the roof caused by the Roof Equipment. Tenant shall indemnify and hold Landlord harmless from and against any damage arising out of the erection, maintenance, existence and/or removal of the Roof Equipment. Tenant shall similarly have access to the roof upon reasonable notice to Landlord for the purpose of inspecting, maintaining, repairing and replacing the HVAC units and related equipment located thereon.

Section 28.24 Intentionally Deleted

Section 28.25 Confidentiality

The parties agree that the terms and conditions of this Lease shall remain confidential and that neither party may disclose any of the terms of this Lease to any person that is not a party to this Lease without the prior written consent of the other party, except that each party shall be permitted to disclose this Lease and/or the provisions hereof (a) to its attorneys, consultants, accountants, directors or employees; (b) any lender, purchaser, or prospective partner of Landlord or Tenant; (c) any prospective assignee of this Lease; (d) any prospective subtenant all or any portion of the Demised Premises; (e) as may be reasonably necessary to enforce the provisions of this Lease; and (f) as may otherwise be required by law or court order.

Landlord shall not issue any press statements regarding Tenant's entering into this Lease or any other agreement to lease space in the Shopping Centre without having obtained Tenant's prior written approval thereof.

Section 28.26 Planning Act.

Landlord covenants and agrees that should consent to this Lease be required under the *Planning Act* of Ontario, as amended from time to time, or any legislation passed in substitution therefor, Landlord shall forthwith make application for and diligently pursue the obtaining of all required consents to this Lease from the appropriate authority under the legislation, including any appeals required if consent is not given on terms satisfactory to Tenant, acting reasonably, all at Landlord's sole cost and expense. If consent is required for this Lease to have full legal effect, then, notwithstanding anything to the contrary contained herein, until such consent is obtained or is no longer required the maximum aggregate term shall not exceed twenty-one years less one day.

Section 28.27 HST.

Notwithstanding any other provision of this Lease, Tenant shall pay to the appropriate party designated by law all goods and service taxes, sales taxes, value-added taxes or multi-stage taxes, howsoever characterized at law, and imposed on Tenant in respect of any rent or other charges payable to Landlord hereunder in the manner and at the times permitted or specified by the appropriate taxing legislation (hereinafter collectively and individually called the "**HST**"). In the event that Tenant is required by law to pay the HST to Landlord

(acting as agent for the taxing authority) the HST shall not be considered as rent, despite any other provision of this Lease, but Landlord shall have the same remedies for and rights of recovery with respect to the amount of GST as it has for non-payment of rent under the Lease or at law.

ARTICLE 29
LANDLORD'S WORK

Section 29.1 Landlord's Work; Drawings and Specifications

Landlord shall put the Demised Premises in a good quality "white box" condition (i.e., the only work remaining for Tenant is to install fixtures and other finishes) by completing the work described in Tenant's Minimum Technical Specifications attached hereto as Exhibit F on or prior to the date Landlord is, pursuant to Section 2.1, required to deliver to Tenant actual and exclusive possession of the Demised Premises.

The work described in the first sentence of this Section 29.1 is referred to herein as "**Landlord's Work**." All of Landlord's Work shall be performed in accordance with drawings and specifications prepared by Landlord and approved by Tenant. Tenant shall review and either approve or disapprove in Tenant's reasonable judgment all drawings and specifications which are prepared by Landlord within twenty (**20**) days of Tenant's receipt of such drawings and specifications. If the drawings and specifications prepared by Landlord are approved by Tenant, Tenant shall initial one set and return them to Landlord; if disapproved by Tenant, Tenant shall give to Landlord a written explanation of the reasons for the disapproval and Landlord shall, within ten (**10**) days, submit revised working drawings and specifications for Tenant's review and approval or disapproval. Tenant shall further review and Landlord shall further revise all such working drawings and specifications as provided in this Article 29 until approved.

Section 29.2 Completion of Landlord's Work

On or before the date Landlord is, pursuant to Section 2.1, required to deliver to Tenant actual and exclusive possession of Demised Premises, Landlord shall complete Landlord's Work to Tenant's satisfaction in accordance with Exhibit F and the drawings and specifications approved by Tenant. Landlord shall, at its sole expense, obtain and furnish all labour, materials, licenses, permits, plans, drawings, specifications, studies, tests, surveys, and any and all other things required to be furnished by Landlord or necessary to the completion of Landlord's Work. All of Landlord's Work shall be performed in accordance with all applicable governmental and insurance requirements. Landlord shall consult with Tenant from time to time concerning the scheduling and progress of Landlord's Work so as to keep Tenant informed of the progress and the estimated completion date for each portion of Landlord's Work. Tenant or its representative shall have the right at all reasonable times with prior written notice to enter upon the Demised Premises for the purpose of inspecting Landlord's Work to verify that it conforms with Exhibit F and the drawings and specifications approved by Tenant.

Section 29.3 Landlord's Warranties

Landlord warrants that all of the Landlord's Work shall be completed in a good and workmanlike manner, using first quality workmanship and materials, all of which are hereby guaranteed against all defects for a period of two (**2**) years from and after the completion date and such further period as materials and equipment shall be subject to manufacturer's warranty. All manufacturers' warranties applicable to any portion of the Demised Premises which Tenant is required to maintain shall be assigned to Tenant. Landlord has secured from the governmental agencies having jurisdiction thereof, in final form, all approvals required in respect of the Demised Premises and/or the Shopping Centre as to all work

and improvements which Landlord and Tenant are obligated or permitted to complete or cause to be completed pursuant to this Lease so as to permit both Landlord and Tenant to submit its plans for construction and obtain building and other permits in respect thereof and to open and use the Demised Premises for retail sales and, if there are any conditions on Landlord with respect to such approvals which require performance after securing such approvals, then Landlord shall promptly fulfill such conditions.

Section 29.4 Common Area Improvements

Landlord shall, at its sole cost and expense, provide all on and off-site common area improvements required for the entire Shopping Centre, including those common area improvements and parking fields serving the Demised Premises. Landlord's work shall include, without limitation, all excavation, fill, compaction, utility relocation, and other preparation for the Shopping Centre site, including all road improvements adjacent to the Shopping Centre and leading thereto and required traffic signalization, all parking lot improvements, parking decks, sidewalks, walkways, curbs, gutters, streets, roadways, berms, retaining walls, landscaped areas, storm water disposal systems, sanitary sewer systems and all utilities (permanent and temporary) including the utilities serving the Demised Premises stubbed to a mutually acceptable location within the Demised Premises, street lighting, parking deck lighting, construction roads and staging areas and all other on and off-site common improvements reasonably necessary for the construction, operation and use of the Shopping Centre, and all tests, studies and certificates required in connection with any such work.

Landlord's work and improvements shall comply with all applicable codes, laws, ordinances, permits and regulations of all public authorities having jurisdiction and Landlord shall be responsible for procuring at Landlord's expense (except as specifically provided in the next sentence), all governmental, quasi-governmental and private permits, approvals, entitlements, variances, etc. necessary or appropriate so as to permit construction and subsequent operation of the Demised Premises and the remainder of the Shopping Centre. Tenant shall not be obligated to pay or incur any cost or expense in connection with said procurement and compliance, including, without limitation, costs or expenses associated with environmental controls or permits, development fees, utility connection charges, tap-in fees and hook-up fees for the utilities serving the Demised Premises, except that Tenant shall bear building permit costs imposed in connection with Tenant's improvements to the extent that such costs do not constitute or are not otherwise a substitute for development fees and the like.

ARTICLE 30
TENANT'S WORK AND TENANT IMPROVEMENT ALLOWANCE

Section 30.1 Tenant's Work

Landlord acknowledges that Tenant, at its own cost and expense, may design, construct and install within the Demised Premises such improvements, equipment, fixtures, point of sale system, furniture, signs and other personal property as Tenant may determine (hereinafter called "**Tenant's Work**"); subject to the terms of this Lease.

Section 30.2 Easements for Construction and Repairs

Landlord hereby grants to Tenant, for use by Tenant and its servants, agents, employees and independent contractors working on or in connection with the construction, renovation and/or modification of the Demised Premises, and/or the installation, maintenance, repair and/or replacement of trade fixtures or building equipment (including, without limitation, the HVAC equipment), all necessary or appropriate rights of reasonable access, ingress and egress to and from the front, back, sides and roof of the Demised Premises during the course of Tenant's Work and any subsequent construction, renovation

and/or modifications of the Demised Premises and/or trade fixtures or building equipment (including without limitation, the HVAC equipment). Landlord shall cooperate reasonably with Tenant in all ways so that Tenant's Work may proceed as expeditiously as reasonably possible.

Section 30.3 Tenant Improvement Allowance

Landlord agrees to pay to Tenant a tenant improvement allowance in the amount of Eighty-Four Dollars (**$84.00**) per square foot of rentable area of the Demised Premises, plus applicable HST (the "**Tenant Improvement Allowance**"), subject to any holdback requirements applicable to such payment under the then current legislation in the Province of Ontario. Such Tenant Improvement Allowance shall be paid by Landlord to Tenant in instalments as follows: (i) fifty percent (**50%**) shall be paid by Landlord to Tenant no later than the date Landlord delivers possession of the Demised Premises to Tenant, (ii) forty percent (**40%**) shall be paid by Landlord to Tenant upon the earlier to occur of the Rent Commencement Date and the date Tenant opens for business, and (iii) the balance shall be paid by Landlord to Tenant upon Tenant providing Landlord with a statutory declaration signed by an officer of Tenant confirming that the Tenant's Work has been substantially completed and a subsearch of title to the Shopping Centre lands confirming that no construction liens have been filed on title in connection with the Tenant's Work. Should Landlord fail to pay any amount of the Tenant Improvement Allowance and/or the HST applicable thereto when due to Tenant hereunder for any reason, then, in addition to whatever remedies are otherwise available to Tenant under this Lease or at law:

(a) interest shall accrue thereon (including interest on any unpaid HST to the extent and from the date that Tenant is required to pay HST to the applicable governmental authority) in favour of Tenant commencing as of the date on which payment was due to the date on which payment is made to Tenant at a rate of one and one-half percent (**1.5%**) per month, which interest shall be calculated and compounded at the end of each calendar month and shall be charged in lieu of the interest that would otherwise accrue on such unpaid sum(s) under the provisions of Section 19.2 of this Lease; and

(b) if any such payment falls due to Tenant prior to the then scheduled Rent Commencement Date, then, notwithstanding anything to the contrary herein contained or suggested, the date upon which the Rent Commencement Date is scheduled to occur shall be postponed on a day-for-day basis for the same number of days as occur between the date on which such payment was due to Tenant to the date on which such payment is made in full to Tenant.

Section 30.4 Use of Tenant Improvement Allowance

Landlord and Tenant acknowledge that the Tenant Improvement Allowance is provided to Tenant for the purpose of constructing or improving all alterations, additions, permanently-installed fixtures, HVAC equipment and other permanently-installed items in or about the Demised Premises (collectively, "**Improvements**"), and for the purpose of purchasing and installing Tenant's trade fixtures, furniture, point of sale system and other personal property to be used in connection with Tenant's trade or business at the Demised Premises.

ARTICLE 31
[INTENTIONALLY DELETED]

ARTICLE 32
LIENS

Each of Landlord and Tenant shall so conduct any construction or other work done by it so as to minimize the possibility of any claim for lien being registered against any part of the Shopping Centre lands and if any such claim for lien shall be registered shall forthwith take all reasonable steps to have the same

vacated by the court having jurisdiction or discharged, but nevertheless may defer payment of any contested claim for lien if and so long as the same is being diligently contested, and provided that non-payment thereof does not render any part of the Shopping Centre lands liable to forfeiture or sale. In the conduct of any construction or other work each of Landlord and Tenant shall comply with all the provisions of applicable statutes available to it for the protection of the Shopping Centre lands from claims for lien. In the event that either Landlord or Tenant shall make default in the payment of moneys justly due in connection with any such construction or other work and a claim for lien shall be filed or registered and not promptly secured, vacated or discharged, the other party may, on not less than thirty (**30**) days prior notice to the defaulting party, obtain a court order vacating the registration of the claim for lien and in conjunction therewith may make payment into court or post security to the extent required to obtain such order, and all expenses incurred by it shall be promptly repaid to it by the party in default.

[Signatures on following page]

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IN WITNESS WHEREOF, the parties have executed this Lease.

Signed this 18 day of February, 2015

THE OUTLET COLLECTION (NIAGARA) LIMITED

By: Paul W. Gleeson
Name:
Title: Executive Vice President, Global Development

By: Sunita V. Mahant
Name:
Title: Director, Legal Affairs

(*We have the authority to bind the Corporation*)

Signed this 20th day of February, 2015

HUDSON'S BAY COMPANY

By:
Name: Bruce Moore
Title: S.V.P Real Estate

By:
Name:
Title:

(*We have the authority to bind the Corporation*)

EXHIBIT A

LEGAL DESCRIPTION OF SHOPPING CENTRE LANDS

Firstly
PIN 46356-0043(LT)

Part Lot 4 Concession 8 Grantham, Part 4, Plan 30R-11062 and Part Road Allowance between Concession 8 and Concession 9 Grantham (closed by RO757127) Part 3, Plan 30R-11062 except Part 15, Plan 30R-14148;

together with an easement over Part Lots 3 and 4 Concession 9, Part 1, Plan 30R-14073 as in NR320411;

subject to an easement in favour of Part Lots 3 and 4 Concession 9, Part 1, Plan 30R-14073 as in NR320411;

subject to an easement as in NR337742; Town of Niagara-on-the-Lake.

Secondly
PIN 46356-0046(LT)

Part Lot 4 Concession 9 Grantham, Part 2, Plan 30R-14146;

subject to an easement as in NR337742; Town Of Niagara-On-The-Lake

Thirdly
PIN 46356-0055(LT)

Part Road Allowance between Concession 8 and Concession 9 Grantham closed by RO757127, being Part 8, Plan 30R14073;

subject to an easement over Part Road allowance between Concession 8 and Concession 9 Grantham being Part 8, Plan 30R14073 in favour of Part Lots 3 and 4 Concession 9 being Part 1, Plan 30R-14073 as in NR320411;

together with an easement over Part Lots 3 and 4 Concession 9, Part 1, Plan 30R-14073 as in NR320411;

subject to an easement in gross over Part Road Allowance between Concessions 8 and 9 Grantham being Part 1, Plan 30R-14085 as in NR332465;

subject to an easement in gross over Part Road Allowance between Concessions 8 and 9 Grantham being Part 1, Plan 30R-14085 as in NR332466;

subject to an easement as as NR337742; Town Of Niagara-On-The-Lake;

Fourthly
PIN 46356-0057(LT)

Part Lots 3 and 4 Concession 9 Grantham, Part 1, Plan 30R-8858, except Parts 3 and 14, Plan 30R-9998, except Parts 1 to 5, Plan 30R-14073, except Parts 1 to 7, Plan 30R-14148 and except Parts 1 and 2, Plan 30R-14184;

together with an easement over Part of Lots 3 and 4 Concession 9 Grantham, Part 1, Plan 30R-14073 as in NR320411;

subject to an easement in favour of Part of Lots 3 and 4 Concession 9 Grantham, Part 1, Plan 30R-14073 as in NR320411;

subject to an easement in gross over Part 15, Plan 30R-9998 as in LT190843;

subject to an easement in gross over Parts 2, 3 and 4, Plan 30R-14085 as in NR332465;

subject to an easement in gross over Part 2, Plan 30R-14085 as in NR332466;

subject to an easement as in NR337742;

subject to an easement in gross over Parts 8, 9, 10, 11, 12, 13 and 14, Plan 30R-14148 except Part 2, Plan 30R-14184 as in NR363286; Town of Niagara-On-The-Lake.

Fifthly
PIN 46356-0058(LT)

Part Lots 3 and 4, Concession 9, Grantham, Parts 2, 3 and 4, Plan 30R-14073;

subejct to an easement in gross over Part 6, Plan 30R-14085 as in NR332467;

subject to an easement in gross over Parts 5 and 6, Plan 30R-14085 as in NR363284; Town of Niagara-on-the-Lake.

Exhibit B - Site Plan of Shopping Centre

'GREEN' OUTLINE -NO-BUILD AREA (SECTION 14,1)

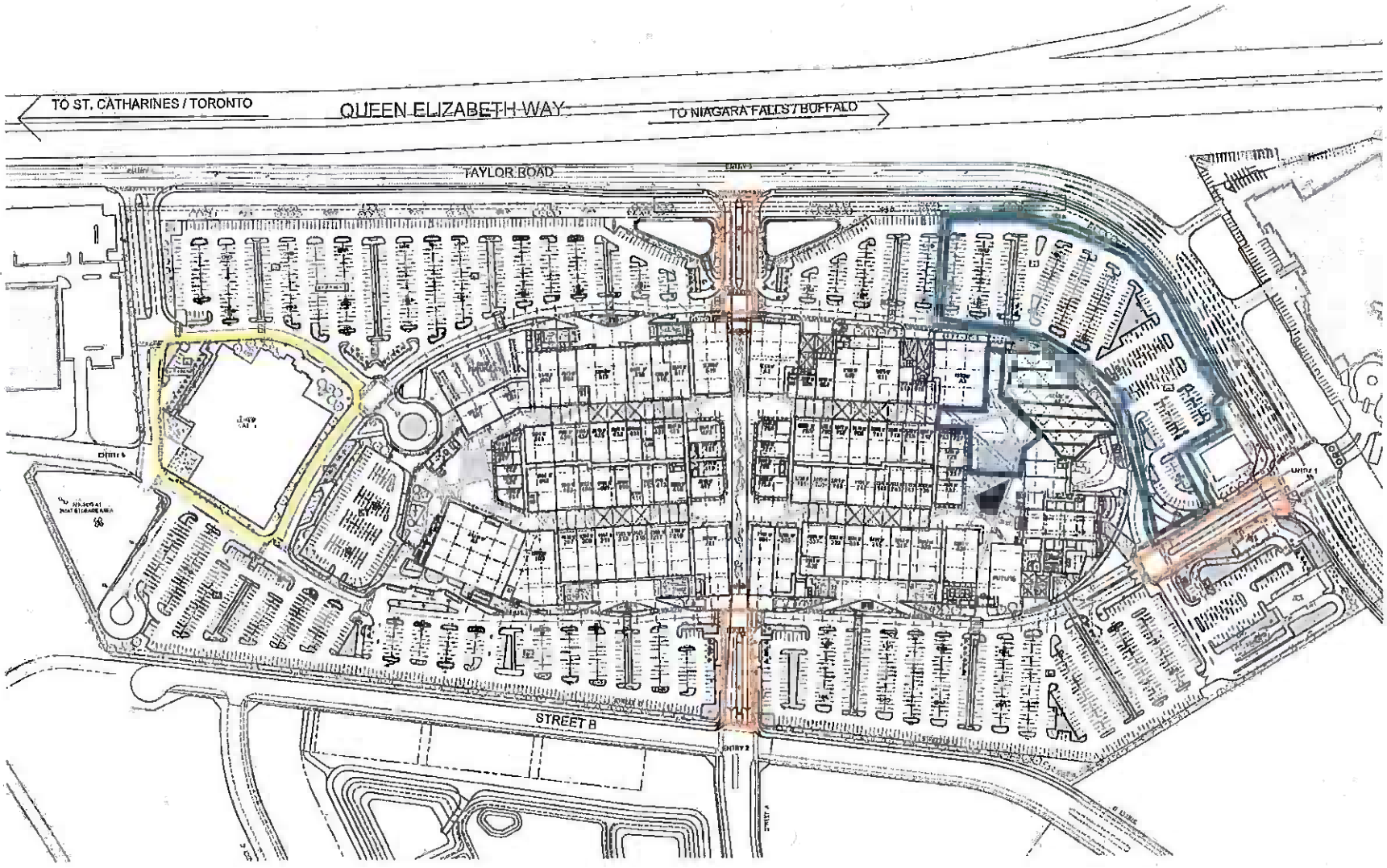
'BLUE' OUTLINE -NO MERCHANDISING AREA (SECTION 14.6)

'YELLOW' OUTLINE -LOCATION OF BASS PRO SHOP PREMISES

'ORANGE' OUTLINES -LOCATION OF ACCESS CONTROL AREAS (SEC. 14.7)

LEASED PREMISES
(Unit A-7) -TO BE SHOWN SINGLE-HATCHED]

EXHIBIT "B"



Ivanhoe Cambridge

The Outlet Collection at Niagara

Niagara on the Lake, Ontario

Overall Site Plan

File: 14027
Date: 14.08.11
Scale: 1"=70'-0"

pelow + associates architects inc

2PD-1

Exhibit C - Title Exceptions

EXHIBIT "C"

Title Exceptions

1. Zoning Regulations registered on March 4, 1985 as No. R0493091 respecting St. Catharines Airport.
   Firstly, Secondly, Thirdly, Fourthly and Fifthly described lands

2. An Agreement dated February 8, 1999 made between Niagara-on-the-Green Properties Inc. ("**NOTG Properties**") and The Corporation of the Town of Niagara-On-The-Lake (the "**Town**") and registered February 15, 1999 as No. LT170269.
   Secondly, Fourthly and Fifthly described lands

3. A Development Agreement dated April 1, 1999 made between NOTG Properties and Niagara-On-The-Lake Hydro Commission and registered September 29, 1999 as No. LT177893.
   Secondly, Fourthly and Fifthly described lands

4. A Restrictive Use Agreement dated October 27, 2000 made between NOTG Properties and Murlee Holdings Limited (owner of Parts 1, 2 and 3, Plan 30R-9998) registered October 30, 2000 as No. LT190829 with respect to the *Fourthly and Fifthly described lands* and as No. RO773993 with respect to the *Firstly and Thirdly described lands.*

5. An easement in favour of the Town upon, under, along and across Part 15, Plan 30R-9998 to enter on and construct, operate and maintain sanitary and storm sewers, registered October 30, 2000 as No. LT190843.
   Fourthly described lands

6. A Development Agreement dated November 30, 2000 made between Niagara-On-The-Lake Hydro Inc. ("**Niagara Hydro**") and NOTG Properties registered February 12, 2001 as No. LT194383 with respect to the *Fourthly and Fifthly described lands* and as No. RO777444 with respect to the *Firstly and Thirdly described lands.*

7. A Servicing Agreement dated January 21, 2013 made among the Town, NOTG Properties and Royal Bank of Canada, as mortgagee, registered February 5, 2013 as No. NR318749.
   Firstly,Thirdly, Fourthly and Fifthly described lands

8. An easement for sanitary and storm sewers, water lines, utilities and other services in favour of NOTG Properties over Part Lots 3 and 4, Concession 9, designated as Part 1, Plan 30R-14073, as set out in a transfer registered March 5, 2013 as No. NR320411.
   Firstly, Thirdly and Fourthly described lands

9. A Site Plan Agreement dated February 4, 2013 made between the Town and Outlet Niagara, registered on March 5, 2013 as No. NR320414 as amended by Instrument Nos. NR341628, NR354301, NR360017 and NR372168.
   Firstly, Thirdly and Fourthly described lands

10. A Notice of a lease made between VF Outdoor (Canada), Inc., as tenant and Outlet Niagara, as landlord for a term commencing May 15, 2014 and expiring May 31, 2024 with no option to purchase and no provision for renewal or extension, registered July 18, 2013, as No. NR330153.
    Firstly, Thirdly and Fourthly described lands

11. An easement in favour of the Town over Parts 1, 2, 3 and 4, Plan 30R-14085 to enter on and construct, repair, replace, operate and maintain its watermain, sanitary and storm sewers, registered August 13, 2013 as No. NR332465.
Thirdly and Fourthly described lands

12. An easement in favour of Niagara Hydro over Parts 1 and 2, Plan 30R-14085 to enter on and construct, install, repair, service, maintain and/or remove hydro-electric power cables, registered August 13, 2013 as No. NR332466.
Thirdly and Fourthly described lands

13. An easement in favour of Niagara Hydro over Part 6, Plan 30R-14085 to enter on and construct, install, repair, service, maintain and/or remove hydro-electric power cables Instrument, registered August 13, 2013 as No. NR332467.
Fifthly described lands

14. An easement in favour of Enbridge Gas Distribution Inc. to survey, lay, construct, install, operate, use, inspect, remove, renew, replace, alter, enlarge, reconstruct, repair, expand and maintain pipelines and all works, appurtenances, attachments, apparatus, markers, fixtures and equipment, registered October 16, 2013 as No. NR337742.
Firstly, Secondly, Thirdly and Fourthly described lands

15. A Notice of Lease registered by Brown Shoe Company of Canada Ltd. on November 5, 2013 as Nos. NR339353.
Firstly, Secondly, Thirdly and Fourthly described lands

16. A Notice of Lease registered by Brown Shoe Company of Canada Ltd. on November 5, 2013 as Nos. NR339355.
Firstly, Secondly, Thirdly and Fourthly described lands

17. A Notice of a Lease made between Bass Pro Shops Canada (Niagara) ULC, as tenant, and Outlet Niagara, as landlord, registered on November 12, 2013, as No. NR339921.
Firstly, Secondly, Thirdly and Fourthly described lands

18. A Notice of a Lease made between McDonald's Restaurants of Canada Limited, as tenant, and Outlet Niagara, as landlord, registered on November 29, 2013, as No. NR341200.
Firstly, Secondly, Thirdly and Fourthly described lands

19. A Site Plan Amending Agreement made between the Town and Outlet Niagara. Registered December 4, 2014 as Instrument No. NR341628.
Firstly, Thirdly and Fourthly described lands

20. Notice of a lease made between Triumph International (Canada) Inc., as tenant and Outlet Niagara, as landlord registered December 20, 2013 as Instrument No. NR342900.
Firstly, Thirdly and Fourthly described lands

21. Notice of a lease made between Brooks Brothers Canada Ltd., as tenant and Outlet Niagara, as landlord registered March 4, 2014 as Instrument No. NR347163.
Firstly and Secondly described lands

22. Notice of a lease made between Aroma Group Inc., as tenant and Outlet Niagara, as landlord registered April 16, 2014 as Instrument No. NR349940.
Firstly, Secondly, Thirdly and Fourthly described lands

23. A Site Plan Amending Agreement between the Town and Outlet Niagara registered June 12, 2014 as Instrument No. NR354301.
Firstly, Thirdly and Fourthly described lands

24. Notice of a lease made between Ralph Lauren Canada Corporation, as tenant and Outlet Niagara, as landlord registered June 16, 2014 as Instrument No. NR354536
Firstly, Secondly, Thirdly and Fourthly described lands

25. Notice of a lease made between The TDL Group Corp., as tenant and Outlet Niagara, as landlord egistered July 8, 2014 as Instrument No. NR356728.
Firstly, Secondly, Thirdly and Fourthly described lands

26. Notice of a lease made between Kate Spade Canada Inc., as tenant and Outlet Niagara, as landlord registered July 29, 2014 as Instrument No. NR358748.
Firstly, Secondly, Thirdly and Fourthly described lands

27. A Site Plan Amending Agreement made between the Town and Outlet Niagara, registered August 13, 2014 as Instrument No. NR360017.
Firstly, Thirdly and Fourthly described lands

28. An easement in favour of the Town over Parts 5 and 6, Plan 30R-14085 for watermain and storm sewer purposes registered September 18, 2014 as Instrument No. NR363284.
Fifthly described lands

29. An easement in favour of the Town registered September 18, 2014 as Instrument No. NR363286.
Fourthly described lands

30. A Site Plan Amending Agreement made between the Town and Outlet Niagara, registered January 6, 2015 as Instrument No. NR372168.
Firstly, Thirdly and Fourthly described lands

EXHIBIT D
RULES AND REGULATIONS

Tenant will not be required to comply with any rule or regulation unless the rule or regulation applies to all tenants in the Shopping Centre.

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

Exhibit E
INTENTIONALLY DELETED

Exhibit F - Description of Landlord's Work

EXHIBIT "F"

Saks Fifth Avenue/Off Fifth,
Outlet Collection, Niagara on the Lake
Exhibit B
September 08, 2014

LL Initials/Date:
Tenant Initials/Date: _____

Landlord, at landlord's sole cost and expense, shall deliver the shell building to the tenant as per Landlord's shell drawings and material/equipment specification book incorporating the Tenant's requirements and in accordance with the Landlord's Design Criteria as set forth below:

I. Administrative Requirements

1. Landlord to provide Saks Fifth Avenue/Off Fifth with documents, and electronically in .pdg and .acad format for all of the Landlord's work relative to the Tenant's space for review and approval. Documents and Drawings to be provided based on the following submissions:
   A. Tenant Outline Drawings for premises
   B. Shell Construction Documents (C/Ds)
   C. Site Plan Drawings

   Tenant to review design development drawings and note fixed facility locations (i.e. toilet rooms, break room, janitors closet, entrances, etc.) and roof top HVAC locations and return to the within 30 days of receipt of Landlord's drawings.

   Landlord shall submit the comprehensive set of Shell C/Ds for Tenant review and approval as follows:
   - 33 weeks prior to Landlord's Expected Possession Date (EPD): Tenant shall receive a full set of Landlord Shell Construction Documents (C/Ds)
   - 2weeks later: Landlord shall receive initial review/comments back from Tenant.
   - 2 weeks later: Tenant shall receive revised C/Ds, based on its review comments.
   - 3 weeks later: Landlord shall receive second round of review/comments back from Tenant (as needed).
   - 2 weeks later: Tenant shall receive Final C/Ds from Landlord.
   - 2weeks later: Landlord shall receive final Tenant comments.
   - weeks prior to Landlord's EPD: Landlord shall receive "Final Approved by Tenant" C/Ds.
2. Landlord or its agent(s) shall submit a color rendering of elevation(s, to. Tenant for review and approval at time of Design Development submission. Landlord shall not submit exterior elevations and material selections to the authority(s) having jurisdiction without Tenant approval. Tenant has already approved subject to revisions to signage to Tenant's current standards.
3. Fully-developed C/Ds shall be submitted to the Tenant and Tenants Architect both in hard copy and electronically in .pdf and ACAD file format. The *full submittal set shall include all applicable Architectural, Mechanical, Electrical, and Plumbing plans.
4. Landlord shall insure that Tenant's prototypical plans and Exhibit 'C' are forwarded to the shell Architect for incorporation into the development of

1 of 8

Tenant's shell drawings, subject to review and approval of authorities having jurisdiction.

5. Landlord shall not proceed on a "design-build" basis without written request and subsequent approval from the Saks Off Fifth Director of Construction.

I. Administrative Requirements – cont'd

6. Landlord shall provide Tenant with a written project development schedule, including timing, upon lease execution and a construction schedule at the start of project construction. Landlord shall inform the Tenant immediately of any changes that will have a positive or negative impact to delivery on the expected possession date.
7. Landlord shall provide construction progress photographs to Tenant's Director of Construction, on a timely basis (not less than once a month), of the job site from the start of site work until delivery of the premises. Photographs shall be representative of the most recent work completed.
8. Tenant to provide Landlord with detailed "punchlist" within one week after the "Expected Possession Date" (as defined by the lease). Landlord shall complete punchlist immediately, but not later than 30 days after the "Expected Possession Date". Unfinished punchlist items remaining after 30 days shall, at Tenant's option, be completed by Tenant and paid back by Landlord.
9. Within thirty (30) days of the "Expected Possession Date", Landlord shall supply Tenant with AIA (or Canadian equivalent) -certified as-built dimensions and gross leasable area (GLA) calculations.
10. All signage to be per the lease. Included shall be dimensioned elevations and site plan indicating location of signage and adjacent roads. Landlord shall allow Tenant's use of temporary banners and site identification signage, in accordance with governing municipal codes.

Landlord, at landlord's sole cost and expense, shall deliver to tenant at time of "substantial completion", in accordance with the lease exhibits and all applicable codes governing Landlord's Work, the following:

II. Site Work

1. Sidewalks, paving & striping, loading docks and landscaping as per approved site plan and local code requirements prior to Store Opening Date.
2. Handicap curb cut or ramp in sidewalk shall be installed directly in front of Tenant's entry doors. Coordinate location with Tenant's plan.
3. Parking lot lighting shall provide as per Landlord's site plan approval and agreed that the minimum average of two foot-candles at ground level for the Tenant's storefront entry, subject to authorities having jurisdiction.
4. Building lighting (exterior), consisting of perimeter luminaries, entry canopy downlights and dock area floodlights, shall provide a minimum illumination of one foot-candle (or as dictated by code) and shall be fully operational, wired to the Landlord house panel. All shell building exit doors to have emergency powered exterior egress lights if required by code.
5. A depressed loading dock, dedicated to Tenant, with tractor-truck well (max 2% slope) set at 4'-0" below building floor slab.
6. Dedicated trash compactor area with concrete pad sized at 13' x 40' minimum, 4000 lb. psi, steel reinforced, 6" thick for Tenant supplied and installed compactor and container.
7. Screening the compactor and any dumpster areas as required by local codes & ordinances. Screening is not to interfere with the normal operational requirements of the equipment.

II. Site Work – cont'd

6. Steps, bollard (at base of metal steps at man door in the receiving area), ramps and railings at all perimeter egress door locations, as required per code. Landlord shall install exterior lighting and metal overhead weather protection over the exterior side of all egress doors and loading dock doors.
9. Architectural grade security bollards at all entrances and glazing facing roadways or parking areas (max spacing face to face of bollard to be 4'-6") to be recessed mounted as indicated in the prototype drawings. Security bollard installed at the loading dock man door / staircase

III. Architectural

Shell Building Components –

1. Building shell including exterior walls with a minimum assembly value of R-13, and roof w/minimum assembly value of R-25 and based on geographic area and all applicable local energy code requirements. .
2. Concrete floor slabs to be minimum 4" thick, , with live load of 100 lbs. per sq. ft. and as required by applicable code. Slab shall be measured for flatness and level in accordance with Canadian Standards Association (#A23.1). F-numbers to be as per Landlord's base building standard FF20/FL 15 which complies with CSA 23.1 for industrial and commercial buildings. This specification must be met at time of slab pour installation and Landlord shall provide certification of this requirement to Tenant. Slab shall be free of all pocking, spalling and all foreign materials, including curing compounds. Gypsum-based materials shall NOT be used for any slab repairs.
3. All concrete subfloors must be tested for moisture, PH(alkalinity)and proper adhesive bond for tenants floor finish installation. Tests must be conducted on the slab after the building is fully sealed in and has acclimated to final working temperature & humidity levels. All tests must be certified by a local testing agency. Results shall be forwarded to the tenant project manager no later than (30) thirty days prior to tenant taking possession. Should the test results exceed 5lbs/1000s.f., an RH level of 85% or be less than a PH level of 9, landlord shall be responsible for correcting the slab prior to, which may include applying materials such as a waterproofing membrane. Any corrective work is to be completed prior to the possession date.
4. Clear height from above finished floor to any obstruction shall be a minimum 17'-0" a.f.f.
5. All perimeter walls in accordance with base building specifications (including front, rear, and side walls) shall receive gypsum wallboard(GWB) on metal studs to underside of structure. GWB to be taped, spackled, sanded and ready for Tenant's finishes to underside of roof deck in areas where there is not ceiling and otherwise to 12'-0" A.F.F.. Roof deck shall be clear of defects and ready for Tenant's finishes.
6. All common demising walls that are not constructed of CMU or tilt up concrete panels shall have metal diamond mesh fastened across the framing from the slab to a height of 7'-9".
7. Metal strapping (6" inch, 20 gauge, 8'-0" AFF to the centerline of strap) to be installed on all perimeter walls, across metal studs and drywall over it.
8. If roof structure/roof deck requires fireproofing, intumescent paint is to be used. (N/R)

III. Architectural – cont'd

Shell Building Components –

9. If required by code, electrical and sprinkler rooms shall be framed with drywall (including front, rear, and side walls) on metal studs tight to deck

above. Electrical room shall be fire-rated if required by applicable codes. Gypsum board to be taped, sanded and ready for Tenant's finishes.

10. Egress and Fire Department access doors to exterior as dictated by code and in accordance with Tenant's fixture plan (subject to reasonable review). All doors to have Tenant hardware, as specified on the prototypical plans.
11. Loading dock door shall be 8'-0" wide x 9'-0" high overhead, insulated metal commercial grade motorized sectional door, per Arbon/Rite-Hite Corporation. Please contact **Chris Agnello at 732.225.6220 x1011.**
12. All dock seals, bumpers, and recessed "pit" leveler, per Arbon/Rite-Hite Corporation for all truck dock equipment. Please contact **Chris Agnello at 732.225.6220 x1011** for complete information and specifications. (Note: Landlord shall supply/install truck restraint devices when loading slope is flat or away from building)
13. 3'-0" x 7'-0" hollow metal receiving area door.
14. One wall opening w/finished opening of 40" x 40" for compactor with lockable hollow metal access door, bottom installed at a height of 48" above finished floor.
15. .
16. Exterior door hardware as follows:

Hollow metal employee entrance (per location selected by tenant)
Trident 200/KLT keyed entry and pull handle with IC Best compatible seven pin interchangeable IC cylinder
Detex 500 surface mounted battery exit alarm
Full length astragal
Peep hole
Hinges
Closer
Weather seal if necessary

(All doors to have seven pin IC Best exchangeable cores)

17. A common area roof access ladder will be provided adjacent to the loading dock.)

III. Architectural – cont'd

Storefront Components –

1. Exterior facade shall be in accordance with the lease exhibit subject to approval of authorities having jurisdiction and in accordance with the Landlrod's Design Criteria.
2. The Tenant acknowledges that incremental costs to upgrade above the standard door specifications provided by the Landlord to the Tenant's new standard door specifications (as follows) will be to the Tenant's account. Doors at each storefront exterior entry to be Stanley Dura-Storm 3000 series sliding automatic entrances. Door package to be 12'-0" wide x 7'-8" to the top of the head. Configuration to be two sliding leaves and two full sidelights with emergency breakaway capability. All glazing to be 9/16" impact glass. Doors to accept Best seven pin cylinders. All power and wiring to be by landlord. Please contact Don Mattson of MacKenzie Doors at 212.227.1630 ext.234.

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CAN

3. Aluminum Frame Systems shall consist of a 2-1/2" x 5" (69.9 x 127.0) exterior, thermally broken impact resistant system. Kawneer IR 501 is listed as a standard of quality.
   - YKK AP America Inc., EFCO Corporation & Vistawall Architectural Products are listed as recognized equal manufacturers, subject to compliance with all requirements.
   - Finish to be Clear Anodized aluminum
   -Frame system to accommodate impact glazing system as listed below.
4. Store glazing system(including glass doors)shall consist of the following:
   - Inner Layer:1/4" clear tempered
   - Airspace: 1/2"
   - Inner Laminated Layer: 1/4" clear tempered .090 PVB interlayer, 1/4" clear tempered and low-e coating.
   - Visible light: transmittance 72% minimum, solar energy 40%, Ultraviolet <1%
   - Reflectance: visible light exterior 12%, visible light interior 12%, solar energy 20%
   - ASHRAE U-Value
   - Winter nighttime 0.31 Btu/(hr x sq ft x degrees F)
   - Summer Daytime 0.28 Btu/(hr x sq ft x degrees F)
   - Shading Coefficient 0.61
   - Relative Heat Gain 127 Btu/hr x sq ft
   - Solar Factor (SHGC) 0.53
   - LSG 1.37

IV. Electrical & Telephone

1. Electrical requirements shall include an 600 amp, 347/600 volt, 3 phase, 4 wire service based on Tenant's prototypical drawings as follows;
   - Meter, meter socket and CT located outside of Tenant's electrical room.
   - One 600 amp, 347/600 volt, 3 phase, 4 wire power distribution panel, Square D I-Line type HCM with an 600 amp main circuit breaker and a minimum of 72 inches of bussed circuit breaker mounting space. . This panelboard will be known as Panel "MDP."
   - One 100 amp main lug only, 347/600 volt, 3 phase, 4 wire, 42 circuit, Square D lighting and appliance panelboard with Square D #NF500G3 Powerlink (or compatible) controller. This panel will be known as Panel "H1."
   - Feeders originating at the 100 amp, 3 pole branch circuit breaker in Panel "MDP" to Panel "H1." Feeders shall be four #3 AWG, #8 AWG ground, in 1-1/2" conduit.

IV. Electrical & Telephone – cont'd

- One 250 amp main circuit breaker, 120/208 volt, 3 phase, 4 wire, 84 circuit, Square D NQOD lighting and appliance panelboard. This panel will be known as Panel "L1."
- One 75 kVA, 600 volt, 3 phase, 3 wire, delta primary to 120/208 volt, 3-phase, 4-wire, wye secondary, NEMA TP-1 rated dry-type transformer.
- Dry-type 90 amp, 3 pole branch circuit breaker in Panel "MDP." Transformer primary conductors shall be three #3 AWG, #8 AWG ground in 1-1/4" conduit.
- Dry-type transformer secondary conductors terminating at the 250 amp, 3 pole main breaker in Panel "L1." Transformer secondary conductors shall be four #250 kcmil, #2 AWG ground, #2 AWG isolated ground in 3" conduit.

- One 225 amp main lug only, 120/208 volt, 3 phase, 4 wire, 42 circuit, Square D lighting and appliance panelboard. This panel shall be a slave to Panel "H1" and will be known as Panel "L2."
- Feeders originating at the 150 amp, 3 pole branch circuit breaker in Panel "L1" to Panel "L2." Feeders shall be four #1/0 AWG, #6 AWG ground, in 2" conduit.

2. Distribution panel(s) and all related electrical equipment shall be located in an area designated by Tenant (i.e., electrical room).
3. Landlord shall furnish, install and wire electric utility meter(s) dedicated solely to Tenant. The electrical system must be inspected and approved by the local authorities and be fully operational at the time of possession. Landlord shall establish the electric utility account and Tenant will transfer into their name at time of possession, so that Tenant is billed directly by utility.

Wiring -

4. Mechanical units shall be wired to main distribution panel and be fully operational, including all 110v convenience outlets.
5.
6. Landlord shall provide exit signs at each required exit door as indicated on the LOD or as required by code.
7. Landlord shall provide and install all code required emergency egress lights (interior and exterior) wired to appropriate tenant panel as per code.

IV. Electrical & Telephone – cont'd

Phone –

8. Telephone conduit (sized for 25 pair) with a 25 pair phone line stubbed and pulled to phone board located in tenants IT room within Tenants space.

V. Mechanical

1. HVAC roof top unit(s) including Landlord's standard thermostat coiled in ceiling space with 50' of wiring and "supply" and "return" air ducts 'dropped' into the Premises.
2. HVAC units will be furnished and installed by Landlord at a ratio of 1 ton per 350 square feet of the Premises. Landlord's thermostat will be placed in a temporary location near the HVAC unit and Landlord's contractor will start and test the HVAC unit prior to turnover. Maximum quantity of air to be delivered from an individual rooftop unit not to exceed 4,000 cfm. Provide a minimum of 6 HVAC units spaced evenly throughout the sales area for connection to concentric diffuser.
3. Tenant to approve Landlord's locations of rooftop units upon finalization of Tenant's interior floor plan in accordance with item 1.2 of this Exhibit.

In the back of house areas:

4. Provide a dedicated HVAC unit to serve the stock/receiving area and a dedicated HVAC unit to serve the offices and restrooms.

5. Landlord to provide roof opening vent for tenant to provide code compliant toilet exhaust system.

V. Mechanical – cont'd

8. Landlord to furnish and install a roof opening and base mounting pad to allow for the Tenant's installation of a ductless split system air conditioner rated at 12000 BTU cooling capacity to serve IT room.
9. Landlord to furnish and install a roof opening and base mounting pad to allow for the Tenant's installation of a ductless split system air conditioner rated at 12000 BTU cooling capacity to serve AP room.

VI. Plumbing

Toilets -

Landlord shall provide 4" sewer line and 2" sanitary waste vent stubbed to a location on the Tenant's approved layout

Water -

1. Incoming ¾ " cold water line extended to deck above plumbing stub areas and sized in accordance with code requirements.
2. Landlord shall furnish, install, and operate sub-water meter(s) dedicated solely to Tenant. Landlord shall establish the water/sewer account and transfer into Tenant's name at time of possession, so that Tenant is billed based on consumption from the sub water meter reading with no markup, profit or administration fee.
3. All water supplies to have RPZ valves and back flow-preventer, if required by code, and water-pressure sufficient for normal and proper operation of all water fixtures.
4. Landlord shall insulate all water lines (condensates, potable, roof drains) within Tenant's space.

VI. Plumbing – cont'd

Sewer -

5. Provide plumbing stub ups, floor drains, trap primers for the janitor closet mop sink located in accordance with site-specific interior tenant improvement plans.
6. Provide sewer stub for remote break room sink.
7. Provide cold water supply and drain for tenants supplied and installed drinking fountain.
8. Provide roof vent stacks with piping stubs for all sewer runs, per plans.
9. Public Sewer line shall be a minimum of 4" in diameter.
10. All impact & tap fees, and any other fees relative to bringing public sewer and water service to the point of Tenant connection shall be the responsibility of the landlord. All fees shall be based on Tenant's final plans.

Gas -

11. Gas piping and all associated work required to service all HVAC units. All piping will be run on the roof .
12. Landlord shall furnish and install gas utility meter(s) dedicated solely to Tenant if available from local public utility. The system must be inspected and approved by the local authorities and be fully operational at the time of possession. Landlord shall establish the gas utility account and Tenant will transfer into their name at time of possession, so that Tenant is billed directly by utility (if available).

7.18

VII. Fire Sprinkler System

1. An automatic wet sprinkler system installed on a grid consisting of main and branch piping, which complies with all local codes and the NFPA 13. The system shall be designed for the intended use,. Sprinkler system hydraulic calculations shall meet the appropriate discharge density and design area as

required by NFPA 13 and the Authority Having Jurisdiction for storage of products including. The sprinkler system to be delivered with 'turned-up' heads. Any upgrades above 1 head per 120 square feet at 12 feet high are by Tenant at Tenant's cost including any fire pump and/or heads.

VIII. Fire Alarm System

1. To the extent the installation of any component of the fire alarm system serving the Premises may be necessitated as a condition of Landlord's Work pursuant to applicable governmental codes and regulations, Landlord will provide and install such components so as to deliver to Tenant a code compliant building. The system shall include ceiling-mounted spot-type smoke detectors in locations required by NFPA 72 in jurisdictions where smoke detection is required, including beam pockets.

8.18

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Exhibit G – Rent Commencement Agreement
Form of Rent Commencement Date Memorandum

THIS RENT COMMENCEMENT DATE MEMORANDUM ("**Memorandum**") dated as of _____, ____, by and between _____, a _____ ("**Landlord**"), and _____, a _____ corporation ("**Tenant**").

RECITALS:

A. By that certain Lease dated as of _____, 20___, (the "**Lease**") between Landlord and Tenant, Landlord leased to Tenant and Tenant leased from Landlord the Demised Premises, subject to the conditions and limitations therein contained.

B. Section 3.2 of the Lease provides that, upon determination of the Rent Commencement Date and the determination of the number of square feet of rentable area within the Demised Premises, Landlord and Tenant shall execute a memorandum which shall set forth, among other things, the actual Rent Commencement Date, the rentable area of the Demised Premises, annual Rent, the expiration of the initial term, and the dates when Tenant may exercise its renewal options pursuant to Section 3.3.

C. The Rent Commencement Date and the rentable area of the Demised Premises have been determined and, accordingly, the parties desire to enter into this Memorandum pursuant to Section 3.2.

D. Unless otherwise provided herein, all capitalized words and terms in this Memorandum shall have the same meanings ascribed to such words and terms as in the Lease.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Rent Commencement Date is _____.
2. The initial term expires _____, unless the Lease is sooner terminated in accordance with the terms thereof.
3. The rentable area of the Demised Premises is _____ square feet.
4. Tenant shall exercise its right to the first renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
5. Tenant shall exercise its right to the second renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
6. Tenant shall exercise its right to the third renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
7. Tenant shall exercise its right to the fourth renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
8. Tenant shall exercise its right to the fifth renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease

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9. This Memorandum may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum as of the day and year first above written.

LANDLORD:	TENANT:
_____,	_____,
By: _____	By: _____
Its: _____	Its: _____
By: _____	By: _____
Its: _____	Its: _____
(*We have the authority to bind the Corporation*)	(*We have the authority to bind the Corporation*)

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Exhibit H - Demised Premises Exterior Signage Drawings

EXHIBIT H

1 OF 2





Ivanhoe Cambridge
Caisse de dépôt et placement du Québec

The Outlet Collection at Niagara

Niagara on the Lake, Ontario

PROPOSED SAKS - EXTERIOR

File: 10046-0.00
Date: 14.07.18

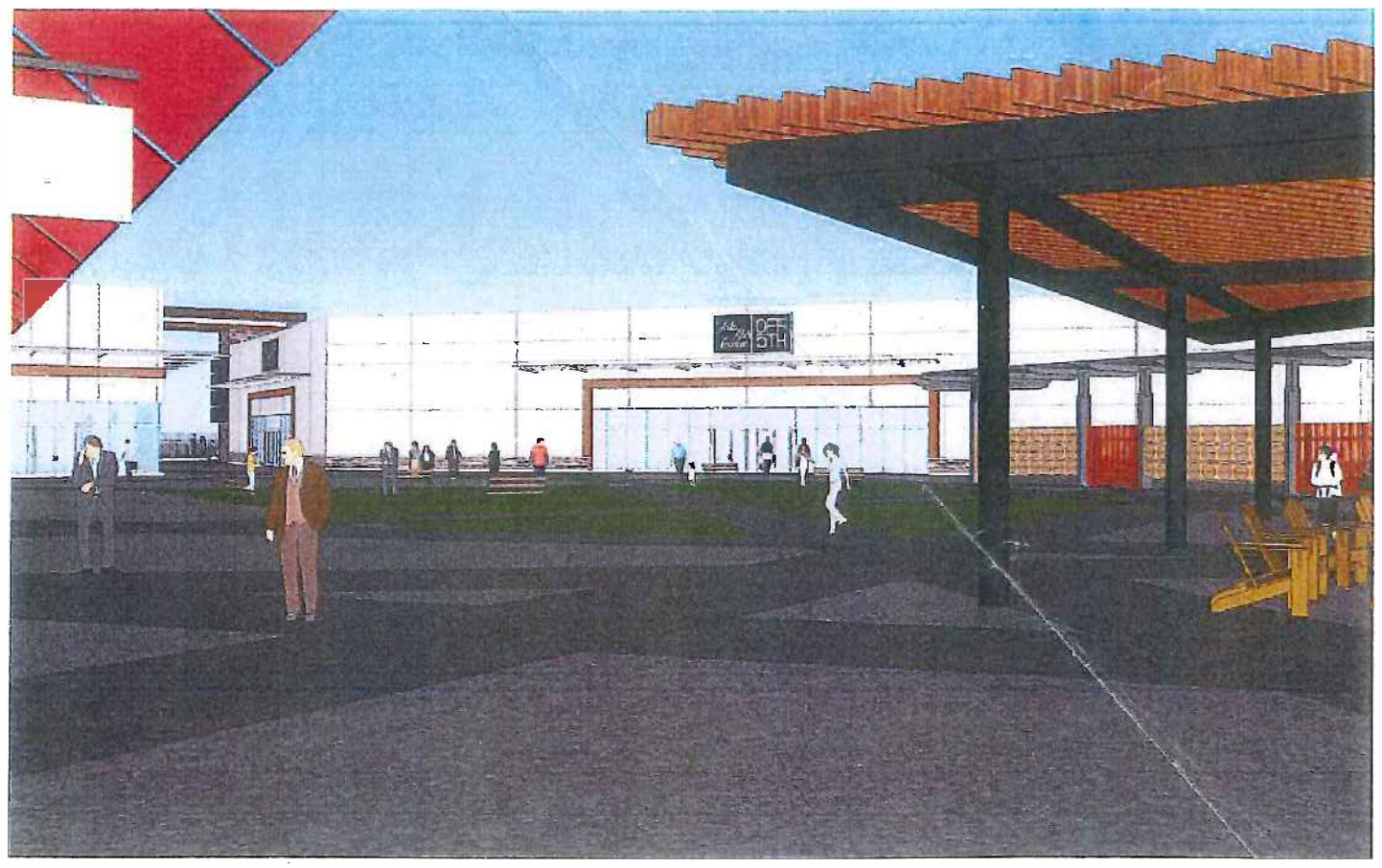
pellow + associates architects inc

LSKA-71A

EXHIBIT H

2 OF 2





Ivanhoe Cambridge
Caisse de dépôt et placement du Québec

The Outlet Collection at Niagara

Niagara on the Lake, Ontario

PROPOSED SAKS - INTERIOR

File: 10046-0.00
Date: 14.07.18

pellow + associates architects inc

LSKA-71B

Exhibit I -Outlet Entry 03 Signage Drawing

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EXHIBIT H

1 OF 2





Ivanhoe Cambridge
Caisse de dépôt et placement du Québec

The Outlet Collection at Niagara

Niagara on the Lake, Ontario

PROPOSED SAKS - EXTERIOR

File: 10046-0.00
Date: 14.07.18

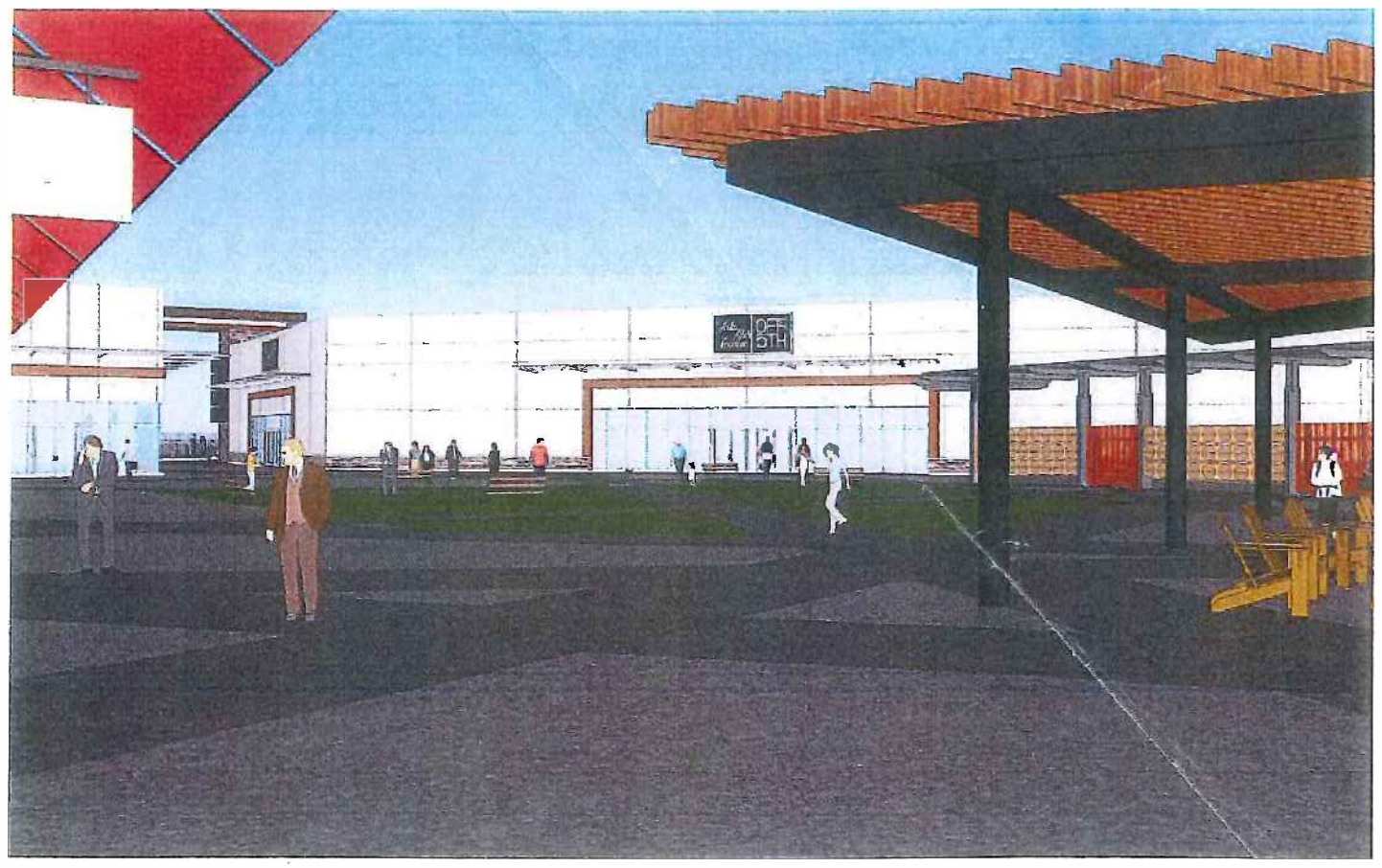
pellow + associates architects inc

LSKA-71A

EXHIBIT H

2 OF 2





Ivanhoe Cambridge
Caisse de dépôt et placement du Québec

The Outlet Collection at Niagara

Niagara on the Lake, Ontario

PROPOSED SAKS - INTERIOR

File: 10046-0.00
Date: 14.07.18

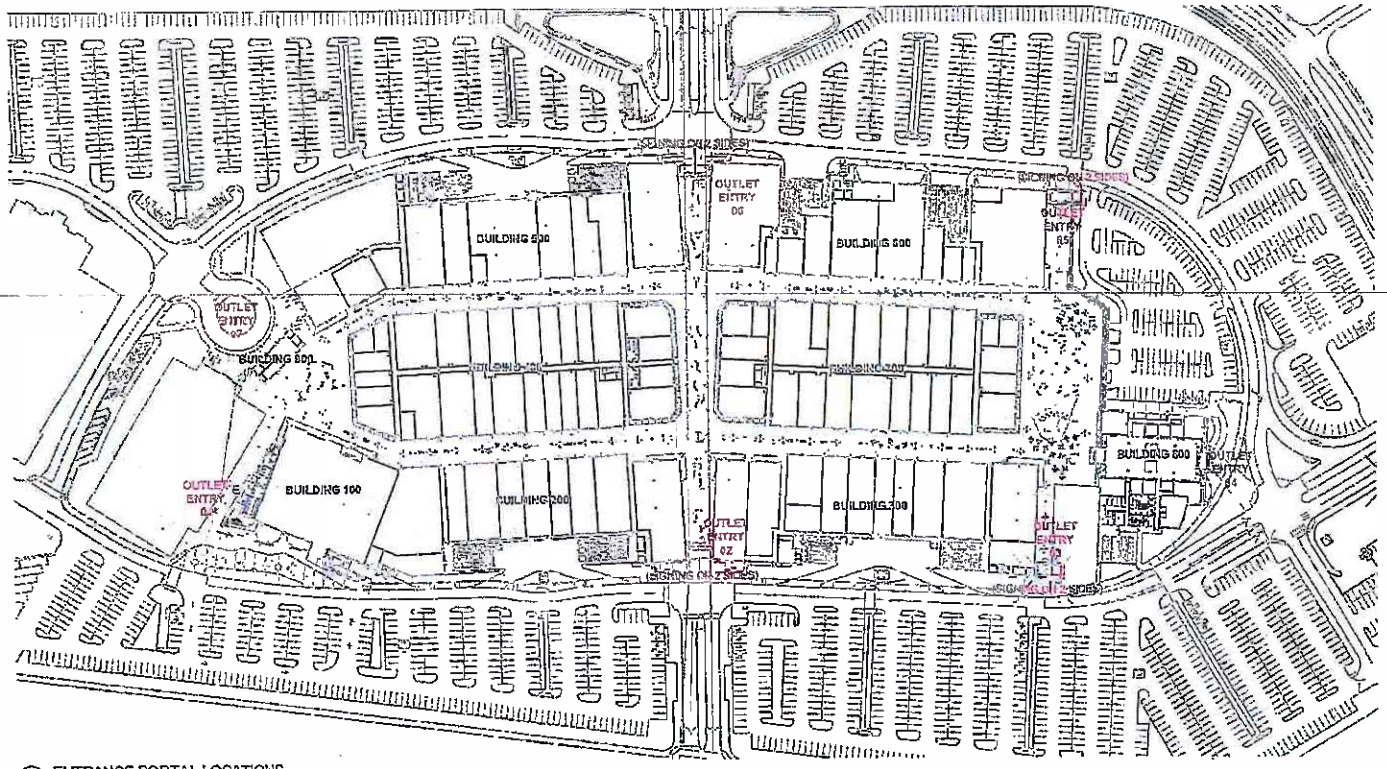
pellow + associates architects inc

LSKA-71B

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Exhibit "I"

EXHIBIT D



1 ENTRANCE PORTAL LOCATIONS
NTS

The Outlet Collection at Niagara

Niagara on the Lake, Ontario

Entrance Portal Signs

File: 10046-0.00 IFC: 14.02.25
Date: 13.05.14

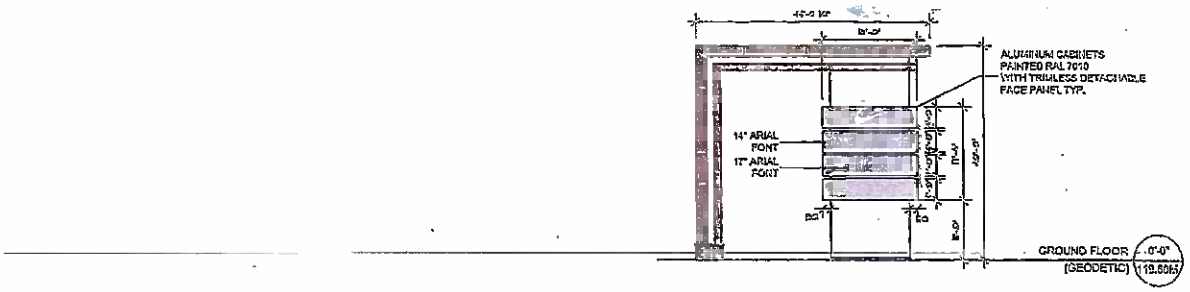
WE-16

9W

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EXHIBIT D.



② SOUTH-EAST ENTRANCE PORTAL-SOUTH VIEW (OUTLET ENTRY 03)
1/10"= 1'-0"

The Outlet Collection at Niagara

Niagara on the Lake, Ontario

Entrance Tower Signs

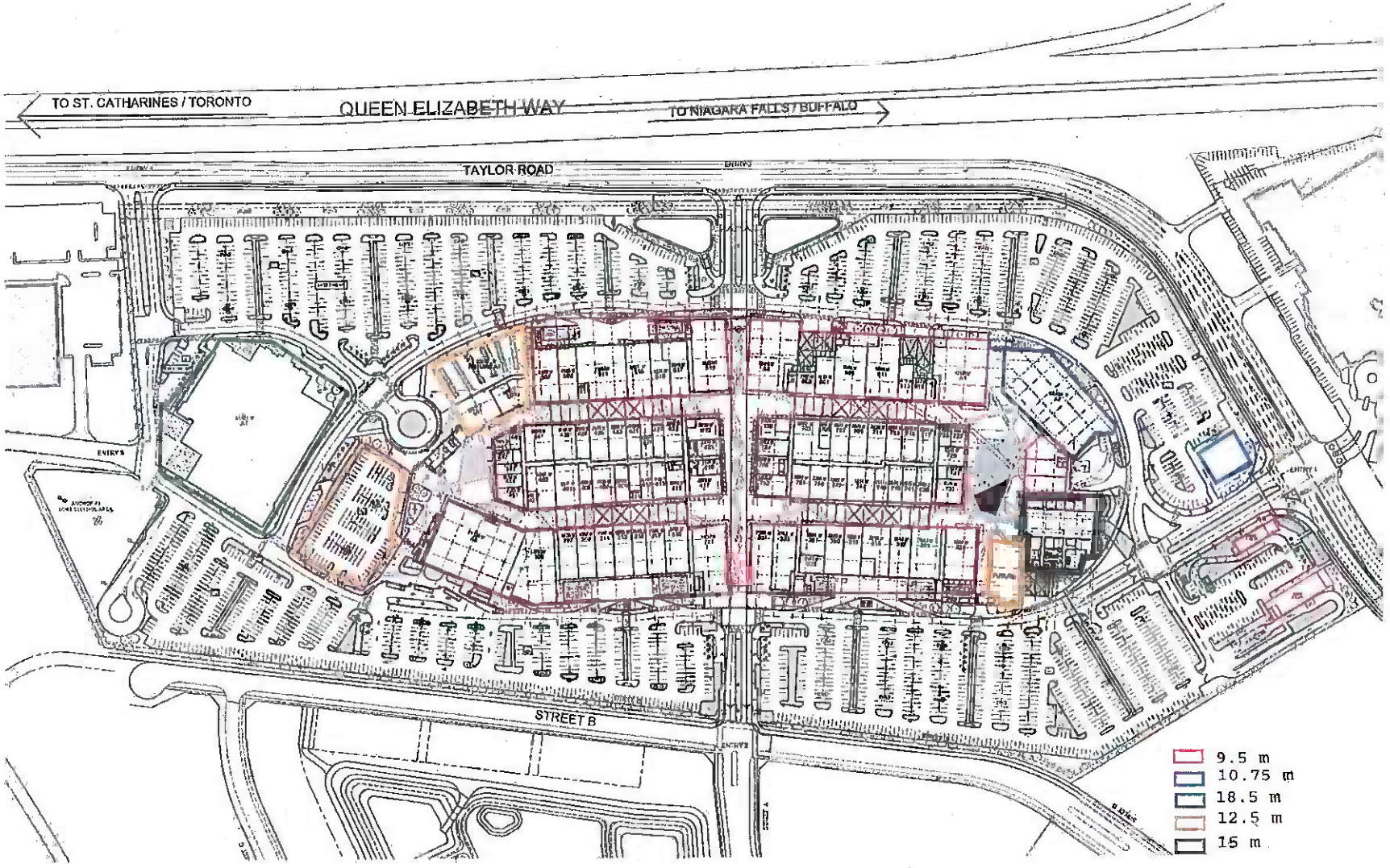
File: 10065-0.00 IFC: 14.02.28
Date: 13.08.14 : 14.04.04

WE-17R2

(2017)

Exhibit J -Shopping Centre Building Height Limitations

EXHIBIT J



Ivanhoe Cambridge

The Outlet Collection at Niagara

Niagara on the Lake, Ontario

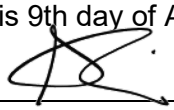
Overall Site Plan

pellow + associates architects inc

File: 14027
Date: 14.06.11
Scale: 1"=70'-0"

2PD-1

This is **Exhibit "I"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE

IVANHOE CAMBRIDGE INC.
(LANDLORD)

TO

HUDSON'S BAY COMPANY
d/b/a SAKS FIFTH AVENUE OFF FIFTH
(TENANT)

DATED NOVEMBER 11, 2015

DEMISED PREMISES IN
PLACE STE-FOY, QUEBEC CITY
QUEBEC, CANADA

LEASE

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LEASE

THIS LEASE (the "**Lease**") dated as of the 11th day of November 2015, by and between **Ivanhoe Cambridge Inc.**, having its principal office at 1001 Rue du Square-Victoria, Montréal, QC H2Z 2B5 ("**Landlord**") and **Hudson's Bay Company**, having its principal office at 401 Bay Street, Suite 500, Toronto, Ontario, Canada M5H 2Y4 ("**Tenant**").

W I T N E S S E T H:

1. Landlord is the owner of certain lands, together with the improvements located thereon, in the City of Québec, Province of Québec, Canada, which lands are more particularly described in Exhibit A (hereinafter the "**Lands**") and the Lands and all improvements located thereon are situated as shown on Exhibit B.

2. The Lands and all improvements located thereon are operated by Landlord as a shopping centre under the name "**Place Ste-Foy**" (the "**Shopping Centre**"), which Shopping Centre contains approximately **640,340** square feet of rentable area.

3. The parties desire that certain premises in the Shopping Centre be leased by Landlord to Tenant as hereinafter more particularly provided.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and of good, lawful and valuable considerations moving to and received by each of the parties to be bound hereby, and intending to be legally bound hereby, the parties do hereby agree as follows:

ARTICLE 1
GRANT OF DEMISED PREMISES

Landlord does hereby demise and lease to Tenant and Tenant does hereby lease and take from Landlord, upon the terms, covenants and agreements and subject to the conditions hereinafter set forth, all those certain premises hereinafter mentioned and described and referred to herein as the "**Demised Premises**", to wit:

(i) that certain space known as Unit 168A shown outlined in **RED** on (i) the site plan of the Shopping Centre attached hereto as Exhibit B and (ii) the leasing plan of the Shopping Centre and plan of the Demised Premises respectively attached hereto as Exhibit B-1 and Exhibit B-2, which space contains approximately **32,943** square feet of rentable area;

(ii) the entrances to and exits from such space to and from the Common Area (as defined below), as such entrances and exits are shown on Exhibit B, Exhibit B-1 and Exhibit B-2,

(iii) the exclusive loading dock and unloading areas which serve such space as shown outlined in **GREEN** on Exhibit B, Exhibit B-1 and Exhibit B-2; and

(iv) all leasehold improvements now or hereafter located therein and thereon, including, without limitation, the Improvements (as such term is defined in Section 30.4 of this Lease) that are acquired with or funded by the Tenant Allowance (as defined in Section 30.3).

The Demised Premises are leased to Tenant together with all rights, privileges, benefits, rights of way and easements now or hereafter appurtenant or belonging thereto, whether arising under this Lease or any private or public grant or authority, including, without limitation, the direct right of ingress to and

egress from the Demised Premises through the entrances and exits shown on Exhibit B, Exhibit B-1 and Exhibit B-2.

Landlord does further hereby grant to Tenant and its employees, agents, customers, licensees and invitees a non-exclusive right and privilege to use, in common with others, those parts of the Shopping Centre (herein referred to as "**Common Area**") which constitute all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, (i) all non-leasable service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), (ii) all parking areas, parking decks, roadways, sidewalks, landscaped areas, and all roofs, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, common loading areas and truck courts, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, (iii) mall decorative installations, (iv) customer and service stairways, (v) mall directories and directional signs and information booths, (v) elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of the Common Area. Such use to be for the intended uses and purposes of the Common Area and the improvements therein and thereon, including, without limitation, ingress and egress and parking and passage and such other things as are authorized, permitted or required under the terms of this Lease. For the sake of greater certainty, the parties hereto hereby acknowledge and agree that the sprinkler room that provides sprinkler service throughout the Demised Premises forms part of the Common Area of the Shopping Centre and is the sole responsibility of Landlord to maintain as more particularly provided in Section 12.1 hereof.

The dimensions, shape and location of the Demised Premises as described herein are approximate and it is agreed and understood by Tenant that, upon the completion of construction of the Demised Premises, Landlord, at its sole cost, shall have the actual number of square feet of rentable area within the Demised Premises measured and certified by an architect licensed to do business in the Province of Québec. No later than thirty (**30**) days following the Landlord Delivery Date (as that term is hereinafter defined) Landlord shall provide the Tenant with written notice of the number of square feet of rentable area for the Demised Premises and providing a copy of the said architect's certification thereof and supporting plans and calculations (the "**Measurement Notice**"), and the number of square feet of rentable area for the Demised Premises stated above in this Article 1 shall be adjusted as may be required (subject to Tenant's right of confirmation, below). Such measurement shall be made utilizing standard BOMA computation methods for retail premises and a copy of Landlord's architect's plans and calculations for such measurement shall be included with the Measurement Notice.

Tenant may, at its option, at its sole cost and expense and within thirty (30) days after the later of (i) the date Tenant receives the Measurement Notice and (ii) the date that Landlord delivers actual and exclusive possession of the Demised Premises to Tenant as described in Article 2 below, cause the Demised Premises to be measured by an architect retained by Tenant for such purpose. Tenant shall submit its architect's measurement to Landlord. In the event of a discrepancy which cannot be resolved by agreement of the parties, Landlord may cause its architect to re-measure the Demised Premises for purposes of verifying the measurement by Tenant's architect. If, after Landlord has had the opportunity to re-measure the Demised Premises, the parties are unable to reach agreement as to the number of square feet of rentable area within the Demised Premises, Landlord's and Tenant's architect shall appoint an independent third-party architect to measure the Demised Premises. The measurement by such third-party architect shall be binding on Landlord and Tenant, and shall replace the number of square feet of rentable area for the Demised Premises for all purposes of this Lease. The fees for such third-party architect shall be shared equally by the parties. The fees of each party's architect shall be paid by the respective parties.

ARTICLE 2
DELIVERY

Section 2.1 Delivery

Landlord shall satisfy the Opening Conditions (as defined in Section 8.1 below) and deliver actual and exclusive possession of the Demised Premises (in the condition described herein) to Tenant all by no later than **November 16, 2016**. Landlord shall deliver actual and exclusive possession of the Demised Premises to Tenant (i) free and clear of all tenancies, occupancies, restrictions, liens, encumbrances, reservations or other defects of title or claims of other parties except for the title exceptions listed in Exhibit C (the "**Permitted Exceptions**"), which Permitted Exceptions Landlord represents, warrants, and covenants do not and shall not involve or result in any interference with or impairment of Tenant's use, occupancy, and enjoyment of the Demised Premises or with Tenant's other rights hereunder, (ii) in a broom clean condition with all furniture, trade fixtures, merchandise and other items of personal property removed and (iii) with Landlord having completed, which Landlord hereby agrees to do, Landlord's Work (as defined below). In addition to the foregoing, on or before the date that Landlord shall deliver actual and exclusive possession of the Demises Premises to Tenant, Landlord shall also provide to Tenant the following (collectively, the "**Additional Requirements**"):

(i) a Phase I Environmental Report covering the Demised Premises and the remainder of the Shopping Centre, confirming that the Demised Premises and the remainder of the Shopping Centre are free from contamination and hazardous material in excess of concentrations which are permissible under applicable Requirements (as hereinafter defined) which Phase I Environmental Report shall in any event be delivered to Tenant no later than thirty (30) days following the date of execution of this Lease by both parties hereto.

(ii) an updated title report, including copies of registered encumbrances (which report shall in any event be delivered to Tenant no later than thirty (30) days following the date of execution of this Lease by both parties hereof.

(iii) all inspection and consultant reports on the Demised Premises and the remainder of the Shopping Centre in Landlord's possession or otherwise under Landlord's control, if any, (which reports, if any, shall in any event be delivered to Tenant no later than thirty (30) days following the date of execution of this Lease by both parties hereto);

(iv) current survey(s) of the Demised Premises and the remainder of the Shopping Centre, if and to the extent such survey(s) are in Landlord's possession or are otherwise available to Landlord (which survey(s), if any, shall in any event be delivered to Tenant no later than thirty (30) days following the date of execution of this Lease by both parties hereto);

(v) non-disturbance agreement(s) as described in Section 16.2 of this Lease for any existing Mortgage(s) on title to the Shopping Centre, provided, however, such non-disturbance agreement(s) shall be delivered to Tenant no later than the date set forth in Section 16.2 hereof;

(vi) any and all approvals from third parties or confirmation from Landlord that it has obtained same, including, without limitation, any and all governmental approvals for the construction and operation of the Demised Premises and the remainder of the Shopping Centre, including, without limitation, any approvals necessary for signage (excluding in each case such permits and approvals in respect of or related to the Tenant's Work); and

(vii) payment of the first instalment of the Tenant Allowance as described in Section 30.3 of this Lease.

The last date upon which Landlord (a) satisfies the Opening Conditions, (b) satisfies the Additional Requirements and (c) delivers actual and exclusive possession of the Demised Premises to Tenant in the condition set forth herein and the same are accepted by Tenant shall be the "**Landlord**

Delivery Date". Tenant's acceptance of the Demised Premises shall be without waiver of the aforesaid requirements. In the event that the Landlord Delivery Date has not occurred by the date set forth above for any reason other than a delay occasioned by Force Majeure (as that term is hereinafter defined), Tenant shall receive, without waiver of its other rights and remedies against Landlord, a rent credit in the amount of Three Thousand Dollars (**$3,000.00**) for each day of delay ("**Delivery Credit**"). In the event that the Landlord Delivery Date does not occur by **November 16, 2016** due to a delay occasioned by Force Majeure, the date upon which the aforementioned rent credit shall commence to be payable to Tenant hereunder shall be extended beyond **November 16, 2016** by the same number of days that Landlord's failure to deliver actual and exclusive possession of the Demised Premises to Tenant in accordance with the foregoing conditions can be attributed exclusively to the intervention of such occasion of Force Majeure (and to no other cause). As noted in Article 21 of this Lease, Landlord shall notify Tenant of the occurrence or potential occurrence of any occasion of Force Majeure that might delay the Landlord Delivery Date beyond **November 16, 2016** immediately upon Landlord becoming aware thereof, and Landlord shall thereupon and thereafter keep Tenant fully advised of the anticipated duration and consequences of such Force Majeure.

In the event that the Landlord Delivery Date does not occur by **April 30, 2017** ("**Sunset Delivery Date**"), Tenant shall have the right, without waiver of its other rights and remedies against Landlord, to terminate this Lease by notice of termination given to Landlord. If this Lease shall be terminated pursuant to the provisions of this Section 2.1, neither party shall have any further obligation to the other, except that Landlord shall pay to Tenant within ten (**10**) days of such termination as liquidated damages an amount equal to the Delivery Credit accrued through such termination date. The parties acknowledge and agree that the damages sustained by Tenant would be difficult or impossible to determine and Landlord and Tenant have agreed upon such liquidated amount as payment for such damages and not as a penalty.

Section 2.2 **Entry Prior to Delivery**

Tenant shall have the right at any time after **August 15, 2016** to enter upon the Demised Premises for the purpose of having an inspection of the Demised Premises performed by Tenant's engineers.

Section 2.3 **[Intentionally Deleted]**

Section 2.4 **Physical Condition**

Landlord represents, warrants and covenants to Tenant that, to Landlord's best knowledge as of the date hereof, (i) no material, substance, chemical or waste which possesses or may possess hazardous or toxic characteristics has been generated, used, stored, leaked, discharged, released or is present in, on, under, above or from the Demised Premises and Lands in excess of concentrations which are permissible under applicable Requirements (as hereinafter defined); and (ii) all materials, data and information relating to or affecting the Demised Premises which Landlord has provided or shall provide to Tenant are true, accurate and complete copies of the originals. Landlord shall indemnify, defend and hold harmless Tenant from and against all claims, costs, expenses (including reasonable attorneys' fees), losses, damages, injuries and liabilities arising from any breach of these representations and warranties.

ARTICLE 3
TERM; RENT COMMENCEMENT DATE; EXTENSIONS

Section 3.1 **Initial Term**

The initial term of this Lease ("**Initial Term**") shall commence on the date of execution of this Lease by both parties hereto and shall expire at 11:59 p.m., Eastern Time, of the last day of the month in which the tenth (**10th**) anniversary of the Rent Commencement Date (as defined below) occurs, except

where the Rent Commencement Date occurs on the first (1st) day of a month, in which event the Initial Term shall end on the last day of the month preceding the tenth (10th) anniversary of the Rent Commencement Date.

Section 3.2 Rent Commencement Date

Rent (as defined below) shall commence on the earlier of the following (in either event, the "**Rent Commencement Date**"):

(i) that date which is one hundred fifty (**150**) days after the Landlord Delivery Date (the "**Outside Date**") except that:

(a) if the Outside Date occurs on or between November 1 of any calendar year and February 28 of the following calendar year, then the Outside Date shall be extended to March 1;

(b) if the Outside Date occurs on or between the date that Easter occurs in any calendar year and the date that is thirty (30) days prior to Easter in such calendar year, then Outside Date shall be extended to two (2) weeks after Easter of such calendar year; and

(ii) the date on which Tenant opens the Demised Premises to the public for business.

Notwithstanding anything to the contrary, in no event shall the Rent Commencement Date occur prior to the date on which Landlord satisfies the Opening Conditions all as set forth in this Lease. In addition, notwithstanding anything to the contrary, if Tenant cannot obtain a temporary certificate of occupancy (or its applicable equivalent in the jurisdiction in which the Demised Premises are located) because of any required Landlord's Work or work under Landlord's control, including, without limitation, work anywhere else in the Shopping Centre which Landlord has the right to cause to be corrected under existing leases, reciprocal easement agreements or other agreements (other than Tenant's Work), Landlord shall perform or cause such work to be performed and both the Outside Date and the Rent Commencement Date shall be postponed on a day-for-day basis.

After the Rent Commencement Date shall have been determined, Tenant and Landlord shall execute and deliver duplicate originals of an agreement, substantially in the form of Exhibit G attached hereto and made a part hereof, setting forth the rentable area of the Demised Premises, the Rent Commencement Date, the date of expiration of the Initial Term and the commencement and expiration dates of any extended periods; provided, however, that the failure of either party to execute and deliver such agreement shall not affect the occurrence of the Rent Commencement Date or the date of expiration of the Initial Term.

Section 3.3 Extensions of Term

Tenant shall have the right and option to extend the Term of this Lease for five (**5**) consecutive extended terms of five (**5**) years each unless and until this Lease shall be sooner terminated pursuant to the terms of this Lease, provided that, in each instance, Tenant (or its then current successor or assign under this Lease) is occupying and carrying on business in and from the Demised Premises at the time Tenant exercises such right and option to extend. Each extended term shall commence immediately upon the expiration of the prior term and shall end at 11:59 p.m., Eastern Time, on the fifth (5th) anniversary of the commencement of such extended term (which date shall be the last day of the applicable month).

Tenant may exercise its option for an extended term by giving notice to Landlord of Tenant's intention to extend at least three hundred sixty-five (**365**) days prior to the expiration of the then existing term.

In order to prevent the inadvertent failure of Tenant to exercise any of the options set forth above within the time limits prescribed, this Lease shall not expire unless and until Landlord notifies Tenant (the

"**Landlord Renewal Notice**") that Tenant has not exercised its option to extend and that Tenant's option to extend shall expire thirty (**30**) days after Tenant's receipt of such notice unless Tenant gives notice to Landlord that Tenant elects to extend prior to the expiration of such thirty (**30**) day period. In the event Tenant does not elect to exercise its option to extend prior to the expiration of said thirty (**30**) day period, Tenant's option to extend shall expire. If Landlord fails to so notify Tenant prior to the expiration of the Term of this Lease and Tenant shall remain in possession of the Demised Premises after the expiration of the Term of this Lease, such holding over shall not be deemed to extend the Term of this Lease or renew this Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at the monthly rental in effect during the last month of the Term of this Lease until terminated by Tenant by notice to Landlord designating the date of termination, which notice shall be given ninety (**90**) or more days prior to the date designated by Tenant for termination, or such earlier date as the Lease is terminated by reason of Tenant not exercising its option to extend within ninety (**90**) days after Tenant's receipt of the Landlord Renewal Notice. If Landlord finally gives Tenant the Landlord Renewal Notice following the expiration of the Term of this Lease and Tenant exercises its option to extend, then the effective date of such exercise shall be retroactive to the expiration of the Initial Term, the first extended term, the second extended term, the third extended term or the fourth extended term, as the case may be.

During the extended terms all of the terms and conditions of this Lease shall remain in full force and effect except as the expiration date and the Rent shall change by the exercise of any option.

The word "**Term**", as used in this Lease, shall mean, unless the context shall denote otherwise, the Initial Term and any and all extended terms of this Lease.

Section 3.4 **Option to Extend to January 31**

If the Term of this Lease expires on a date other than January 31 of a calendar year, and if Tenant either has no further options to extend the Term or Tenant has elected not to extend the Term, then Tenant shall have the right to extend the final Lease Year of the Term until the following January 31st. Tenant may exercise its option to extend such final Lease Year until January 31st by giving notice to Landlord of Tenant's intention to extend at least one hundred and eighty (180) days prior to expiration of the Term of this Lease.

Section 3.5 **Termination by Reason of Gross Sales**

Anything in this Lease to the contrary notwithstanding, and provided Tenant is not otherwise in default beyond any applicable cure period, Tenant shall have the option ("**Tenant's Termination Right**") to terminate this Lease upon sixty (**60**) days' written notice to Landlord (as hereinafter more particularly provided) setting forth the effective date of termination, which date shall be set no later than ninety (**90**) days following the date the notice is delivered to Landlord hereunder ("**Termination Notice**"), if at the end of the third (**3rd**) Percentage Rent Lease Year (as defined in Section 4.1) and/or at the end of the seventh (**7th**) Percentage Rent Lease Year, Gross Sales (as hereinafter defined) for such Percentage Rent Lease Year equal less than One Hundred Fifty Dollars (**$150.00**) per square foot of the rentable area of the Demised Premises, as certified by an officer of Tenant (the "**Sales Threshold**"). In the event that Tenant fails to exercise the Tenant's Termination Right pursuant to this Section 3.5 within sixty (**60**) days after the end of such third or seventh Percentage Rent Lease Year, the Tenant's Termination Right for the applicable Percentage Rent Lease Year shall be deemed waived and of no further force or effect. In the event that Tenant elects to terminate the Lease pursuant to this Section 3.5 then the following shall apply:

(a) Tenant shall provide Landlord with a certification from an officer of Tenant that Gross Sales for the third (**3rd**) or seventh (**7th**) Percentage Rent Lease Year, as the case may be, did not exceed the Sales Threshold;

(b) this Lease shall terminate upon expiration of the period stipulated in the Termination Notice, (the "**Termination Date**") and Tenant shall deliver vacant possession of the Demised Premises to Landlord by the Termination Date in accordance with all applicable provisions in this Lease and without compensation of any kind from Landlord;

(c) Tenant shall be responsible for the payment of all Rent and charges owing under the terms of this Lease up to and including the Termination Date; and

(d) neither party shall have any further liability or obligation to the other after the Termination Date, except for Tenant's obligations under Subsection (b) above, and except for any default under this Lease by either party occurring on or before the Termination Date.

ARTICLE 4
RENT

Section 4.1 **Rent**

Subject to the terms and provisions hereof (inclusive for certainty of Section 8.2), and in consideration of Landlord's representations, warranties and covenants herein, Tenant agrees to pay to Landlord, from and after the Rent Commencement Date, as rent (the "**Rent**") for the Demised Premises, at the place and in the manner set forth herein for notices, an amount equal to **3.5%** of Gross Sales (as hereinafter defined) made from the Demised Premises during each Percentage Rent Lease Year (as hereinafter defined).

Rent shall be payable monthly in arrears within twenty (**20**) days following the end of each calendar month commencing with the month after the month in which Tenant opens the Demised Premises to the public for business. Along with the monthly payment of Rent, Tenant shall furnish Landlord a statement, which need not be certified, of the Gross Sales derived from the Demised Premises for the prior month, which statement shall be in accordance with generally accepted accounting principles, consistently applied. Within sixty (**60**) says after the end of each Percentage Rent Lease Year, other than the first Percentage Rent Lease Year, and within sixty (**60**) days after the end of the calculating period with respect to the first full Percentage Rent Lease Year, Tenant shall furnish Landlord a statement certified by an officer of Tenant showing the Gross Sales derived from the Demised Premises during such Percentage Rent Lease Year and the amounts, if any, of Rent required to be paid by Tenant or credited to Tenant for any overpayment or underpayment of Rent for the Percentage Rent Lease Year, which statement shall be in accordance with generally accepted accounting principles, consistently applied.

For purposes of calculating Rent under this Lease, the term "**Percentage Rent Lease Year**" as used in this Lease refers to the period from February 1 to the following January 31 of each year during the term of this Lease, provided that, if the Rent Commencement Date does not occur on February 1, then the first Percentage Rent Lease Year shall be for a period of less than twelve (**12**) consecutive months, commencing on the Rent Commencement Date and expiring on the following January 31, and further provided that any period of less than twelve (**12**) full calendar months occurring from and after February 1 at the expiry or earlier termination of the term shall be deemed to be a Percentage Rent Lease Year. The computation of Rent shall be made separately with regard to each Percentage Rent Lease Year or partial Percentage Rent Lease Year, as the case may be, it being understood and agreed that Gross Sales per any Percentage Rent Lease Year and Rent due thereon shall have no bearing on Gross Sales of any other Percentage Rent Lease Year.

Full true and accurate records from which Gross Sales in any Percentage Rent Lease Year may be readily and correctly determined will be kept by Tenant, including, without limiting the generality of the

foregoing, the requirement to retain all sources of primary sales records (that is, cash register tapes, pre-numbered sales tickets, daily sales reports, etc.) and otherwise in accordance with generally accepted accounting principles until at least the fifth (5th) anniversary of the end of such Percentage Rent Lease Year. Landlord or any person designated by Landlord will have access to such records at any and all times during business hours for the purpose of examining and reviewing all the accounting records and procedures adopted by Tenant for the purpose of recording and control of all transactions affecting the determination of Gross Sales. For the sake of greater clarification, the parties hereto acknowledge that, in the event Landlord determines that Tenant has failed to report Gross Sales in accordance with its obligations contained herein, such failure shall constitute a default under this Lease and Landlord shall have the right to exercise its remedies in the event of Tenant default under Section 19.1 of this Lease. Landlord will not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Shopping Centre.

Landlord shall be entitled to characterize the Rent, and to allocate the payment thereof to costs, expenses, taxes etc. incurred by or for which Landlord is responsible, in each case as Landlord may determine in its sole discretion.

Section 4.2 Gross Sales

The term "**Gross Sales**" as used in this Lease means the actual sale price of all goods, wares and merchandise sold in, upon or from any part of the Demised Premises, including actual receipts from services rendered by Tenant as well as the total actual sales and services rendered by any licensee, subtenant or concessionaire occupying any portion of the Demised Premises, including, without limitation, such sales, income, receipts, revenues and services which Tenant, any licensee, subtenant or concessionaire occupying any portion of the Demised Premises (collectively, "**Other Occupants**") in the normal and customary course of business would credit or attribute to its business upon the Demised Premises or any part or parts thereof, provided, however, that the term "Gross Sales" shall not be deemed to mean and there shall be excluded from "Gross Sales" amounts representing: (i) amounts credited by Tenant or Other Occupants for returned or defective merchandise; (ii) amount of discount on sales to bona fide employees of Tenant and bona fide employees of any affiliates of Tenant; (iii) allowances granted to customers for damaged or defective merchandise; (iv) trade and other discounts; (v) GST (as hereinafter defined) and all other sales, excise and similar taxes levied upon sales made at the Demised Premises; (vi) workroom charges for alterations, repairs or installation of merchandise sold, or similar services rendered in connection with merchandise sold; (vii) charges for services rendered primarily to accommodate customers or employees; (viii) charges for making deliveries, shipments or transfers of merchandise in the regular course of business; (ix) carrying charges on time sales; (x) fees and charges paid by Tenant or Other Occupants to issuers of third party credit cards; (xi) charges for inter-store transfers of merchandise; (xii) sales of merchandise in bulk to non-retail customers; and (xiii) the proceeds of sales of trade fixtures, operating equipment or other property used by Tenant or Other Occupants in the operation of its business and not acquired by it for the purpose of sale.

Sales shall be deemed to have been made when merchandise has been shipped or delivered, and services shall be deemed to have been rendered when completed, or when such sales or services, as the case may be, have been charged against the purchaser or customer on the books of Tenant or Other Occupants, whichever of such events shall be the first to occur. Transactions shall be included whether for cash or on credit and whether the amount thereof is collected or uncollected. The phrase "sold in, upon or from any part of the Demised Premises" as used herein to modify "Gross Sales" shall include such sales as shall be in good faith credited by Tenant or Other Occupant in the regular course of its business to personnel employed at the time of sale in, at or in connection with the retail store to be operated by Tenant or Other Occupant in the Demised Premises but shall in no event include any sales that are transacted by Tenant or any Other Occupant in the Demised Premises as part of an independent electronic business conducted by Tenant or any Other Occupant in the Demised Premises by way of any

internet or other electronic communications that are not being sold in the regular course of business in the Demised Premises, even if the merchandise sold pursuant to such transactions is delivered to customers at or from the Demised Premises. Subject to the foregoing, the said phrase shall include transactions conducted by mail or telephone, and other orders received at the Demised Premises, even though filled elsewhere, provided the particular items ordered are ones which are at the time being sold in the regular course of business in the Demised Premises. Said phrase shall not include, in any event, sales transacted by mail or telephone or other orders received at a place other than the Demised Premises even though the same may be filled from stocks at the Demised Premises, unless recorded on the books of the Demised Premises as a sale for the Demises Premises. Tenant makes no representation or warranty as to the Gross Sales, if any, which it expects to derive from the Demised Premises.

ARTICLE 5
TAXES

Section 5.1 Landlord's Obligation re Real Estate Taxes

Landlord shall pay before the date due any and all real estate taxes and assessments (general and special, ordinary and extraordinary, foreseen or unforeseen, and including, without limitation, applicable local improvement taxes) (collectively "**Real Estate Taxes**") levied, assessed or otherwise imposed upon the Demised Premises and/or the remainder of the Shopping Centre throughout the Term. Tenant shall have no obligation to contribute to the payment of Real Estate Taxes as such Real Estate Taxes are intentionally included in the Rent provided for herein.

Section 5.2 Other Taxes

(a) For the sake of greater certainty, the parties hereto hereby acknowledge and agree that nothing contained in this Lease shall require Tenant to pay any franchise, corporate, estate inheritance, succession, capital or transfer levy or tax of Landlord, or any taxes on Landlord's income, profits or revenue.

(b) Tenant shall be responsible for paying such business taxes (if any) as may be imposed at any time during the term by municipal or other government authorities having jurisdiction exclusively in respect of the business and activities carried on by Tenant and its assignees, subtenants and concessionaires in or from the Demised Premises,

ARTICLE 6
UTILITIES

Landlord shall cause to be provided and metered all utility services necessary for the conduct of the Tenant's business in the Demised Premises (with hydro and water to be check metered and gas to be separately metered), but Tenant, at its option, as to gas only shall have the right to make arrangements directly with the gas company for such gas services as Tenant may desire. Tenant shall pay such gas charges directly to the furnisher of gas service and for all other utilities services provided by Landlord as it may direct. Tenant shall pay for its consumption of hydro and water to Landlord based on a bona fide estimated charge for such utilities established by Landlord for each lease year, which estimated charge shall be payable in equal monthly installments simultaneously with the Tenant's payments of Rent. The Landlord shall deliver to the Tenant within a reasonable period of time after the end of each lease year a written statement setting out the amounts estimated in advance and if such amount actually paid by the Tenant to the Landlord during such lease year differs from the actual charges based on the actual consumption of such utilities by the Tenant determined on the basis of the sub-meter readings, the Tenant

shall pay such difference or the Landlord shall credit the Tenant's account (as the case may be), without interest within 30 days after the date of delivery of such statement. If any utility services are provided by Landlord the charges payable therefor by Tenant shall not exceed Landlord's cost therefor.

Landlord shall submit to Tenant copies of all utility bills documenting the utility charges purchased from Landlord together with the statement showing in detail the method of calculating that portion of the utility charges billed to Tenant.

Landlord hereby grants to Tenant the right, privilege, and easement for the installation, use, operation, maintenance, repair and replacement of gas lines to serve the Demised Premises and the improvements thereto in, under, upon, through and across the Shopping Centre, provided Landlord has approved the location and configuration thereof (acting reasonably).

Any charges for utilities consumed in the Demised Premises applicable to any period prior to the date actual and exclusive possession of the Demised Premises is delivered to Tenant shall be paid by Landlord and subsequent to that date and until termination of this Lease shall be paid by Tenant.

If Landlord shall be notified by any party that utility services will be interrupted, Landlord shall promptly notify Tenant of such fact so that Tenant may (but need not) provide alternate utility services.

ARTICLE 7

MAINTENANCE AND REPAIR

Section 7.1 Tenant's Obligation

Subject to Landlord's obligations set forth in Articles 2 and 29 and Section 7.2, Tenant shall, at its own cost and expense (except as otherwise provided herein), keep the interior of the Demised Premises and all heating, ventilation and air conditioning equipment exclusively serving the Demised Premises (the "**HVAC**") in good order, and condition and repair, ordinary wear and tear excepted, and make all necessary non-structural interior repairs to the Demised Premises and all plate glass and glass entrance doors serving the Demised Premises, but in no event shall Tenant be required by this Section 7.1 to make any repairs or replacements that are necessary as a result of damage or destruction by structural fault or failure of the building of which the Demised Premises are a part or by Landlord's negligence or default, which repairs or replacements shall be the responsibility of Landlord to perform, at its cost.

In the event one or more of the HVAC units serving the Demised Premises requires replacement (or any major component of such unit(s) requires replacement), Tenant shall promptly contract for said replacement at Landlord's cost and expense. If Landlord does not promptly pay for such replacement and Tenant pays for same, Landlord shall reimburse Tenant for the cost and expenses thereof (including without limitation the cost of the labour) within thirty (**30**) days of written demand therefor, provided however, that Tenant shall then be responsible for paying the HVAC Rent Adjustment as provided herein once Landlord has reimbursed Tenant. Provided Landlord has paid for same (or reimbursed Tenant for same as provided herein), Tenant shall reimburse Landlord for each HVAC unit (or major component) replaced in the amount of a "HVAC Rent Adjustment" (as hereinafter defined).

Commencing on the tenth day of the month immediately following the later of (i) the month in which the HVAC unit (or major component) is replaced and (ii) the month in which Landlord pays for (or reimburses Tenant for, as the case may be) the costs thereof, Tenant shall pay to Landlord (at the same time and place as Rent is payable) an "**HVAC Rent Adjustment**" which shall be an amount equal to the actual, out-of-pocket, third party costs (provided such costs shall not exceed the prevailing market rate for same) incurred by Landlord in connection with replacement of the HVAC unit (or major component), amortized on a straight line basis over ten (**10**) years. Such sum shall be payable for the remainder of the

Term of the Lease (including extensions or renewals) until the first to occur of (i) the termination date of the Lease, or (ii) the last day of the one hundred ninetieth **(119th)** month immediately following the first payment of the HVAC Rent Adjustment. As an example of the foregoing, assume that the total replacement costs for one (1) HVAC unit equals $7,500.00. $7,500.00 shall be amortized on a straight line basis over ten (10) years. Therefore, the HVAC Rent Adjustment shall equal $62.50 per month and if the Lease terminates earlier than the end of such one hundred ninetieth (119th) month, Tenant shall not be liable to Landlord for any remaining amounts (and the HVAC Rent Adjustment due for any partial month at the end of the Term shall be prorated).

Section 7.2 Landlord's Obligation

Landlord shall, at its own cost and expense, keep in good order, condition and repair, and make all necessary replacements to (i) the exterior and structure of the Demised Premises and all foundations, exterior walls, downspouts, gutters, roof, canopies, utility services extending to the building service connections of the Demised Premises, (ii) all plumbing, sewage facilities, electrical equipment and sprinkler equipment and facilities located within or serving the Demised Premises and (iii) all other portions, improvements and elements of the Demised Premises which Tenant is not required to maintain pursuant to Section 7.1, but in no event shall Landlord be required by this Section 7.2 to make any repairs or replacements which are necessary as a result of Tenant's gross negligence or willful misconduct.

ARTICLE 8
USE

Section 8.1 Tenant's Opening Covenant

Subject to the following conditions (the "**Opening Conditions**"):

(i) Landlord's completion of all the Landlord's Work and all on-site and off-site improvements in a timely fashion in order to deliver to Tenant actual and exclusive possession of the Demised Premises as described in Article 2;

(ii) Landlord has commenced construction of the New Parking Deck (as that term is hereinafter defined);

(iii) Landlord's operation of the Shopping Centre as a first class enclosed shopping centre; and

(iv) Landlord not being in default of any of the terms and/or provisions of this Lease.

Tenant will build out the Demised Premises from the delivery condition as described in Exhibit F hereto and open the Demised Premises for business with the public not later than the Outside Date (subject to Force Majeure) for at least one (1) day staffed, stocked and fixtured as an off-price retail store for the use described in Article 8.2 below consistent with its other off-price retail stores in Canada operating under the trade name "*Saks Fifth Avenue Off Fifth*", "*Off 5th*", "*Saks 5th Avenue Off 5th*", "*Saks 5th*", "*Off 5th-Saks 5th Avenue Outlet*", "*Saks*", "*Saks Fifth Avenue*" or such other trade name being used from time to time to identify the majority of the off-price retail stores operated by Tenant in Canada that were previously operated as a Saks Fifth Avenue Off Fifth. Thereafter, Tenant shall have no obligation to operate the Demised Premises.

Tenant further covenants that, upon opening the Demised Premises for business with the public, the interior décor and fixturing of the Demised Premises will be generally consistent with the décor and fixturing of the off-price retail store operating under the trade name "*Saks Fifth Avenue Off Fifth*" located in Costa Mesa-South Coast Plaza, California.

Section 8.2 Tenant's Use Generally

Tenant shall have the right to use and occupy, if at all, the Demised Premises or any portion or portions thereof, for the operation of an off-price retail store selling better quality apparel, accessories, shoes, handbags, jewellery and other better quality merchandise as is typically sold from time to time in Tenant's similar off-price retail stores in Canada operating under the name *Saks Fifth Avenue Off Fifth*", "*Off 5th*", "*Saks 5th Avenue Off 5th*", "*Saks 5th*", "*Off 5th-Saks 5th Avenue Outlet*", "*Saks*", "*Saks Fifth Avenue*" (or such other trade name being used from time to time to identify the majority of the other similar off-price retail stores operated by Tenant in Canada) and in other similar off-price retail stores selling better quality merchandise currently operating in North America, such as, by way of example only and without limitation, those off-price retail stores operating under the names "*Nordstrom Rack*", "*Holt Renfrew's HR2*", and "*Nieman Marcus Last Call*"

Landlord hereby warrants and represents to Tenant that, as of the date signing hereof, Landlord has granted the restrictive covenants and/or exclusive rights of use set out in Exhibit C-1 hereto to or in favor certain other tenants of the Shopping Centre or in favor of other third parties as referenced in said Exhibit C-1 (the **"Restricted Uses")**. For greater certainty, Tenant hereby acknowledges and agrees that, if and for so long as each of the Restricted Uses granted by Landlord to the respective persons (including their respective successors and assigns) remains unamended and in full legal force and effect, Tenant shall not use the Demised Premises or permit the Demised Premises to be used for the operation of any business or the sale of any merchandise or services that would cause Landlord to be in default of any such Restricted Uses.

No provision of this Lease imposes (i) any obligation on Tenant to operate a business in or make any sales from the Demised Premises (except to the limited extent as may be provided in Section 8.1) or (ii) any radius or other operating restrictions on Tenant. Notwithstanding the foregoing, for the period commencing as of the date of execution of this Lease, and expiring three (3) years after the date on which Tenant opens the Demised Premises to the public for business for the permitted use thereof (the **"Prohibition Period"**), Tenant agrees that Tenant either individually or in partnership or in conjunction with any of its controlled, related or affiliated corporations will not open any store or undertake any retail operation under the trade name "*Saks Fifth Avenue Off Fifth*", "*Off 5th*", "*Saks 5th Avenue Off 5th*", "*Saks 5th*", "*Off 5th-Saks 5th Avenue Outlet*", "*Saks*", "*Saks Fifth Avenue*" or such other trade name being used from time to time to identify the majority of the off-price retail stores operated by Tenant, either individually or in partnership or in conjunction with any of its controlled, related or affiliated corporations, in Canada that were previously operated as a Saks Fifth Avenue Off Fifth "Saks Off Fifth" at the development currently known as Les Galeries de la Capitale in the City of Quebec (hereinafter a **"Competing Use"**). For certainty, the foregoing restriction shall not apply to prohibit the operation of any full line Saks Fifth Avenue retail operation. In the event that a Competing Use is undertaken, whether during the Prohibition Period or after its expiry, the Rent payable by Tenant under this Lease for each Percentage Rent Lease Year for the remainder of the Term shall in each such year be not less than the amount of Rent payable by Tenant for the Percentage Rent Lease Year immediately preceding the Percentage Rent Lease Year in which the Competing Use was undertaken, provided furthermore that if the Competing Use occurs during the Prohibition Period, it is also acknowledged and agreed that such Rent adjustment is in addition to all other rights and remedies available to the Landlord under this Lease, at law and in equity for any breach of this provision. Except as to the Competing Use, no operation, business, sale or other activity of Tenant outside of the Shopping Centre shall entitle Landlord to any rent or other compensation. Subject to the provisions in this Lease (including but not limited to the provisions governing Tenant's use of the Demised Premises in the preceding paragraph), the hours of business, the number and types of departments to be operated, the particular contents, wares and merchandise to be offered for sale in, and the services to be rendered, the methods and extent of merchandising and storage thereof and the manner of operating the Demised Premises, if at all, in every respect whatsoever shall be within the sole and absolute discretion of Tenant, but must be consistent with Tenant's general practice in

its other similar off-price retail stores in Canada. Subject to the provisions of Article 10 of this Lease, Tenant may operate, or cause to be operated, the department or departments within the Demised Premises, in whole or in part, by licensees, sub-tenants and/or concessionaires, provided that the Demised Premises continue to be carried on, and retain the appearance to the public of being carried on, as an integrated, and not a multiple tenant, off-price retail store. Tenant will carry on its business on the Demised Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Demised Premises that will result in or bring about a breach of any provision of this Lease. Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Demised Premises as an off-price retail store or other permitted use hereunder in a first class manner in keeping with the said standards of the shopping centre industry.

Notwithstanding the provisions of the opening paragraph of this Section 8.2, Tenant shall not, at any time during the Term, conduct or carry on in the Demised Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any call centre operation (iii) a store conducted principally for the sale of war surplus articles, insurance salvage stock, or fire sale stock; (iv) the sale of merchandise damaged by fire except in the event of a fire taking place on the Demised Premises and then only for the sale of merchandise damaged by such fire; (v) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (vi) an auction sale; and (vii) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

Section 8.3 Landlord's Right of Recapture

If at any time during the Term less than the whole or substantially the whole of the Demised Premises is occupied and open to the public for business for a period exceeding two (2) months for any reason other than Force Majeure (as that term is hereinafter defined), damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, Landlord shall thereafter have the right to terminate this Lease while such cessation of operation continues by giving Tenant no less than thirty (30) days prior written notice thereof, provided that Tenant may nullify such notice of termination and this Lease shall not be terminated if Tenant re-opens the whole or substantially the whole of the Demised Premises to the public for business prior to the termination date specified in Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Demised Premises open for business for at least twelve (12) consecutive months (failing which Landlord's termination of the Lease shall be effective immediately upon Tenant ceasing to operate during the aforementioned 12-month period). In the event that Tenant nullifies Landlord's notice of termination as aforesaid, the provisions of this Section 8.3 shall continue to apply throughout the balance of the Term.

ARTICLE 9
ALTERATIONS; SIGNS

Section 9.1 Alterations

Tenant shall have the right at any time and from time to time, at its own cost and expense, to make such repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the non-structural components and/or interior of the Demised Premises as Tenant, acting in its sole discretion, may deem necessary or desirable, without requiring the prior consent of Landlord thereto.

Tenant shall have the further right at any time and from time to time, at its own cost and expense, to make repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the structural components and/or exterior façade of the Demised Premises, provided that:

(a) Any such repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the structural components and/or exterior of the Demised Premises (hereinafter collectively referred to as "**Tenant's Structural or Exterior Work**") shall be subject to Landlord's prior approval (which approval shall not be unreasonably withheld, conditioned or delayed).

(b) Any Tenant's Structural or Exterior Work so approved by Landlord shall be carried out by Landlord in a diligent, good and workmanlike manner in accordance with such plans, specifications or designs therefor as have been prepared by Tenant and approved by Landlord, in accordance with all governmental laws, rules, regulations and code requirements applicable thereto, and in accordance with a work schedule that has approved in advance by Tenant (which approval shall not be unreasonably withheld, conditioned or delayed).

(c) Landlord shall provide Tenant with estimates of the total cost to perform any Tenant's Structural or Exterior Work hereunder from at least two (**2**) independent contractors (collectively, the "**Submitting Contractors**") for Tenant's review and approval, and Tenant, acting in its sole discretion, shall determine which of the said Submitting Contractors shall be engaged by Landlord to carry out the Tenant's Structural or Exterior Work by providing written notice thereof to Landlord within fifteen (**15**) days following its receipt of the said cost estimates. Should Tenant elect not to proceed with any Tenant's Structural or Exterior Work following its review of the said cost estimates therefor, it shall promptly provide written notice of its decision to Landlord.

(d) Following Landlord's completion of any Tenant's Structural or Exterior Work as aforesaid, Tenant shall reimburse Landlord for the costs incurred by Landlord in carrying out such Tenant's Structural or Exterior Work within thirty (**30**) days following Tenant's receipt of Landlord's invoice therefor, which invoice shall be accompanied by receipted proof of payment and/or such other evidence in support thereof as Tenant may reasonably request.

Tenant shall save Landlord harmless from and indemnify Landlord against all legal hypothecs, claims and damages which may be asserted against Landlord or the Demised Premises or both by reason of any work which Tenant elects to do as authorized in this Article 9. Tenant agrees that any work performed by it pursuant to this Section shall be performed in a good and workmanlike manner and in accordance with all governmental laws, rules, regulations and code requirements applicable thereto. Landlord shall cooperate with Tenant in obtaining all permits, licenses and approvals for such work and shall join Tenant in the execution of any application for any such permit, license or approval.

Until the expiration or sooner termination of this Lease, title to any improvement constructed or installed by Tenant in or upon the Demised Premises or any other capital improvement made to the Demised Premises by Tenant or any fixture provided by Tenant shall remain solely in Tenant, and Tenant alone shall be entitled to deduct all depreciation and take all investment tax credits and other tax benefits on Tenant's income tax return for any such items.

Section 9.2 **Tenant's Signs**

(a) Tenant shall have the unrestricted right to install and maintain within the Demised Premises at any time and from time to time whatever interior signage it desires or requires in order to meet the needs of the business conducted therein and therefrom.

(b) Tenant shall have the right to install, replace or remove its standard building and/or identification signage at the following locations:

(i) Tenant's standard building sign on the exterior wall of the Demised Premises facing the parking area of the Shopping Centre to the north-east of the Demised Premises, the location, dimensions and general design of which are more particularly shown on the drawing that is included in the signage drawings attached hereto as Exhibit H;

(ii) Tenant's standard building/identification sign at each entrance to the Demised Premises from the interior malls of the Shopping Centre, the location, dimensions and general design of which are more particularly shown on the drawing(s) that is included in the signage drawings attached hereto as Exhibit H;

(iii) Subject to any pre-existing and conflicting rights, Tenant's standard building sign on the exterior wall of the New Parking Deck facing boulevard Hochelaga, the location, dimensions and general design of which are more particularly shown on the drawing that is included in the signage drawings attached hereto as Exhibit H; and

(iv) Tenant's standard building sign at the location on the exterior wall of the Shopping Centre facing boulevard Laurier that is (or was until recently) used to display Holt Renfrew's identification signage for the Demised Premises, the location, dimensions and general design of which are more particularly shown on the signage drawing(s) that is included in the signage drawings attached hereto as Exhibit H;

(which signage is collectively referred to herein as the "**Tenant's Exterior Signage**"), provided further that Tenant shall obtain any mandatory governmental approvals for the Tenant's Exterior Signage and all of the said Tenant's Exterior Signage shall comply with the reasonable requirements of such sign policy (if any) governing the standard design criteria of all exterior signs erected at the Shopping Centre that is implemented and enforced by Landlord against all tenants of the Shopping Centre, which sign policy shall represent good shopping centre practice for a first-class shopping centre and shall maintain the dignity and appearance of the whole of the Shopping Centre. Landlord hereby further grants to Tenant an easement for the purpose of installing (at Tenant's election), maintaining, operating, repairing, replacing and removing all of the aforesaid Tenant's Exterior Signage, the lighting for which shall be controlled by Tenant directly from an electrical panel board operated by Tenant within the Demised Premises. Landlord shall cooperate with Tenant in obtaining all permits, licenses and approvals for all of the Tenant's Exterior Signage and shall join Tenant in the execution of any application for any such permits, licenses or approvals.

(c) The parties hereto hereby acknowledge and agree that the number, design, dimensions and locations of the Tenant's Exterior Signage that shall be installed on the day that Tenant first opens the Demised Premises to the public for business (or such later date as to the signage on the New Parking Deck) are more particularly shown on the drawings attached hereto as Exhibit H.

(d) The parties hereto hereby acknowledge and agree that Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with the Tenant's Exterior Signage or any other signage installed at any time or from time to time in or upon the Demised Premises.

Section 9.3 Pylon Signs and Directional Signage

(a) Tenant shall have the right to have a sign panel on any existing or future pylon signs ("**Pylons**") installed and/or located on the Shopping Centre (or installed and/or located on other property for the purpose of advertising the Shopping Centre) that identify any one or more of the occupants of the Shopping Centre, subject to any pre-existing and conflicting rights to sole representation on any such Pylons as Landlord may have granted to other occupants of the Shopping Centre prior to **October 15, 2015**. Tenant's sign panel(s) on any such Pylons shall be supplied, installed, operated and maintained by Landlord, at Landlord's sole cost and expense and the design of the sign panels identifying Tenant on any such Pylons shall be subject to Tenant's prior approval. Subject to the said sign panels of Tenant complying with all governmental laws, rules, regulations and code requirements applicable thereto, and further subject to any pre-existing and conflicting rights to representation on any such Pylons as Landlord may have granted to other occupants of the Shopping Centre prior to **October 15, 2015**, Tenant's sign panels shall be placed in a prominent location on each such Pylon and shall be at least the size of the largest sign panel thereon. Tenant shall also have the right, at Landlord's sole cost and expense, to have its business name or other signage identifying the business operated in and from the Demised Premises ("**Tenant's Identification Signage**") included on any existing or future directional, way-finding and/or monument sign and/or other Shopping Centre identification signs that identify retail occupants of the Shopping Centre (wherever located in both the interior and exterior Common Area of the Shopping Centre), as shown on the conceptual images of the existing directional, way-finding and monument signs and other Shopping Centre identification signs attached hereto as Exhibit I. The said Tenant's Identification Signage shall be supplied, installed, operated and maintained by Landlord at Landlord's sole cost and expense, and, subject to the Tenant's Identification Signage complying with all governmental laws, rules, regulations and code requirements applicable thereto, and further subject to any pre-existing and conflicting rights to representation on any such directional, way-finding and/or monument sign and/or other Shopping Centre identification signs as Landlord may have granted to other occupants of the Shopping Centre prior to **October 15, 2015**, Tenant's Identification Signage shall be placed in a prominent location and shall be at least the size of the largest identification signage situated thereon. Landlord shall, at its sole cost and expense, maintain, operate, repair, replace and reconstruct the said Pylons, directional, way-finding, monument and other identification signs.

(b) The parties hereto hereby acknowledge and agree that Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with any signage identifying Tenant that is installed at any time or from time to time upon any of the aforesaid Pylons, directional, way-finding, monument and/or other identification signs.

ARTICLE 10
ASSIGNMENT

Section 10.1 Right to Assign or Sublease and Leasehold Mortgage

Save and except as otherwise herein expressly provided, Tenant will not assign this Lease or sublet the whole or any portion of the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably conditioned or withheld or unduly delayed.

Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease or sublet the whole or any part of the Demised Premises to, and may in any event permit the Demised Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by the *Canada Business Corporations Act)*;

(b) assign this Lease to any corporation with which Tenant merges or consolidates; and

(c) assign this Lease to any corporation to which Tenant transfers no less than ten **(10)** of its other similar off-price retail stores in Canada, has a net worth equal to or greater than One Hundred Million Dollars **($100,000,000.00)** and is a first class reputable retail operator of a business selling better quality merchandise;

(which corporate entities are herein referred to as "**Permitted Transferees**"),

Notwithstanding anything that may be contained in this Lease to the contrary, Tenant shall also have the right, acting in its sole and absolute discretion and without the consent of Landlord, to grant licenses or subleases of departments or concessions for the sale of merchandise and services in or from the portions of the Demised Premises covered by such departments or licenses consistent with Tenant's general practice in its other similar off-price retail stores in Canada, provided that:

(a) the Demised Premises continue to be carried on, and retain the appearance to the public of being carried on as an integrated, and not a multiple tenant, off-price retail store; and

(b) not more than twenty percent **(20%)** of the rentable area of the Demised Premises in aggregate is so sublet or has rights granted as aforesaid.

The parties hereto further acknowledge and agree as follows:

1. No assignment of this Lease or subletting of all or any portion of the Demised Premises shall be deemed to relieve Tenant from its obligations pursuant to this Lease.

2. Any Permitted Transferee and any other assignee of the Lease and/or subtenant, licensee or concessionaire occupying the Demised Premises shall use the Demised Premises only for carrying on such business as is permitted to be carried on in accordance with the provisions of this Lease (including but not limited to the provisions contained in Article 8 of this Lease).

3. Any party to whom Tenant assigns the Lease or subleases the Demised Premises in whole or in part or grants licenses, concessions, or rights to occupy the Demised Premises in whole or in part shall be a bona fide retail operator.

4. For any sublease, license or concession of the whole or substantially the whole of the Demised Premises to any Permitted Transferee by Tenant, where the gross amount of the rent, fees or monies received by Tenant from the Permitted Transferee pursuant to the governing sublease, license or concession agreement exceeds the gross amount of the Rent received by Landlord from Tenant under the Lease throughout the term of such sublease, license or concession agreement, Tenant shall then pay to Landlord as additional rent hereunder the said amount by which the gross amount of the rent, fees or monies received by Tenant from the Permitted Transferee under the sublease, license or concession agreement exceeds the gross amount of the Rent received by Landlord from Tenant under the Lease throughout the term of such sublease, license or concession. The aforesaid additional rent, fees or monies so payable by Tenant hereunder (the "**Excess Rent**") shall be paid to Landlord on a monthly basis at the same time that Tenant's monthly payment of Rent is delivered to Landlord. Along with the monthly payment of Rent, Tenant shall provide Landlord with a statement, certified by an officer of Tenant and prepared in accordance with generally accepted accounting principles, consistently applied, showing the gross amount of the rent, fees or monies received by Tenant from the Permitted Transferee during the reporting period in question and confirming the calculation of the amount of the Excess Rent

payable to Landlord in respect of such reporting period.

As used in this Lease, **"Mortgage"** means any mortgage, deed of trust or other instrument securing a loan and **"Mortgagee"** means a mortgagee under a mortgage or a trustee or beneficiary or both under a deed of trust or a lender under any other instrument securing a loan. Tenant shall have the right, without Landlord's consent, to encumber the whole or any part of its leasehold estate in the Demised Premises by Mortgage, but the rights of any Mortgagee shall be subject and subordinate at all times to the provisions of this Lease and the right of Landlord to exercise all or any of Landlord's rights and remedies provided in this Lease or by law (except as limited by the specific provisions of this Lease), and shall in no way alter, affect or diminish the reversionary interest of Landlord. Notwithstanding the foregoing, if Tenant executes a Mortgage of its leasehold interest hereunder to secure any obligation, the Mortgagee from time to time may designate, by written instrument delivered to Landlord, a place where notices may be sent to such Mortgagee. In the event the Mortgagee furnishes Landlord with the information set forth in the preceding sentence, Landlord agrees that if, after receipt of such notice and while such Mortgage is in effect, Landlord gives any notice to Tenant, Landlord shall mail a copy of such notice to such Mortgagee to the place last designated in the written instrument delivered to Landlord as aforesaid, and such Mortgagee shall have and is hereby expressly given the right to do or perform any covenant or obligation of Tenant and shall have the right to cure any breach. In such event, Landlord will take no action against Tenant by reason of such breach by Tenant if the Mortgagee shall, within thirty (**30**) days after service on the Mortgagee of written notice from Landlord of Landlord's intention to take such action, either cure such breach if the same can be cured by the payment of money, or, if such is not the case, undertake in writing to perform all covenants of this Lease capable of performance by such Mortgagee. In the event of such undertaking to cure, such breach shall be deemed cured if such Mortgagee shall proceed in a timely and diligent manner to succeed to the interest of Tenant hereunder by foreclosure, whether by judicial sale, by power of sale contained in any security instrument, or by deed given in lieu of foreclosure. The obligation of any such Mortgagee for the performance of the terms of this Lease shall terminate upon the date of transfer or assignment of the right, title and interest of such Mortgagee in the leasehold estate to any other person or entity.

ARTICLE 11
INSURANCE AND INDEMNIFICATION

Section 11.1 Landlord Insurance

Throughout the Term of this Lease Landlord, at no cost to Tenant, will carry the following insurance:

(1) a policy of "all risk" insurance on the Demised Premises (save and excepting those leasehold improvements located within and forming part of the Demised Premises that Tenant covenants to insure under subparagraph (3) of Section 11.2 hereof) and on all other buildings, structures and improvements of any kind and description in and forming part of the Shopping Centre, in each case for no less than the full replacement cost thereof and with such reasonable deductibles as are normally effected by owners in insuring similar first-class shopping centres.

(2) commercial general liability insurance (including coverage for legal liability) on a per occurrence basis covering Claims (as that term is hereinafter defined), other than standard exclusions, for bodily injury or personal injury to or death of persons and property damage arising out of Landlord's use, operation and/or maintenance of the Shopping Centre, which insurance shall have per occurrence limits of not less than Three Million Dollars (**$3,000,000.00**) and an annual aggregate limit of no less than Ten Million Dollars (**$10,000,000.00**) .

(3) Any other insurance Landlord will deem appropriate and that a prudent owner of similar property would carry.

All of the foregoing insurance that Landlord covenants to carry throughout the Term of this Lease shall be carried with financially responsible insurance companies rated at least A- -X in the then most current edition of Bests' Rating Guide and shall be federally licensed to carry on the business of insurance in all provinces of Canada.

The "all risk" insurance coverage that Landlord covenants to provide under subparagraph (1) of this Section 11.1 shall:

(i) insure against loss or damage from causes that are from time to time included as covered risks under standard insurance industry practices within the classification of difference in conditions coverage and all risk coverage, and specifically against the following perils: fire, windstorm, hail, cyclone, hurricane, tornado, riots, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage and sprinkler leakage, flood, earthquake and, if coverage is available, nuclear or other explosion with no co-insurance penalties; and

(ii) shall provide no co-insurance penalties.

In addition to the foregoing, Landlord hereby covenants and warrants that all proceeds collected under the "all risk" insurance coverage that Landlord covenants to provide under subparagraph (1) of this Section 11.1 shall be payable to Landlord, Tenant and the Landlord's Mortgagee, if any, as their respective interests may appear, and that all such proceeds payable in the event of loss, damage or destruction to the insured property that are received by Landlord or Landlord's Mortgagee (as the case may be) shall be made available for the reconstruction or repair of any building or buildings and other improvements damaged or destroyed, provided further that, if any of such proceeds are to be payable to any such Mortgagee, Landlord covenants with Tenant to require such Mortgagee to agree in writing (or to be bound by the terms of its Mortgage) to make all such proceeds available for such reconstruction or repair regardless of the existence of any default under the Mortgage granted to such Mortgagee..

The commercial general liability insurance coverage that Landlord covenants to provide under subparagraph (2) of this Section 11.1 shall name Tenant as an additional insured.

Landlord shall provide Tenant with no less than thirty (30) days' prior written notice of any cancellation or non-renewal of the insurance policies Landlord is required to carry under Section 11.1 hereof.

Landlord shall, on reasonable request, promptly furnish Tenant with a certificate of insurance evidencing Landlord's compliance with the foregoing insurance coverage requirements of this Section.

Section 11.2 Tenant Insurance

Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the following insurance:

(1) a policy of "all risk" insurance on the leasehold improvements located within and forming part of the Demised Premises from time to time and Tenant's tenant fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents situated in and upon the Demised Premises, which policy shall insure against loss or damage from causes that are from time to time included as covered risks under standard insurance industry practices within the classification of difference in conditions coverage and all risks coverage, and specifically against the following perils: fire,

windstorm, hail, cyclone, hurricane, tornado, riots, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage and sprinkler leakage, flood, earthquake and, if coverage is available, nuclear or other explosion, to 100% of the full replacement cost thereof, provided that, notwithstanding the foregoing, Tenant shall be entitled in the alternative to self-insure against loss or damage to the said leasehold improvements, trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Demised Premises, and provided further that, if Tenant does maintain the aforementioned policy of "all risks" insurance against loss or damage to the aforesaid leasehold improvements, trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Demised Premises, the loss payable shall be paid only to Tenant without any trust provisions;

(2) business interruption insurance in such amount as will reimburse Tenant for direct or indirect loss of gross earnings attributable to damage to the whole or any portion of the Demised Premises or attributable to prevention of access to the Demised Premises or the Shopping Centre for a period of no less than twelve (**12**) months;

(3) commercial general liability insurance (including coverage for legal liability) on a per occurrence basis covering Claims (as that term is hereinafter defined), other than standard exclusions, for bodily injury or personal injury to or death of persons and property damage arising out of Tenant's use, operation and/or maintenance of the Demised Premises, which insurance shall have per occurrence limits of not less than Three Million Dollars (**$3,000,000.00**) and an annual aggregate limit of no less than Ten Million Dollars (**$10,000,000.00**) .

All of the foregoing insurance that Tenant covenants to carry throughout the Term of this Lease shall be carried with financially responsible insurance companies rated at least A- -X in the then most current edition of Bests' Rating Guide and shall be federally licensed to carry on the business of insurance in all provinces of Canada.

The commercial general liability insurance coverage that Tenant covenants to provide under subparagraph (3) of this Section 11.2 shall name Landlord as an additional insured.

Tenant shall provide Landlord with no less than thirty (**30**) days' prior written notice of any cancellation or non-renewal of the insurance policies Tenant is required to carry under Section 11.2 hereof.

Tenant shall, on reasonable request, promptly furnish Landlord with a certificate of insurance evidencing Tenant's compliance with the foregoing insurance coverage requirements of this Section.

Section 11.3 Indemnification

Except to the extent that Tenant has been specifically released pursuant to the provisions of Section 11.5 hereof, Tenant shall indemnify, protect, defend and hold harmless Landlord against all claims, costs, expenses (including, without limitation, reasonable attorneys' fees) losses, damages, injuries and liabilities (in this Article 11 collectively called "**Claims**") arising from the death of or any accident, occurrence, injury, loss or damage whatsoever caused to any third party natural person or to the property of any third party person or entity arising out of Tenant's operation and/or of Tenant's use and/or maintenance of the Demised Premises from and after the date Tenant accepts actual and exclusive possession of the Demised Premises (except to the extent such Claims arise from any gross negligence or willful misconduct of Landlord or its employees, servants or agents).

Except to the extent that Landlord has been specifically released pursuant to the provisions of subclause 11.5 hereof, then, notwithstanding anything in this Lease to the contrary, including, without limitation, the immediately preceding paragraph, Landlord shall indemnify, protect, defend and hold

Tenant harmless from all Claims arising from the death of or any accident, occurrence, injury, loss or damage whatsoever caused to any person or to the property of any person or entity arising out of Landlord's use, operation and/or maintenance of the Shopping Centre or the carrying out (or failure to carry out) its obligations under this Lease, including, without limitation, any such Claims arising out of Landlord's performance of Landlord's Work hereunder (except to the extent such Claims arise from any gross negligence or willful misconduct of Tenant or its employees, servants or agents).

The indemnitee hereunder shall give the indemnitor timely notice of any suit or proceeding arising from any of the items for which it is entitled to indemnification as hereinabove provided and the indemnitor shall have the right to defend the indemnitee in said suit or proceeding with counsel acceptable to the indemnitee. Failure to give such notice shall not, however, in any manner negate or invalidate the obligation to provide such indemnification except to the extent the indemnitor is prejudiced by such failure.

Section 11.4 Self-Insurance; Blanket Policies

Tenant may satisfy its obligations under subparagraphs (1) and (2) of Sections 11.2, in whole or in part, by means of self-insurance or by a so-called blanket policy.

Section 11.5 Waiver of Rights of Recovery

Landlord agrees that Landlord's policy or policies of insurance shall contain a waiver of subrogation clause as to Tenant, and, anything in this Lease to the contrary notwithstanding, Landlord hereby waives all rights of recovery and causes of action, and releases Tenant from any and all liability for all losses and damages occasioned to the Demised Premises and/or any other property within or upon or constituting a part of the Shopping Centre, which losses and damages are of the type covered under the policies required to be carried by Landlord under Section 11.1, whether such claim or demand may arise because of the negligence or fault of Tenant and its agents, contractors, servants, employees, licensees, customers, business invitees or otherwise; provided, however, to the extent any such losses or damages are caused by the negligence or willful misconduct of Tenant or its agents, contractors, servants, employees, licensees, customers, business invitees and all or any portion of such loss is "deductible" or part of a "self-insured retention", then Tenant shall pay to Landlord the amount of such loss (not to exceed $25,000 per event, and hereinafter referred to in this paragraph as the "deductible loss"). Except with respect to any deductible loss, as aforesaid, Landlord agrees to look to Landlord's insurance coverage only in the event of such loss.

Tenant agrees that Tenant's policy or policies of insurance shall contain a waiver of subrogation clause as to Landlord, and, anything in this Lease to the contrary notwithstanding, Tenant waives all rights of recovery and causes of action, and releases Landlord from any and all liability for all losses and damages occasioned to the Demised Premises and/or any other property within or upon or constituting a part of the Shopping Centre, which losses and damages are of the type covered under the policies required to be carried by Tenant under Section 11.2, whether such claim or demand may arise because of the negligence or fault of Landlord and its agents, contractors, servants, employees, licensees or otherwise; provided, however, to the extent any such loss or damage to or destruction of such property of Tenant are caused by the negligence or willful misconduct of Landlord or its agents, contractors, servants, employees, licensees and all or any portion of such loss is "deductible" or part of a "self-insured retention", then Landlord shall pay to Tenant the amount of such loss (not to exceed $25,000 per event, and hereinafter referred to in this paragraph as the "deductible loss"). Except with respect to any deductible loss, as aforesaid, Tenant agrees to look to Tenant's insurance coverage only in the event of such loss.

ARTICLE 12
COMMON AREA MAINTENANCE AND CHARGES

Section 12.1 Common Area Maintenance

At all times during the Term of this Lease, Landlord shall, at Landlord's sole cost and expense, operate, manage, clean, heat, air-condition, light, maintain, repair, provide snow and ice removal, replace and provide security (collectively "**Common Area Maintenance**") for the Common Area and all improvements thereon and thereto (including, without limitation, all interior and exterior pedestrian malls, sidewalks, curbs and disks, parking areas, parking decks, access roads and ramps, landscaping, lighting standards, traffic and directional signs, traffic striping and markings, Shopping Centre monument, way-finding and directional signs, storm drainage facilities, sanitary sewer systems, natural gas systems, water systems, sprinkler and other fire protection installations, methane recovery/remediation systems, electrical lines and power cables and all other similar amenities and like improvements constructed or installed for the non-exclusive use, convenience or benefit of tenants in the Shopping Centre or their customers, visitors and invitees) in good order, condition and repair, in a first-class, clean manner and condition and in accordance with this Lease.

Section 12.2 General Common Area Operation and Maintenance Standards

Without limiting the generality of anything set forth in this Article 12, Landlord, in the performance of Common Area Maintenance, shall perform, without limitation, the following services in accordance with the standards of a first-class shopping centre:

(1) Inspect, maintain, repair and replace the surface of the parking areas, curbs, and sidewalks, keeping them level and smooth and keeping the parking area surfaced with durable black-top or cement and concrete (or such other materials as may be commonly used in lieu thereof from time to time by other shopping centres operating in accordance with the standards of a first-class shopping centre) and the curbs and sidewalks repaired or replaced with cement and concrete (or such other materials as may be commonly used in lieu thereof from time to time by other shopping centres operating in accordance with the standards of a first-class shopping centre);

(2) Maintain the Common Area free of any obstructions; promptly remove all papers, debris, filth, refuse, and surface waters, snow and ice from the Shopping Centre; wash and thoroughly sweep paved areas as required, at intervals before the Demised Premises are open for business;

(3) Maintain in an attractive condition, in keeping with the operating standards of a first-class shopping centre, all parking area entrance, exit and directional signs, markers, and all amenities, decorative elements and benches of the Common Area and promptly replace or repair the same upon the occurrence of any defects or irregularities thereto;

(4) Clean parking area lighting fixtures, replace lighting fixtures when no longer functioning and relamp as needed;

(5) Repaint hard-surfaced markings and striping as the same become unsightly or indistinct;

(6) Maintain, repair and replace landscaping, including the removal of dead plants, weeds and foreign matter, pruning, fertilizing and such replanting and replacement as the occasion may require;

(7) Clean, relamp and repair signs of the Shopping Centre (as contrasted from those of tenants);

(8) Empty all trash and rubbish containers located in the Common Area, wash the same at intervals sufficient to maintain the same in a clean and sanitary condition, and otherwise keep and maintain the same in good working order and condition;

(9) Clean, maintain and repair and replace all storm drainage and sanitary sewer lines, as required to keep the systems in a free-flowing condition at all times, and all other utility facilities serving the Shopping Centre, to the extent the same is not done by public utilities;

(10) Provide traffic control and security and security patrol;

(11) Furnish necessary pest abatement controls;

(12) Repair or replace, in accordance with all applicable laws, regulations, or ordinances, all surface utility facilities servicing the Shopping Centre (including, without limitation, hose bibbs, stand pipes, sprinklers, and domestic water lines) upon the occurrence of any defect or malfunctioning; and

(13) Sweep and wash at regular intervals all stairs, if any, sufficient to maintain the same in a clean condition and promptly repair the same upon the occurrence of any irregularities or worn portions thereof.

Section 12.3 **[Intentionally Deleted]**

Section 12.4 **Tenant's Contribution Toward Common Area Maintenance Cost**

A. **Tenant's Share.** Tenant shall have no obligation to contribute to the cost of the Common Area Maintenance as such costs are intentionally included in the Rent provided for herein.

B. **Common Area Lighting.** Without limiting the generality of anything set forth in this Article 12, during any period when the Demised Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, Landlord shall keep all Common Area on the Shopping Centre lighted and opened to the public. Landlord agrees that it shall keep all Common Area on the Shopping Centre lighted for security purposes seven (7) days each week during the hours of darkness such lighting is necessary for such purpose. Landlord shall pay for all costs of electricity for lighting the Common Area (i) during any period when the Demised Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, but not later than 11:00 p.m., EST, (ii) during any other period, in addition to the period described in the immediately preceding clause (i), when both the Demised Premises and at least fifty percent (50%) of the remainder of the floor area in the Shopping Centre are open for business and (iii) during the times and to the extent such lighting is required under the second sentence of this Subsection B. of Section 12.4.

The cost of electricity for lighting the Common Area at times or to the extent such cost is not considered part of Landlord's costs in accordance with the preceding paragraph shall be paid as follows:

(i) If the Demised Premises are open for business, then Tenant shall pay its proportionate share (based on the square footage of the Demised Premises compared to the square

footage of the premises of all occupants that are open for business) of the cost of electricity to light the Common Area,

(ii) If the Demised Premises are not open for business, Landlord shall pay the cost of electricity to light the Common Area.

ARTICLE 13
COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 13.1 General Landlord Covenants

Landlord covenants and agrees that it shall operate or cause to be operated the Shopping Centre in the following manner:

(1) To continuously manage and operate the Shopping Centre as a complex of retail stores and commercial and service enterprises;

(2) To maintain a first class quality of management and operation;

(3) To use its best efforts to have all the rentable floor area of the Shopping Centre occupied in its entirety;

(4) To use its best efforts to have all rentable floor area of the Shopping Centre utilized to the maximum extent possible and to consider the objective of maintaining a balanced and diversified grouping of retail stores, merchandise and services;

(5) In accordance with the Rules and Regulations attached hereto as Exhibit D (provided, and the parties hereto expressly acknowledge and agree, that the said Rules and Regulations shall apply to Tenant's use and occupancy of the Demised Premises only to the extent that they are consistent and do not conflict with the provisions of this Lease, and, in the event of any conflict or inconsistency between the provisions of this Lease and the provisions of any of the Rules and Regulations governing the operation and occupation of the Shopping Centre at any time, the provisions of this Lease shall prevail in all respects);

(6) To maintain and not change, modify or alter the exterior or design of the other improvements in the Shopping Centre that would in any way:

(i) obstruct the visibility of the Demised Premises or the visibility of the remainder of the Shopping Centre from the Demised Premises; or

(ii) interfere with pedestrian and/or vehicular access to and from the Demised Premises; or

(iii) materially reduce pedestrian traffic flow to or near the Demised Premises.

Landlord further covenants and agrees that it shall at no time during the Term transfer ownership of any portion of the lands in and upon which the Shopping Centre is located (either as such lands exist as of the date of signing hereof or as may be expanded from time to time hereafter) to any third party unless the party acquiring ownership of such portion of the Shopping Centre lands (the "**Sale Parcel**") enters into an appropriate agreement with Landlord whereby, inter alia, (a) the buildings and improvements located in and upon the Sale Parcel and the balance of the Shopping Centre lands owned by Landlord will appear to the public to be operated as an integrated first class shopping centre and (b) the lands and improvements of the Sale Parcel shall be subject to easements granted in favour of the balance of the Shopping Centre lands then owned by Landlord for pedestrian and vehicular access across the Sale Parcel lands and the use

of parking facilities located thereon for the benefit of the tenants and occupants of the balance of the Shopping Centre lands owned by Landlord. The parties acknowledge that the covenant of Landlord set forth in the immediately preceding sentence is specific to the present Lease.

Section 13.2 Representations and Warranties of Landlord

Landlord represents and warrants to Tenant as of the date hereof that:

A. Landlord has validly executed this Lease and the same constitutes its authority to enter into this Lease and to consummate the transactions contemplated hereby.

B. The making of this Lease and the provisions of this Lease:

(i) do not, and will not violate or breach any term or provision of any agreements, covenants or restrictions whether written or oral, between Landlord and any third party,

(ii) do not, and will not conflict with any applicable municipal, provincial or federal law, judgment, order, regulation, rule or ordinance,

(iii) do not, and will not conflict with any applicable public or private restrictions applicable to the Shopping Centre,

(iv) do not require any consent or approval of any public or private authority which has not been obtained , (other than, for certainty, permits and approvals for the undertaking of the Landlord's Work, the Tenant's Work and the installation of all signage);

(v) are not threatened with invalidity of unenforceability by any action, proceeding or investigation pending, or to Landlord's knowledge, threatened, or by or against (x) Landlord without regard to capacity, (y) any person with whom Landlord may be jointly or severally liable or (z) the Shopping Centre or any portion thereof.

C. Landlord has not received notice of any condemnation or expropriation proceedings or negotiations for the purchase of any of the Shopping Centre in lieu of condemnation and has no knowledge that any expropriation proceedings or negotiations have been commenced or threatened in connection with the Shopping Centre or any portion thereof.

D. No litigation or other actions or proceedings are pending or, to the knowledge of Landlord, threatened, relating to the Shopping Centre, or any part thereof, which may have a material adverse effect thereon or which challenge or threaten Landlord's capacity or ability to validly perform its obligations in this Lease.

E. There are no agreements to which Landlord is a party or of which Landlord has knowledge which materially affects the Shopping Centre other than this Lease and the Permitted Exceptions.

F. There is no fact known to Landlord pertaining to the physical condition of the Shopping Centre and no environmental factors known to Landlord affecting the Shopping Centre (i) which Landlord has not disclosed to Tenant in writing prior to the date of this Lease, and (ii) which, as determined by Tenant, acting reasonably, materially adversely affects or will materially adversely affect the Shopping Centre or the contemplated use or enjoyment or the value thereof.

G. To the best of Landlord's knowledge, this Lease does not (i) contain an untrue statement of a material fact or (ii) omit a material fact necessary to make the statements contained therein or herein not substantially misleading. There is no fact which Landlord, to the best of its knowledge, has not disclosed to Tenant in writing which materially adversely affects the Shopping Centre or Tenant's anticipated use thereof.

H. Landlord has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Landlord's creditors, (iii) suffered the appointment of a receiver to take all, or substantially all, of Landlord's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all of Landlord's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

I. [**Intentionally Deleted**].

J. The Shopping Centre is validly zoned and will be validly zoned on the date the Demised Premises are open or required to open so as to permit the operation thereon of an enclosed shopping centre and a retail store in the Demised Premises and that the Shopping Centre has been constructed and may be developed, used and operated as a shopping centre in the manner contemplated by this Lease without violation of any applicable laws, regulations, or ordinances; that no portion of the Shopping Centre is located in a flood plain nor contains designated wetlands; and that all on-site and off-site improvements can be and have been installed and used as contemplated.

K. The current zoning for the Shopping Centre and any existing record of site condition and/or certificate of property use for the Shopping Centre that has been accepted and filed with the provincial government that are currently in force with respect to the Shopping Centre (if any) provide for and permit the construction, occupation and use of the Demised Premises as described in this Lease.

L. The development, use and operation of the Shopping Centre in the manner contemplated by this Lease is not now prohibited by any existing municipal, provincial or federal environmental protection act or regulations and that all required studies, reports, permits (except construction permits for Tenant's work in the Demised Premises) and approvals relating thereto have been obtained by Landlord so as to permit the Demised Premises to open and operate.

M. Other than in respect of the Restricted Uses, Landlord is not currently party to and shall not enter into any lease or other occupancy agreement with any other tenant or occupant of the Shopping Centre whereby that party is given exclusive rights of use or any other privileges that would prevent Tenant from using the Demised Premises for the typical operation of a *Saks Fifth Avenue Off Fifth* store.

N. Landlord has good and marketable fee-simple title in and to the Demised Premises, free and clear of all claims of other parties, mortgages, liens, encumbrances, restrictions, violations, reservations and defect except for the Permitted Exceptions.

Landlord shall protect, indemnify, defend and hold Tenant harmless from and against any and all loss, cost, damage, expense and attorneys' fees and expenses incurred by Tenant by reason of any breach by Landlord of the representations and warranties set forth above.

Section 13.3 Representations and Warranties of Tenant

Tenant represents and warrants to Landlord that:

A. Tenant has the full power and authority to enter into this Lease and to consummate the transactions contemplated hereby.

B. The making of this Lease and the provisions of this Lease do not and will not violate any agreements, covenants or restrictions, whether written or oral, between Tenant and any third party.

C. As of the date of signing hereof, Tenant has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Tenant's creditors, (iii) suffered the appointment of a receiver to take all, or substantially all, of Tenant's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all of Tenant's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

Tenant shall protect, indemnify, defend and hold Landlord harmless from and against any loss, cost, damage, expense and attorney fees incurred by Landlord by reason of any breach by Tenant of the representations and warranties set forth above.

Section 13.4 Asbestos and Other Hazardous Materials

A. Notwithstanding any other provision of this Lease, Landlord represents and warrants that the Demised Premises will be, as of the date Tenant takes possession of the Demised Premises, free of all Hazardous Materials (as defined below) that are in excess of concentrations permitted under applicable Requirements (as hereinafter defined). Landlord shall provide to Tenant, on or before delivering the Demised Premises to Tenant as described in this Lease, evidence reasonably acceptable to Tenant that the Demised Premises do not contain asbestos or any other Hazardous Materials in excess of concentrations permitted under applicable Requirements and that the methane gas levels within the Demised Premises (if any) are within acceptable range. Notwithstanding any provision of this Lease to the contrary, Tenant shall have no obligation to make any repairs, alterations or improvements to the Demised Premises or incur any costs or expenses whatsoever as a result of Hazardous Materials in the Demised Premises, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant, any subtenant, concessionaire, or licensee of Tenant or any of their respective officers, employees, agents, customers, invitees or contractors (collectively, under this Section, "Tenant"). Landlord shall be solely responsible for any changes to the Demised Premises relating to Hazardous Materials, including the removal thereof if required by any Requirement (as defined below), or as required by any present or future laws, ordinances or regulations of any governmental authority, insurance carrier or any similar body, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant.

B. Landlord shall indemnify and hold Tenant harmless from and against all liabilities, costs, damages and expenses which Tenant may incur (including, without limitation, reasonable attorneys' fees and disbursements), other than consequential damages, as the result of the presence of Hazardous Materials at the Demised Premises or at the Shopping Centre, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant.

C. If, and to the extent, Tenant is unable to operate its business in and from the Demised Premises as a result of Landlord's removal or abatement of Hazardous Materials as provided herein (and except where the Hazardous Materials were introduced by Tenant), all Rent shall abate from the date of Tenant's closure until the date that Tenant is able to open and operate its business in and from the Demised Premises for a period in excess of sixty (60) days. In the event only a portion of the Demised Premises is rendered unusable, there shall be a proportional abatement based upon the rentable area thereof that is rendered unusable. Notwithstanding anything to the contrary, in the event that Tenant is unable to operate its business in and from the Demised Premises as a result of Hazardous Materials and/or

the removal or abatement thereof as provided herein (except where the Hazardous Materials were introduced by Tenant), then Tenant, in addition to all of the rights and remedies hereunder, shall have the right to terminate this Lease upon thirty (30) days advanced notice given to Landlord.

D. As used herein, the term "**Hazardous Materials**" shall mean each and every element, compound, material, mixture, substance, waste, hazardous substance, hazardous waste, hazardous material, toxic substance, pollutant or contaminant either as those terms are defined under any law or regulation enacted or promulgated by any government having jurisdiction or the presence of which may cause harm to any person(s) and/or liability at common law, including, without limitation, methane gas, polychlorinated biphenols, ureaformaldehyde, chlorofluorocarbons asbestos and/or asbestos-containing products, whether or not currently friable.

E. As used herein, the term "**Requirement**" shall mean all applicable laws, statutes, ordinances (including, but not limited to, building codes and zoning regulations and ordinances), orders, rules, regulations and requirements of all federal, provincial and municipal governments, and the appropriate agencies, officers, departments, boards and commissions thereof, whether now or hereafter in force.

ARTICLE 14
SHOPPING CENTRE LAYOUT AND APPEARANCE

Section 14.1 Location of Buildings and Other Improvements

A. Landlord shall construct, at its sole cost and expense, a brand new 4-level parking deck within that portion of the Shopping Centre lands shown outlined in **BLUE** on Exhibit B (the "**New Parking Deck**") and shall complete construction of the New Parking Deck and have the whole of the New Parking Deck open and available for the parking of motor vehicles by Tenant and all other tenants and other occupants of the Shopping Centre and their respective employees, licensees and customers by no later than **March 31, 2017** (subject to Force Majeure).

B. Landlord shall at no time during the Term erect, construct or expand, or permit the erection, construction or expansion of, any building or buildings or other structures or improvements, other than Common Area improvements within that portion of the Shopping Centre shown hatched in **BLACK** on Exhibit B (the "**No-Build Area**") without the prior written consent of Tenant, which consent may be granted, denied and/or withheld in Tenant's sole and absolute discretion.

C. Landlord shall not erect or construct, or permit the erection or construction of, any building within the area shown outlined in **BLACK** (and designated by the words "*Future Vertical Structure*") on Exhibit B hereto prior to **June 1, 2020** (the "**Short Term No-Build Area**"). In the event that Landlord erects or constructs, or permits the erection or construction of, any building within the said Short Term No-Build Area any time after **June 1, 2020**, Tenant shall have the one time right to terminate the Lease if Gross Sales made in the Demised Premises during any consecutive twelve month period occurring throughout the Measuring Period (as that term is hereinafter defined) are less than One Hundred Fifty Dollars (**$150.00**) per square foot of the rentable area of the Demised Premises. For the purposes of this Lease, the term "**Measuring Period**" shall mean the period commencing on the date construction of such building within the Short Term No-Build Area commences and ending on the last day of the twelfth calendar month following the month in which Tenant receives a statutory declaration from a senior officer of Landlord confirming that construction of the said building has been fully completed. Such right shall be exercisable by Tenant delivering written notice thereof to Landlord no later than sixty (**60**) days following the expiry of the Measuring Period, failing which, such right to terminate shall thereafter be null and void and of no further force and effect. If Tenant exercises the foregoing right of termination,

the Lease shall terminate on a date that shall occur not more than ninety (90) days after such termination right is exercised.

D. Landlord represents and warrants that the Common Area improvements shown on Exhibit B exist and are located as shown on Exhibit B and Tenant duly acknowledges its acceptance of the same. Landlord covenants and agrees that no changes or alterations shall be made in any portion of the Common Area of the Shopping Centre (or in the location and design of the improvements thereon and thereto) from that shown on Exhibit B that would materially affect Tenant's parking, ingress, egress, access or visibility to Tenant's Demised Premises.

Section 14.2 [Intentionally Deleted]

Section 14.3 [Intentionally Deleted]]

Section 14.4 [Intentionally Deleted]

Section 14.5 Limitation on Detrimental Characteristics

No use or operation shall be made, conducted or permitted in any part of the Shopping Centre which use or operation is clearly objectionable to the development or operation of the Shopping Centre. Included among the uses or operations which are prohibited because of their obvious detrimental effect upon the general appearance of the Shopping Centre and conflict with the reasonable standards of appearance, maintenance and housekeeping required by this Lease, are uses or operations which produce or are accompanied by the following characteristics, which list is not intended to be all inclusive:

(1) Any noise, litter, odor or other activity which may constitute a public or private nuisance;

(2) Any unusual firing, explosion or other damaging or dangerous hazards;

(3) Any assembly, manufacturer, distillation, refining, smelting, industrial, agriculture, drilling or mining operation;

(4) Any trailer court, mobile home park, lot for sale of new or used motor vehicles, labour camp, junk yard, stock yard or animal raising (other than pet shops and veterinarians);

(5) Any dumping, disposal, incineration or reduction of garbage or refuse other than handling or reducing such waste if produced on the Demised Premises from authorized uses and if handled in a reasonably clean and sanitary manner.

Section 14.6 Non-Interference with Circulation

(a) So as not to interfere with efficient automobile and pedestrian traffic flow between the Demised Premises and all other areas in the Shopping Centre, there shall be no selling activities conducted within those portions of the Common Area of the Shopping Centre that are contained within the No-Build Area and those portions of the Common Area of the Shopping Centre shown outlined in **YELLOW** on Exhibit B without the prior written consent of Tenant, which consent may be granted, denied and/or withheld in Tenant's sole and absolute discretion. For the sake of greater clarification, the parties hereto hereby acknowledge and agree that the foregoing restriction shall not apply to any marketing and promotional events that do not include any kind of selling activities and are conducted solely for the benefit of the Shopping Centre.

(b) Landlord agrees to maintain an adequate and sufficient area adjacent to and adjoining Tenant's service entrance(s) and loading docks for unobstructed standing, loading, unloading and otherwise servicing the Demised Premises.

Section 14.7 Fences; Obstructions

No fence, structure or other obstruction of any kind (except as may be specifically permitted herein or as may be indicated on Exhibit B or except for decorative features and customer conveniences) shall be placed, kept, permitted or maintained upon the Common Area in the Shopping Centre, except such of the foregoing as are reasonably necessary or proper for the construction, repair or rebuilding authorized hereunder. Without limiting the foregoing, Landlord covenants that Tenant at all times shall have unobstructed and adequate means of ingress and egress between each of the entrances to the Demised Premises and the adjacent public streets and highways. Landlord further agrees not to change or alter the access points to the Shopping Centre contained within the areas outlined in **ORANGE** on Exhibit B hereto without Tenant's prior written approval, which approval shall not be unreasonably withheld, delayed or conditioned.

Section 14.8 Sign Policy

Landlord covenants and agrees that if it at any time and/or from time to time establishes a sign policy governing the standard design criteria of all exterior signs erected at the Shopping Centre, such sign policy shall represent good shopping centre practice for a first-class shopping centre and shall maintain the dignity and appearance of the whole of the Shopping Centre and shall be implemented and enforced by Landlord against all tenants of the Shopping Centre.

Section 14.9 Maintenance of Buildings

Without limiting or adding to Landlord's obligations as to the Demised Premises, which obligations are set forth elsewhere in this Lease, Landlord agrees that it shall, throughout the Term of this Lease, maintain or cause to be maintained, at no expense to Tenant, the buildings in the Shopping Centre, other than the non-structural interior of the Demised Premises, in good order, condition and repair, ordinary wear and tear excepted.

ARTICLE 15
PARKING REQUIREMENTS

Section 15.1 Parking Area

Landlord covenants and agrees that it shall at all times maintain a parking ratio for the entire Shopping Centre that is the greater of that required under applicable law and **4.2** car spaces per **1,000** square feet of rentable area of the Shopping Centre thereon. Landlord further covenants that it shall not materially change or alter the layout, design and/or configuration of the parking areas located within the No-Build Area of the Shopping Centre from that shown on Exhibit B without obtaining Tenant's prior written consent thereto, which consent shall not be unreasonably withheld, delayed or conditioned.

Section 15.2 Charges for Parking; Employee Parking Areas

(a) Landlord shall not make or collect, nor permit to be made or collected, any charge of any type for the right to park vehicles in the parking areas of the Shopping Centre.

(b) Landlord hereby warrants and represents to Tenant that, as of the date of signing hereof, no portion of the parking facilities of the Shopping Centre has been designated for use by employees

of the tenants or occupants of the Shopping Centre. The parties hereto further acknowledge and agree that, if at any time during the Term Landlord intends to designate a portion of the parking facilities for use by employees of the tenants or occupants of the Shopping Centre, it shall designate a sufficient portion of the parking areas of the Shopping Centre for such purpose in one or more locations outside of the No-Build Area that are reasonably acceptable to Tenant, in which event Tenant shall use its reasonable and diligent efforts to require its employees to park their vehicles in the area(s) so established by Landlord for employee parking and Landlord shall use its reasonable and diligent efforts to require the employees of other tenant or occupants of the Shopping Centre to park their vehicles in such area(s).

Section 15.3 Use of Parking Areas

Landlord shall take whatever steps may be appropriate and reasonable to prevent persons other than Landlord, the tenants and other occupants of the Shopping Centre and their respective employees, agents, customers, licensees and invitees from using the parking areas of the Shopping Centre for the parking of motor vehicles (such as, by way of example only and without limitation, commuters in the area using the said parking areas while travelling on the public transit system).

ARTICLE 16
QUIET ENJOYMENT

Section 16.1 Quiet Enjoyment

Landlord covenants, warrants and represents that it has full right and power to execute and perform this Lease and to grant the estate demised herein, and covenants that Tenant, provided that Tenant is not in default hereunder, shall peaceably and quietly have, hold and enjoy the Demised Premises and all rights, easements, appurtenances and privileges belonging or in anywise appertaining thereto, during the full Term of this Lease including any extension thereof.

Landlord further covenants, warrants and represents that: (i) it owns a fee simple interest in and to the Demised Premises and the remainder of the Shopping Centre; (ii) that the Demised Premises and the remainder of the Shopping Centre are free of all liens, encumbrances, restrictions and violations except as specifically listed on Exhibit C; (iii) that there are no claims of other parties, encumbrances, Mortgages or other liens, restrictions, reservations or defects in Landlord's title which could interfere with or impair or result in any interference with or impairment of Tenant's use, occupancy and enjoyment of the Demised Premises or with Tenant's other rights hereunder, all in accordance with the terms of this Lease; and (iv) that it shall indemnify and hold harmless Tenant from and against any loss and expense, including, without limitation, attorney's fees and consequential damages, incurred on account of any breach of its warranties.

Landlord covenants and agrees that it shall promptly and duly perform all of its obligations under any Mortgages, leases, liens, agreements and other instruments, whether of record or not, which have, in whole or in part, priority over this Lease. Landlord further covenants and warrants such prior instruments shall not interfere with Tenant's full enjoyment of this Lease or the Demised Premises or the easements and appurtenances thereto, nor impose on Tenant any greater or other obligations than are set forth in this Lease. The provisions of this paragraph shall not in any way limit Landlord's warranties of title and quiet enjoyment nor enlarge the title exceptions listed in Exhibit C.

Section 16.2 Non-Disturbance Agreement by Mortgagee(s)

In the event there is a Mortgage registered on title to the Shopping Centre prior to notice of the Lease being registered on title, Landlord shall obtain and deliver to Tenant a non-disturbance agreement executed by the Mortgagee or Mortgagees under any such Mortgage, which agreement shall be in form and substance acceptable to counsel for Tenant and shall provide in substance that, notwithstanding any default or foreclosure under the Mortgage in question, so long as no event of default under this Lease shall have occurred on the part of Tenant after the expiration of all applicable grace periods with respect to defaults as herein provided, the Mortgagee and its successors and assigns shall not abrogate or diminish or otherwise adversely affect any rights of Tenant under this Lease and this Lease shall remain in effect as a direct lease between Tenant and the Mortgagee and its successors or assigns, and said Mortgagee shall be bound by the obligations of Landlord under this Lease provided that Tenant agrees to attorn to said Mortgagee as Landlord under this Lease.

Upon Landlord's request, Tenant agrees to execute an agreement subordinating this Lease to the lien of any Mortgage hereafter placed by Landlord upon Landlord's interest in the Demised Premises. The form and substance of such subordination agreement to be executed by Tenant shall be as approved by Tenant in its reasonable discretion, and shall include a provision stating that in the event of any foreclosure of or transfer (including a deed in lieu of foreclosure) under any Mortgage to which this Lease has been subordinated pursuant to this Section, Tenant shall not be disturbed in its possession of the Demised Premises so long as it is not in default under this Lease beyond any applicable cure periods and it shall attorn to the purchaser or Mortgagee as Landlord under this Lease.

Landlord shall, within fifteen (**15**) days after Tenant's request, deliver to Tenant a recognition and non-disturbance agreement reasonably acceptable to Tenant, Landlord and any subtenant, executed and acknowledged by Landlord, Tenant and subtenant, for the benefit of any subtenant of all or any portion of the Demised Premises, subject to the following requirements: (1) the subtenant leases at least 10,000 square feet of floor area; (2) the rights of the subtenant under the sublease shall not be greater than the rights of Tenant under this Lease; and (3) Landlord receives a copy of the sublease.

Section 16.3 Default Under Section 16.2

In the event that Landlord fails to deliver any of said executed non-disturbance agreement(s) to Tenant then, notwithstanding any tender of delivery or acceptance of possession of the Demised Premises, Tenant shall have the right to terminate this Lease by notice of termination given to Landlord and Tenant shall have no liability to Landlord on account of such termination.

Notwithstanding any provision of this Lease to the contrary or inconsistent herewith and notwithstanding the fulfillment of any or all other conditions to this Lease, Tenant shall not be obligated to pay Rent or any other sums under this Lease and Tenant shall not in any manner or for any purpose be bound by this Lease unless and until Landlord shall have delivered to Tenant said executed non-disturbance agreement(s) as provided in this Article 16.

ARTICLE 17
DAMAGE OR DESTRUCTION

Section 17.1 Demised Premises

A. If the Demised Premises are damaged or destroyed so that (i) in Tenant's reasonable opinion the same are not suitable for the purpose of Tenant's business, (ii) in the reasonable opinion of Tenant's architect, they cannot be repaired with reasonable diligence within one hundred and eighty (**180**) days of the date of such damage or destruction, or (iii) there remains only two (**2**) years or less on the Term of this Lease as the same may have been extended by Tenant, then Tenant shall have the right to

terminate this Lease upon thirty (30) days' notice to Landlord. In the event of such termination, Rent and all other charges payable by Tenant shall be payable only to the date of the damage or destruction and any Rent or other charges paid in advance, if any, by Tenant shall be refunded by Landlord to Tenant to the extent that the same are for a period after the damage or destruction.

B. If the Demised Premises are damaged or destroyed and Tenant does not exercise its right to terminate as provided in Subsection A. of this Section 17.1, then Landlord shall rebuild and restore the Demised Premises with all reasonable diligence to the condition it existed prior to such damage or destruction, including without limitation, restoring and replacing the Improvements (as such term is defined in Section 30.4 below) that were acquired with or funded by the Tenant Allowance (as defined in Section 30.3 below) and during the period from the date of such damage or destruction until completion of rebuilding and restoration, the charges payable by Tenant shall abate as follows:

(1) If the Demised Premises are used during such period, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the damaged or destroyed portion bears to the whole and Rent and all other charges shall be paid on the basis of the number of square feet of rentable area in the Demised Premises which are actually used; or

(2) If the Demised Premises are not used during such period for the purpose of retail sales, then there shall be a complete abatement of Rent and all other charges from the date of damage until thirty (30) days after completion of rebuilding and restoration.

C. If any damage to or condition of the Demised Premises, which by this Lease is Landlord's responsibility, shall in Tenant's reasonable judgment be considered of such a nature as to require emergency action, Tenant may undertake, at Landlord's expense, temporary emergency measures and Landlord shall reimburse Tenant for the costs and expenses associated with such measures taken by Tenant upon its receipt of Tenant's written demand therefor (which written demand shall be accompanied by copies of receipted invoices or other reasonable evidence of the costs and expenses so claimed by Tenant). If the amount so due to Tenant is not paid within thirty (30) days after Landlord's receipt of the said demand therefor, Tenant shall have the right to deduct said amount, including interest, from Rent and all other charges thereafter payable by Tenant to Landlord under the Lease. Tenant shall use reasonable commercial efforts to promptly notify Landlord (by telephone or otherwise) of any such emergency and shall allow Landlord reasonable opportunity to undertake such necessary emergency measures prior to Tenant undertaking same.

Section 17.2 Common Area

If any portion of the Common Area of the Shopping Centre is rendered or found to be unfit for the use for which it was intended and if the Demised Premises are thereby rendered not reasonably usable for retail sales, then during the period that the Demised Premises are not reasonably usable for retail sales Rent and all other charges payable hereunder by Tenant shall be entirely abated. In the event that thirty percent (30%) or more of the Common Area of the entire Shopping Centre or ten percent (10%) or more of the portion thereof within three hundred (300) feet of the Demised Premises is rendered unfit for its intended use for any reason for a period of ninety (90) days or more, then Tenant shall have the option to terminate this Lease by notice to Landlord at any time after such ninety (90) day period has terminated and while such portion of the Common Area remains unfit for its intended use. If any portion of the Common Area of the Shopping Centre is damaged or destroyed Landlord shall promptly repair and restore the same at its sole cost and expense or cause the same to be repaired at no expense to Tenant.

Section 17.3 Other Area in the Shopping Centre

In the event that more than twenty-five percent (**25%**) of the rentable area in the Shopping Centre other than the Demised Premises is damaged or destroyed, then Tenant shall have the option to terminate this Lease by notice to Landlord at any time within one hundred and twenty (**120**) days after such damage or destruction. If Tenant does not exercise its right to terminate this Lease as aforesaid and either (i) more than two (**2**) years remain on the Term of this Lease as the same may have been extended by Tenant or (ii) there remains less than two (**2**) years on the Term as may be extended but their remains at least one (**1**) unexercised option to extend the Term and Tenant agrees to exercise such option, then Landlord shall rebuild or restore the damaged or destroyed rentable area with all reasonable diligence.

Section 17.4 Performance of Repair or Restoration

All work required of Landlord under the provisions of this Article shall be prosecuted by Landlord with all due diligence and shall be completed in a good and workmanlike manner, using first quality workmanship and materials.

ARTICLE 18
CONDEMNATION

Section 18.1 Definition of Condemnation

The term "**Condemnation**" or "**Condemned**" means the taking or expropriation of any portion of the Shopping Centre pursuant to an exercise of the power of expropriation or eminent domain or any conveyance in lieu of expropriation under threat thereof by a government authority having the power of expropriation or the requisitioning and possession of any portion of the Shopping Centre by any governmental authority for any purpose arising out of a temporary emergency or other temporary circumstances.

Section 18.2 Tenant's Right to Terminate

In the event of the occurrence of any of the following events, Tenant shall have the right and option to terminate this Lease:

(a) if the whole of the Demised Premises shall be Condemned;

(b) if any part of the Demised Premises shall be Condemned;

(c) if ten percent (**10%**) or more of the rentable area of the other buildings in the Shopping Centre shall be Condemned;

(d) if twenty percent (**20%**) or more of the number of parking spaces in the Shopping Centre shall be Condemned and Landlord shall not have, within sixty (**90**) days of the date upon which such Condemnation takes effect, replaced the same on the Shopping Centre or on land adjacent to the Shopping Centre in a location reasonably satisfactory to Tenant;

(e) if any of Tenant's means of vehicular ingress and egress between any entrance to the Shopping Centre and public roads are Condemned or impaired and Landlord shall not have, within sixty (**60**) days of the date upon which such Condemnation or impairment takes effect, replaced such ingress and egress by similar ones reasonably satisfactory to Tenant.

Tenant may exercise its option to terminate this Lease, as a result of the foregoing events, by giving Landlord no less than ninety (**90**) days prior written notice (given no later than one hundred twenty (**120**) days after the date of the Condemnation). The termination shall be effective upon the earlier of (a) the last day of the calendar month next following the expiration of the ninety (**90**) day notice period or (b) the date when title becomes vested in the party exercising the right of Condemnation or (c) the earlier date of termination as specified by Tenant in its notice. Rent and all other charges to be paid by Tenant shall be pro-rated and paid to the date of termination and all amounts paid in advance, if any, shall be immediately refunded by Landlord to Tenant.

Section 18.3 **Effect of Condemnation Where Tenant Does Not Have the Right to Terminate or Where Tenant Does Not Elect to Exercise Its Right to Terminate**

In the event that this Lease is not terminated as the result of a Condemnation of the Demised Premises and/or any other rentable premises in the Shopping Centre pursuant to the provisions of the foregoing Section 18.2, Landlord shall, within one hundred eighty (**180**) days after the occurrence of any Condemnation, at Landlord's expense, repair, restore and rebuild the Demised Premises (or the other premises) to a condition, as nearly as practicable, to that which existed prior to the Condemnation, so as to effect thereby an architectural and operating unit similar to that which existed before the taking. During the period of repair and restoration, if Tenant is unable to operate its business on the Demised Premises, Rent and all other charges payable hereunder shall be entirely abated. If, during the period of restoration Tenant operates its business or a portion thereof in the Demised Premises, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the unused portion of the Demised Premises bears to the former whole thereof and Rent and all other charges shall be paid on the basis of the number of square feet of floor area in the Demised Premises which Tenant uses for the operation of its business during the period of restoration. After the completion of repair and restoration, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the portion taken bears to the remaining Demised Premises and thereafter Rent and all other charges shall be paid on the basis of the number of square feet of floor area remaining in the Demised Premises.

If this Lease is not so terminated and a portion of the parking area shall have been Condemned, then Landlord, at its expense, shall restore the parking, within the boundaries of the Shopping Centre, in order to maintain the parking ratio required pursuant to Section 15.1.

Section 18.4 **Condemnation Award**

Both Landlord and Tenant agree to cooperate with each other in respect of any Condemnation of all or any part of the Demised Premises or any other part of the Shopping Centre so that each may receive the maximum award to which each is respectively entitled by law, provided that either party shall have the right to appeal any order or decision under which such award is issued. Without limiting the foregoing rights of Tenant, Tenant shall have the right to prove and obtain a portion of any Condemnation award that is allocable to the loss, or diminution in value, of Tenant's leasehold interest and leasehold improvements and for loss or damage to Tenant's trade fixtures and other personal property, and for damages or interruption of Tenant's business and for relocation and moving expenses.

Section 18.5 **No Transfers; Notice**

Landlord covenants and agrees to make no transfer, conveyance or assignment under threat of Condemnation without the prior written consent of Tenant, which consent shall not be unreasonably withheld or delayed. Landlord further covenants and agrees that, upon the filing or notice of any Condemnation proceedings, it shall promptly notify Tenant and give Tenant full opportunity to participate in any such proceedings to the extent Tenant deems such participation advisable.

ARTICLE 19
DEFAULTS

Section 19.1 Tenant Defaults

In any of the following events (which events are referred to herein as a "**default**"):

(A) Tenant shall fail to pay Rent to Landlord when due and such failure continues for fifteen (**15**) days after Tenant's receipt of notice from Landlord of such failure; or

(B) Tenant shall fail to take all reasonable steps to perform any other term, covenant, or condition on its part to be performed hereunder, other than the payment of Rent, within thirty (**30**) days after receipt of notice from Landlord so to do (or, if such default cannot be cured within said thirty (**30**) day period, then within such additional period of time as may be reasonably required to cure such default provided Tenant is diligently pursuing to completion the curing of such default);

then Landlord may by giving ten (**10**) days prior notice to Tenant at any time thereafter during the continuance of such default either (a) terminate this Lease or (b) re-enter the Demised Premises by summary proceedings, expelling Tenant and removing all property therefrom and re-let the Demised Premises at the best possible rent obtainable, making reasonable efforts therefor, and receive the rent therefrom; but Tenant shall remain liable for the equivalent of the amount of all rent reserved herein less the avails of re-letting, if any, after deducting therefrom the reasonable cost of obtaining possession of the Demised Premises and of any repairs and alterations necessary to prepare them for re-letting. Any and all monthly deficiencies so payable by Tenant shall be paid monthly on the date herein provided for the payment of rent. Notwithstanding the foregoing provisions, upon the happening of any alleged default on the part of Tenant (other than a default in the payment of Rent), if, within thirty (**30**) days after receipt of the aforementioned thirty (**30**) day notice thereof from Landlord, Tenant shall, in good faith, either (i) commence and thereafter diligently prosecute in a court of competent jurisdiction a proceeding to determine whether or not such alleged default or defaults have occurred or (ii) institute arbitration proceedings for the determination of whether or not such alleged default or defaults shall have occurred, then Landlord may not terminate this Lease or re-enter as provided above unless the final judgment in such court proceedings or the award in such arbitration proceedings, as the case may be, shall be adverse to Tenant and Tenant, in such case, shall have a further grace period of twenty (**20**) days from the date of the final judgment in such court proceedings or of the award in such arbitration proceedings within which to cure such defaults or, if any such default or defaults cannot reasonably be cured within such twenty (**20**) days, within which to commence and thereafter diligently prosecute to completion the work of curing such default or defaults.

Provided further, if Tenant fails to make any payment to Landlord required under this Lease when due hereunder, the full amount of the said payment owing by Tenant to Landlord shall bear interest at the rate of two percent (**2%**) per annum over the then existing prime rate of interest charged from time to time by the Canadian Imperial Bank of Commerce at its main Toronto branch to its most creditworthy customers (but in no event exceeding the maximum rate per annum permitted by law) from the time payment was due hereunder until paid.

Section 19.2 Landlord's Defaults

A. If Landlord shall fail to perform or to make any of the obligations, agreements, payments or covenants to be performed or made by Landlord pursuant to this Lease, and said default is not cured within the "**Curing Period**" as defined and limited in Subsection B of this Section, then, in addition to

the right to collect damages therefor and all other rights and remedies available to Tenant under the circumstances, Tenant shall have the following rights and remedies:

(1) the right to enjoin said violation in a court of competent jurisdiction. Said right shall also exist with respect to any threatened violation.

(2) The right, but not the obligation (said right not imposing any duties on Tenant with respect to its exercise), to perform any such obligation, agreement, payment or covenant, including any payment to a third party required hereunder, and Tenant by reason of so doing shall not be liable or responsible for any loss or damage thereby sustained by Landlord or anyone claiming under or through Landlord except for losses due to Tenant's gross negligence.

(3) The right to terminate the Lease.

If Landlord fails to make any payment to Tenant required under this Lease when due hereunder, the full amount of the said payment owing by Landlord to Tenant shall bear interest at the rate of two percent (2%) per annum over the then existing prime rate of interest charged from time to time by the Canadian Imperial Bank of Commerce at its main Toronto branch to its most creditworthy customers (but in no event exceeding the maximum rate per annum permitted by law) from the time of expenditure or damage until paid. If the amount so due to Tenant is not paid within thirty (30) days after said statement is submitted, Tenant shall have the right to deduct said amount, including interest, from Rent and all other charges thereafter payable by Tenant to Landlord.

B. The "**Curing Period**" for any default under this Lease by Landlord shall be thirty (30) days commencing with the receipt by Landlord of notice from Tenant of said default; provided, however, that if the default relates to a matter which, in Tenant's reasonable judgment, is of an emergency nature, the Curing Period shall be forty-eight (48) hours or such lesser period as is reasonable under the circumstances. If said default is of such a character as reasonably to require more than thirty (30) days to cure, said Curing Period shall be extended to such period as may be reasonably required for such cure if Landlord has commenced curing said default within said thirty (30) day period and is diligently pursuing said cure to completion.

C. Landlord hereby grants to Tenant non-exclusive easements in, over, under and through any and all parts of the Shopping Centre (excluding the right to enter any store occupied by tenants or occupants) for all purposes reasonably necessary to enable Tenant, acting in accordance with the provisions of Subsection A of this Section 19.2, directly or through employees, agents or contractors, to perform any of the terms, provisions, agreements, obligations, covenants or conditions of this Lease which Landlord shall have failed to perform.

ARTICLE 20
[INTENTIONALLY DELETED]

ARTICLE 21
EXCUSES FOR NON-PERFORMANCE

Notwithstanding anything contained in this Lease, each party shall be excused from performing any obligation under this Lease, and any delay in the performance of any obligation under this Lease shall be excused, if and so long as the performance of the obligation is prevented, delayed or otherwise hindered by acts of God, fire, earthquake, floods, explosion, actions of the elements, war, riots, mob violence, inability to procure or a general shortage of labour, equipment, facilities, materials or supplies in

the open market, failure of transportation, strikes, lockouts, actions of labour unions, condemnation, court orders, laws or orders of governmental or military authorities or any other cause, whether similar or dissimilar to the foregoing, not within the control of such Party (other than lack of or inability to procure monies to fulfill its commitments and obligations under this Lease) ("**Force Majeure**"). Each party shall promptly notify the other of the occurrence of any Force Majeure that might prevent or delay the doing or performance of acts or things required to be done or performed by it upon becoming aware of such Force Majeure, and shall also advise the other of the anticipated duration and consequences of such Force Majeure..

ARTICLE 22
REMOVAL OF PERSONAL PROPERTY

At any time during the Term of this Lease Tenant may remove any or all trade fixtures, furniture, furnishings, signs, equipment, carpeting, cash registers, inventory and any and all items of personal property placed in, on or about the Demised Premises by Tenant or by Tenant's subtenants, licensees or concessionaires. Tenant agrees to repair any damage to the Demised Premises occasioned by the removal of any such item, but such obligation shall not extend to painting or redecorating the Demised Premises. Title to all of such trade fixtures, furniture, furnishings, signs, equipment, machinery, carpeting, cash registers, inventory and any and all items of personal property shall remain in Tenant and Tenant alone shall be entitled to claim depreciation therefor. Landlord hereby waives, releases and relinquishes any and all rights of distraint, levy, attachment or recourse to the trade fixtures, furnishings, signs, equipment, machinery, carpeting, cash registers, inventory and personal property in the Demised Premises. Although the foregoing waiver, release and relinquishment shall be self-operative without the necessity for any further instrument or document, Landlord hereby agrees to furnish Tenant or any vendor or other supplier under any conditional sale, chattel mortgage or other security arrangement, or any consignor and holder of reserved title or any holder of a security interest, upon request from time to time, waivers of Landlord's right to distraint, levy, attachment or recourse with respect thereto and exempting the same from distraint, levy, attachment or recourse.

ARTICLE 23
SURRENDER; HOLDING OVER

Upon the expiration or earlier termination of the term of this Lease, Tenant covenants that it shall peaceably and quietly leave and surrender the Demised Premises together with all alterations, additions and improvements then a part of such Demised Premises in good order and condition, reasonable wear and tear, physical depreciation, obsolescence, and any restoration, repairs and replacements required to be made by Landlord excepted, and loss or damage by fire, the elements and casualty excepted.

Should Tenant hold over in possession after the expiration of the term, such holding over shall not be deemed to extend the term or renew this Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at the monthly rate of rental in effect during the last month of the term, until terminated by either party by notice designating the date of termination given to the other party sixty (**60**) or more days before such date.

ARTICLE 24
BROKERS' FEES

Tenant and Landlord each represent and warrant to the other that it has had no dealings, negotiations, or consultations with any broker, representative, salesperson, employee, agent or other intermediary in connection with this Lease and/or any other any other transaction between Tenant and Landlord respecting the Demised Premises. Tenant shall defend, protect, indemnify and hold Landlord harmless from and against all liabilities, costs and expenses (including, without limitation, reasonable

attorneys' fees) arising out of or related to any claim (whether meritorious or not) of any broker, representative, salesperson, employee, agent, finder or other intermediary claiming to have dealt on Tenant's behalf for any and all commission and/or fees arising out of or related to the transaction described in this Lease and/or any other transaction between Landlord and Tenant respecting the Demised Premises. Landlord shall defend, protect, indemnify and hold Tenant harmless from and against all liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees) arising from any claim (whether meritorious or not) of any broker, representative, salesperson, employee, agent, finder or other intermediary, claiming to have dealt on Landlord's behalf for any and all commissions and/or fees arising out of or related to the transaction described in this Lease and/or any other transaction between Landlord and Tenant respecting the Demised Premises.

ARTICLE 25 PUBLICATION ON TITLE

Tenant may publish a notice or short form of this Lease on title to those lands in and upon which the Shopping Centre is located, the form and content of which will be subject to Landlord's prior approval, which approval shall not be unreasonably withheld or delayed. All costs related to such publication shall be the responsibility of Tenant. The notice or short form of Lease so published on title will not disclose any information concerning the rent or rental rates to be paid hereunder or any other financial provisions of this Lease. Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the notice or short form of Lease to be discharged, vacated or otherwise removed from title to the Shopping Centre and to provide proof of such action to Landlord, within thirty (30) days following the date of such expiry or early termination.

ARTICLE 26
NOTICES

Except as expressly provided otherwise in this Lease, any notice, demand, request, consent, approval or other communication which either party hereto is required or desires to give or make or communicate to the other hereunder shall be in writing and shall be given or made or communicated either by personal delivery, registered or certified mail, return receipt requested, postage prepaid, or by a nationally-recognized overnight delivery service that provides a receipt to indicate delivery, and addressed in the case of Landlord to:

Ivanhoe Cambridge Inc.
95 Wellington Street West, Suite 300
Toronto, Ontario
M5J 2R2
Attention: Legal Affairs Department

with a copy thereof to:

Ivanhoe Cambridge Inc.
Place Ste-Foy
2450, Laurier Blvd,
Quebec, Canada, G1V 2L1
Attention: General Manager

and addressed in the case of Tenant to:

Hudson's Bay Company Real Estate Department
Third Floor
698 Lawrence Avenue
Toronto, Ontario

M6A 3A5
Attention: Senior Vice President Real Estate

with a copy thereof to:

Hudson's Bay Company
15 West 38th Street, 11th Floor
New York, New York 10018
Attention: President-Real Estate

subject to the right of either party to designate different addresses by giving notice as above provided. Any notice, demand, request, consent, approval, or other communication so sent shall be deemed to have been given, made or communicated, as the case may be, (i) on the date the same was deposited in the Canadian mail as registered or certified mail, with postage fully prepaid, regardless of the time of actual delivery. (ii) if by personal delivery, on the date thereof, or (iii) one (**1**) business day after the same was deposited with such nationally-recognized overnight delivery service for overnight delivery. In no event shall either party be required to give notice to more than three addresses or persons, nor shall Tenant be required to cut multiple checks for the payment of Rent.

No successor to Landlord's interest in the Demised Premises shall be entitled to receive Rent nor any other amounts due hereunder until thirty (**30**) days after Tenant's receipt of proper notice of such change, together with a copy of the executed document or documents evidencing such change from the grantor, assignor or party entitled to receive Rent and other amounts immediately preceding such change. Until such receipt, Tenant shall continue to pay the Rent and any and all other amounts due to Landlord hereunder to the party to which, and in the manner in which, the last preceding instalment of Rent and/or any other amounts due hereunder was paid or pending receipt of such property notification and documentation, accrue and withhold payment of any and all such amounts.

ARTICLE 27
ESTOPPEL CERTIFICATES

Each of Landlord and Tenant covenant that within twenty (**20**) days after a written request of the other, it shall issue to the other party's prospective lender or prospective purchaser of its interest in the Shopping Centre (or as to Tenant, its interest in the Lease and/or the Demised Premises), specified by such requesting party, an estoppel certificate stating to the best of its knowledge: (i) whether any notice of default has been sent for a default under the Lease not yet cured; (ii) whether the Lease has been modified or amended in any way (and if it has, then listing the names and dates of the applicable modification and/or amendment documents); and (iii) that the Lease as of that date is in full force and effect. Such statements shall not subject the party furnishing it to any liability, notwithstanding the negligent or otherwise inadvertent failure of such party to disclose correct and/or relevant information. However, the party furnishing the certificate shall not be permitted to assert or enforce any claim against the person or entity to whom it is delivered (or against such person's or entity's property) which is inconsistent with the statements contained in the certificate, except to the extent that the person or entity against whom the claim would otherwise be asserted or enforced had actual knowledge of facts to the contrary. Either party hereto who is requested to give an estoppel certificate under this Article 27 (the "**Requested Party**") may require, as a condition to fulfilling its obligation to provide such estoppel certificate, that the other party hereto requesting such estoppel certificate give a similar estoppel certificate to the Requested Party.

ARTICLE 28
MISCELLANEOUS

Section 28.1 Captions

The captions of the Articles and Sections of this Lease are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 28.2 Remedies Cumulative

The various rights, options, elections, powers and remedies contained in this Lease, including the rights herein granted to terminate this Lease, shall be construed as cumulative and no one of them shall be exclusive of any of the others, or of any other legal or equitable remedy which either party might otherwise have in the event of breach or default in the terms hereof, and the exercise of one right or remedy by such party shall not impair its right to any other right or remedy until all obligations imposed upon the other party have been fully performed; provided, however, that legal or equitable remedies not specifically provided for in this Lease shall not be exercisable concurrently with, the rights, options, elections, powers and remedies contained in Sections 19.1 and 19.2 to the extent of and for the periods set forth in said Sections 19.1 and 19.2. It is intended that each of the agreements and covenants of Landlord and Tenant set forth herein be deemed both a covenant and a condition.

Section 28.3 Governing Law

This Lease shall be governed and interpreted by and in accordance with the laws of the Province of Québec and the laws of Canada applicable thereto.

Section 28.4 Successors and Assigns

Each and all of the provisions of this Lease shall be binding upon and enure of the benefit of the parties hereto and their respective heirs, executors, administrators, permitted successors-in-interest, permitted successors and permitted assigns, subject at all times, nevertheless, to all agreements, covenants and conditions contained elsewhere in this Lease.

Section 28.5 No Partnership

Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, and neither the method of computation or rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

Section 28.6 No Waiver

No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and then only for the time and to the extent therein stated. No delay or omission by either party hereto to exercise any right or power accruing upon any non-compliance or default by the other party with respect to any of the terms hereof, or otherwise accruing hereunder shall impair any such right or power or be construed to be a waiver thereof. One or more waivers of any breach of any covenant, term or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by a party to or of any act by the other party requiring the former party's consent or approval shall not be

deemed to waive or render unnecessary such former party's consent or approval to or of any subsequent similar acts by the other party.

Section 28.7 Entire Agreement; Amendment

As of the execution hereof, this Lease contains all covenants and agreements between Landlord and Tenant exclusively relating in any manner to the rental, use and occupancy of the Demised Premises and the other matters set forth in this Lease. No prior agreement or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease cannot be altered, changed, modified or added to, except in writing signed by Landlord and Tenant.

Section 28.8 Severability

If any provision of this Lease or the application thereof to any one or to any circumstance shall to any extent be invalid or unenforceable, the validity and enforceability of this Lease or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and all remaining terms, conditions and provisions of this Lease (except those which are conditioned upon or made subject to such invalid or unenforceable provision) shall be valid and shall be enforceable to the extent permitted by law, unless enforcement or performance of this Lease, without the invalid and/or unenforceable term, conditions or provisions, would be unreasonable or inequitable to Landlord or Tenant under all the circumstances or would frustrate the purposes of this Lease. An invalid or unenforceable provision shall be deemed modified so as to constitute a provision conforming as nearly as possible to said invalid or unenforceable provision while still maintaining valid and enforceable the remaining terms, conditions and provisions of this Lease and the intent of the parties.

Section 28.9 Assumption Agreement

Landlord agrees to deliver to Tenant an agreement signed by any party or parties who may purchase or succeed to all or any part of Landlord's interest in the Demised Premises and/or the remainder of the Shopping Centre, which agreement shall formally recognize the obligations of such party or parties as purchasers from and successors to Landlord and the assumption by such party or parties as purchasers of and successors to all of Landlord's obligations, responsibilities and duties hereunder. Such agreement shall be in a form reasonably satisfactory to the counsel of Tenant and shall be delivered to Tenant before any such sale or transfer by Landlord can become final. No assignment or other transfer by Landlord shall relieve Landlord of its obligations, covenants, representations or warranties under this Lease.

Section 28.10 Construction

Landlord and Tenant have participated equally in the preparation of this Lease. This Lease was subject to revision and modification by both parties and has been accepted and approved as its final form by counsel for both parties. Accordingly, any uncertainty or ambiguity existing in this Lease shall not be interpreted against any one party hereto as a result of the manner of the preparation of this Lease.

Section 28.11 References to Landlord and Tenant

Wherever in this Lease reference is made to Landlord or Tenant, it shall be held to include and apply to one or more persons or entities which may be such Landlord or Tenant and use of singular or plural verbs and pronouns shall be appropriately adapted.

Section 28.12 Time of the Essence

Time is of the essence with respect to all matters provided in this Lease.

Section 28.13 Locative Adverbs

The locative adverbs "**herein**", "**hereunder**", "**hereto**", "**hereby**", "**hereinafter**", and like words wherever the same appear herein, mean and refer to this Lease in its entirety and not to any specific Article, Section or Subsection hereof.

Section 28.14 Exhibits

All exhibits referred to in this Lease and attached hereto are and shall be incorporated in this Lease and made a part hereof.

Section 28.15 Counterparts

This Lease may be signed in counterparts, each of which, when delivered by both parties, shall be deemed to be an original, and all of which shall be taken to be one and the same instrument, with the same effect as if both parties hereto had signed the same signature page. Any signature page of this Lease may be detached from any counterpart of this Lease without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Lease identical in form hereto but having attached to it one or more additional signature pages. Any counterpart to which is attached the signatures of both parties shall constitute an original of this Lease.

Section 28.16 Image Transmission

The transmission of an image of any signed original document will have the same binding effect as an original bearing an original signature. No party may raise the use of a facsimile machine or other image transmission device or method or the fact that any signature was transmitted as an image as a defense to the enforcement of such document. At the request of either party, the parties will confirm signatures by signing and delivering an original document.

Section 28.17 Calculation of Ends of Periods

Whenever in this Lease it is provided that an action may or must be taken or that an event is to occur within a specified number of days, if the last day of the specified number of days falls on a Saturday or Sunday or a public holiday, such last day shall, instead of such Saturday, Sunday or public holiday, be deemed to be the following business day after such Saturday, Sunday or public holiday.

Section 28.18 The Term "And/Or"

The term "**and/or**" as used in this Lease means one or the other or both, or any one or ones of all, of the items, entities or persons in connection with which the words are used.

Section 28.19 References to Articles and Sections

All references herein to a given Article or Section refer to the Article or Section of this Lease, unless otherwise stated.

Section 28.20 [Intentionally Deleted]]

Section 28.21 Leasehold Policy

Landlord shall pay all premiums and other charges of a title company (selected by Tenant) (the "**Title Company**") to issue to Tenant an ALTA, Form B, extended coverage leasehold policy of title insurance in the amount of One Million Dollars (**$1,000,000.00**), insuring the leasehold in the Demised Premises and insuring Tenant's easement rights, including without limitation for parking, vehicular and pedestrian ingress and egress and use of the Common Area for their intended purposes, as set forth in this Lease, all to be good in Tenant on the date hereof without any exceptions except the Permitted Exceptions (the "**Leasehold Policy**"). The Leasehold Policy shall be in such form and contain such endorsements as may be deemed necessary by Tenant in its sole and absolute discretion. Landlord shall satisfy such reasonable requirements of the Title Company for issuance of the Leasehold Policy as are set forth in the commitment therefore and provide to Title Company any items reasonably requested to facilitate removal of certain exceptions, including, without limitation, affidavits and surveys. If the Title Company charges any fees for the commitment, the search of the records and/or for obtaining copies of all of the exceptions to title, then Landlord shall also pay such charges to the Title Company upon demand therefor.

Section 28.22 **[Intentionally Deleted]**

Section 28.23 **Roof Equipment**

Tenant shall have the right, without charge but subject to Landlord's prior approval (not to be unreasonably withheld, conditioned or delayed), to install, maintain, repair, operate, use, replace and remove, at Tenant's expense, a wireless communications antenna, and/or other telecom equipment including, without limitation, satellite dishes, satellite poles or other communications facilities (collectively, the "**Roof Equipment**") on the roof of the Demised Premises, including the right to connect the Roof Equipment to the interior of the Demised Premises. Tenant shall have access to the roof upon reasonable notice to Landlord for the purpose of installing, operating, servicing, maintaining, repairing, replacing or removing the Roof Equipment, but subject to Landlord's reasonable policies regarding insurance coverage for contractors. Upon the expiration or earlier termination of this Lease, Tenant shall remove the Roof Equipment from the roof and repair any damage to the roof caused by the Roof Equipment. Tenant shall indemnify and hold Landlord harmless from and against any damage arising out of the erection, maintenance, existence and/or removal of the Roof Equipment. Tenant shall similarly have access to the roof upon reasonable notice to Landlord for the purpose of inspecting, maintaining, repairing and replacing the HVAC units and related equipment located thereon.

Section 28.24 **Intentionally Deleted**

Section 28.25 **Confidentiality**

The parties agree that the terms and conditions of this Lease shall remain confidential and that neither party may disclose any of the terms of this Lease to any person that is not a party to this Lease without the prior written consent of the other party, except that each party shall be permitted to disclose this Lease and/or the provisions hereof (a) to its attorneys, consultants, accountants, directors or employees; (b) any lender, purchaser, or prospective partner of Landlord or Tenant; (c) any prospective assignee of this Lease; (d) any prospective subtenant all or any portion of the Demised Premises; (e) as may be reasonably necessary to enforce the provisions of this Lease; and (f) as may otherwise be required by law or court order.

Landlord shall not issue any press statements regarding Tenant's entering into this Lease or any other agreement to lease space in the Shopping Centre without having obtained Tenant's prior written approval thereof.

Section 28.26 **Intentionally Deleted**

Section 28.27 GST.

Notwithstanding any other provision of this Lease, Tenant shall pay to the appropriate party designated by law all goods and service taxes, sales taxes, value-added taxes or multi-stage taxes, howsoever characterized at law, and imposed on Tenant in respect of any rent or other charges payable to Landlord hereunder in the manner and at the times permitted or specified by the appropriate taxing legislation (hereinafter collectively and individually called the "**GST**"). In the event that Tenant is required by law to pay the GST to Landlord (acting as agent for the taxing authority) the GST shall not be considered as rent, despite any other provision of this Lease, but Landlord shall have the same remedies for and rights of recovery with respect to the amount of GST as it has for non-payment of rent under the Lease or at law.

ARTICLE 29 LANDLORD'S WORK

Section 29.1 Landlord's Work; Drawings and Specifications

Landlord shall put the Demised Premises in a good quality to the level of completion and in accordance with the specifications attached hereto as Exhibit F on or prior to the date Landlord is, pursuant to Section 2.1, required to deliver to Tenant actual and exclusive possession of the Demised Premises.

The work described in the first sentence of this Section 29.1 is referred to herein as "**Landlord's Work.**" All of Landlord's Work shall be performed in accordance with drawings and specifications prepared by Landlord and approved by Tenant. Tenant shall review and either approve or disapprove in Tenant's reasonable judgment all drawings and specifications which are prepared by Landlord within twenty (**20**) days of Tenant's receipt of such drawings and specifications. If the drawings and specifications prepared by Landlord are approved by Tenant, Tenant shall initial one set and return them to Landlord; if disapproved by Tenant, Tenant shall give to Landlord a written explanation of the reasons for the disapproval and Landlord shall, within ten (**10**) days, submit revised working drawings and specifications for Tenant's review and approval or disapproval. Tenant shall further review and Landlord shall further revise all such working drawings and specifications as provided in this Article 29 until approved.

Section 29.2 Completion of Landlord's Work

On or before the date Landlord is, pursuant to Section 2.1, required to deliver to Tenant actual and exclusive possession of Demised Premises, Landlord shall complete Landlord's Work to Tenant's satisfaction in accordance with Exhibit F and the drawings and specifications approved by Tenant. Landlord shall, at its sole expense, obtain and furnish all labour, materials, licenses, permits, plans, drawings, specifications, studies, tests, surveys, and any and all other things required to be furnished by Landlord or necessary to the completion of Landlord's Work. All of Landlord's Work shall be performed in accordance with all applicable governmental and insurance requirements. Landlord shall consult with Tenant from time to time concerning the scheduling and progress of Landlord's Work so as to keep Tenant informed of the progress and the estimated completion date for each portion of Landlord's Work. Tenant or its representative shall have the right at all reasonable times with prior written notice to enter upon the Demised Premises for the purpose of inspecting Landlord's Work to verify that it conforms with Exhibit F and the drawings and specifications approved by Tenant.

Section 29.3 Landlord's Warranties

Landlord warrants that all of the Landlord's Work shall be completed in a good and workmanlike manner, using first quality workmanship and materials, all of which are hereby guaranteed against all defects for a period of two (2) years from and after the completion date and such further period as materials and equipment shall be subject to manufacturer's warranty. All manufacturers' warranties applicable to any portion of the Demised Premises which Tenant is required to maintain shall be assigned to Tenant. Landlord has secured from the governmental agencies having jurisdiction thereof, in final form, all approvals required in respect of the Demised Premises and/or the Shopping Centre as to all work and improvements which Landlord and Tenant are obligated or permitted to complete or cause to be completed pursuant to this Lease so as to permit both Landlord and Tenant to submit its plans for construction and obtain building and other permits in respect thereof and to open and use the Demised Premises for retail sales and, if there are any conditions on Landlord with respect to such approvals which require performance after securing such approvals, then Landlord shall promptly fulfill such conditions.

Section 29.4 Common Area Improvements

Landlord shall, at its sole cost and expense, provide all on and off-site common area improvements required for the entire Shopping Centre, including those common area improvements and parking fields serving the Demised Premises. Landlord's work shall include, without limitation, all excavation, fill, compaction, utility relocation, and other preparation for the Shopping Centre site, including all road improvements adjacent to the Shopping Centre and leading thereto and required traffic signalization, all parking lot improvements, parking decks, sidewalks, walkways, curbs, gutters, streets, roadways, berms, retaining walls, landscaped areas, storm water disposal systems, sanitary sewer systems and all utilities (permanent and temporary) including the utilities serving the Demised Premises stubbed to a mutually acceptable location within the Demised Premises, street lighting, parking deck lighting, construction roads and staging areas and all other on and off-site common improvements reasonably necessary for the construction, operation and use of the Shopping Centre, and all tests, studies and certificates required in connection with any such work.

The foregoing Landlord's work and improvements shall comply with all applicable codes, laws, ordinances, permits and regulations of all public authorities having jurisdiction and Landlord shall be responsible for procuring at Landlord's expense (except as specifically provided in the next sentence), all governmental, quasi-governmental and private permits, approvals, entitlements, variances, etc. necessary or appropriate so as to permit construction and subsequent operation of the Demised Premises and the remainder of the Shopping Centre. Tenant shall not be obligated to pay or incur any cost or expense in connection with said procurement and compliance, including, without limitation, costs or expenses associated with environmental controls or permits, development fees, utility connection charges, tap-in fees and hook-up fees for the utilities serving the Demised Premises, except that Tenant shall bear building permit costs imposed in connection with Tenant's improvements to the extent that such costs do not constitute or are not otherwise a substitute for development fees and the like.

ARTICLE 30
TENANT'S WORK AND TENANT ALLOWANCE

Section 30.1 Tenant's Work

Landlord acknowledges that Tenant, at its own cost and expense, may design, construct and install within the Demised Premises such improvements, equipment, fixtures, point of sale system, furniture, signs and other personal property as Tenant may determine (hereinafter called "**Tenant's Work**"), subject to the terms of this Lease.

Section 30.2 Easements for Construction and Repairs

Landlord hereby grants to Tenant, for use by Tenant and its servants, agents, employees and independent contractors working on or in connection with the construction, renovation and/or modification of the Demised Premises, and/or the installation, maintenance, repair and/or replacement of trade fixtures or building equipment (including, without limitation, the HVAC equipment), all necessary or appropriate rights of reasonable access, ingress and egress to and from the front, back, sides and roof of the Demised Premises during the course of Tenant's Work and any subsequent construction, renovation and/or modifications of the Demised Premises and/or trade fixtures or building equipment (including without limitation, the HVAC equipment). Landlord shall cooperate reasonably with Tenant in all ways so that Tenant's Work may proceed as expeditiously as reasonably possible.

Section 30.3 Tenant Allowance

Landlord agrees to pay to Tenant as an inducement to enter into this Lease a tenant inducement and improvement allowance in the amount of Eighty-Five Dollars (**$85.00**) per square foot of rentable area of the Demised Premises, plus applicable GST (the "**Tenant Allowance**"), subject to any holdback requirements applicable to such payment under the then current legislation in the Province of Québec. Such Tenant Allowance shall be paid by Landlord to Tenant in instalments as follows: (i) fifty percent (**50%**) shall be paid by Landlord to Tenant no later than the date Landlord delivers possession of the Demised Premises to Tenant, (ii) forty percent (**40%**) shall be paid by Landlord to Tenant upon the earlier to occur of the Rent Commencement Date and the date Tenant opens for business, and (iii) the balance shall be paid by Landlord to Tenant upon Tenant providing Landlord with a statutory declaration signed by an officer of Tenant confirming that the Tenant's Work has been substantially completed and a subsearch of title to the Shopping Centre lands confirming that no legal hypothecs have been filed on title in connection with the Tenant's Work. Should Landlord fail to pay any amount of the Tenant Allowance and/or the GST applicable thereto when due to Tenant hereunder for any reason, then, in addition to whatever remedies are otherwise available to Tenant under this Lease or at law:

(a) interest shall accrue thereon (including interest on any unpaid GST to the extent and from the date that Tenant is required to pay GST to the applicable governmental authority) in favour of Tenant commencing as of the date on which payment was due to the date on which payment is made to Tenant at a rate of one and one-half percent (**1.5%**) per month, which interest shall be calculated and compounded at the end of each calendar month and shall be charged in lieu of the interest that would otherwise accrue on such unpaid sum(s) under the provisions of Section 19.2 of this Lease; and

(b) if any such payment falls due to Tenant prior to the then scheduled Rent Commencement Date, then, notwithstanding anything to the contrary herein contained or suggested, the date upon which the Rent Commencement Date is scheduled to occur shall be postponed on a day-for-day basis for the same number of days as occur between the date on which such payment was due to Tenant to the date on which such payment is made in full to Tenant.

Section 30.4 Use of Tenant Allowance

Landlord and Tenant acknowledge that the Tenant Allowance is provided to Tenant for the purpose of constructing or improving all alterations, additions, permanently-installed fixtures, HVAC equipment and other permanently-installed items in or about the Demised Premises (collectively, "**Improvements**"), and for the purpose of purchasing and installing Tenant's trade fixtures, furniture, point of sale system and other personal property to be used in connection with Tenant's trade or business at the Demised Premises.

ARTICLE 31
[INTENTIONALLY DELETED]

ARTICLE 32
LEGAL HYPOTHECS

Each of Landlord and Tenant shall so conduct any construction or other work done by it so as to minimize the possibility of any legal hypothec being registered against any part of the Shopping Centre lands, and if any such legal hypothec shall be registered shall forthwith take all reasonable steps to have the same vacated by the court having jurisdiction or discharged, but nevertheless may defer payment of any contested legal hypothec if and so long as the same is being diligently contested, and provided that non-payment thereof does not render any part of the Shopping Centre lands liable to forfeiture or sale. In the conduct of any construction or other work each of Landlord and Tenant shall comply with all the provisions of applicable statutes available to it for the protection of the Shopping Centre lands from legal hypothecs. In the event that either Landlord or Tenant shall make default in the payment of moneys justly due in connection with any such construction or other work and a legal hypothec shall be filed or registered and not promptly secured, vacated or discharged, the other party may, on not less than thirty (30) days prior notice to the defaulting party, obtain a court order vacating the registration of the legal hypothec and in conjunction therewith may make payment into court or post security to the extent required to obtain such order, and all expenses incurred by it shall be promptly repaid to it by the party in default.

ARTICLE 33 LANGUAGE

Each of the parties hereto acknowledges and confirms that it is the express wish of each that this Lease be drawn up in the English language. Chacune des parties aux présentes confirme que c'est à sa demande explicite que le présent bail soit rédigé en langue anglaise.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Lease.

Signed in Toronto, Province of Ontario this 11th day of November, 2015

IVANHOE CAMBRIDGE INC.

By: _____
Name: Sunita V. Mahant
Title: Director, Legal Affairs

By: _____
Name: Sean T. Walters
Title: Senior Vice President, National & Mills Leasing

(We have the authority to bind the Corporation)

Signed in Toronto, Province of Ontario this 11th day of November, 2015

HUDSON'S BAY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

(We have the authority to bind the Corporation)

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IN WITNESS WHEREOF, the parties have executed this Lease.

Signed in Toronto, Province of Ontario this 11th day of November, 2015

IVANHOE CAMBRIDGE INC.

By:_____
Name:_____
Title:_____

By:_____
Name:_____
Title:_____
(We have the authority to bind the Corporation)

Signed in Toronto, Province of Ontario this 11th day of November, 2015

HUDSON'S BAY COMPANY

By: Patricia Heaney
Name: PATRICIA HEANEY
Title: VP & Asst TREASURER

By:
Name: TODD ZATOR
Title: CAO - HBC Finance
(We have the authority to bind the Corporation)

H.B.C.
EXAMINED
APPROVED

Exhibit A - Legal Description of Shopping Centre lands

The Land is comprised of and legally described as:

PLACE STE-FOY
QUÉBEC

L'immeuble est composé du lot suivant du cadastre du Québec, circonscription foncière de Québec :

Le lot DEUX MILLIONS QUATORZE MILLE SIX CENT QUATRE-VINGT-HUIT (2 014 688)

connu sous le nom de « Place Ste-Foy », avec toutes les bâtisses dessus construites et notamment celle portant le numéro civique 2450 boul. Laurier, Québec (Québec), circonstances et dépendances.

Exhibit B - Site Plan of Shopping Centre

'BLACK' HATCHING -NO-BUILD AREA (SECTION 14.1)

'BLACK OUTLINE (AND DESIGNATED BY THE WORDS "FUTURE VERTICAL STRUCTURE") -SHORT TERM NO-BUILD AREA (SECTION 14.1)

'YELLOW' OUTLINE -NO MERCHANDISING AREA (SECTION 14.6)

'ORANGE' OUTLINES -LOCATION OF ACCESS CONTROL AREAS (SEC. 14.7)

LEASED PREMISES -OUTLINED IN RED (MAIN PREMISES) AND GREEN (LOADING DOCK AND UNLOADING AREAS)

'BLUE' OUTLINE - NEW PARKING DECK LOCATION

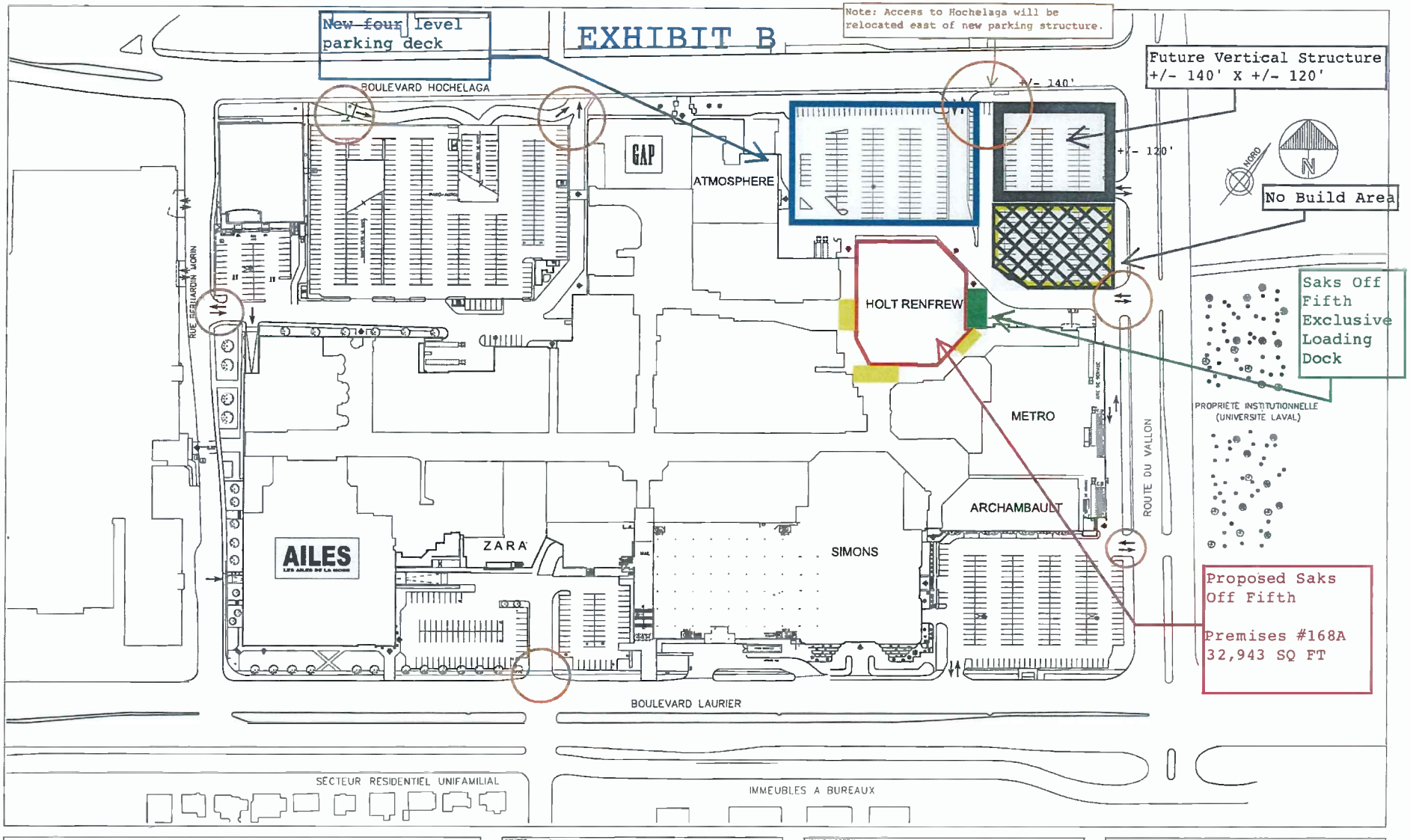
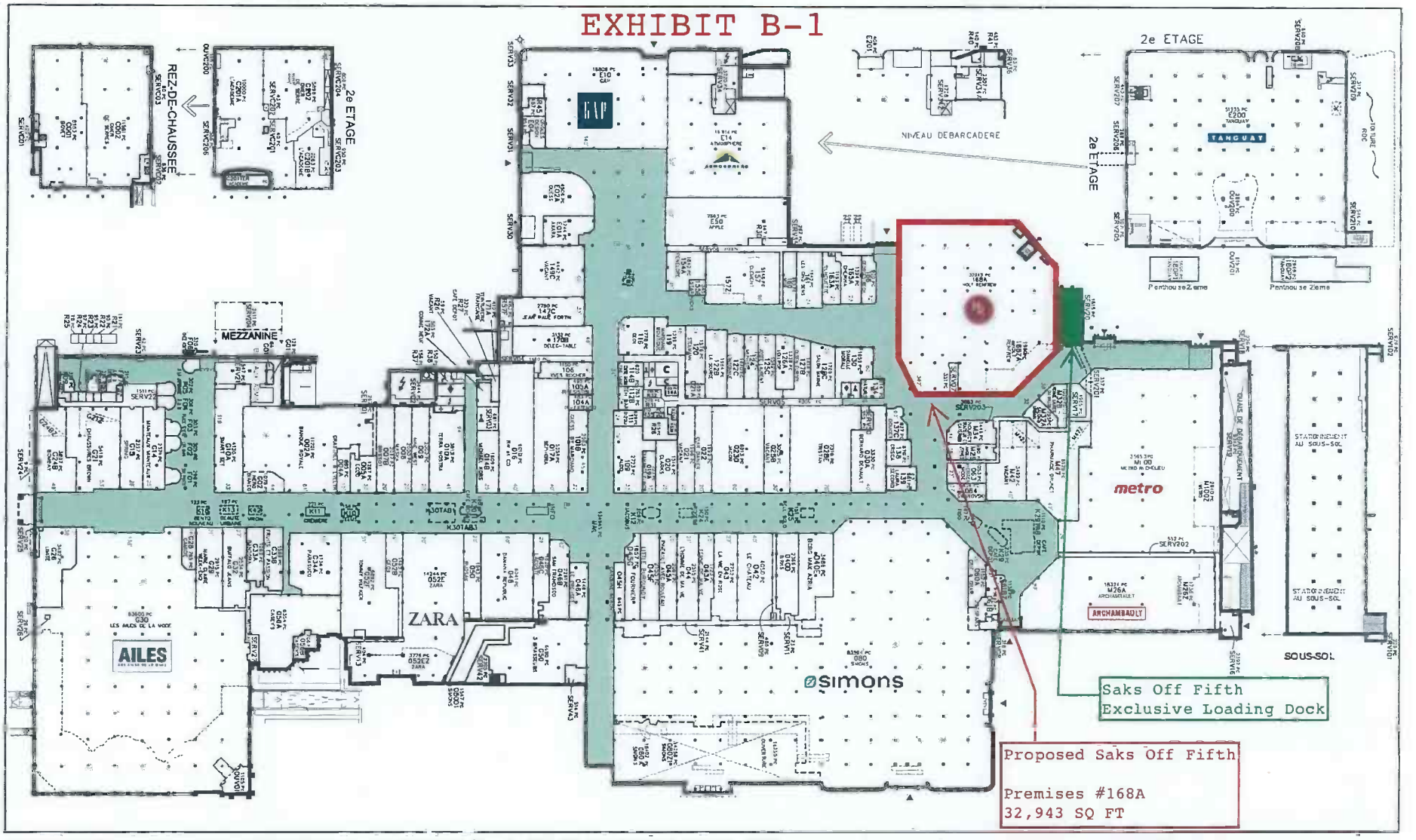

EXHIBIT B
New four level parking deck
Note: Access to Hochelaga will be relocated east of new parking structure.
Future Vertical Structure +/- 140' X +/- 120'
+/- 140'
+/- 120'
BOULEVARD HOCHELAGA
GAP
ATMOSPHERE
HOLT RENFREW
No Build Area
Saks Off Fifth Exclusive Loading Dock
PROPRIETE INSTITUTIONNELLE (UNIVERSITE LAVAL)
METRO
ROUTE DU VALLON
ARCHAMBAULT
SIMONS
ZARA
AILES
Proposed Saks Off Fifth
Premises #168A
32,943 SQ FT
BOULEVARD LAURIER
SECTEUR RESIDENTIEL UNIFAMILIAL
IMMEUBLES A BUREAUX
Ivanhoé Cambridge
Centre CDP Capital
1001, square Victoria, Bureau C-500
Montréal (Québec) H2Z 2B5
Téléphone (514) 841-7600
Télécopieur (514) 841-7762
CENTRE COMMERCIAL
57101
PLACE STE-FOY
2450, LAURIER
STE-FOY, QUEBEC.
NOM DU DESSIN:
PLAN DU SITE
DERNIERE REVISION:
5 AVRIL 2011
DATE ORIGINAL:
01 MAI 1992
ECHELLE:
1" = 140' sur format 11x17
NOM DU FICHIER:
207_STE-FOY

Exhibit B-1- Leasing Plan of Shopping Centre

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S:__MTL\Construction\Dessins CAD\57101_ Ste-Foy\Plan de location\57101_ STE FOY.dwg, 2014-09-02 11:59:43 AM, Adobe PDF

Ivanhoé Cambridge
Caisse de dépôt et placement du Québec

Centre CDP Capital
1001, square Victoria, Bureau C-500
Montréal (Québec) H2Z 2B5
Téléphone (514) 841-7600
Télécopieur (514) 841-7762

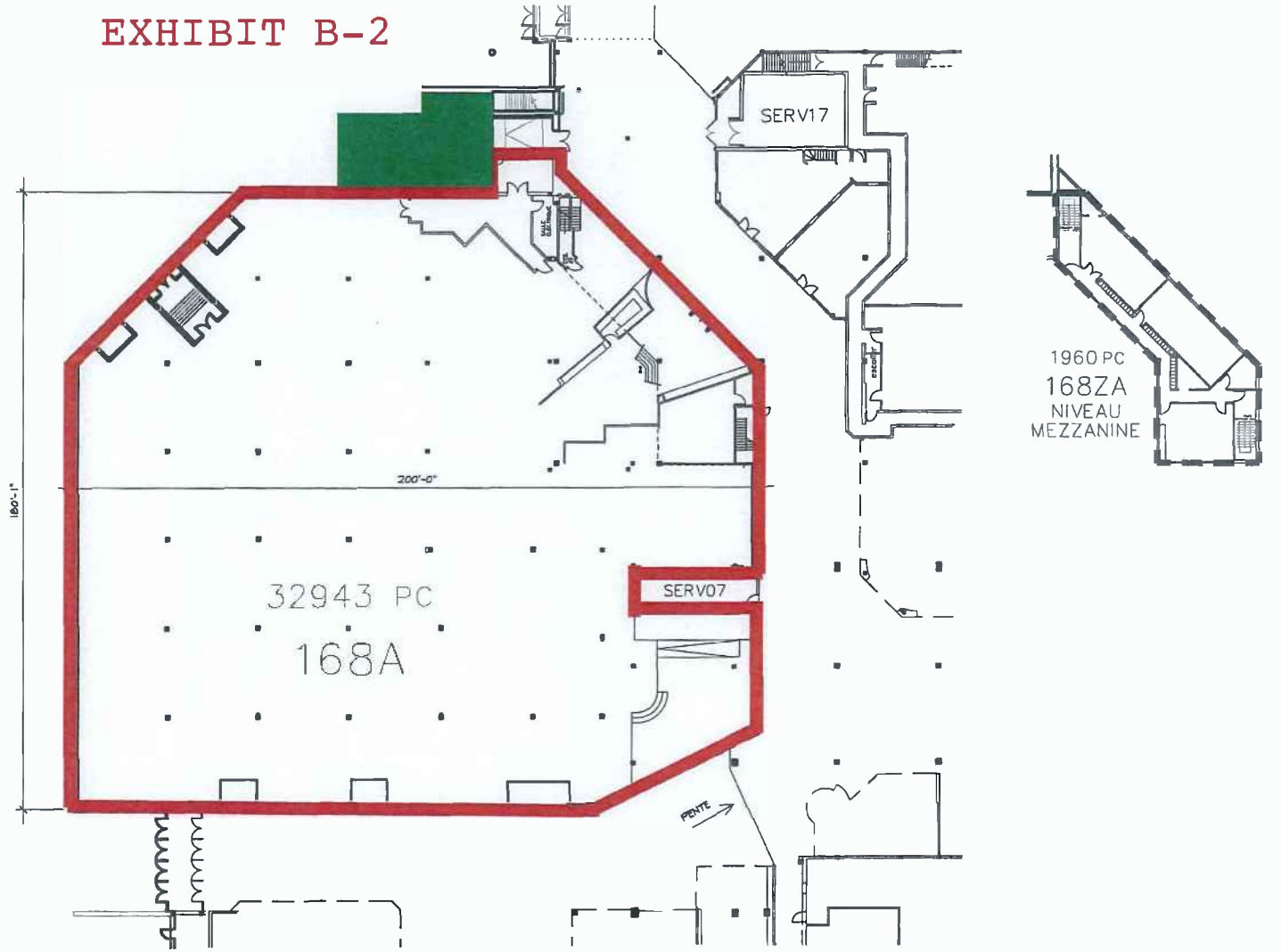
CENTRE COMMERCIAL:
57101 PLACE STE-FOY
2450, BLVD. LAURIER
STE-FOY, QC. G1V2L1

NOM DU DESSIN:
PLAN DE LOCATION

DERNIÈRE REVISION: 2 SEPTEMBRE 2014
DATE ORIGINAL: -
ÉCHELLE: 1" = 100'
NOM DU FICHIER: 57101_STE-FOY

Exhibit B-2 - Plan of Demised Premises

EXHIBIT B-2



CE PLAN N'EST PAS UN CERTIFICAT DE SUPERFICIE.
CE PLAN N'A PAS ÉTÉ VALIDÉ EN FONCTION DU CODE DU BATIMENT.
TOUTES LES DIMENSIONS, ET SUPERFICIES SONT APPROXIMATIVES ET DEVRONT ETRE VERIFIEES SUR LES LIEUX

Ivanhoé Cambridge
Caisse de dépôt et placement du Québec

Centre CDP Capital
1001, square Victoria, Bureau C-500
Montréal (Québec) H2Z 2B5
Téléphone (514) 841-7600
Télécopieur (514) 841-7762

CENTRE COMMERCIAL:
57101 PLACE STE-FOY
2450, BLVD LAURIER
STE-FOY, QC. G1V2L1

NOM DU DESSIN:
PLAN DU LOCAL 168A EXISTANT

DERNIERE REVISION: 20 SEPTEMBRE 2013
No DOSSIER: Locaux Existants
ECHELLE: 1" = 30'
NOM DU FICHIER: 168A.dms

S:___MTL\Construction\Dessins CAD\57101_Ste-Foy\Locaux existants\Local 168A - Holt Renfrew\168A dms.dwg, 2013-09-20 10:02:28 AM, Adobe PDF

Exhibit C - Title Exceptions

See attached title report listing title exceptions.

EXHIBIT C

McCarthy Tétrault LLP
Suite 2500
1000 De La Gauchetière Street West
Montréal QC H3B 0A2
Canada
Tel: 514-397-4100
Fax: 514-875-6246

mccarthy tétrault

RELIANCE LETTER AND SUPPLEMENTARY TITLE REPORT

HUDSON'S BAY COMPANY
401 Bay Street
Toronto, Ontario M5H 2Y4

RE: Lot number 2 014 688 of the Cadastre of Québec, Registration Division of Québec (the "**Property**").

Sirs:

In relation to the lease to be executed with respect to certain premises in the Property, we have been requested to readdress to you the title report in respect of the Property that we have prepared on June 30, 2010, the supplementary title report dated August 16, 2010 and the supplementary title report dated September 29, 2014 (collectively, the "**Report**"; copy of which is hereto attached), which Report you may consider to be addressed to you and upon which you are hereby authorized to rely as if same had been addressed to you.

And as requested, we have updated the Report and we wish to report thereon.

1. CURRENT PERIOD OF EXAMINATION

We have examined the relevant uncertified computerized copies of title deeds and indexes of Immovables maintained at the Land Register regarding the Property for the period beginning on September 26, 2014 at 14:46 p.m., being the effective date of the Report, to October 15, 2015 at 14:30 (the "**Current Effective Date**"), being the effective date and time of our last searches at the Land Register for the Registry Office of Québec (the "**Current Period of Examination**").

2. DESCRIPTION

During the Current Period of Examination, no cadastral modification occurred for the Property; therefore the description contained in the Report is still accurate.

3. DERIVATION OF TITLE

During the Current Period of Examination, there were no transfers of the Property; therefore as mentioned in the Report; therefore, Ivanhoé Ste-Foy Inc. remained the registered owner.

4. HYPOTHECS, RESOLUTORY RIGHTS AND PRIOR CLAIMS

During the Current Period of Examination, there were no hypothecs, resolutory rights, prior claims or other encumbrances registered against the Property.

As to legal hypothecs which do not require registration or immediate registration (such as those for workmen, suppliers of materials, builders and architects whose work or material may have given additional value to the property under consideration), or those arising by law in favour of the Crown and governmental agencies, municipal corporations or certain public utilities, we have no information and have made no investigation.

5. SERVITUDES AND PERMISSIONS

During the Current Period of Examination, there were no servitudes or permissions registered against the Property.

6. LEASES

During the Current Period of Examination, there were no unexpired leases, subleases or assignments of lease (in each case including renewal options) registered against the Property.

7. TAXES

We have been advised by the City of Québec: (i) that there are no arrears of taxes for prior years; and (ii) that the municipal taxes for the Property for the financial year ending on December 31, 2015 amounted to $7,792,720.80 and have been paid in full.

We are waiting confirmation from the Commission scolaire des Découvreurs in which district the Property is situated as to any arrears of taxes for prior years and for the current financial year.

8. OTHER SECTIONS

All of the other sections contained in the Report need no other supplemental comments.

9. LIST OF UNDISCHARGED ENCUMBRANCES

At your request, we have listed in Schedule "A" attached hereto all undischarged encumbrances registered against the Property and identified in the Report as supplemented by these presents.

10. OPINION

Subject to the comments under heading "OPINION" in the Report and under heading "CURRENT PERIOD OF EXAMINATION" and "HYPOTHECS, RESOLUTORY RIGHTS AND PRIOR CLAIMS", of the present supplementary title report, we are of the opinion that at the Current Effective Date, Ivanhoé Ste-Foy Inc. was the registered owner of the Property with a good and valid title, free and clear of encumbrances, save for those referred in the Report (the certification date for the cancellation being at 12:00 on September 11, 2015).

Finally, we provide this opinion for your reliance only in connection with the transaction referred to in the first paragraph above and our opinion may not be used or relied on without our prior written consent (including for purposes of the issue of a title insurance policy) by any other person either in connection with that or any other matters.

Montréal, this 16th day of October, 2015.

McCarthy Tétrault LLP

SCHEDULE "A"

Hypothecs, Resolutory Rights and Prior Claims

- Deed of Hypothec registered under number 17 334 236.
- Deed of Hypothec registered under number 21 077 272.

Servitudes and Permissions

- Servitudes for restrictive commercial uses registered under numbers 520 055, 536 390, 1 303 926 and 17 560 204.
- Servitude for public utilities registered under numbers 765 981, 792 598, 823 253, 1 225 902 and 1 643 362.
- Servitude for materials needed for wall of an underground parking registered under number 1 281 668.
- Servitudes of passage registered under number 1 573 452, 1 602 622 and 1 630 854.

Leases

Leases registered under numbers 824 231, 900 615, 900 616, 1 375 450, 1 470 506, 1 476 968, 1 651 209, 1 769 474, 1 655 758, 1 664 076, 1 684 562, 10 827 273, 1 811 978, 1 795 170, 16 422 735, 1 788 747, 12 698 032, 12 321 399, 16 936 664, 13 670 666, 15 804 367, 17 498 151, 18 177 060, 18 686 824, 18 970 659, 19 361 995, 19 520 390, 20 530 819, 20 838 129 and 20 950 099.

Avocats • Agents de brevets et marques de commerce
Barristers & Solicitors Patent & Trade-mark Agents

McCarthy Tétrault

McCarthy Tétrault S.E.N.C.R.L., s.r.l., LLP

Bureau 2500
1000, rue De La Gauchetière Ouest
Montréal (Québec) H3B 0A2
CANADA
Téléphone : (514) 397-4100
Télécopieur : (514) 875-6246
mccarthy.ca

TITLE REPORT

TO: **Hypothèques CDPQ Inc.**
413 Saint-Jacques Street
Suite 700
Montréal, Québec, H2Y 1N9

Société de Fiducie Computershare du Canada
100 University Street
Toronto, Ontario, J5J 2Y1

Fasken Martineau Du Moulin, S.E.N.C.R.L., s.r.l.
Tour de la Bourse
Suite 3700
800 Place Victoria
Montréal, Québec, H4Z 1E9

Ivanhoé Cambridge Inc.
1001 Square Victoria
Suite C-500
Montréal, Québec, H2Z 2B5

Ivanhoé Ste-Foy Inc.
95 Wellington Street West
Suite 300
Toronto, Ontario, M5J 2R2

RE: **ABSTRACT AND REPORT ON TITLE to lot number 2 014 688 of the Cadastre of Québec, Registration Division of Québec.**

Sirs:

In connection with the financing of the property hereinafter described (the "**Property**"), we wish to report to you as follows.

References in this Report (including the Abstract of Title forming part thereof) to the "Registry Office" or to documents "registered", "deposited" or "registered in the said Registry Office" shall be deemed to refer to the Registry Office for the Registration Division

of Québec and all references to the lots shall be deemed to refer to lots from the Cadastre of the Parish of Sainte-Foy or the Cadastre of Quebec, unless otherwise specified.

1. DESCRIPTION

The Property is described as follows:

> An emplacement known and designated as being Lot TWO MILLION FOURTEEN THOUSAND SIX HUNDRED AND EIGHTY-EIGHT (2 014 688) of the Cadastre of Québec, Registration Division of Québec.
>
> With all buildings thereon erected bearing civic addresses 2450 to 2490 and 2580 Laurier Boulevard, City of Québec (Borough of Sainte Foy-Sillery), Province of Québec, G1V 2L1

2. PERIOD OF EXAMINATION

With your permission, we have examined uncertified computerized copies of title deeds and indexes of immovables maintained at the Land Register regarding the Property, but we have limited our examination to the period from January 1st, 1949 to June 29, 2010 at 11:39 a.m. (being the effective date and time of our last searches at the Land Register for the Registry Office) (the "**Period of Examination**") and to the deeds of servitudes, gifts, wills, trust deeds and emphyteusis inscribed as such on the indexes to immovable of the Property from the opening of the Cadastre, namely April 30, 1874.

3. DERIVATION OF TITLE

The Property is presently registered in the name of Ivanhoé Ste-Foy Inc. and the derivation of its title is as set forth in the attached Abstract of Title.

4. TITLE DEFECTS

The Property is not subject to any title defect or irregularity which will materially affect the use of the Property.

Also please note that when irregularity of a minor nature was revealed from our searches you will find the appropriate explanation in the attached Abstract of Title.

5. HYPOTHECS, RESOLUTORY RIGHTS AND PRIOR CLAIMS

The Property is free and clear of all registered hypothecs, resolutory rights, prior claims and other encumbrances save for those referred under the headings "REGISTERED SERVITUDES", "LEASES" and the following:

- Deed of Loan and Hypothec executed before Mtre Stéphane Lalande, Notary, on June 15, 2000 and registered on June 16, 2000 under number 1 733 924, by which Ivanhoé Inc. hypothecated the Property in favour of Hypothèques CDPQ Inc. for an amount of $77,000,000.00 bearing interest at the rate of 7.56% per annum.

  Note: By Deed of Transfer executed before Mtre Stéphane Lalande, Notary, on June 15, 2000 and registered on June 16, 2000 under number 1 733 925, Ivanhoé Ste-Foy Inc., undertakes to assume all obligations of Ivanhoé Inc., created in virtue of said deed.

  Note: By Deed of Assignment executed before Mtre Stéphane Lalande, Notary, on June 15, 2000 and registered on June 16, 2000 under number 1 733 926, Hypothèques CDPQ Inc. assigned unto Première Corporation Émettrice de TACHC N-45° all of its rights, title and interest created in virtue of said deed.

  Note: By Deed of Collateral Hypothec executed before Mtre Stéphane Lalande, Notary, on June 15, 2000 and registered on June 16, 2000 under number 1 733 927, Première Corporation Émettrice de TACHC N-45° / N-45° First CMBS Issuer Corporation hypothecated all its rights created in said deed in favour of Compagnie Montreal Trust.

  Note: By Deed of Assignment executed before Mtre Robert Alain, Notary, on December 23, 2002 and registered on January 7, 2003 under number 1 815 025, Montreal Trust Company of Canada, vested with all the right of Company Montréal Trust, assigned all of its rights, title and interest in the Deed of Collateral Hypothec in favour of Computershare Trust Company of Canada.

  Note: We were advised that all hypothecary rights resulting from said Deed of Hypothec should be cancelled shortly.

- Deed of Hypothec executed before Mtre Pierre Béland, Notary, on June 30, 2004 and registered on July 2, 2004 under number 11 493 984, by which Ivanhoé Ste-Foy Inc. hypothecated the Property in favour of Première Corporation Émettrice de TACHC N-45° for an amount of $77,000,000.00 bearing interest at the rate of 25% per annum.

Note: Société en commandite Place Ste-Foy / Place Ste-Foy Limited Partnership intervened to said deed to hypothecate all its rights, title and interest in the Property for the same amount, and to bind and oblige itself with Ivanhoé Ste-Foy Inc. to respect all obligations created by said deed.

Note: We were advised that all hypothecary rights resulting from said Deed of Hypothec should be cancelled shortly.

Deed of Hypothec executed before Mtre Aaron Litvack, Notary, on June 28, 2010 and registered on June 29, 2010 under number 17 334 236, by which Ivanhoé Ste-Foy Inc. hypothecated the Property in favour of Société de Fiducie Computershare du Canada for an amount of $100,000,000.00 bearing interest at the rate of 25% per annum.

Note: Place Ste-Foy Limited Partnership intervened to said deed to hypothecate all its rights, title and interest in the Property for the same amount, and to bind and oblige itself with Ivanhoé Ste-Foy Inc. to respect all obligations created by said deed.

As to legal hypothecs which do not require registration or immediate registration (such as those for workmen, suppliers of materials, builders and architects whose work or material may have given additional value to the property under consideration), or those arising by law in favour of the Crown and governmental agencies, municipal corporations or certain public utilities, we have no information and have made no investigation.

6. SERVITUDES AND PERMISSIONS

There are no servitudes or permissions registered against the Property, except for:

(i) Servitude for restrictive commercial uses created against part of lots 282, 287-C, 287-D and 287-E, as servient land, in favour of, amongst others, lots 313-D-3-1, 313-E-3-1, 386-5-1 and 385-5-2, being a part of the Property, as dominant land, created by Deed of Sale and Servitude entered into between by Louis Vachon and Ivanhoé Corp. and executed before Mtre Stuart Wright, Notary, on November 28, 1962 and registered on January 14, 1963 under number 520 055.

Note: By Agreement executed before Mtre Stuart Wright, Notary, on November 7, 1963 and registered on November 13, 1963 under number 536 390, the parties modified certain conditions of said servitude, namely the parties agreed that the servient land will never be occupied for the commercial use such as butcher shop, grocery store or

any other food store or by a store having an area of more than 10,000 square feet.

(ii) Real and perpetual servitude consisting in a right to place, maintain and operate an electric transmission line with a right of passage on, over and upon parts of lot 313-E-3, being a part of the Property, as servient land, in favour of electric transmission lines to be erected on the Property, and all immovables of the assignee, as dominant land, created by Deed of Servitude entered into between Ivanhoe Corporation and La Commission Hydro-Électrique de Québec, by Deed of Servitude executed before Mtre Fernand Jobin, Notary, on November 23, 1973 and registered on November 26, 1973 under number 765 981. The situs of this servitude is shown on the Plan (as hereinafter defined).

(iii) Real and perpetual servitude consisting in a right to place, maintain and operate electric transmission lines with a right of passage on, over and upon a part of lot 386-5, being a part of the Property, as servient land, in favour of electric transmission lines to be erected on the Property and all immovables of the assignee, as dominant land, created by a Deed of Servitude entered into between Ivanhoe Corporation and La Commission Hydro-Électrique de Québec executed before Mtre Fernand Jobin, Notary, on October 18, 1974 and registered on October 22, 1974 under number 792 598. The situs of this servitude is shown on the Plan.

(iv) Real and perpetual servitude consisting in a right to place, maintain and operate telecommunication lines with a right of passage on, upon, under and across part of lots 313-E-3 and 313-D-3, being a part of the Property, as servient land, in favour of lots 1145-1, 1146-3, 1147-7, 1147-8, 1148-1 of the St-Antoine Ward, Registration Division of Montréal, as dominant land, created by Deed of Servitude entered into between Ivanhoe Corporation and La Compagnie de Téléphone Bell du Canada and executed before Mtre André Fleury, Notary, on November 6, 1975 and registered on November 10, 1975 under number 823 253. The situs of this servitude is shown on the Plan.

(v) Real and perpetual servitude for public utilities on, over and under lots 313-E-3-1-1- and 313-E-3-2, being a part of the Property, as servient land, in favour of lots 313-E-2, and parts of lots 313-E-3-1- and 313-E-6-2, as dominant land, created by Deed of Servitude entered into between Ivanhoe Inc. and Ville de Sainte-Foy and executed before Mtre Hugues Laquerre, Notary, on April 2, 1987 and registered on April 6, 1987 under number 1 225 902.

(vi) Real and perpetual servitude consisting in a right to place, erect and maintain all necessary materials needed for the North-East wall of an underground parking with right of passage on, over and under a part of lot 313-E-3-1-1, being a part of the Property, as servient land, in favour of lot 313-E-6-1-1, as dominant land, created by Deed of Servitude entered into between Ivanhoé Inc. and Belcourt Inc. and executed before Mtre Hughes Laquerre, Notary, on May 26, 1988 and registered on May 30, 1988 under number 1 281 668. The situs of this servitude is shown on the Plan.

(vii) Servitude for restrictive commercial uses created against part of lots 207, 208, 209 and 214 and lots 214-36, 214-37, 214-38, 214-89, 214-90 and 214-81-2, as servient land, in favour of a part of lot 313-D-3-1, being a part of the Property, as dominant land, created by a Deed of Sale and Servitude entered into between Centre Commercial Cote St-Luc Ltée, / Cote St-Luc Shopping Center Ltd., Société Immobilière Montbeillard Inc. and Ivanhoé Inc. and executed before Mtre Louise Barbeau, Notary, on October 31, 1988 and registered on November 1, 1988 under 1 303 926.

Note: The parties agreed that a part of the servient land will be used for residential purposes and another part for office building and at any time the servient land will be used for commercial or industrial purposes, except for part of the office building, in which case, the servient land will never be used as a commercial centre, department store, grocery store, etc.

(viii) Real and perpetual servitudes consisting in right for public passage of pedestrians (interior and exterior) affecting lots 769, 313-E-3-1-1 and 313-E-3-2, being the Property, as servient land, in favour of various lots forming part of Laurier Boulevard, as dominant land, created by a Deed of Servitude entered into between Ivanhoe III Inc. and Ville de Sainte-Foy, and executed before Mtre Suzanne Rousseau, Notary, on February 13, 1995 and an extract of which was registered on February 14, 1995 under number 1 573 452. The situs of this servitude is shown on the Plan.

Note: By Notice executed on February 23, 1996 and registered on February 26, 1996 under number 1 602 622, a certified copy of said deed was registered to complete the above mentioned registration in conformity with section 149.2 of *An Act Respecting the Implementation of the Reform of the Civil Code* (S.Q. 1992, c.57).

Note: The situs of the servitudes was modified by the parties pursuant to a Deed of Modification executed before Mtre Suzanne Rousseau,

Notary, on January 13, 1997 and registered on January 22, 1997 under number 1 630 854.

(ix) Real and perpetual servitude consisting in the right to place, maintain and operate electric transmission lines on, over and under part of lot 769, being a part of the Property, as servient land, in favour of electric transmission lines erected or to be erected on the Property, as dominant land, created by a Deed of Servitude entered into between Ivanhoé III Inc. and Hydro-Québec and executed before Mtre Diane Perreault, Notary, on May 30, 1997 and registered on June 3, 1997 under number 1 643 362. The situs of this servitude is shown on the Plan.

Note: Our searches revealed that a right of passage by foot and with vehicle was created on a part of lot 313-D in favour of the owner of lot 313-G to have access to Gomin Road as appears in a Deed of Sale registered under number 214 508. No precise situs was described in the deed for the exercise of said right. In view of the passage of time, the opening of a street since 1928, the construction of various buildings and the absence of any further agreement with respect to said right, we are of the opinion that it may be considered extinguished for non use.

Note: Our searches also revealed that by a Deed of Servitude executed on June 20, 1986 between Ville de Sainte-Foy and Immeubles Cominar Inc. and registered on June 25, 1986 under number 1 192 059, a servitude for sidewalks was created in favour of, amongst others, lots 313-E-3-1-1 and 313-E-3-2, being a part of the Property. However, Ville de Sainte-Foy was not at that time, and never became, owner of said lot. Consequently we are of the opinion that as far as said lots are concerned said servitude had no effect.

7. UNREGISTERED SERVITUDES

In certain instances the law creates certain rights and obligations in favour of or against land as the result of its physical attributes. For example, land on a lower elevation is subject to receiving water flowing onto it naturally from land on a higher elevation. Each attribute can only be ascertained by a physical examination of the Property by a surveyor. The Surveyor does not mention, in the Certificate, the existence of any such servitudes affecting the Property save and except for public utilities, namely, traffic lights, bus shelters, manholes, electric cases, post lights and fire hydrants.

However, the present report is made subject to the right of Hydro-Québec: (i) to install on a property the necessary equipments for the service, distribution, control and measurement of electricity including equipments of a transmission line if said line is used

partly for the power supply of a property; and (ii) to use the subsoil of a property for the installation, the connection, the exploitation, the modification and the extension, the use and maintenance of the equipments of Hydro-Quebec lines and the right to seal all points permitting the connection in upstream of the measurement switchgear and control gear, the whole in conformity to the Conditions de service d'électricité (Decision of the Régie de l'énergie, D-2008-028, R-3535-2004, March 6, 2008).

8. LEASES

During the Period of Examination, there are no unexpired leases, subleases or assignments of lease (in each case including renewal options) registered against the Property save and except for the leases described in Schedule "A" attached hereto.

9. TAXES

We have been advised by the City of Québec: (i) that there are no arrears of taxes for prior years; and (ii) that the municipal taxes for the Property for the financial year ending on December 31, 2010 amounted to $5,991,162,10 and have been paid in full.

We have been advised by the Commission scolaire des Découvreurs, in which district the Property is situated: (i) that there are no arrears of taxes for prior years; and (ii) that school taxes for the Property for the financial year ending on June 30, 2010 amounted to $428,089.20 and have been paid in full.

10. *AN ACT RESPECTING DUTIES ON TRANSFERS OF IMMOVABLES* (R.S.Q., Chapter D-15.1)

We have received confirmation from the City of Québec and are satisfied that since the effective date of this statute, December 23, 1976, all transfer duties resulting from transfers of the Property have been paid in full.

11. RESERVES AND EXPROPRIATION

During the Period of Examination, there are no unexpired reserves for public purposes or pending notices of expropriation registered against the Property.

12. RESTRICTIONS

Other than as a consequence of the servitudes referred to below under the heading "SERVITUDES AND PERMISSIONS", no building restrictions were contained in the registered title deeds to the Property which we have examined.

13. CERTIFICATE OF LOCATION

We have been furnished with a Certificate of Location ("**Certificate**") and a Plan ("**Plan**") prepared by Bertrand Bussière, Québec Land Surveyor ("**Surveyor**"), dated April 29, 2010 under minute number 1665 of his records. The Surveyor states in the Certificate, *inter alia*, the following:

(i) a commercial centre with buildings bearing civic numbers 2450, 2452 and 2580 Laurier Boulevard (collectively the "**Building**") is erected within the boundaries of the Property.

(ii) that the actual measurements of the Property conform with title and cadastre.

(iii) that there are no visible encroachments caused by the Property or affecting the Property save and except:

a. a part of the rockwork near the East corner of the Property which encroaches on Laurier Boulevard.

b. sidewalks on the South-East and North-West boundaries which encroach on the Property.

(iv) that all openings and views are in conformity with articles 993 to 996 of the *Civil Code of Québec*.

(v) that there are no common walls erected on the Property.

(vi) that the Property is located within Zone 32513Cd of the City of Québec and that the position of the structures, buildings and dependencies located on the Property are in conformity with respect to the municipal zoning by-law currently in force, except for:

a. columns and part of the exterior covering of the "Les Ailes de la Mode" commercial building which exceed the minimum setback. However said sructures are authorized by section 376 of the actual zoning by-law.

b. the South-West part of the building bearing civic number 2580 Laurier Boulevard which exceeds the minimum setback. However, according to the Surveyor, said building may benefit from acquired rights, having been erected in conformity with the applicable by-laws at the time of its construction.

Note: Other than the declaration of the Surveyor, we have not made any other inquiries of municipal or other authorities nor do we express any opinion with respect to the compliance of the Property or its improvements with laws, by-laws or other enactments having the force of law.

(vii) that the Property is not located in whole or in part, within the limits of a flood zone mapped out under the Convention between the Federal Government of Canada and the Provincial Government of Quebec.

(viii) that the Property is not located, in whole or in part, within a protective strip of the riverside, a protected zone, a protective strip of land, a flood zone or a risk zone established by the municipal zoning regulation.

(ix) that the Property is not located, in whole or in part, within an airport site, established by a regulation made under the *Aeronautics Act* (R.C.S., c. A-2) and filed in the Registry Office.

(x) that the Property does not have any apparent characteristics of a housing complex within the meaning of section 45 of the *Act Respecting the Régie du Logement* (R.S.Q., c.R-8.1).

According to our review of the Certificate and the Plan, their provisions conform with the various searches performed in the course of our title examination.

14. INSURANCE

We make no report nor express any opinion relating to any insurance policy covering the Property.

15. TENURE

According to the declarations contained in the title deeds registered against the Property, the Property is held under the tenure of *franc aleu roturier* having been commuted and the commutation price paid.

16. MATRIMONIAL STATUS

During the Period of Examination, no matrimonial rights are registered against the Property and, when required, satisfactory declarations of matrimonial status were made in the deeds which we have examined. When said declarations were omitted we are of the opinion that any matrimonial rights were prescribed by the lapse of time.

17. LEGAL PERSONS

We have conducted searches on the registers of Registraire des Entreprises (Québec) and/or Industry Canada to verify that each corporation appearing in the chain of title to the Property legally existed at the time it acquired and disposed of the Property and there appear to be no irregularities.

We have not made other verification and have presumed that according to their letters patent, articles of incorporation or other corporate documents, no authorization was required to acquire, hold or dispose of immovables, other than those mentioned in the documents which are part of the chain of title and accordingly, on the basis of the foregoing and subject to the reliability and exhaustive nature of the above mentioned registers we are of the opinion that all corporations had, at the time, the capacity to acquire, hold and dispose of immovables situated in the Province of Quebec.

18. CERTIFICATION

Since January 1st 1994, the *Civil Code of Quebec* provides that all deeds requiring the registration or the removal of a right in the Land Register must be accompanied with a certificate of a notary or an advocate certifying that the identity, quality and capacity of the parties have been verified. Therefore we have relied on said certificate and we have not made further verification in relation thereto.

19. *CULTURAL PROPERTY ACT* (R.S.Q., Chapter B-4)

During the Period of Examination, no notices were registered against the Property indicating that it has been recognized or classified as cultural property or situated in whole or in part within the protected area of a cultural property. We have satisfied ourselves that as of May 19, 2010, the Property is not mentioned in the "Répertoire du patrimoine culturel du Québec" maintained by the Ministère de la Culture, des communications et de la condition féminine.

We have also received confirmation from the City of Québec that the Property has not been designated as a historic monument and that no petition to that effect has been transmitted to the municipal council and that the Property is not situated, in whole or in part,

within a heritage site of the City of Québec and that no notice for the adoption of such a municipal by-law has been issued.

20. *AN ACT RESPECTING THE PRESERVATION OF AGRICULTURAL LAND AND AGRICULTURAL ACTIVITIES* (R.S.Q., Chapter P-41.1)

The Property is not situated in a zone subject to this statute and we have received confirmation dated May 25, 2010 from the "Commission de protection du territoire agricole du Québec" to this effect.

21. *ENVIRONMENT QUALITY ACT* (R.S.Q., Chapter Q-2)

During the Period of Examination, no notice of contamination or land use restrictions or any order were registered at the Registry Office against the Property pursuant to the *Environment Quality Act* (Québec) and its regulations.

We have also satisfied ourselves that as of May 17, 2010 the Property is not mentioned in the non-exhaustive inventory of technical information regarding sites in the Province of Québec contaminated as a result of industrial and commercial activities, maintained by the Ministère du Développement durable, de l'Environnement et des Parcs du Québec ("**MENV**") pursuant to the Soil Protection and Rehabilitation Policy established following the coming into force of certain amendments to the Act on March 1, 2003.

Moreover, we have received a written confirmation dated May 31, 2010 from the MENV that it has no file citing known violations of said statute or the regulations adopted pursuant thereto with regard to the Property.

We do not express any opinion as to conformity of the Property with laws and regulations dealing with environmental matters.

22. *SUCCESSION DUTY ACT* (R.S.Q., Chapter D-13.2)

From February 9, 1918 until May 27, 1986, the *Succession Duty Act* required the registration of a permit in order to transfer a right of ownership of an immovable resulting from death. However, since the coming into force of *An Act to amend the Act respecting the Ministère du Revenu and other legislative provisions* (S.Q. 2004, Chapter 4), assented to April 22, 2004, such a permit is not required for successions opened during that period. Therefore, the title relating to property transferred without the permit required by the law is valid notwithstanding non-compliance with those provisions.

23. *MINING ACT* (R.S.Q., Chapter M-13.1)

Under the provisions of the *Mining Act* and article 3040 of the *Civil Code of Québec*, certain mining rights must be registered, *inter alia*, at the registry office of the registration division in which they are located. During the Period of Examination, there are no inscriptions of corresponding land files for a real right of state research development on which required registrations would be indexed. We express no opinion beyond the results of the aforementioned search and specifically, we express no opinion regarding those mining rights exempt from registration at the Registry Office.

24. OPINION

Confining our opinion to those matters reported on herein, and subject to our comments under the above headings "PERIOD OF EXAMINATION", "HYPOTHECS, RESOLUTORY RIGHTS AND PRIOR CLAIMS", "SERVITUDES AND PERMISSIONS", "UNREGISTERED SERVITUDES", "LEASES" and "CERTIFICATE OF LOCATION" under reserve of:

1. reserves in favour of the Crown, if any;

2. any prior claim (liens which are not subject to registration) which may affect the Property;

3. inchoate legal hypothecs in favour of workmen, suppliers of material and certain professionals which have arisen from work done, and giving additional value, to the Property and which have not yet been registered or published or which do not require registration or publication;

4. legal hypothecs arising by law securing the payment of unpaid taxes or other sums in favour of the Crown and other governmental agencies, municipal corporations or certain public utilities; and

5. rights granted under the *Mining Act* to third parties which said Act does not require to be published or registered against the Property.

we are of the opinion that as at 11:39 a.m. on June 29, 2010, being the effective time and date of our last search at the Registry Office, Ivanhoé Ste-Foy Inc. was the registered owner of the Property, with a good and marketable title, free and clear of encumbrances, save for those referred to above (the certification date for the cancellations being at 10:44 a.m. on June 14, 2010).

In expressing our opinions and in effecting the examinations upon which same are based, we have assumed the genuineness of all signatures and the authenticity of all documents that we have consulted. We have also assumed the validity of the filing,

registration, publication or deposit in the Registry Office or other public agency where we have carried out such examinations.

The opinions expressed herein are confined to the laws in force at the date of the presents for the Province of Québec and the laws of Canada applicable therein.

Finally, we provide this opinion for your reliance only, and the reliance of the assignee or assignees of all or part of the interest of Hypothèques CDPQ Inc. in the financing of the Property and the assignee or replacement of Société de Fiducie Computershare du Canada, as fondé de pouvoir, in connection with the transaction referred to in the first paragraph above and our opinion may not be used or relied on without our prior written consent (including for purposes of the issue of a title insurance policy) by any other person either in connection with that or any other matters.

Montréal, this 30th day of June, 2010.

McCarthy Tétrault LLP

ABSTRACT OF TITLE TO LOT 2 014 688 OF THE CADASTRE OF QUÉBEC, REGISTRATION DIVISION OF QUÉBEC

Preliminary Notes:

(i) Lot 2 014 688 was created by the deposit of a renovation plan which came into force on September 10, 2001 and replaces lots 313-E-3-1-1, 313-E-3-2 and 769 of the cadastre of the Parish of Sainte-Foy.

(ii) Lot 769 of the Parish of Sainte-Foy was created by the deposit of a replacement plan which came into force on May 20, 1988 and replaces lots 386-5-1-1, 386-5-2-1 and 386-5-3 and part of lots 313-D-3, 313-D-3-1, 313-E-3, 313-E-3-1, 386-5, 386-5-1 and 386-5-2 of said cadastre and was corrected on December 14, 1988.

(iii) Lots 313-E-3-1-1- and 313-E-3-2 of the Parish of Sainte-Foy were created by the deposit of a subdivision plan which came into force on March 26, 1985 and subdivided respectively part of lots 313-E-3-1 and 313-E-3 of said cadastre.

(iv) Lots 386-5-1-1, 386-5-2-1 and 386-5-3 of the Parish of Sainte-Foy were created by the deposit of a subdivision plan which came into force on January 19, 1965 and subdivided respectively part of lots 386-5-1 and 386-5-2 and 386-5 of said cadastre.

(v) Lot 386-5-2 of the Parish of Sainte-Foy was created by the deposit of a subdivision plan which came into force on January 10, 1961 and subdivided a part of lot 386-5 of said cadastre.

(vi) Lots 313-D-3-1, 313-E-3-1 and 386-5-1 were created by the deposit of a subdivision plan which came into force on February 3, 1959 and subdivided respectively part of lots 313-D-3, 313-E-3 and 386-5 of said cadastre.

(vii) Lots 313-D-3, 313-E-3 and 386-5 of the Parish of Sainte-Foy were created by the deposit of a subdivision plan which came into force on April 15, 1957 and subdivided respectively part of lot 313-D, 313-E and 386 of said cadastre.

(viii) Lot 386 of the Parish of Sainte-Foy was corrected on January 10, 1956 at which time lot 385 of said cadastre was cancelled.

(ix) Lots 385 and 386 of the Parish of Sainte-Foy were added by the deposit of a replacement plan which came into force on March 27, 1951 and replaced, amongst others, part of lot 313-D of said cadastre.

(x) Lots 313-D and 313-E of the Parish of Sainte-Foy were created by the deposit of a subdivision plan which came into force on June 13, 1912 and subdivided part of lot 313 of said cadastre.

(xi) Lot 313 of the Parish of Sainte-Foy was inscribed on the Official Cadastre by the deposit of a plan for original lots which came into force on April 30, 1874.

(xii) In the present Abstract of Title, references to the publication numbers are deemed to refer to the Registry Office for the Registration Division of Québec.

AS REGARDS TO A PARTS OF LOT 313-D AND PART OF LOT 313-E OF THE CADASTRE OF THE PARISH OF SAINTE-FOY, REGISTRATION DIVISION OF QUEBEC

1. **January 1, 1949**

This is the date of the beginning of our search, at which time:

(i) Omer Gingras was owner of a part of lot 313-D in virtue of a Deed of Sale granted by Albert Gingras and executed before Mtre Géo P. Châteauvert, Notary, on January 14, 1918 and registered on February 8, 1918 under number 163 167;

(ii) L'Université de Laval was owner of a part of lots 313-D and 313-E pursuant to a Deed of Sale granted by Le Directeur de la *Loi sur les terres destinées aux anciens combattants* and executed under private signature on March 27, 1947 and registered on March 27, 1947 under number 312 774.

Note: L'Université de Laval should have been designated as Le Recteur et les Membres de l'Université Laval, à Québec, dans la Province de Canada, commonly called l'Université Laval, however we are of the opinion that said irregularity can be safely ignored.

Note: On March 27, 1951 the entire part of lot 313-D owned by Omer Gingras was cancelled and lots 385 and 386 of said cadastre were added.

Note: On April 15, 1957 a part of lots 313-D and 313-E were subdivided into respectively lots 313-D-3 and 313-E-3.

AS REGARDS TO A PART OF LOTS 385 and 386 OF SAID CADASTRE

1. March 27, 1951

This is the date of the deposit of said lots, Omer Gingras is designated in the Official Plan and Book of Reference as owner.

2. September 21, 1951

This is the date of a Deed of Sale executed before Mtre Émile Boiteau, Notary, and registered on October 5, 1951 under number 359 615, by which Omer Gingras sold to Omer Gingras & Fils Inc., lot 386, being a part of the Property under examination with greater extent.

Note: On January 10, 1956 lot 385 was cancelled and lot 386 was corrected in a manner that all superficies of lot 385 are now included in lot 386.

3. March 15, 1956

This is the date of a Deed of Sale executed before Mtre Lavery Sirois, Notary, and registered on March 21, 1956 under number 413 521, by which Omer Gingras & Fils Inc. sold to Ivanhoé Corp. lot 386, being a part of the Property under examination with greater extent.

Note: Omer Gingras intervened to said deed and assigned to Ivanhoé Corp. any rights, title and interest he may have in lot 386, as corrected.

Note: On April 15, 1957 a part of said lot was subdivided into lot 386-5.

AS REGARDS TO A PARTS OF LOT 313-D-3, 313-E-3 AND 386-5 OF SAID CADASTRE

1. April 15, 1957

This is the date of the deposit of said lots, Ivanhoé Corp. is designated in the Official Plan and Book of Reference as owner.

Note: The name of the owner is incorrect as to lots 313-D-3 and 313-E-3, Le Recteur et les Membres de l'Université de Laval, à Québec, dans la Province de Canada are at the date owner of said lots. However, we are of the opinion that this irregularity can be safely ignored since the acquisition by Ivanhoé Corp. from said entity was executed concurrently.

2. April 17, 1957

This is the date of a Deed of Exchange executed before Mtre Lavery Sirois, Notary, and registered on April 26, 1957 under number 428 649, by which Le Recteur et les Membres de l'Université Laval, à Québec, dans la Province de Canada exchanged to Ivanhoé Corp. lots 313-D-3 and 313-E-3, being a part of the Property under examination with greater extent.

Note: The parties renounced to any privilege resulting from the exchange.

3. June 5, 1957

This is the date of a Deed of Sale executed before Mtre Solomon Vineberg, Notary, and registered on June 7, 1957 under number 430 202, by which Ivanhoé Corp. sold to Steinberg's Properties Limited a part of lots 313-D-3 and 313-E-3, being a part of the Property under examination.

Note: On February 3, 1959 parts of lots 313-D-3, 313-E-3 and 386-5 were subdivided into respectively lots 313-D-3-1, 313-E-3-1 and 386-5-1.

Note: On January 10, 1961, a part of lot 386-5 was subdivided into lot 386-5-2.

4. June 25, 1964

This is the date of a Deed of Sale executed before Mtre Lavery Sirois, Notary, and registered on June 30, 1964 under number 548 682, by which Steinberg's Properties Limited sold to Ivanhoé Corp. a part of lots 313-D-3 and 313-E-3, being a part of the Property under examination.

Note: On January 19, 1965 a part of lot 386-5 was subdivided into lot 386-5-3.

5. March 17, 1965

This is the date of an Emphyteutic Lease executed before Mtre Marcel Cordeau, Notary, and registered on March 24, 1965 under number 563 367, by which Ivanhoé Corp. leased by way of an emphyteutic lease to Cinemas Ste-Foy Ltée, a part of lot 313-E-3, being a part of the Property under examination, for a term of 25 years commencing on the first day of May 1965 and terminating on April 30, 1990 with the option to renew for five (5) successive periods of five (5) years each.

6. January 27, 1969

This is the date of a Deed of Sale executed before Mtre Charles Henry Wayland, Notary, and registered on February 7, 1969 under number 641 951, by which Cinemas Ste-Foy Ltée sold to Victoria Theatre Co. Ltd. all its rights as emphyteutic lessee of a part of lot 313-E-3, being a part of the Property under examination.

Note: On June 30, 1980, Victoria Theatre Co. Ltd. was involved in an amalgamation and continued under the name of Les Immeubles Famous Players (Québec) Inc.

Note: On June 21, 1982, Les Immeubles Famous Players (Québec) Inc. was involved in an amalgamation and continue under the name Les Immeubles Famous Players (Québec-1982) Inc.

7. July 29, 1982

This is the date of a Deed of Sale executed under private signature and registered under number 1 050 656, by which Les Immeubles Famous Players (Québec-1982) Inc. sold to Cinémas Unis Inc. all its rights as emphyteutic lessee of a part of lot 313-E-3, being a part of the Property under examination.

Note: On March 26, 1985 a part of lot 313-E-3 was subdivided into lot 313-E-3-2.

Note: On March 20, 1988 parts of lots 313-D-3, 313-E-3 and part of lot 386-5 were replaced by part of lot 769.

AS REGARDS TO PARTS OF LOTS 313-D-3-1, 313-E-3-1 AND 386-5-1 OF SAID CADASTRE

1. **February 3, 1959**

   This is the date of the deposit of said lot, Ivanhoé Corp. was designated as owner in the Official Plan and Book of Reference.

Note: On January 19, 1965 a part of lot 386-5-1 was subdivided into lot 386-5-1-1.

Note: On March 26, 1985 a part of lot 313-E-3-1 was subdivided into lot 313-E-3-1-1.

Note: On May 20, 1988 part of lots 313-D-3-1, 313-E-3-1- and 386-5-1 were replaced by lot 769 of said cadastre.

AS REGARDS TO PARTS OF LOT 386-5-2 OF SAID CADASTRE

1. **January 10, 1961**

This is the date of the deposit of said lot, Ivanhoé Corp. is designated as owner in the Official Plan and Book of Reference.

2. **March 30, 1961**

This is the date of a Deed of Sale executed before Mtre Stuart Wright, Notary, and registered on April 10, 1961 under number 487 313, by which Ivanhoé Corp. sold to Maurice Pollack Realty Company Limited said lot, being a part of the Property under examination.

3. **February 1, 1962**

This is the date of a Deed of Sale executed before Mtre Reginald Meredith, Notary, and registered on February 13, 1962 under number 503 324, by which Maurice Pollack Realty Company Limited sold to Maupol Realties Co. Ltd. said lot, being a part of the Property under examination.

4. **August 14, 1962**

This is the date of a Deed of Sale executed before Mtre Stuart Wright, Notary, and registered on August 16, 1962 under number 512 793, by which Maupol Realties Co. Ltd. sold to Ivanhoé Corp. said lot, being a part of the Property under examination.

Note: On January 19, 1965, a part of said lot was subdivided into lot 386-5-2-1.

Note: On May 20, 1988, a part of said lot was replaced by lot 769.

AS REGARDS TO LOTS 386-5-1-1, 386-5-2-1 AND 386-5-3 OF SAID CADASTRE

1. January 19, 1965

This is the date of the deposit of said lot, Ivanhoé Corp. is designated in the Official Plan and Book of Reference as owner.

Note: On May 20, 1988, said lots were replaced by lot 769.

AS REGARDS TO LOTS 313-E-1-1 and 313-E-3-2 OF SAID CADASTRE

1. March 26, 1985

This is the date of the deposit of said lot, Ivanhoé Corp. is designated as owner in the Official Plan and Book of Reference.

Note: The name of the owner should have been Ivanhoé Inc. In fact, Ivanhoé Corp. changed its name on May 9, 1969 for Corporation Ivanhoé – Ivanhoé Corporation, and subsequently on October 21, 1977, to become Ivanhoé Inc. We are of the opinion that said irregularity can be safely ignored.

Note: On July 29, 1979, Ivanhoé Inc. was involved in an amalgamation and continued under the same name.

2. May 22, 1990

This is the date of a Deed of Sale executed before Mtre Johanne Masson, Notary, and registered on May 28, 1990 under number 1 372 122, by which Ivanhoé Inc. sold to Les Propriétés Ivanhoé Inc. said lots, being a part of the Property under examination.

Note: On May 31, 1990, Les Propriétés Ivanhoé Inc. changed its name to Ivanhoé Inc.

3. December 9, 1994

This is the date of a Deed of Sale executed before Mtre Pierre Vienne, Notary, and registered on January 10, 1995 under number 1 571 524, by which Ivanhoé Inc. sold to Les Investissements M. Inc. said lots, being a part of the Property under examination.

Note: On December 6, 1994, Les Investissements M Inc. were involved in an amalgamation and continued under the name of Ivanhoé III Inc.

Note: On December 22, 1995, Ivanhoé III Inc. was amalgamated with 9026-2494 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On December 12, 1996, Ivanhoé III Inc. was amalgamated with 9043-6080 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On March 4, 1997, Ivanhoé III Inc. was amalgamated with 9045-3317 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On June 9, 1997, Ivanhoé III Inc. was amalgamated with Abrim 02 Inc. and continued under the name of Ivanhoé III Inc.

Note: On November 7, 1997, Ivanhoé III Inc. was amalgamated with 9053-3670 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On December 22, 1997, Ivanhoé III Inc. was amalgamated with 9054-4347 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On May 8, 1998, Ivanhoé III Inc. was amalgamated with 9055-1706 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On June 30, 1998, Ivanhoé III Inc. was amalgamated with Ivanhoé II Inc. and continued under the name of Ivanhoé III Inc.

Note: On January 1, 1999, the name of Ivanhoé III Inc. was changed to Ivanhoé Inc.

4. **June 15, 2000**

This is the date of a Deed of Sale executed before Mtre Stéphane Lalande, Notary, and registered on June 16, 2000 under number 1 733 925, by which Ivanhoé Inc. sold to Ivanhoé Ste-Foy Inc. said lots, being a part of the Property under examination.

Note: By cadastral renovation dated September 10, 2001, said lots were replaced by a part of lot 2 014 688 of the Cadastre of Québec.

AS REGARDS TO LOT 769 OF SAID CADASTRE

1. May 20, 1988

This is the date of the deposit of said lot, Ivanhoé Inc. is designated in the Official Plan and Book of Reference as owner.

2. May 22, 1990

This is the date of a Deed of Sale executed before Mtre Johanne Masson, Notary, and registered on May 28, 1990 under number 1 372 122, by which Ivanhoé Inc. sold to Les Propriétés Ivanhoé Inc. said lot, being a part of the Property under examination.

Note: On May 31, 1990, Les Propriétés Ivanhoé Inc. changed its name to Ivanhoé Inc.

3. December 9, 1994

This is the date of a Deed of Sale executed before Mtre Pierre Vienne, Notary, and registered on January 10, 1995 under number 1 571 524, by which Ivanhoé Inc. sold to Les Investissements M. Inc. said lot, being a part of the Property under examination.

Note: On December 6, 1994, Les Investissements M Inc. were involved in an amalgamation and continued under the name of Ivanhoé III Inc.

Note: On December 22, 1995, Ivanhoé III Inc. was amalgamated with 9026-2494 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On December 12, 1996, Ivanhoé III Inc. was amalgamated with 9043-6080 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On March 4, 1997, Ivanhoé III Inc. was amalgamated with 9045-3317 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On June 9, 1997, Ivanhoé III Inc. was amalgamated with Abrim 02 Inc. and continued under the name of Ivanhoé III Inc.

Note: On November 7, 1997, Ivanhoé III Inc. was amalgamated with 9053-3670 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On December 22, 1997, Ivanhoé III Inc. was amalgamated with 9054-4347 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On May 8, 1998, Ivanhoé III Inc. was amalgamated with 9055-1706 Québec Inc. and continued under the name of Ivanhoé III Inc.

Note: On June 30, 1998, Ivanhoé III Inc. was amalgamated with Ivanhoé II Inc. and continued under the name of Ivanhoé III Inc.

Note: On January 1, 1999, the name of Ivanhoé III Inc. was changed to Ivanhoé Inc.

4. **June 15, 2000**

This is the date of a Deed of Sale executed before Mtre Stéphane Lalande, Notary, and registered on June 16, 2000 under number 1 733 925, by which Ivanhoé Inc. sold to Ivanhoé Ste-Foy Inc. said lot, being a part of the Property under examination.

Note: By cadastral renovation dated September 10, 2001, said lot was replaced by a part of lot 2 014 688 of the Cadastre of Québec.

AS REGARDS TO LOT 2 014 680 OF THE CADASTRE OF QUEBEC

1. <u>September 10, 2001</u>

This is the date of the deposit of said lot, Ivanhoé Ste-Foy Inc. is designated as owner.

Note: On July 2, 2004, Ivanhoé Ste-Foy Inc. was amalgamated with 4239482 Canada Inc. and continued under the name of Ivanhoé Ste-Foy Inc.

2. <u>November 18, 2002</u>

This is the date of a Deed of Extinction of an Emphyteutic Lease, executed before Mtre Maryse Piérard, Notary, and registered on November 20, 2002 under number 1 811 642, by which Liquivan Inc. vested in all rights of Ivanhoé Inc., and Viacom Canada Inc. vested in all rights of Famous Players Inc., acknowledged that the option to renew the Emphyteutic Lease registered under number 563 367 was never exercised by Famous Players Inc., therefore it was agreed that the Emphyteutic Lease is now extinguished and all obligations resulting therefrom have ceased.

Note: Cinémas Unis Inc., which was the last registered emphyteutic lessee, assigned its rights in the emphyteutic lease to Famous Players Inc., by an Agreement of Assignment executed under private signature on October 19, 1987, copy of which is now registered with the present Deed of Extinction. Ivanhoé Inc., which was owner at that time, intervened to said agreement and gave its consent.

Schedule A

LESSEE	DATE OF LEASE	EXPIRY DATE OF LEASE	OPTION TO RENEW	REGISTRATION NUMBER	NOTES
The T. Eaton Company Limited	Aug. 13, 1975	Sep. 30, 2005	6 options of 10 years 1 option of 9 years	824 231	
Épiciers Unis Métro Richelieu Inc.	Nov. 1, 1977	Apr. 29, 2013	3 options of 5 years 1 option of 1 year and 8 months	900 615	The lease was amended by Agreement registered under no. 1 470 506 and the rights of lessee were assigned by Steinberg Inc. to Épiciers Unis Métro Richelieu Inc., by Assignment of Lease executed on June 11, 1992 and registered under no. 1 476 968.
Steinberg Inc.	Nov. 1, 1977	Apr. 30, 1999	3 options of 5 years	900 616	
La Maison Simons Inc.	Sep. 19, 1989	Jan. 31, 2010	1 option of 5 years	1 375 450	
Banque Laurentienne du Canada	Apr. 18, 1996	Mar. 28, 2003	4 options of 5 years	1 651 209	By Assignment registered under no. 1 769 474, La Banque de Nouvelle-Écosse assigned all its rights as lessee to Banque Laurentienne du Canada
Les Ailes de la Mode Incorporées	July 29, 1996	Aug. 5, 2000	1 option of 2 years 1 option of 5 years 5 options of 5 years	1 655 758	
Banque Royale du Canada	Jan. 26, 1998	Apr. 30, 2006	2 options of 5 years	1 664 076	
Bell Mobilité Cellulaire Inc.	Sep. 8, 1998	Feb. 28, 2003	2 options of 5 years	1 684 562	
Sports Expert 2000 Inc.	July 31, 2001	Sep. 2, 2017	1 option of 5 years	10 827 273	

LESSEE	DATE OF LEASE	EXPIRY DATE OF LEASE	OPTION TO RENEW	REGISTRATION NUMBER	NOTES
Omer Deserres Inc.	Oct. 25, 2001	Apr. 30, 2015	-	1 811 978	
Reitmans (Canada) Limited	Feb. 18, 2002	June 30, 2007	1 option of 5 years	1 795 170	By notice registered on August 3, 2009 under no. 16 427 735, notice was given that the lease was extended until July 31, 2019
Société des Alcools du Quebec	May 2, 2002	Oct. 31, 2010	-	1 788 747	
TM Mobile Inc.	Aug. 30, 2004	Aug. 31, 2009	3 options of 5 years each	12 698 032	
McMahon Distributeur Pharmaceutique Inc.	Apr. 25, 2005	Oct. 31, 2010	1 option of 5 years	12 321 399	
Subway Franchise Restaurants of Canada, Ltd.	July 6, 2006	Aug. 27, 2016	2 options of 5 years each	16 936 664	
Banque Royale du Canada	Aug. 24, 2006	Apr. 30, 2011	1 option of 5 years	13 670 666	
Les Modes Klaus Steilmann Inc.	Mar. 17, 2008	July 31, 2018	-	15 804 367	

Avocats • Agents de brevets et marques de commerce
Barristers & Solicitors Patent & Trade-mark Agents

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SUPPLEMENTARY TITLE REPORT

Hypothèques CDPQ Inc.
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Société de Fiducie Computershare du Canada
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1001 Square Victoria
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Montreal, Quebec, H2Z 2B5

Ivanhoé Ste-Foy Inc.
95 Wellington Street West
Suite 300
Toronto, Ontario, M5J 2R2

RE: **SUPPLEMENTARY REPORT** to lot number 2 014 688 of the Cadastre of Quebec, Registration Division of Quebec

Sirs:

In connection with the financing of the Property and as requested we have updated our title report to the Property that we have prepared on June 30,2010 (the **"Report"**) and we wish to report thereon.

1. CURRENT PERIOD OF EXAMINATION

We have examined the relevant uncertified computerized copies of the deeds and indexes of immovables maintained at the Land Register regarding the Property for the period beginning on June 29, 2010 at 11:39 a.m., being the effective date of the Report, to August 16, 2010 at 10:16 a.m. (the **"Current Effective Date"**), being the effective date and time of our last searches at the Land Register for the Registry Office of Québec (the **"Current Period of Examination"**).

2. DESCRIPTION

During the Currrent Period of Examination, no cadastral modification has occured for the Property, therefore the description contained in the Report is still accurate.

3. DERIVATION OF TITLE

During the Current Period of Examination, there were no transfers of the Property, therefore, as mentioned in the Report, Ivanhoe Ste-Foy Inc. is still the registered owner.

4. HYPOTHECS, RESOLUTORY RIGHTS AND PRIOR CLAIMS

During the Current Period of Examination, there were no hypothecs, resolutory rights, prior claiins or other encumbrances registered against the Property.

As to legal hypothecs which do not require registration or immediate registration (such as those for workmen, suppliers of materials, builders and architects whose work or material may have given additional value to the property under consideration), or those arising by law in favour of the Crown and governmental agencies, municipal corporations or certain public utilities, we have no information and have made no investigation.

However, during the Current Period of Examination, the following cancellations were registered with regard to certain registrations described under the heading "HYPOTHECS RESOLUTORY RIGHTS AND PRIOR CLAIMS" of the Report, namely:

- Deed of Cancellation executed under private signature on July 12, 2010 and registered on July 15, 2010 under number 17 390 906, by which Premiere Corporation Émettrice de TACHC N-45° consented to the cancellation of all its hypothecary rights resulting from the Deed of Hypothec registered under number 1 733 924 and the Deed of Assignment of Hypothecary Claim registered under number 1 733 926.

Note: Société de Fiducie Computershare du Canada intervened to grant mainlevée pure and simple of all its hypothecary rights against the Property resulting from the Deed of Hypothec registered under number 1 733 927 and the Deed of Assignment of Hypothecary Claims registered under 1 815 025.

- Deed of Cancellation executed under private signature on July 9, 2010 and registered on July 15, 2010 under number 17 390 840, by which Premiere Corporation Émettrice de TACHC N-45° consented to the cancellation of all its hypothecary rights resulting from the Deed of Hypothec registered under number 11 493 984.

5. SERVITUDES AND PERMISSIONS

During the Current Period of Examination, there were no servitudes or permissions registered against the Property.

6. LEASES

During the Current Period of Examination, there were no unexpired leases, subleases or assignments of lease (in each case including renewal options) registered against the Property.

7. OTHER SECTIONS

All of the other sections contained in the Report need no other supplemental comments.

8. OPINION

Subject to the comments under the heading "OPINION" in the Report and under the heading "CURRENT PERIOD OF EXAMINATION" of the present Supplementary Report, we are of the opinion that at the Current Effective Date, Ivanhoe Ste-Foy Inc. was the registered owner of the Property with a good and marketable title, free and clear of encumbrances, save for those referred in the Report and not cancelled by the deeds referred to above (the certification date for the cancellation being at 15:00 on July 22, 2010).

Finally, we provide this opinion for your reliance only, and the reliance of the assignee or assignees of all or part of the interest of Hypothèques CDPQ Inc. in the financing of the Property and the assignee or replacement of Société de Fiducie Computershare du Canada, as fonde de pouvoir, in connection with the transaction referred to in the first paragraph above and our opinion may not be used or relied on without our

prior written consent (including for purposes of the issue of a title insurance policy) by any other person either in connection with that or any other matters.

Montréal, this 16th day of August, 2010.

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SUPPLEMENTARY TITLE REPORT

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95 Wellington Street West
Suite 300
Toronto, Ontario, M5J 2R2

RE: **SUPPLEMENTARY REPORT** to lot number 2 014 688 of the Cadastre of Québec, Registration Division of Québec (the "**Property**").

Sirs:

In connection with the transfer of a loan from a property referred to as Galerie Rive-Nord and the putting in place of security to secure same in respect of the Property and as requested we have updated our title report to the Property that we have prepared on June 30, 2010 and the supplementary title report dated August 16, 2010 (collectively, the "**Report**"), which Report you may consider to be addressed to you for the purposes of the present supplementary title report, and we wish to report thereon.

1. CURRENT PERIOD OF EXAMINATION

We have examined the relevant uncertified computerized copies of title deeds and indexes of immovables maintained at the Land Register regarding the Property for the period beginning on August 16, 2010 at 10:16 a.m., being the effective date of the Report, to September 26, 2014 at 14:46 (the "**Current Effective Date**"), being the effective date and time of our last searches at the Land Register for the Registry Office of Québec (the "**Current Period of Examination**").

2. DESCRIPTION

During the Currrent Period of Examination, no cadastral modification occurs for the Property, therefore the description contained in the Report is still accurate.

3. DERIVATION OF TITLE

During the Current Period of Examination, there were no transfers of the Property, therefore as mentioned in the Report, Ivanhoé Ste-Foy Inc. is still the registered owner.

4. HYPOTHECS, RESOLUTORY RIGHTS AND PRIOR CLAIMS

During the Current Period of Examination, there were no hypothecs, resolutory rights, prior claims or other encumbrances registered against the Property., except:

- Deed of Hypothec executed before Steve Collins, Notary, on September 25, 2014 and registered under number 21 077 272, by which Ivanhoé Ste-Foy Inc. hypothecated the Property in favour of Société de fiducie Computershare du Canada for an amount of $67,500,000 with interest at the rate of 25% per annum.

  Note: Ivanhoé Cambridge Inc. intervened to said deed in order to hypothecated all its rights, titles and interest in the Property to the same extent.

  Note: Société de fiducie Computershare du Canada agreed that said hypothec is ranking *pari passu* with the hypothec registered under number 17 334 236.

As to legal hypothecs which do not require registration or immediate registration (such as those for workmen, suppliers of materials, builders and architects whose work or material may have given additional value to the property under consideration), or those arising by law in favour of the Crown and governmental agencies, municipal corporations or certain public utilities, we have no information and have made no investigation.

5. SERVITUDES AND PERMISSIONS

During the Current Period of Examination, there were no servitudes or permissions registered against the Property, except for:

- Deed of modification of servitude executed before Michèle Beaudry, Notary, on September 16, 2010 and registered under number 17 560 204, by which Germain Pelletier Ltée and Ivanhoé Ste-Foy Inc. modified the servitude for restrictive uses referred to in the Report under heading "SERVITUDES AND PERMISSIONS", paragraph 6.(vii), in order that the servient land, being now lot 1 664 988, from the date of said deed, will be used for residential purposes only.

6. LEASES

During the Current Period of Examination, there were no unexpired leases, subleases or assignments of lease (in each case including renewal options) registered against the Property, except for:

- Notice executed on August 24, 2010 and registered under number 17 498 151, of a lease dated June 7, 2010, by which Place Ste-Foy Limited Partnership, as lessor,

leased to Apple Canada Inc., as lessee, premises in the Property for a term of, approximatively, ten (10) years with an option for an additional period of five (5) years;

- Notice executed on May 27, 2011 and registered under number 18 177 060, of a lease dated April 8, 2011, by which Place Ste-Foy Limited Partnership, as lessor, leased to 9236-5246 Québec Inc., as lessee, premises in the Property for a term of ten (10) years with an option for an additional period of five (5) years;

- Notice executed on November 22, 2011 and registered under number 18 686 824, of an amendment, dated April 12, 2011, to the lease registered under number 12 321 399, by which Place Ste-Foy Limited Partnership, as lessor, and McMahon Distributeur Pharmaceutique Inc., as lessee, amended said lease to modify the area of the leased premises and to extend the term for a period ending on July 31, 2021 with an option for an additional period of five (5) years;

- Notice executed on April 2, 2012 and registered under number 18 970 659, of a lease dated June 10, 2010, by which Place Ste-Foy Limited Partnership, as lessor, leased to La Maison Simons Inc., as lessee, premises in the Property for a term of twenty (20) years with an option for two additional periods, respectively, of ten (10) years and nine (9) years and seven (7) months;

- Notice executed on July 24, 2012 and registered under number 19 361 995, of a lease dated December 7, 2010, by which Place Ste-Foy Limited Partnership, as lessor, leased to Réseau de transport de la Capitale, as lessee, premises in the Property for a term of twenty (20) years with an option for an additional period of five (5) years;

- Notice executed on October 24, 2012 and registered under number 19 520 390, of a lease dated November 10, 1999 and a renewal dated August 26, 2010, by which Place Ste-Foy Limited Partnership, as lessor, leased to 9074-3881 Québec Inc., as lessee, premises in the Property for a term of five (5) years ending on March 16, 2015 with an option for an additional period of five (5) years;

- Notice executed on January 20, 2014 and registered under number 20 530 819, of an amendment, dated December 19, 2013, to the lease registered under number 1 684 562, by which Ivanhoé Cambridge Inc., as lessor, and Bell Mobilité Inc., as lessee, amended said lease to extend the term for a period of five (5) years ending on February 28, 2018;

- Notice executed on June 16, 2014 and registered under number 20 838 129, of a lease dated May 24, 2013, by which Place Ste-Foy Limited Partnership, as lessor, leased to Starbucks Coffee Canada Inc., as lessee, premises in the Property for a term of ten (10) years with an option for an additional period of five (5) years; and

- Notice executed on July 22, 2014 and registered under number 20 950 099, of a lease dated December 12, 1995, by which Ivanhoé Cambridge Inc., as lessor, leased to Groupe Archambault Inc., as lessee, premises in the Property for a term of twenty-five (25) years and one (1) day ending on November 30, 2020 with an option for two (2) additional periods of five (5) years each.

7. TAXES

We have been advised by the City of Québec: (i) that there are no arrears of taxes for prior years; and (ii) that the municipal taxes for the Property for the financial year ending on December 31, 2014 amounted to $7,662,373.20 and have been paid in full.

We have been advised by the Commission scolaire des Découvreurs, in which district the Property is situated: (i) that there are no arrears of taxes for prior years; and (ii) that school taxes for the Property for the financial year ending on June 30, 2015 amounted to $373,883.39 and have been paid to date.

8. OTHER SECTIONS

All of the other sections contained in the Report need no other supplemental comments.

9. OPINION

Subject to the comments under heading "OPINION" in the Report and under heading "CURRENT PERIOD OF EXAMINATION", "HYPOTHECS, RESOLUTORY RIGHTS AND PRIOR CLAIMS", "SERVITUDES AND PERMISSIONS" and "LEASES" of the present Supplementary Title Report, we are of the opinion that at the Current Effective Date, Ivanhoé Ste-Foy Inc. was the registered owner of the Property with a good and marketable title, free and clear of encumbrances, save for those referred in the Report and not cancelled by the deeds referred to above, and those referred to herein (the certification date for the cancellation being at 13:38 on September 8, 2014).

Finally, we provide this opinion for your reliance only and for any successor or assignee of your rights in connection with the transaction referred to in the first paragraph above and our opinion may not be used or relied on without our prior written consent (including for purposes of the issue of a title insurance policy) by any other person either in connection with that or any other matters.

Montréal, this 29th day of September, 2014.

McCarthy Tétrault LLP

Exhibit C-1 - Restricted Uses

ATMOSPHÈRE

« 20.4 Exclusivité

Sujet aux dispositions du paragraphe 20.2, et pourvu que le Locataire ne soit pas en défaut de ses obligations en vertu du Bail, le Locateur s'engage à ne louer aucun autre lieu dans le Centre Commercial à un locataire dont l'usage sera la vente d'équipements de sport de nature « hard goods » (comme par exemple et non limitativement, canots, tentes, skis, raquettes, équipement de hockey et vélos). Il est entendu que la présente exclusivité n'aura aucune application à (i) la vente de chaussures et de vêtements; (ii) un magasin de sport spécialisé dans le golf ~~dont la superficie sera de deux mille (2,000) pieds carrés ou moins~~ et (iii) la vente et la location d'équipement d'exercice et de musculation. Nonobstant ce qui précède, le Locateur aura le droit de permettre la vente de produits de sports de nature « hard goods » à titre d'usage secondaire pourvu que la superficie affectée à cet usage n'excède pas dix pour cent (10%) de la superficie locative des lieux d'un tel locataire.

Nonobstant ce qui précède, cette exclusivité ne s'applique pas à tous les locataires existants dans le Centre Commercial à la date de l'acceptation des présentes par le Locateur et à tous futurs magasins de rayons ayant une superficie de quarante mille (40,000) pieds carrés ou plus, non plus qu'à tout sous-locataire, cessionnaire ou ayants droits des locataires existants et/ou des magasins à rayons ci-haut mentionnés ».

ROYAL BANK OF CANADA

27.11 The Landlord agrees not to lease space in the Shopping Centre or any extensions thereto to any other bank, financial, loan or deposit gathering institute (save and except for this bank and one Finance Company, and one other Canadian Chartered Bank), for the term of the Lease and its options. This clause will also cover the installation of automatic cash dispensing units but specifically excepting any credit services provided by any department store and any other store in the Shopping Centre.

BIZOU L'ACCESSOIRIE

20.1 Droit de premier refus pour kiosque temporaire

Pourvu que le Locataire ne soit pas en défaut de son Bail, il est entendu par la présente que si en tout temps, durant le Terme le Locateur entreprend de louer certains lieux dans le Centre Commercial Place Ste-Foy pour fins d'exploitation d'un kiosque temporaire principalement pour la vente au détail d'accessoires d'hiver pour hommes, femmes et enfants (selon le concept « L'Accessoire sous zéro ») tel qu'exploité au Faubourg de l'Île

à Pincourt et aux Galeries Rive Nord à Repentigny, lesquels superficie et emplacement à être déterminés par le Locateur, alors le Locataire aura, à chaque année, l'option de louer un kiosque temporaire pour l'usage mentionné au présent paragraphe 20.1 dans ledit Centre Commercial, sur réception d'un avis écrit du Locateur au Locataire, le tout pour un loyer mensuel de deux mille quatre cents dollars (2 400,00$) par mois et pour une période maximale de cinq (5) mois par année, laquelle période débutera au plus tôt le 15 septembre et au plus tard le 15 octobre de chaque année. Le Locataire aura un délai maximum de quinze (15) jours après réception de cet avis écrit du Locateur pour aviser le Locateur de son intention d'accepter ou de rejeter ladite offre, à défaut de quoi, la présente option de droit de premier refus sera nulle et sans effet pour toutes fins. Tous les termes et conditions du présent Bail s'appliqueront audit kiosque temporaire, sauf tels qu'amendés par ledit article 20.1.

20.2 Exclusivité sur kiosque temporaire

Durant la période de la location du kiosque temporaire du Locataire et pourvu que le Locataire ne soit pas en défaut du Bail, le Locateur ne louera pas d'espace à un autre kiosque temporaire dans le Centre Commercial pour la vente au détail principalement d'accessoires d'hiver pour hommes, femmes et enfants (selon le concept « L'Accessoire sous zéro » tel qu'exploité au Faubourg de l'Île et les Galeries Rive Nord).

La présente exclusivité, en faveur du Locataire, ne s'appliquera pas aux lieux déjà loués ni aux kiosques permanents dans le Centre Commercial. De plus, la présente exclusivité ne s'appliquera pas aux locataires existants du Centre Commercial, leurs ayants droits, leurs cessionnaires et/ou sous-locataires.

J. M. CLÉMENT

1.7 Utilisation permise des Lieux : les Lieux ne seront utilisés que principalement aux fins de la vente au détail de vêtements pour enfants et secondairement pour la vente au détail d'accessoires tels que chapeaux, gants, foulards ainsi que la vente de chaussures coordonnées pourvu que ledit usage secondaire n'excède pas 10% (en pieds carrés, pieds cubes, nombre et importance de l'étalage) de la Superficie des Lieux et troisièmement pour la vente au détail de meubles et accessoires pour enfants, et ne devront pas être utilisés à quelque autre fin que ce soit. Il est entendu entre les parties que le Locateur ne pourra augmenter le nombre de pieds carrés calculé au 5 septembre 1996 dans le Centre Commercial reliées à la spécialité de vêtements pour enfants (en usage principal seulement) sauf dans le cas d'un agrandissement du Centre Commercial et sauf pour tout locataire existant ou cessionnaire, sous-locataire de ce locataire existant. De plus, l'ancien local ne pourra pas être loué à un spécialiste du vêtement pour enfant.

MÉTRO

12. (1) L'une des conditions essentielles du présent bail est que, pendant toute la Durée du bail, le Bailleur n'utilisera pas ni ne permettra l'utilisation de toute partie du Centre commercial comme établissement des types décrits ci-dessous ou comme stationnement pour tout établissement de ce genre, et ce directement ou indirectement :

(a) tout établissement qui ne serait pas exploité comme faisant partie du Centre commercial en conformité avec le présent bail;

(b) tout magasin exploité principalement ou en partie pour la vente de marchandises d'occasion (sauf la revente de marchandises retournées), d'articles de surplus d'armée, d'articles récupérés par les assurances ou pour la vente après incendie ou encore la vente de marchandises endommagées par l'incendie, sauf si l'incendie a eu lieu dans le magasin en cause et uniquement les marchandises endommagées par cet incendie et ce, dans la période de trente (30) jours suivant immédiatement la date à laquelle le magasin a rouvert à la suite de cet incendie;

(c) tout commerce dans l'exploitation duquel le locataire utilise une publicité ou des techniques de vente frauduleuses ou mensongères;

(d) la vente aux enchères, sauf dans le cas d'œuvres d'art ou d'antiquités;

(e) toute boutique de prêteurs sur gage, salle de bingo, de quilles ou de banquet; ou

(f) tout autre commerce qui, en raison des marchandises vendues ou des méthodes de commercialisation susceptibles d'être utilisées, aurait tendance à dégrader le caractère du Centre commercial.

Les dispositions précédentes du présent paragraphe constituent des engagements restrictifs qui s'appliquent à l'ensemble du Centre commercial, à l'exclusion des Locaux loués, et qui ont été incluses pour le bénéfice des Locaux loués.

RESTRICTIONS PARTICULIÈRES

12. (2) L'une des conditions essentielles du présent bail est que, pendant toute la Durée du bail, le Bailleur s'abstienne d'utiliser ou de permettre l'utilisation de toute partie du Centre Commercial, à l'exclusion des Locaux loués, pour la vente ou la distribution d'aliments ou de produits alimentaires, ou comme stationnement pour tout établissement de ce genre; toutefois, le présent paragraphe 12(2) ne s'applique pas :

(a) à la vente à titre accessoire d'aliments ou de produits alimentaires dans le cadre de l'exploitation d'un commerce qui n'est pas spécifiquement interdit dans le présent paragraphe 12(2); pourvu que :

(i) la vente de ces aliments ou produits alimentaires fasse normalement partie de l'exploitation de ce type de commerce;

(ii) la portion de ces locaux affectée à l'entreposage, l'étalage et la vente de ces aliments ou produits alimentaires n'excède pas 2% des premiers 5 000 pieds carrés de superficie locative brute de ces locaux et 1% du reste de la superficie locative brute de ces locaux; et

(iii) aucune disposition du présent paragraphe 12(2)(a) ne soit interprétée comme permettant la vente d'articles d'épicerie, de fruits, légumes, produits laitiers, viandes, volailles, poissons ou produits de boulangerie ou de pâtisserie; ni

(b) à la vente d'aliments ou de produits alimentaires destinés à la consommation immédiate; ni

(c) à la vente d'aliments ou de produits alimentaires dans les locaux d'une pharmacie ou d'un Grand magasin, pourvu que, dans chaque cas, la portion de ces locaux affectée à l'entreposage, l'étalage et la vente d'aliments et de produits alimentaires n'excède pas 6% de la superficie locative brute de ces locaux; ni

(d) à la vente d'aliments ou de produits alimentaires dans des locaux (autres que les locaux visés par le paragraphe 12(2)(b)) ayant une superficie locative brute n'excédant pas au total 10% de la différence entre la superficie locative brute totale des Locaux loués, du Grand magasin, des bureaux et des locaux ayant une superficie locative brute supérieure à 30 000 pieds carrés; toutefois :

(i) aucun de ces locaux ne doit avoir une superficie locative brute supérieur à 1 600 pieds carrés; et

(ii) la vente de viandes fraîches, de poissons frais et de produits de boulangerie ou de pâtisserie est interdite dans les locaux; toutefois, si les locaux sont ceux d'une charcuterie, la vente de viandes fraîches y sera permise ou, si le Locataire n'a pas de boulangerie dans les Locaux loués, la vente de produits de pâtisserie ou de boulangerie faits sur place sera permise dans ces locaux;

toutefois, aucun établissement visé par ces exceptions ne peut être installé dans des locaux situés à l'intérieur d'un rayon de 25 pieds de l'Immeuble ou dans les locaux adjacents à ceux d'un autre établissement visé par ces exceptions.

Les dispositions précédentes du présent paragraphe constituent des engagements restrictifs qui s'appliquent à l'ensemble du Centre commercial, à l'exclusion des Locaux loués, et qui ont été incluses pour le bénéfice des Locaux loués.

RESTRICTION CONCERNANT LES PRODUITS PHARMACEUTIQUES

12. (3) L'une des conditions essentielles du présent bail, est que, si les Locaux loués ont une superficie locative brute supérieure à 45 000 pieds carrés, le Bailleur doit pendant toute la Durée du bail s'abstenir d'utiliser ou de permettre l'utilisation de toute partie du Centre commercial, à l'exclusion des Locaux loués, pour la vente ou la distribution de médicaments ou de produits pharmaceutiques, ou comme stationnement pour tout établissement de ce genre; toutefois, le présent paragraphe 12(3) ne s'applique pas :

(a) à la vente accessoire, dans le cadre de l'exploitation d'un commerce, de médicaments ou de produits pharmaceutiques ne requérant pas les services d'un pharmacien;

(b) à la vente de médicaments ou de produits pharmaceutiques dans un Grand magasin.

Les dispositions précédentes du présent paragraphe constituent des engagements restrictifs qui s'appliquent à l'ensemble du Centre commercial, à l'exclusion des Locaux loués, et qui ont été incluses pour le bénéfice des Locaux loués.

PHARMACIE BRUNET

20.3 Pourvu que le Locataire n'ait pas été et ne soit pas en défaut de ses obligations en vertu du présent Bail et que le Locataire n'ait pas cédé le Bail, ni sous-loué les Lieux à moins d'avoir obtenu l'acceptation préalable du Locateur ou que la cession ou la sous-location ait été effectuée suivant l'Article 13.1.1, le Locateur s'engage à ne louer aucun autre lieu dans le Centre Commercial à un locataire dont l'usage principal ou secondaire est la vente de médicaments sur ordonnances médicales.

Nonobstant ce qui précède, cette limitation de droit de location ne s'applique pas à tous les Locataires Majeurs existants, lesquels ont une superficie de 50 000 p.c. ou plus, dans le Centre Commercial à la date de l'acceptation des présentes par le Locateur soit : Les Ailes et Simons non plus qu'à tout sous-locataire ou cessionnaire de ces locataires majeurs.

Le Locataire déclare par la présente qu'il a spécifiquement exigé la limitation du droit de location ci-inclus, et qu'il consent à indemniser et garantir le Locateur à l'encontre de toute perte, sanction et/ou dommages subis par le Locateur qui découle de la stipulation et/ou application de cette limitation.

Exhibit D - Rules and Regulations

Tenant will not be required to comply with any rule or regulation unless the rule or regulation applies to all tenants in the Shopping Centre.

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with

Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

Exhibit E
INTENTIONALLY DELETED

Exhibit F - Description of Landlord's Work

Saks Fifth Avenue/Off Fifth, White Box
Place St. Foy

Exhibit F October 16, 2015

LL Initials/Date: 19OCT2015
Tenant Initials/Date:

Landlord, at landlord's sole cost and expense, shall deliver the shell building to the tenant as per Landlord's shell prototype drawings and material/equipment specification book incorporating the Tenant's specifications of December 5, 2014, and per the requirements as set forth below:

I. Administrative Requirements

1. Landlord to provide Saks Fifth Avenue/Off Fifth with documents electronically via PDF and AutoCad drawing files, for all of the Landlord's work relative to the Tenant's space for review and approval. Documents and Drawings to be provided based on the following submissions:
   A. Tenant Outline Drawings for Premises
   B. Shell Construction Documents (C/Ds)
   C. Site Plan Drawings

   Tenant to review design development drawings and note fixed facility locations (i.e. toilet rooms, break room, janitors closet, entrances, etc.) and roof top HVAC locations and return to the landlord prior to the start of landlords construction documents.

   Landlord shall submit the comprehensive set of Shell C/Ds and Lease Outline Drawings for Tenant review and approval as follows:
   - 33 weeks prior to Landlord's Expected Possession Date (EPD): Tenant shall receive a full set of Landlord Shell Construction Documents (C/Ds)
   - 3 weeks later: Landlord shall receive initial review/comments back from Tenant.
   - 2 weeks later: Tenant shall receive revised C/Ds, based on its review comments.
   - 3 weeks later: Landlord shall receive second round of review/comments back from Tenant (as needed).
   - 2 weeks later: Tenant shall receive Final C/Ds from Landlord.
   - 3 weeks later: Landlord shall receive final Tenant comments.
   - 20 weeks prior to Landlord's EPD: Landlord shall receive "Final Approved by Tenant" C/Ds.
2. Landlord or its agent(s) shall submit exterior finish material samples along with a color rendering of elevation(s), including all adjacent and major anchor tenant's showing maximum façade and sign heights, to Tenant for review and approval at time of Design Development submission. Landlord shall not submit exterior elevations and material selections to the authority(s) having jurisdiction without Tenant approval.
3. Fully-developed C/Ds shall be submitted to the Tenant and Tenants Architect both in hard copy and electronically in AutoCAD Release 2007 file format. The *full submittal set shall include all applicable Architectural, Mechanical, Electrical, and Plumbing plans.

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By jpaventi at 3:55 pm, Oct 16, 2015

4. Landlord shall provide Tenant with a written project development schedule, including timing for all key co-tenants, upon lease execution and a construction schedule at the start of project construction. Landlord shall inform the Tenant immediately of any changes that will have a positive or negative impact to delivery on the expected possession date.
5. Landlord shall provide construction progress photographs to Tenant's Director of Construction, on a timely basis (not less than once a month), of the job site from the start of site work until delivery of the premises. Photographs shall be representative of the most recent work completed.
6. Tenant to provide Landlord with detailed "punchlist" within one week after the "Expected Possession Date" (as defined by the lease). Landlord shall complete punchlist immediately, but not later than 30 days after the "Expected Possession Date". Unfinished punchlist items remaining after 30 days shall, at Tenant's option, be completed by Tenant and paid back by Landlord at cost plus incurred charges (eg., financing).
7. On or before the "Expected Possession Date", Landlord shall supply Tenant with architect-certified as-built dimensions and gross leasable area (GLA) calculations.
8. All signage to be per the lease. Pylon/Monument drawings to be provided as part of the Design/Development set. Included shall be dimensioned elevations and site plan indicating location of signage and adjacent roads. Landlord shall allow Tenant's use of temporary banners and site identification signage, in accordance with governing municipal codes.

Landlord, at landlord's sole cost and expense, shall deliver to tenant at time of "substantial completion", in accordance with the lease exhibits and all applicable codes governing Landlord's Work, the following:

II. Site Work

1. Sidewalks, paving & striping, loading docks and landscaping as per approved site plan and local code requirements.
2. Handicap curb cut or ramp in sidewalk shall be installed directly in front of Tenant's entry doors. Coordinate location with Tenant's plan.
3. Parking lot lighting shall provide a minimum average of two foot-candles at ground level for all areas within 400 ft of Tenant's primary entrance.
4. Building lighting (exterior), consisting of perimeter luminaries, entry canopy downlights and dock area floodlights, shall provide a minimum illumination of one foot-candle (or as dictated by code) and shall be fully operational, wired to the Landlord house panel. All building exit doors to have emergency powered exterior egress lights as required by code.
5. A depressed interior loading dock area, dedicated to Tenant, for a straight body type truck with max. length of 35 feet (approximate 2% slope or as per site condition) set at 4'-0" below building floor slab.
6. Tenant to use common mall compactor at location as per attached plan.
7. Steps, ramps and railings at all perimeter egress door locations, as required per code. Landlord shall install exterior lighting and metal overhead weather protection over the exterior side of all egress doors and loading dock doors.
8. Architectural grade security bollards at all entrances (including back of house entrance door) and glazing facing roadways or parking areas (max spacing face to face of bollard to be 3'-8") to be recessed mounted as indicated in the prototype drawings.

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III. Architectural

Shell Building Components –

1. Building shell including exterior walls with a minimum assembly value of R-19, and roof assembly as-is and based on geographic area and all applicable local energy code requirements.
2. Concrete floor slabs, level and smooth minimum 4" thick, 3000 to 3600 psi, with live not less than 100 lbs. per sq. ft. and as required by applicable code.- Slab shall be free of all pocking, spalling and all foreign materials, including curing compounds. Gypsum-based materials shall NOT be used for any slab repairs.
3. Approximate clearance height is ± 14'-0" at main level and +/- 12'-0" at lower roof section.
4. All perimeter walls (including front, rear, and side walls) shall receive gypsum wallboard(GWB) on metal studs/furring with BATT insulation tight to deck above. GWB to be taped, spackled, sanded and ready for Tenant's finishes. Roof deck shall be clear of major defects and ready for Tenant's finishes.
5. All perimeter walls that are not constructed of CMU or tilt up concrete panels shall have metal diamond mesh fastened across the framing from the slab to a height of 7'-9".
6. Metal strapping (6" inch, 20 gauge, 8'-0" AFF to the centerline of strap) to be installed on all perimeter walls, across metal studs and drywall over it.
7. If roof structure/roof deck requires fireproofing, intumescent paint is to be used.
8. If required by code, electrical and sprinkler rooms shall be framed with drywall (including front, rear, and side walls) on metal studs tight to deck above. Electrical room shall be fire-rated if required by applicable codes. Gypsum board to be taped, sanded and ready for Tenant's finishes.
9. Egress and Fire Department access doors to exterior as dictated by code and in accordance with Tenant's fixture plan. All doors to have Tenant hardware, as specified on the prototypical plans.
10. Loading dock door shall be 4m.x3m. (± 13' x 10') high overhead, insulated metal commercial grade motorized sectional door, per Arbon/Rite-Hite Corporation or approved alternate.
11. All dock bumpers, and recessed "pit" leveler, if required, per Arbon/Rite-Hite Corporation or approved alternate for all truck dock equipment. (Note: Landlord shall supply/install truck restraint devices when loading slope is flat or away from building)
12. 3'-0" x 7'-0" hollow metal receiving area door.
13. Tenant to use common mall compactor at a location as per attached plan.
14. Tenant to use common mall compactor at a location as per attached plan.
15. Exterior door hardware as follows:

    <u>All insulated metal egress doors</u>
    Trident 200 with IC Best compatible seven pin interchangeable IC cylinder
    Detex 500 surface mounted battery exit alarm
    Full length astragal
    Hinges
    Closer
    Weather seal

    <u>-Insulated metal employee entrance (per location selected by tenant)</u>
    Trident 200/KLT keyed entry and pull handle with IC Best compatible

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seven pin interchangeable IC cylinder
Detex 500 surface mounted battery exit alarm
Full length astragal
Peep hole
Hinges
Closer
Weather seal if necessary

(All doors to have seven pin IC Best exchangeable cores)

16. Access to roof via a common area roof access ladder.

III. Architectural – cont'd

Storefront Components –

1. Exterior facade shall be in accordance with the lease exhibit.
2. Doors at each storefront exterior entry to be Stanley Dura-Storm 3000 series sliding automatic entrances. Door package to be 12'-0" wide x 7'-8" to the top of the head. Configuration to be two sliding leaves and two full sidelights with emergency breakaway capability. All glazing to be 9/16" impact glass. Doors to accept Best seven pin cylinders. All power and wiring to be by landlord.
3. Aluminum Frame Systems shall consist of a 2-1/2" x 5" (69.9 x 127.0) exterior, thermally broken impact resistant system. Kawneer IR 501 is listed as a standard of quality.
   - YKK AP America Inc., EFCO Corporation & Vistawall Architectural Products are listed as recognized equal manufacturers, subject to compliance with all requirements.
   - Finish to be Black Anodized aluminum
   -Frame system to accommodate impact glazing system as listed below.
4. Store glazing system(including glass doors)shall consist of the following:
   - Inner Layer:1/4" clear tempered
   - Airspace: 1/2"
   - Exterior Laminated Layer: 1/4" clear tempered .090 PVB interlayer, 1/4" clear tempered and low-e coating.
   - Visible light: transmittance 72% minimum, solar energy 40%, Ultraviolet <1%
   - Reflectance: visible light exterior 12%, visible light interior 12%, solar energy 20%
   - ASHRAE U-Value
   - Winter nighttime 0.31 Btu/(hr x sq ft x degrees F)
   - Summer Daytime 0.28 Btu/(hr x sq ft x degrees F)
   - Shading Coefficient 0.61
   - Relative Heat Gain 127 Btu/hr x sq ft
   - Solar Factor (SHGC) 0.53
   - LSG 1.37

IV. Electrical & Telephone

1. Electrical requirements shall include an 800amp/347/600 volt, 3 phase, 4 wire service based on Tenant's prototypical drawings as follows;
   - Meter, meter socket and CT located outside of Tenant's electrical room.
   - One – 800 amp, 347/600 volt, 3 phase, 4 wire power distribution panel, Square D I-Line type HCM with an 800 amp main circuit breaker and a minimum of 72 inches of bussed circuit breaker mounting space.

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By jpaventi at 3:55 pm, Oct 16, 2015

Provide one 110 amp, 3 pole branch circuit breaker and one 100 amp, 3 pole branch circuit breaker mounted in this power distribution panelboard. This panelboard will be known as Panel "MDP."

- One 100 amp main lug only, 347/600 volt, 3 phase, 4 wire, 42 circuit, Square D lighting and appliance panelboard with Square D #NF500G3 Powerlink controller. Panelboard shall be fully populated with Square D ECB-G3 series 20 amp, single pole, and remotely operated circuit breakers. This panel will be known as Panel "H1."
- Feeders originating at the 100 amp, 3 pole branch circuit breaker in Panel "MDP" to Panel "H1." Feeders shall be four #3 AWG, #8 AWG ground, in 1-1/2" conduit.
- One 250 amp main circuit breaker, 120/208 volt, 3 phase, 4 wire, 84 circuit, Square D NQOD lighting and appliance panelboard. Panelboard shall be equipped with an insulated (isolated) ground bus and shall be populated with one 150 amp, 3 pole branch circuit breaker and thirty-nine standard 20 amp, single pole, bolt-on circuit breakers. This panel will be known as Panel "L1."
- One 75 kVA, 600 volt, 3 phase, 3 wire, delta primary to 120/208 volt, 3-phase, 4-wire, wye secondary, NEMA TP-1 rated dry-type transformer.
- Dry-type transformer primary conductors originating at the 110 amp, 3 pole branch circuit breaker in Panel "MDP." Transformer primary conductors shall be three #2 AWG, #6 AWG ground in 1-1/4" conduit.
- Dry-type transformer secondary conductors terminating at the 250 amp, 3 pole main breaker in Panel "L1." Transformer secondary conductors shall be four #250 kcmil, #2 AWG ground, #2 AWG isolated ground in 3" conduit.
- One 225 amp main lug only, 120/208 volt, 3 phase, 4 wire, 42 circuit, Square D lighting and appliance panelboard. Panelboard shall be fully populated with Square D ECB-G3 series 20 amp, single pole, and remotely operated circuit breakers. This panel shall be a slave to Panel "H1" and will be known as Panel "L2."
- Feeders originating at the 150 amp, 3 pole branch circuit breaker in Panel "L1" to Panel "L2." Feeders shall be four #1/0 AWG, #6 AWG ground, in 2" conduit.

2. Distribution panel(s) and all related electrical equipment shall be located in an area designated by Tenant (i.e., electrical room).
3. Landlord shall furnish, install and wire electric utility meter(s) dedicated solely to Tenant. The electrical system must be inspected and approved by the local authorities and be fully operational at the time of possession. Landlord shall establish the electric utility account and Tenant will transfer into their name at time of possession, so that Tenant is billed directly by utility.

Wiring -

4. Mechanical units shall be wired to main distribution panel and be fully operational, including all 110v convenience outlets.
5. Landlord shall pre-wire for all Tenant signage, entailing adequate wiring to tenant-panel with J-boxes and disconnects as required.

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By jpavenil at 3:56 pm, Oct 16, 2015

6. Landlord shall install surface and/or wall-mounted duplex convenience outlets fed from GFCI breakers at demising walls located on the basis of one outlet per 30 linear feet of demising wall, or as otherwise required by code.
7. Landlord shall install one GFCI outlet for tenant supplied and installed drinking fountain.
8. Landlord shall provide exit signs at each required exit door as indicated on the LOD or as required by code.
9. Landlord shall provide and install all code required emergency egress lights (interior and exterior) wired to appropriate tenant panel as per code.
10. Tenant building exterior (including any under-canopy, wall packs, and dock lighting) shall be wired to the appropriate panel and shall be fully operational.
11. All mechanical exhaust fans and the ductless split system, shall be wired (interior and exterior) to the appropriate panel and shall be fully operational.

Phone –

12. Telephone conduit (sized for 25 pair) with a 25 pair phone line stubbed from landlords telephone room and pulled to phone board located in tenants IT room within Tenants space. Landlord to also supply and install Dmark at phone board location.

V. Mechanical

1. HVAC roof top unit(s) including Landlord's standard thermostat and "supply" and "return" air ducts 'dropped' into the Premises. The return air duct 'drop' will include a smoke detector installed per code.
2. Provide concentric diffuser similar to Titus CSR-P. Diffuser shall terminate as high as possible below the bottom of beam elevation. Diffuser shall be chosen based on a Noise Criteria (NC) level no higher than 38.
3. HVAC units will be furnished and installed by Landlord at a ratio of 1 ton per 350 square feet of the Premises. Landlord's thermostat will be placed in a temporary location near the HVAC unit and Landlord's contractor will start and test the HVAC unit prior to turnover. Maximum quantity of air to be delivered from an individual rooftop unit not to exceed 4,000 cfm. Provide a minimum of 6 HVAC units spaced evenly throughout the sales area for connection to concentric diffuser. Coordinate spacing of rooftop units and associated concentric diffusers so that airflow distribution provides adequate and even coverage (i.e.: review throw feet performance of selected concentric diffuser).
4. Tenant to approve Landlord's locations of rooftop units upon finalization of Tenant's interior floor plan.

<u>In the back of house areas:</u>

5. Provide a dedicated HVAC unit to serve the stock/receiving area and a dedicated HVAC unit to serve the offices and restrooms.
6. Landlord to run supply ductwork as high as possible under the bottom of beam. Supply ductwork to be sized at a velocity of no higher than 1500 feet per minute. Landlord to provide sidewall diffusers/ceiling diffusers where necessary. Maximum NC level of 38.
7. Landlord to provide transfer sleeves/grilles as needed to return air to the rooftop unit serving the back of house. Size openings at a velocity no higher than 300 feet per minute.
8. Landlord to provide code compliant toilet exhaust system. Exhaust system shall also accommodate tenant's installation of the exhaust duct for their janitor's closet which requires (100 cfm). Landlord to provide a means of air to be transferred to

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the toilet rooms from adjacent space. Size openings at a velocity no higher than 300 feet per minute.

9. Landlord to furnish/install/start and test an electric unit heater at receiving area. Installation shall include mounting of a thermostat.
10. Landlord to furnish and install ductless split system air conditioner rated at 12000 BTU cooling capacity to serve IT room. The air conditioner shall be a Mitsubishi PKA-A12HA4/PUY-A12NHA4 or equal. The outdoor unit shall be located on the roof and be provided with a base mounting pad, wind baffle, and low ambient controls. The indoor unit shall be provided with a thermostat and condensate pump accessory and be placed in a safe and secure location until walls are constructed during tenant finish. Landlord's contractor will then install air conditioning unit and thermostat. Landlord shall run refrigerant lines from outdoor unit to indoor unit. Refrigerant line sizes shall be per manufacturer's recommendations.
11. Landlord to furnish and install ductless split system air conditioner rated at 12000 BTU cooling capacity to serve AP room. The air conditioner shall be a Mitsubishi PKA-A12HA4/PUY-A12NHA4 or equal. The outdoor unit shall be located on the roof and be provided with a base mounting pad, wind baffle, and low ambient controls. The indoor unit shall be provided with a thermostat and condensate pump accessory and be placed in a safe and secure location until walls are constructed during tenant finish. Landlord's contractor will then install air conditioning unit and thermostat. Landlord shall run refrigerant lines from outdoor unit to indoor unit. Refrigerant line sizes shall be per manufacturer's recommendations.

VI. Plumbing

Toilets -

Landlord shall provide two "ADA" compliant toilet rooms in the location noted on tenants approved fixed facility plan. Landlord to provide additional fixtures if required by code. Toilet rooms to include at minimum: sinks, toilets, urinal, one (20) gallon hot water heater, exhaust fan and required light fixtures. All walls are to receive water resistant gyp board and to be taped, spackled, sanded and primed and received tenant specified wall tile and wall covering. Toilet rooms to also include, toilet seat paper dispenser, toilet paper dispenser, soap dispenser, recessed wall mounted trash receptacle, hand dryer, glass mirror, coat hooks, grab bars and baby changing stations. Finish of bathroom accessories to be satin stainless steel (including toilet stall partitions and doors). Landlord to also coordinate the shipment(including shipping charges) and provide installation of tenant purchased porcelain floor tile. Please contact Andrew Cooper of Architectural Systems, Inc. at 646.460.8227.

Water -

1. Incoming cold water line extended to deck above plumbing stub areas and sized in accordance with code requirements.
2. Landlord shall furnish, install, and operate water meter(s) dedicated solely to Tenant. Landlord shall establish the water/sewer account and transfer into Tenant's name at time of possession, so that Tenant is billed directly by utility. If applicable.
3. All water supplies to have RPZ valves and back flow-preventer, if required by code, and water-pressure sufficient for normal and proper operation of all water fixtures. Placement of sprinkler and potable water appurtenances (valves, risers, etc.) shall be per interior tenant improvement plans.
4. Landlord shall insulate all water lines (condensates, potable, roof drains) within Tenant's space.

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By jpaventi at 3:55 pm, Oct 16, 2015

VI. Plumbing – cont'd

Sewer -

5. Provide plumbing stub ups, floor drains, trap primers for the janitor closet mop sink located in accordance with site-specific interior tenant improvement plans. Each washroom to have one floor drain.
6. Provide sewer stub for remote break room sink.
7. Provide cold water supply and drain for tenants supplied and installed drinking fountain.
8. Provide roof vent stacks with piping stubs for all sewer runs, per plans.
9. Public Sewer line shall be a minimum of 4" in diameter.
10. All impact & tap fees, and any other fees relative to bringing public sewer and water service to the point of Tenant connection shall be the responsibility of the landlord. All fees shall be based on Tenant's final plans.

Gas – N/A – no gas

VII. Fire Sprinkler System

1. An automatic wet sprinkler system installed on a grid consisting of main and branch piping, which complies with all local codes and the NFPA 13. The system shall be designed for the intended use, commodities, and storage heights within the store. Sprinkler system hydraulic calculations shall meet the appropriate discharge density and design area as required by NFPA 13 and the Authority Having Jurisdiction for storage of products including Class I though Class IV commodities and mixed Group A unexpanded plastics in the products and/or packaging materials. The sprinkler system to be delivered with 'turned-up' heads.

VIII. Fire Alarm System

1. To the extent the installation of any component of the fire alarm system serving the Premises may be necessitated as a condition of Landlord's Work pursuant to applicable governmental codes and regulations, Landlord will provide and install such components so as to deliver to Tenant a code compliant building. The system shall include ceiling-mounted spot-type smoke detectors in locations required by NFPA 72 in jurisdictions where smoke detection is required, including beam pockets.

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By jpaventi at 3:55 pm, Oct 16, 2015

Exhibit G – Rent Commencement Agreement
Form of Rent Commencement Date Memorandum

THIS RENT COMMENCEMENT DATE MEMORANDUM ("**Memorandum**") dated as of April 19, 2017, by and between Ivanhoe Cambridge Inc. ("**Landlord**"), and Hudson's Bay Company ("**Tenant**").

RECITALS:

A. By that certain Lease dated as of November 11, 2015, (the "**Lease**") between Landlord and Tenant, Landlord leased to Tenant and Tenant leased from Landlord the Demised Premises, subject to the conditions and limitations therein contained.

B. Section 3.2 of the Lease provides that, upon determination of the Rent Commencement Date and the determination of the number of square feet of rentable area within the Demised Premises, Landlord and Tenant shall execute a memorandum which shall set forth, among other things, the actual Rent Commencement Date, the rentable area of the Demised Premises, annual Rent, the expiration of the initial term, and the dates when Tenant may exercise its renewal options pursuant to Section 3.3.

C. The Rent Commencement Date and the rentable area of the Demised Premises have been determined and, accordingly, the parties desire to enter into this Memorandum pursuant to Section 3.2.

D. Unless otherwise provided herein, all capitalized words and terms in this Memorandum shall have the same meanings ascribed to such words and terms as in the Lease.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Rent Commencement Date is April 6, 2017.
2. The initial term expires APRIL 30, 2027, unless the Lease is sooner terminated in accordance with the terms thereof.
3. The rentable area of the Demised Premises is 33,254 square feet.
4. Tenant shall exercise its right to the first renewal option, if at all, before April 30, 2026, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
5. Tenant shall exercise its right to the second renewal option, if at all, before May 1, 2031, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
6. Tenant shall exercise its right to the third renewal option, if at all, before April 30, 2036, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
7. Tenant shall exercise its right to the fourth renewal option, if at all, before April 30, 2041, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
8. Tenant shall exercise its right to the fifth renewal option, if at all, before April 30, 2046, subject to the conditions and limitations set forth in Section 3.3 of the Lease
9. This Memorandum may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum as of the day and year first above written.

LANDLORD:

IVANHOE CAMBRIDGE INC.,

By: _____

Its: _____

By: _____

Its: _____

(*We have the authority to bind the Corporation*)

TENANT:

HUDSON'S BAY COMPANY,

By: _____

Its: _____

By: _____

Its: _____

(*We have the authority to bind the Corporation*)

Jean Landry
Vice-président, Location, Centres commerciaux
Vice-President, Leasing, Retail

Anne-Marie Côté
Directrice, Affaires juridiques
Director, Legal Affairs

Exhibit H - Tenant's Exterior Signage Drawings

EXHIBIT H

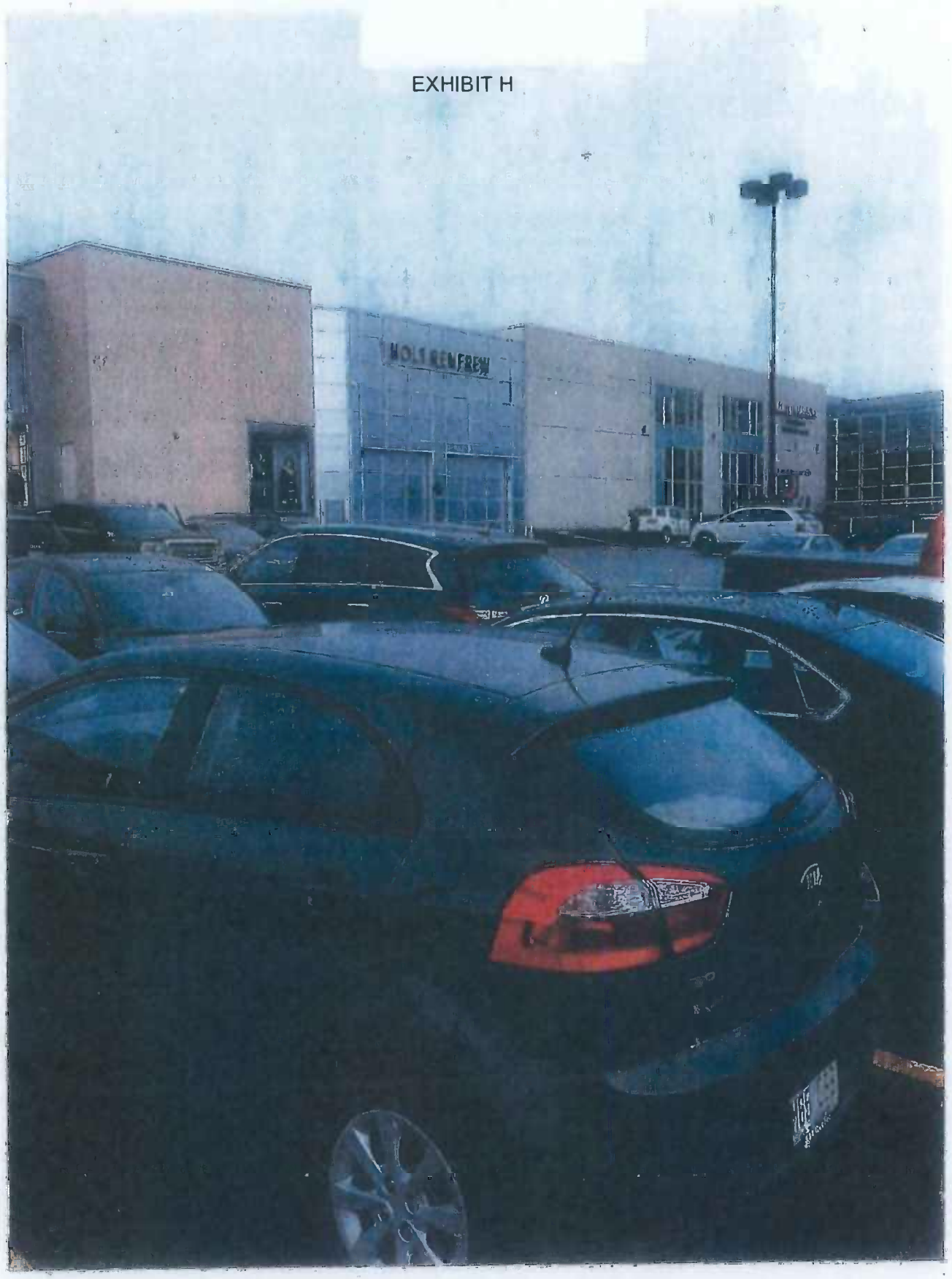


EXHIBIT H



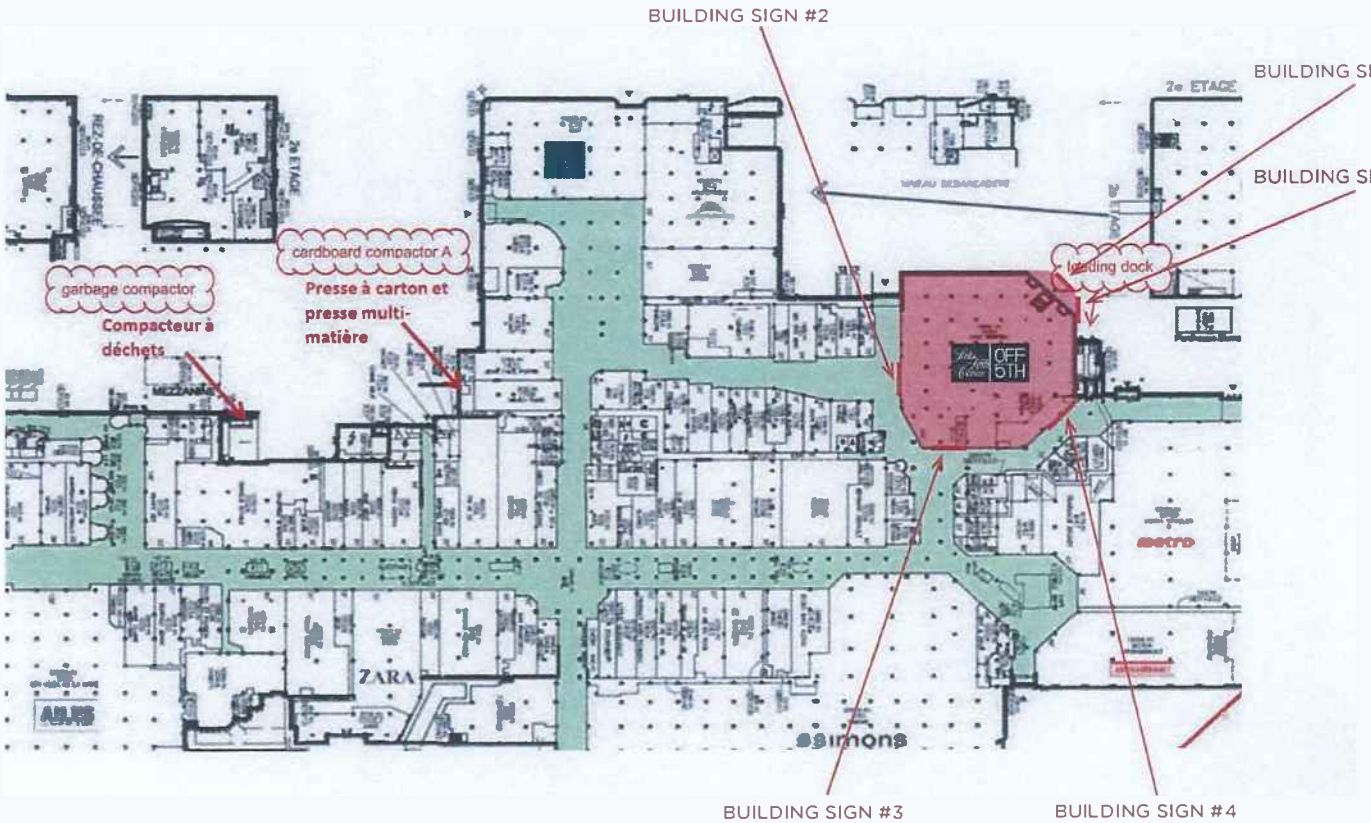
OCTOBER 16, 2015
ST. FOY, QC
SIGNAGE/ FACADE EXHIBIT

PROPOSED EXTERIOR SIGNAGE

876

ST. FOY, QC

SCOPE OF WORK



SCOPE OF WORK

MFR/INSTALL:

(3) LINEAR HALO AND FACE LOGO

(2) HALO AND FACE LIT BUILDING SIGN

KEY PLAN N

ST. FOY, BC

Saks Fifth Avenue OFF 5TH

ST. FOY, QC

EXTERIOR ELEVATION

Saks Fifth Avenue OFF 5TH

Linear Halo and Face Lit Sign:
ILLUMINATED APPEARANCE

NOTE: SIGNAGE SQUARE FOOTAGE CALCULATION:

BUILDING SIGN #1:
8'-0" x 30'-0" = 240 SQ. FT.
AWNING SIGNS (4)
5" x 6'-0" = 2.5 SQ. FT X 4 = 10 SQ FT

TOTAL= 250 SQ. FT (WITHIN 252 SQ. FT LIMIT)
(DOES NOT INCLUDE BUILDING SIGN #2)

BUILDING SIGN # 2;
(1) 8'-0" BY 30'-0"
LINEAR OFF 5TH SIGN
(SIZE TO BE VERIFIED);
INTERNALLY ILLUMINATED;
FINAL SIGNAGE DETAILS BY
SIGNAGE CONTRACTOR;

(TENANT MAY SEEK A
VARIANCE)

NEW FABRIC AWNING
WITH SAKSOFF5TH.COM
MESSAGE



BUILDING SIGN # 1;
(1) 8'-0" BY 30'-0"
LINEAR OFF 5TH SIGN
(SIZE TO BE VERIFIED);
INTERNALLY ILLUMINATED;
FINAL SIGNAGE DETAILS
BY SIGNAGE CONTRACTOR

NEW FABRIC AWNING
WITH SAKSOFF5TH.COM
MESSAGE

LEGEND:

FACADE TO BE PAINTED
BENJAMIN MOORE WHITE
HERON OC-57

TRIM, CANOPY, AND BASE
TO BE PAINTED BENJAMIN
MOORE BLACK TAR 2126-10

NOTE: WINDOW FRAMES TO BE
BLACK ANODIZED METAL FRAMES

EXTERIOR ELEVATION

Saks Fifth Avenue OFF 5TH

ST. FOY, QC

INTERIOR ELEVATION

OFF 5TH

Linear Halo and Face Lit Sign:
ILLUMINATED APPEARANCE

NEW FABRIC AWNING WITH SAKSOFF5TH.COM MESSAGE

BUILDING SIGN #2:
(1) 1'-6" BY 8'-4"
LINEAR OFF 5TH SIGN
(SIZE TO BE VERIFIED);
INTERNALLY ILLUMINATED;
FINAL SIGNAGE DETAILS
BY SIGNAGE CONTRACTOR

NEW FABRIC AWNING WITH SAKSOFF5TH.COM MESSAGE



LEGEND:

FACADE TO BE PAINTED BENJAMIN MOORE WHITE HERON OC-57

TRIM, CANOPY, AND BASE TO BE PAINTED BENJAMIN MOORE BLACK TAR 2126-10

NOTE: WINDOW FRAMES TO BE BLACK ANODIZED METAL FRAMES

INTERIOR ELEVATION

ST. FOY, QC

INTERIOR ELEVATION



Halo and Face Lit Building Sign:
ILLUMINATED APPEARANCE



BUILDING SIGN #3:
(2) 4'-0" BY 4'-0"
OFF 5TH SIGNS
(SIZE TO BE VERIFIED);
INTERNALLY ILLUMINATED;
FINAL SIGNAGE DETAILS

LEGEND:

FACADE TO BE PAINTED BENJAMIN MOORE WHITE HERON OC-57

TRIM, CANOPY, AND BASE TO BE PAINTED BENJAMIN MOORE BLACK TAR 2126-10

NOTE: WINDOW FRAMES TO BE BLACK ANODIZED METAL FRAMES

INTERIOR ELEVATION

ST. FOY, QC

INTERIOR ELEVATION

Halo and Face Lit Building Sign:
ILLUMINATED APPEARANCE



BUILDING SIGN #4;
(2) 4'-0" BY 4'-0"
OFF 5TH SIGNS
(SIZE TO BE VERIFIED);
INTERNALLY ILLUMINATED;
FINAL SIGNAGE DETAILS

LEGEND:

FACADE TO BE PAINTED BENJAMIN MOORE WHITE HERON OC-57

TRIM, CANOPY, AND BASE TO BE PAINTED BENJAMIN MOORE BLACK TAR 2126-10

NOTE: WINDOW FRAMES TO BE BLACK ANODIZED METAL FRAMES

INTERIOR ELEVATION

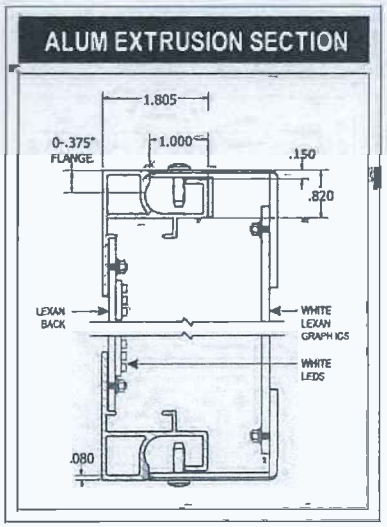
ST. FOY, QC

SIGNAGE DETAILS

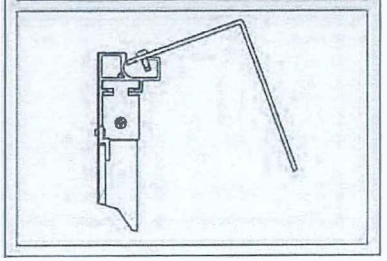


ILLUMINATED APPEARANCE

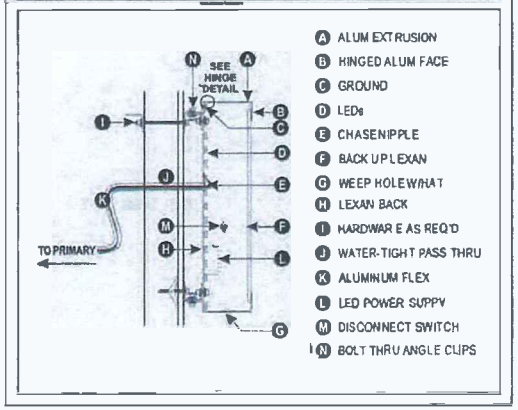
ALUM EXTRUSION SECTION



HINGED ALUM FACE SECTION



CABINET W/ROUT OUT BACK UP FACE



NOTE: FINISH ALL INTERIOR ALUMINUM SURFACES W/LIGHT ENHANCEMENT PAINT.

FINAL SIGNAGE DIMENSION WILL VARY BY STORE AND LOCATION OF SIGNAGE



FACES AND RETURNS
SIGN COMP K2042 EXTRUDED ALUMINUM PAINTED BLACK. (5" DEEP RETURNS)

BACKS
CLEAR LEXAN

INSTALL
STAND OFF WALL W/ 1-1/2" ANGLE CLIPS PAINTED TM WALL.

COPY
ROUT OUT AND BACK UP W/WHITE LEXAN.

ILLUMINATION
WHITE LEDs.

NOT TO SCALE

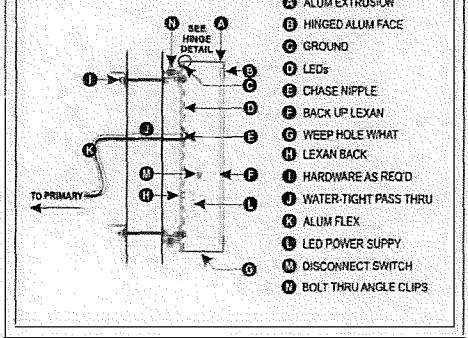
HALO AND FACE LIT ROUT OUT/BACK UP BUILDING SIGN

Saks Fifth Avenue OFF 5TH

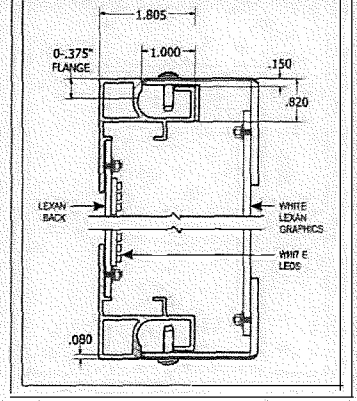
ST. FOY, QC

SIGNAGE DETAILS

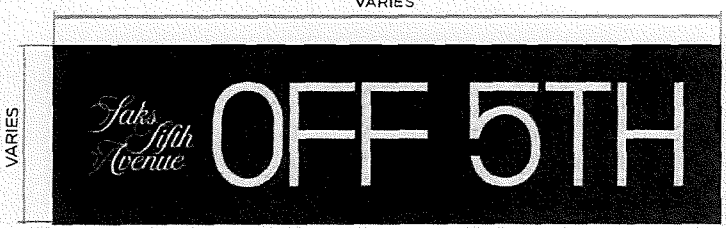
CABINET W/ROUT OUT BACK UP FACE



ALUM EXTRUSION SECTION



FINAL SIGNAGE DIMENSION WILL VARY BY STORE AND LOCATION OF SIGNAGE



LOGO

FACES AND RETURNS
SIGN COMP K2042 EXTRUDED ALUMINUM
PAINTED BLACK. (5" DEEP RETURNS)

COPY
ROUT OUT BACK UP W/WHITE LEXAN.

BACK
CLEAR LEXAN

ILLUMINATION
WHITE LEDs

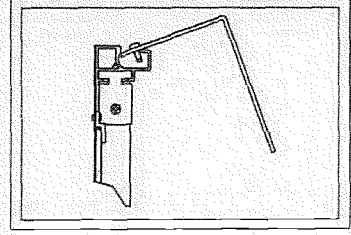
INSTALL
STAND OFFWALL W/ 1-1/2" ANGLE
CLIPS. PAINTED TM WALL.

NOTE: FINISH ALL INTERIOR ALUMINUM SURFACES W/LIGHT ENHANCEMENT PAINT.

Underwriters Laboratories Inc.
LISTED
ELECTRIC SIGN
(UL)
Sign is built to UL specifications and will bear UL Label. This sign complies with UL 2161

APPLY UL LABELS IN INCONSPICUOUS LOCATION

HINGED ALUM FACE SECTION



NOT TO SCALE

LINEAR HALO AND FACE LIT LOGO

PROTOTYPICAL WINDOW TREATMENT

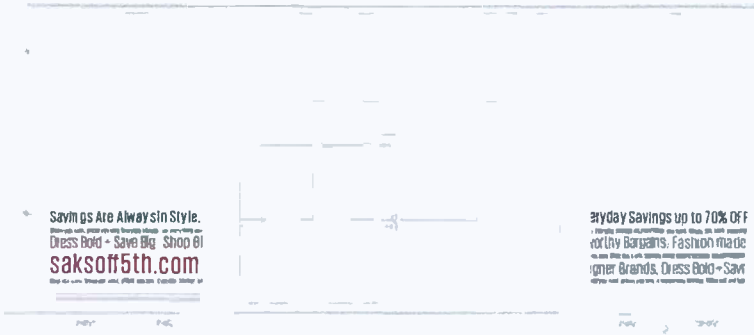
Saks Fifth Avenue OFF 5TH

ST. FOY, QC

PROTOTYPICAL WINDOW TREATMENT



1 WINDOW ELEVATION



2 WINDOW ELEVATION



3 WINDOW ELEVATION



4 WINDOW ELEVATION

Saks Fifth Avenue OFF 5TH

ST. FOY, QC

PROTOTYPICAL WINDOW TREATMENT





TEMPORARY SIGNAGE



EXTERIOR ELEVATION

ST. FOY, QC

TEMPORARY SIGNAGE



INTERIOR ELEVATION

ST. FOY, QC

TEMPORARY SIGNAGE



INTERIOR ELEVATION

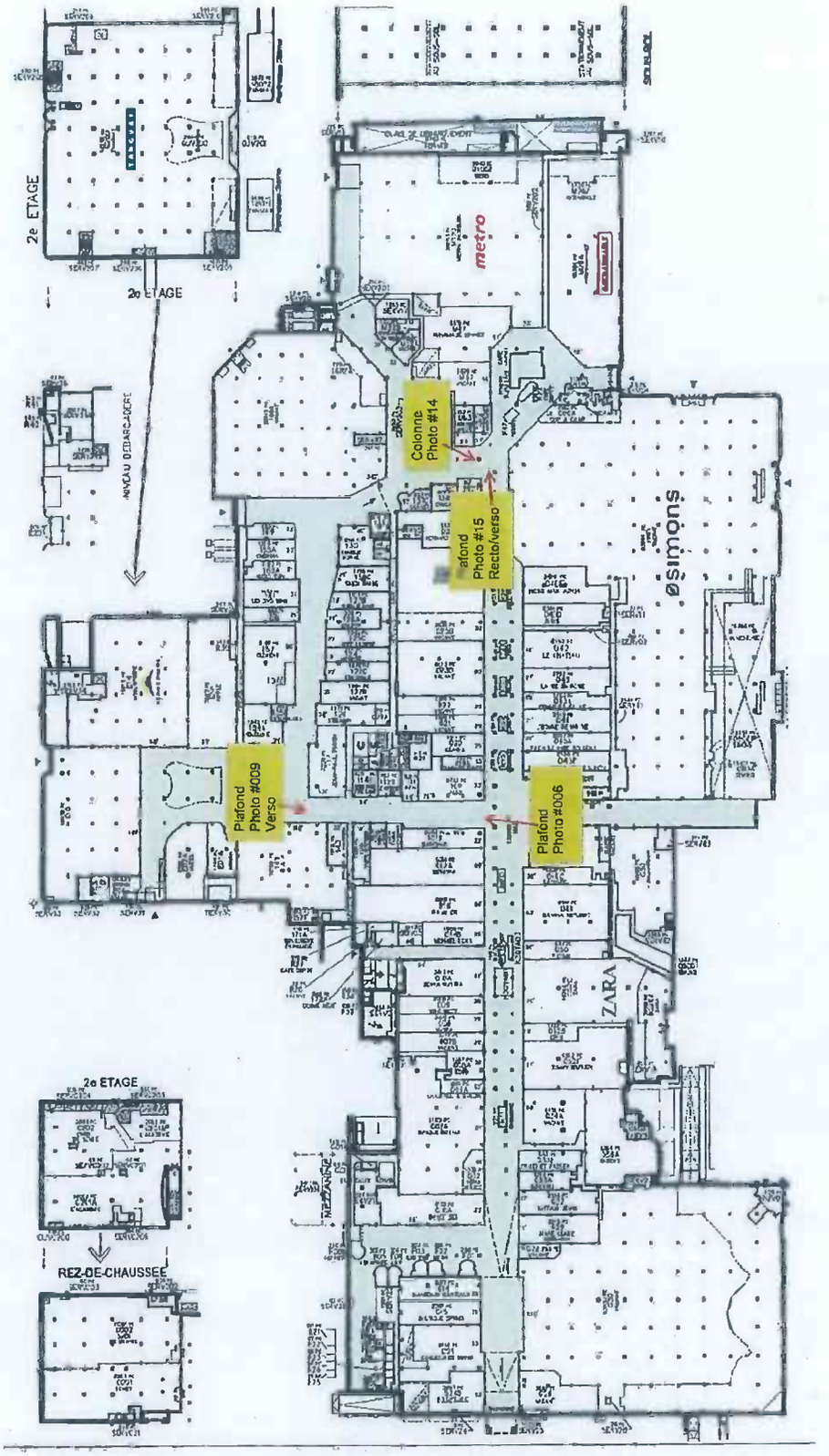


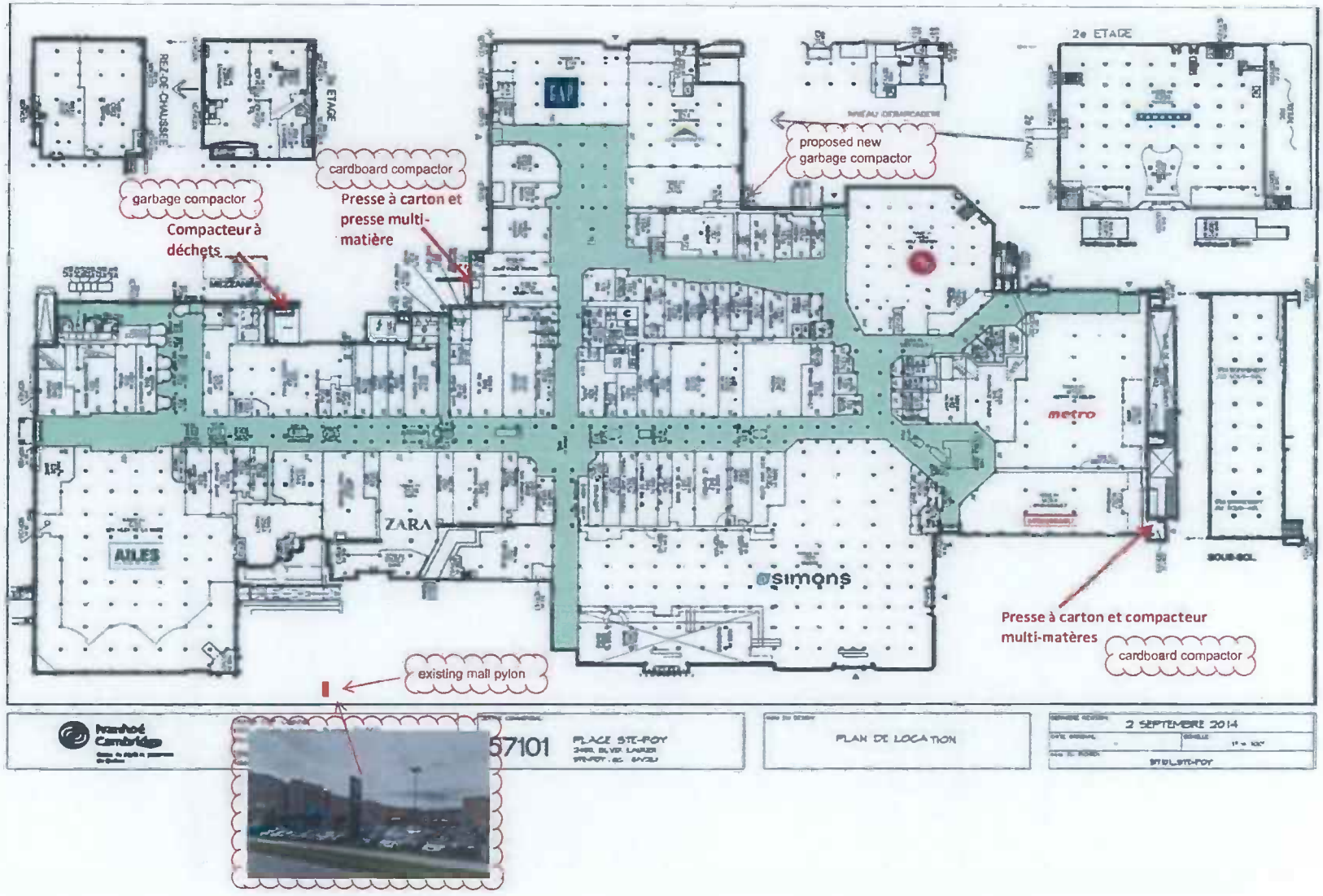
INTERIOR ELEVATION

Exhibit I

CONCEPTUAL IMAGES OF EXISTING SHOPPING CENTRE DIRECTIONAL, WAY-FINDING, MONUMENT AND OTHER SHOPPING CENTRE IDENTIFICATION SIGNAGE DISPLAYING TENANT'S IDENTIFICATION SIGNAGE

EXHIBIT I


2e ETAGE
2e ETAGE
NIVEAU DÉBARCADÈRE
metro
Colonne Photo #14
Plafond Photo #15 Recto/verso
Plafond Photo #009 Verso
Plafond Photo #006
simons
ZARA
2e ETAGE
REZ-DE-CHAUSSEE


garbage compactor
Compacteur à déchets
cardboard compactor
Presse à carton et presse multi-matière
proposed new garbage compactor
2e ETAGE
REZ-DE-CHAUSSEE
ETAGE
ZARA
AILES
simons
metro
SOUS-SOL
Presse à carton et compacteur multi-matères
cardboard compactor
existing mall pylon
PLACE STE-FOY
PLAN DE LOCATION
2 SEPTEMBRE 2014

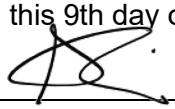
GAP
SIGNATURE MAURICE TANGUAY
ATMOSPHÈRE
HOLT RENFREW
Stephen
GAP
SIGNATURE MAURICE TANGUAY
ATMOSPHÈRE
HOLT RENFREW
ATMOSPHÈRE
HOLT RENFREW
SIMONS
METRO
BAULT
ARCHAMBAULT
Stephen


LES AILES
SIMONS
ARCHAMBAULT
ZARA
?
$
DEMANDEZ UNE CLEF À L'INFORMATION
LES JARDINS DU MONDE
PLACE
StеFoY
GEOX


HOLT RENFREW
GAP
SIGNATURE MAURICE TANGUAY
ATMOSPHÈRE
PLACE
STE FOY


LES AILES
ZARA
LES JARDINS DU MONDE
$
?
HOLT RENFREW
GAP
SIGNATURE MAURICE TANGUAY
ATMOSPHÈRE
PLACE STE-FOY

This is **Exhibit "J"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

TIPS FILE # 46-341

HOME OUTFITTERS LEASE
VAUGHAN MILLS, VAUGHAN, ONTARIO

THIS LEASE is made as of the 23rd day of February, 2009

B E T W E E N:

IVANHOE CAMBRIDGE II INC.

(hereinafter called the "**Landlord**")

OF THE FIRST PART

- AND- **HUDSON'S BAY COMPANY**

(hereinafter called the "**Tenant**")

OF THE SECOND PART

WHEREAS:

(A) The Landlord is the registered and beneficial owner in fee simple of the Shopping Centre Lands; and

(B) This Lease and the respective covenants and agreements of the parties hereto are entered into by the parties in consideration of the rents, covenants and agreements herein contained.

ARTICLE 1

DEFINITIONS, SCHEDULES AND LANDLORD'S WARRANTIES, REPREPRESENTATIONS AND COVENANTS

1.00 Definitions. In this Lease the terms defined in this clause 1.00 are used with the meanings so defined, as follows:

"Common Facilities" means all areas, improvements and facilities in the Shopping Centre, both interior and exterior, that are appropriate and intended for common use by or benefit of the tenants and other occupants of the Shopping Centre (including the Tenant) and their employees, licensees and customers, including without limitation the Parking Facilities, common utilities, services and utility distribution systems benefiting more than one tenant (to the extent the same are not situated within Rentable Premises), and means of public access to the Shopping Centre and its component parts, but excludes all of the following: Rentable Premises and portions thereof; any portions of Parking Facilities while being used where expressly permitted under this Lease for retail selling and other private purposes; and all corridors, loading docks and truck receiving and delivery facilities, and electrical and mechanical vaults and rooms and facilities therein, which in each case are appropriate and intended predominantly for use only by one tenant or a limited group of tenants and its and their employees (except that the utility distribution systems shall not be excluded if serving more than one tenant or occupant).

"Fixturing Allowance" shall have the meaning ascribed to that term in clause 1.05 hereof.

"Gross Leasable Area" as applied to any Rentable Premises (including the Tenant Store) means the aggregate floor area thereof on each level expressed in square feet, calculated by measuring from the exterior face of all exterior walls, the centre line of all interior walls separating any leasable premises from adjoining leasable premises, and the exterior face of

all other interior demising walls; and as applied to any enclosed facility located on Common Facilities used for retail selling or other private purposes, means the area occupied by such facility including in the case of a kiosk any surrounding area used in conjunction with or reasonably attributable thereto; but excluding all mezzanines (except to the extent that such mezzanines are being used for retail sales). No deductions shall be made for vestibules inside the standard storefront line or exterior building line, as the case may be, or for columns (or similar projections), mechanical penthouses, electrical and mechanical vaults and rooms and facilities or vertical transportation facilities (such as elevators, escalators, stairs and stairwells) within Rentable Premises.

"Gross Revenue" shall have the meaning ascribed to that term in clause 4.00B hereof.

"Gross Sales" means all sales of merchandise made in and/or from the Tenant Store including the net amounts received by the Tenant as a result of sales of merchandise dispensed from machines and services provided by machines and including all orders for merchandise taken in the Tenant Store to be filled elsewhere, without any deduction for uncollected or uncollectible credit accounts. Notwithstanding the aforesaid, the following items shall be excluded in calculating such Gross Sales:

i) all credits and refunds made to customers for merchandise returned or lost or found defective;

ii) all receipts from service devices, such as public telephones, public toilets, weighing machines, stamp machines, banking machines and lockers;

iii) all discounts allowed on the purchase of merchandise by charitable organizations or by the Tenant's employees or by others to whom the Tenant shall allow discounts;

iv) all interest and service charges on sales of merchandise or services made on credit;

v) all amounts or credits received in settlement of claims for loss of or damage to merchandise and for merchandise transferred to other stores of the Tenant or returned to manufacturers or jobbers;

vi) all taxes based upon gross receipts or the sale or sale price of merchandise or services and which must be paid by the vendor or collected by the vendor from customers, whether or not such taxes are included in the price shown to the customer or are added separately, whether or not the same be commonly known as "sales tax", "harmonized sales tax" or "goods and services taxes", and whether or not imposed by virtue of any existing or future law or ordinance;

vii) for any services provided from the Tenant Store for which the Tenant or its subtenant, licensee or concessionaire receives only a commission from a third party dealing at arm's length for the providing or sale of such services, all receipts from customers of such services that are paid to any such arm's length third parties will be excluded from Gross Sales, but there shall be included as Gross Sales the amount of any such commissions earned; and

viii) all receipts from the sale of gift certificates (provided that the value of any gift certificates redeemed in the Tenant Store for merchandise shall be included in Gross Sales).

"GST" shall have the meaning ascribed to that term in clause 4.03 hereof.

"Hazardous Substance" means any asbestos, asbestos-containing materials, polychlorinated biphenyls, ureaformaldehyde or chlorofluorocarbons, as well as any substance that from time to time is declared to be hazardous or toxic under any law or regulation enacted or promulgated by any government having jurisdiction.

"Landlord" means Ivanhoe Cambridge II Inc. and its successors and assigns.

"Landlord's Property Manager" means any third party that may be hired by the Landlord from time to time to manage the operation and administration of the Shopping Centre.

"Lease" means this lease as from time to time amended.

"Lease Year" means each successive period of twelve (12) months occurring during the Term, commencing as of the Term Commencement Date.

"Linens N Things Premises" means those premises at the Shopping Centre that were formerly used for the operation of a typical "*Linens N Things*" retail store, which premises were comprised of the Tenant Store and the Severed Premises.

"No-Build Areas" shall have the meaning ascribed to that term in clause 19.01 hereof.

"Operating Costs" means all reasonable costs, charges and expenses incurred by the Landlord for and properly attributable to the insurance, operation, maintenance, repair, replacement and administration of the Common Facilities, without any duplication of costs and charges whatsoever, but specifically excluding Real Property Taxes levied or assessed against the Common Facilities (if any) and insurance premiums.

"Parking Facilities" means that portion of the Common Facilities that is from time to time intended and available for the parking of motor vehicles, as from time to time altered, reconstructed or expanded in accordance with the provisions of this Lease, and includes all improvements on the Shopping Centre Lands associated with parking from time to time such as all curbs, lighting facilities, pavement, signs, entrances, exits, roads, ramps and other means of access to parking.

"Percentage Rent" shall have the meaning ascribed to that term in clause 4.00(A) hereof.

"Possession Date" means **March 1, 2009**.

"Prime Rate" shall have the meaning ascribed to that term in clause 23.02 hereof.

"Real Property Taxes" means any and all taxes (which includes rates, assessments, levies, charges and impositions), general or special, from time to time levied or imposed with respect to real property (including land, buildings, fixtures, and accessories and improvements to them) by municipal or other governmental authorities having jurisdiction, including without limitation such taxes levied or imposed for schools, public betterments, but the following shall be excluded: all general or local improvements charges, all interest, fines or penalties for non-payment, and all taxes that are primarily of the nature of taxes on income, capital, business, place of business or otherwise personal to the taxpayer, and not primarily of the nature of taxes on real property.

"Rentable Premises" means all premises in the Shopping Centre designed, intended or available for use, and all premises used, by businesses that provide goods or services to the public either at wholesale or retail, including, without limiting the foregoing, in addition to retail stores (including department stores, food supermarkets, permanent kiosks, theatres and fitness and recreational facilities), chartered banks, trust companies, dry cleaners, barber shops and restaurants and snack bars and commercial offices excluding Landlord Administration office and Security Office.

"Shopping Centre" means the Shopping Centre Lands and all the buildings and improvements from time to time erected thereon, including all Common Facilities and all Rentable Premises and the appurtenances thereto from time to time existing, that are shown on the Site Plan (as the same may be respectively altered and/or expanded from time to time during the Term), the whole of which is currently known as the "*Vaughan Mills*" shopping centre.

"Shopping Centre Lands" means the lands that are the site of the Shopping Centre and shown outlined in **GREEN** on the Site Plan (as such lands are more particularly described in Schedule A).

"**Severed Premises**" means that area adjacent to the Tenant's Store (shown outlined in **GREEN** on Schedule "B-1") that, together with the Tenant's Store, formerly comprised the Linens N Things Premises at the Shopping Centre.

"**Site Plan**" means the site and location plan of the Shopping Centre Lands and the improvements currently constructed thereon, a copy of which is annexed as Schedule B to this Lease.

"**Tenant**" means Hudson's Bay Company and its successors and permitted assigns as tenant under this Lease.

"**tenant**" means any occupant of Rentable Premises pursuant to a lease or any other agreement with the Landlord.

"**Tenant HVAC System**" shall have the meaning ascribed to that term in clause 8.01 hereof.

"**Tenant Store**" means those premises having an approximate Gross Leasable Area of 35,194 square feet (subject to certification by Landlord's architect) that have been constructed on the ground level of the Shopping Centre Lands in the area shown outlined in **RED** on the Site Plan and on the floor plan of the Shopping Centre attached hereto as Schedule "B-1", as such premises may from time to time be altered, reconstructed or expanded in accordance with the provisions of this Lease (and which building shall include for greater certainty any fixed improvements on the roof of the Shopping Centre that are for the exclusive use of the Tenant).

"**Tenant's Use**" shall have the meaning ascribed to that term in subparagraph (a) of clause 6.00 hereof.

"**Tenant's Work**" shall have the meaning ascribed to that term in clause 1.04 hereof.

"**Term**" means the entire term of this Lease including the original term as described under clause 3.00, every extension of the term as described under clause 3.01 resulting from the exercise of any of the Tenant's options thereunder, and any period of overholding to which clause 3.02 applies.

"**Term Commencement Date**" shall have the meaning ascribed to that term in clause 3.00 hereof.

"**Unavoidable Delay**" means any prevention, delay, stoppage or interruption in the performance of any obligation of the parties hereunder due to strike, lockout, labour dispute, act of God, or the occurrence of fire or other casualty, or any other condition or cause that is beyond the reasonable control of the party obligated to perform despite all reasonable efforts of such party to perform (but shall not include any inability to perform because of any lack of funds or any financial condition).

1.01 Schedules. The Schedules to this Lease form part hereof and are as follows:

Schedule A - Description of Shopping Centre Lands
Schedule B - Site Plan
Schedule B-1 - Floor Plan showing location of Tenant Store

1.02 Landlord's Warranties and Representations. The Landlord warrants and represents to the Tenant that at the date of this Lease and the date of execution and delivery of this Lease:

(1) The present construction of the Shopping Centre including the Tenant Store, the Common Facilities and Rentable Premises therein, and the use of the various portions thereof for their intended purposes, in each case does not contravene and is not prevented or restricted by any present provision of any statute, by-law, order or regulation of any

governmental authority having jurisdiction or any agreement to which the Landlord is a party or is bound;

(2) The tenants including the Tenant and their respective employees and those having lawful business with them including customers have legal pedestrian and vehicular access to the Shopping Centre and their respective premises therein, and such access is not prevented or restricted by any statute, by-law, order or regulation of any governmental authority having jurisdiction or of any agreement to which the Landlord is a party or is bound;

(3) The Landlord is the beneficial owner of the Shopping Centre Lands and the registered owner is Ivanhoe Cambridge I Inc., whose title thereto is good and marketable and subject to no encumbrances that materially and detrimentally affect the Tenant's interest under this Lease;

(4) There are no restrictions imposed by law or by private agreement binding upon the Landlord, and there are no exclusives in favour of other tenants that conflict with the rights of the Tenant under this Lease; and

(5) To the best of the Landlord's knowledge, the location of the Tenant Store as at the date of signing hereof contains no Hazardous Substance. The Tenant shall have no liability for any Hazardous Substance located at the Shopping Centre other than any Hazardous Substance that has been brought on the Shopping Centre Lands by the Tenant or by those for whom the Tenant is responsible at law.

1.03 Quiet Enjoyment.

(1) The Landlord hereby covenants with the Tenant that the Tenant paying the rent hereby reserved and performing the Tenant's covenants herein contained, shall and may peaceably possess and enjoy the Tenant Store for the Term, without any interruption or disturbance from the Landlord, or any other person or persons lawfully claiming by, from or under the Landlord.

(2) This Lease and all of the rights of the Tenant hereunder are subordinate to any and all mortgages, trust deeds or other instruments of financing, refinancing or collateral financing from time to time in existence with respect to the Shopping Centre. The Tenant shall, at the Landlord's request, enter into such form or forms of agreement as the Landlord, acting reasonably, may require for the purpose of subordinating the Tenant's rights hereunder to any and all such mortgages, trust deeds or other instruments of financing, refinancing or collateral financing from time to time in existence with respect to the Shopping Centre, and, if requested, will attorn to the holder(s) thereof on the terms and conditions of this Lease for the remainder of the Term. The Landlord shall use reasonable commercial efforts to obtain from each and every holder of any mortgage, trust deed or other instrument of financing, refinancing or collateral financing from time to time in existence with respect to the Shopping Centre a written non-disturbance agreement in favour of the Tenant providing the Tenant with security of tenure and the right to remain in possession of the Tenant Store under the terms and conditions of this Lease (including, without limitation, the right to have the Landlord's covenants hereunder performed by any party from time to time in possession of the Shopping Centre claiming entitlement thereto through or under the Landlord, including any mortgagee while in possession and any purchaser pursuant to an exercise of a mortgagee's power of sale or pursuant to a court-ordered sale or otherwise from or through a mortgagee) until such time as the Lease shall expire, be surrendered or be terminated for default.

1.04 Construction of Tenant Store.

The parties acknowledge that the Tenant Store has been constructed by the Landlord, in accordance with the Landlord's Outline Drawing and that the Landlord shall deliver exclusive and vacant possession of the Tenant Store to the Tenant, in clean and broom-swept condition, on the Possession Date. Prior to the Possession Date the Landlord, at its sole cost, shall complete all of the following work (the "**Landlord's Work**") in a good and workmanlike manner, using first class materials, and in compliance with all applicable building, fire and safety codes, laws and regulations:

(a) the construction of new demising walls separating the Tenant Store from the Severed Premises, all to be done in accordance with the Tenant's plans, specifications and design requirements therefor, including, without limitation, the installation of dry-wall on the surface of the demising walls facing the interior of the Tenant Store to the underside of the deck above, leaving them taped, sanded, primed and ready for paint in accordance with the Tenant's specifications and design requirements;

(b) the removal, relocation, capping and/or modification of existing mechanical, electrical, heating, ventilating, plumbing and other systems installed in and/or serving the former Linens N Things Premises if and to the extent required to facilitate or accommodate the separation of the Tenant Store from the Severed Premises and to ensure that all such mechanical, electrical, heating, ventilating, plumbing and other systems are separately and independently provided to (and located within) the Tenant Store, including, without limiting the generality of the foregoing, the removal, relocation, capping and/or modification of HVAC ductwork, sprinkler systems and electrical services; and

(c) the removal of any existing exterior "*Linens N Things*" signage that may be left upon the Tenant Store and the repair of any damage caused by the installation or removal of the same.

The parties hereto hereby acknowledge and agree that, on or before the Possession Date, the Landlord, at its sole cost, shall provide the Tenant with a certificate of the Landlord's independent architect or a qualified surveyor confirming the actual Gross Leasable Area of the Tenant Store.

The Tenant shall have access to and vacant possession of the Tenant Store, commencing on the Possession Date, for the purpose of making such improvements and decorations in and to the Tenant Store (the "**Tenant's Work**") as the Tenant shall require for its intended use and occupation thereof and so as to open the Tenant Store for business fully fixtured and stocked. The Tenant shall be responsible, at its sole cost and expense, for securing all municipal and other governmental permits, licenses and approvals necessary for the Tenant's Work.

The Tenant covenants to proceed diligently with the Tenant's Work and to open the Tenant Store for business to the public as soon as reasonably possible following completion of the Tenant's Work. Notwithstanding the foregoing, the parties hereto acknowledge and agree that the Tenant shall have no obligation to open the Tenant Store for business between **June 15th** and **July 31st**.

It is anticipated that the Tenant will require approximately one hundred and twenty (**120**) days in order for it to carry out the Tenant's Work and ready the Tenant Store for opening to the public for business.

The Tenant shall not be responsible for any payment of rent or other occupancy charge prior to the Term Commencement Date other than payment of the cost of any utilities and other services consumed in the Tenant Store following the Possession Date. Save as aforesaid, the Tenant shall be bound by all of the provisions of this Lease while in occupancy of the Tenant Store prior to the Term Commencement Date.

1.05 Fixturing Allowance.

(a) Provided that the Tenant is open for business in all of the Tenant's store, the Landlord shall pay the Tenant on the Term Commencement Date a fixturing allowance (the "**Allowance**") for the fixturing and finishing of the Tenant Store in the amount of Eight Hundred Thousand Dollars (**$800,000.00**), together with any provincial, federal or other governmental sales or goods and services tax ("**GST**") applicable to such payment to the extent that the Tenant is required pursuant to the applicable legislation to collect the same, subject to any applicable lien and hold back requirements under the applicable legislation. The parties hereto further

agree that the Tenant shall give the Landlord no less than fifteen (**15**) days prior written notice of the Term Commencement Date in order that the Landlord can ensure that it will have sufficient funds on hand to make payment of the Allowance when due. If the Tenant should give the Landlord less than fifteen (**15**) days prior written notice of the Term Commencement Date, the Landlord shall be entitled to delay payment of the Allowance until the fifteenth day following the Landlord's receipt of the Tenant's notice.

(b) Should the Landlord not make payments on account of the Fixturing Allowance when properly required pursuant to paragraph (a) of this Article 1.05 for any reason, interest shall accrue thereon (including interest on any unpaid GST to the extent and from the date that the Tenant is required to pay GST to the applicable governmental authority) in favour of the Tenant commencing as of the date on which payment was due to the date on which payment is made to the Tenant at an annual rate equal to four per cent (**4.0%**) above the annual rate of interest charged from time to time by the Canadian Imperial Bank of Commerce at its main Toronto branch to its most creditworthy customers (which rate so charged by the CIBC is hereinafter called the "Prime Rate"). Interest shall be calculated and compounded at the end of each calendar month. The Tenant shall have the right (in addition to any other remedies available to it at law) to deduct any outstanding Fixturing Allowance Property and GST, and any interest thereon, from payments required to be made to the Landlord under the Lease.

ARTICLE 2

DEMISE AND GRANT OF RIGHTS

2.00 Demise of Tenant Store. The Landlord leases the Tenant Store to the Tenant for the Term, upon and subject to the covenants and provisions expressed in this Lease, together with the benefit of all rights and privileges granted to the Tenant by this Lease.

2.01 Rights to Common Facilities. Subject to any public easements, rights-of-way and/or other similar agreements in favour of the City of Vaughan and/or any other governmental or quasi-governmental body or utility or service provider that may be imposed upon the Shopping Centre from time to time, the Landlord grants to the Tenant, upon and subject to the covenants and provisions expressed in this Lease, for use by the Tenant and its employees and those having lawful business with it including its customers, in common with the Landlord and other occupants of the Shopping Centre only and their respective employees and those having lawful business with them including their customers, the right and license during the Term, and not terminable by the Landlord during the Term, to use the Common Facilities for the purposes for which such Common Facilities are intended and provided; and in particular, without limiting the generality of the foregoing, such right and license of use shall include:

(1) the right to use the Parking Facilities (including the means of pedestrian and vehicular access and the entrances and exits to and from the Shopping Centre included therein) for the purpose of pedestrian and vehicular access to, from and within the Shopping Centre and the parking of vehicles in parking spaces provided therein;

(2) the right to the use and benefit of utilities and services as have been or may be provided by the Landlord, in accordance with the provisions of this Lease; and

(3) the right to use the corridors, entrances to and exits from buildings, public washrooms and all other facilities provided for common use and enjoyment as part of the Common Facilities.

2.02 Truck Dock and Receiving Area. The parties hereto hereby acknowledge and agree that the Tenant Store includes its own exclusive receiving facilities, including (without limitation) a truck dock and the exclusive right to use the two (**2**) truck-length exterior standing, receiving and loading areas associated therewith. For the purposes of this

Lease, the said exterior standing, receiving and loading areas associated with the Tenant Store's receiving facilities shall at all times be treated as part of the Common Facilities of the Shopping Centre and the Landlord shall be responsible for the maintenance and repair of the same throughout the Term. .

ARTICLE 3

TERM, EXTENSIONS AND RIGHTS OF TERMINATION

3.00 Original Term. The original term shall be for fifteen (**15**) years, commencing on the date that is the earlier of:

(i) August 1, 2009; and

(ii) the day upon which the Tenant opens the Tenant Store for business with the public;

which date is herein referred to as the "**Term Commencement Date**".

3.01 Extensions. The Tenant shall have the option to extend the original term of this Lease for three (3) consecutive periods of five (5) years each. The Tenant shall exercise its right to extend the Term of this Lease as aforesaid by giving written notice thereof to the Landlord not later than twelve (12) months prior to the end of the original term in the case of the first of such options, and not later than twelve (12) months prior to the end of the then current extension period in the case of any subsequent option to extend.

All of the covenants, conditions and provisions of this Lease, including the stipulation as to rent and other payments and contributions by the Tenant hereunder, shall apply during each extension period specified in this clause 3.01, except that there shall be no options to extend beyond the last extension period provided for in this clause 3.01 and any provision that expressly has application only during the original term shall not apply during any extension period.

3.02 Overholding. If the Tenant shall remain in possession after the original term or any extension period, save pursuant to a written agreement between the Landlord and the Tenant, the Tenant shall be deemed to be a tenant from month to month at a monthly rental equal to one-twelfth (1/12th) of the annual basic rent payable in the last year of the Term immediately preceding such overholding and otherwise upon all the terms and provisions of this Lease, modified as is appropriate to such a monthly occupancy. Either party shall have the right to terminate the month to month tenancy on one month's prior notice to the other.

3.03 Tenant's Right to Terminate. During the Term if any restrictive covenant or zoning or other by-law or municipal or other governmental regulation shall have taken effect that would (i) prevent the operation of the Shopping Centre as a shopping centre, or (ii) prevent reasonable access thereto in the manner contemplated by this Lease so as to preclude the operation of the Tenant Store for the purposes more particularly provided in Article 6 hereof (the "**Permitted Uses**") or (iii) prevent the use of the Tenant Store for the Permitted Uses and the Landlord shall not have commenced to rectify such situation within 60 days and thereafter is not proceeding actively and diligently to so rectify the Tenant may terminate this Lease upon notice to the Landlord. Whether or not the Landlord is attempting to so rectify, if such is not rectified within 550 days, such right of termination shall be exercisable. For greater certainty, if such operations or use may be continued as a legal non-conforming use, then such by-law or regulation shall be deemed not yet to have taken effect until such operations or use may not be continued.

ARTICLE 4

RENT

4.00 Amount of Rent for Tenant Store. From and after the Term Commencement Date the Tenant covenants to pay annual basic rent equal to:

(a) **$18.75** per square foot per annum of the Gross Leasable Area of the Tenant Store for the first five (5) years of the Term (years 1 through 5);

(b) **$19.75** per square foot per annum of the Gross Leasable Area of the Tenant Store for the next five (5) years of the Term (years 6 through 10);

(c) **$21.00** per square foot per annum of the Gross Leasable Area of the Tenant Store for the next five (5) years of the Term (years 11 through 15);

(d) **$22.00** per square foot per annum of the Gross Leasable Area of the Tenant Store for the first five-year extension period of the Term;

(e) **$23.00** per square foot per annum of the Gross Leasable Area of the Tenant Store for the second five-year extension period of the Term; and

(f) **$24.00** per square foot per annum of the Gross Leasable Area of the Tenant Store for the third five-year extension period of the Term.

4.00A Percentage Rent: In addition to annual basic rent, Tenant will pay to Landlord as percentage rent for the Tenant Store ("**Percentage Rent**") an amount for each Lease Year equal to three percent (**3.0%**) of the amount by which the Gross Revenue made from the Tenant Store during such Lease Year exceeds Fifteen Million Dollars (**$15,000,000.00**).

4.00B (a) Percentage Rent is payable annually. For the first Lease Year, Percentage Rent shall be payable on or before the sixtieth (60^{th}) day of the second Lease Year. For the second and subsequent Lease Year, Percentage Rent shall be payable on or before the sixtieth (60^{th}) day immediately following the expiry of such Lease Year. Tenant's payment of Percentage Rent for each Lease Year shall be accompanied by the certified statement referred to in subclause 4.00(B)(b) below in respect of that Lease Year.

(b) Unless delayed by causes beyond Tenant's reasonable control, Tenant will deliver to Landlord within sixty (60) days after the end of each Lease Year (or, if so delayed, as soon as practical thereafter) a written statement certified to be correct by the chief financial officer or another senior officer of Tenant (or if a subtenant permitted under this Lease is occupying the Tenant Store, by the chief financial officer of such subtenant) showing in reasonable detail the Gross Revenue for that particular Lease Year and showing the amount of Percentage Rent, if any, payable by Tenant for such Lease Year.

(c) "**Gross Revenue**" shall mean the entire amount of the sale price as charged to the general public at the time of sale, whether for cash or otherwise, of all sales (including rentals) of merchandise and services and of all other receipts whatsoever, in respect of all business conducted at, in, upon or from the Tenant Store although orders based upon such sales or other receipts may be filled elsewhere, and including all sales by any sublessee, concessionaire, licensee, vending machine, coin operated machine, or otherwise in the Tenant Store. No deduction will be allowed for uncollected or uncollectible credit accounts. Gross Revenue will not include, however:

(i) any sums (other than any commission or service fee to Tenant) shown separately from the price, collected and paid out for any sales tax or goods and services tax or similar tax, imposition or assessment levied, imposed or

assessed by any governmental authority which Tenant is required to remit to such authority; nor

(ii) the exchange of goods or merchandise between the stores of Tenant, if any, where such exchange of goods or merchandise is made solely for the convenient operation of the business of Tenant and not for the purpose of consummating a sale which had been made at, in from or upon the Tenant Store; nor

(iii) the amount of any discount on sales actually given to bona fide employees of Tenant or its affiliated corporations; nor

(iv) the amount of returns to shippers or to manufacturers; nor

(v) the amount of merchandise sold or some part thereof which is thereafter returned by the purchaser and accepted by the Tenant; nor

(vi) interest charged on credit accounts; nor

(vii) sales of fixtures or other capital items sold by Tenant after use thereof in the conduct of Tenant's business in the Tenant Store; nor

(viii) the amount of discounts given by the Tenant to its employees or the employees of its affiliated corporations (within the meaning of the *Canada Business Corporations Act*) in relation to goods purchased on the Tenant Store by such employees but only to the extent that: (1) such discounts do not, in the aggregate, exceed two percent (**2%**) of the total Gross Revenue in each Lease Year; and (2) the full selling price of all such goods sold by the Tenant to such employees is included in and reported as Gross Revenue.

All exclusions from Gross Revenue permitted by this Article must be documented to the reasonable satisfaction of Landlord to allow for complete and detailed verification of the validity of such exclusions. Each sale upon an instalment or credit basis (which, without limiting the generality of the foregoing, includes lay-away sales or any other sale made where deposits are received by Tenant) will be included and treated as a sale for the full price in the month in which such sale is made regardless of whether (or the time when) Tenant will receive payment in full.

(d) Full true and accurate records from which Gross Revenue in any Lease Year may be readily and correctly determined will be kept by Tenant at its head office in accordance with all the requirements of the Lease including, without limiting the generality of the foregoing, the requirement to retain adequate sales records and otherwise in accordance with generally accepted accounting principles until at least the second (2^{nd}) anniversary of the end of such Lease Year. The Tenant shall give the Landlord or anyone designated by Landlord as its agent or nominee free access to such records, which access shall be available to the Landlord (or its agent or nominee) during the usual business hours of the Tenant at its head office and in a manner which does not unreasonably interfere with the conduct of the Tenant's business, provided that any such inspection of the Tenant's books and records by the Landlord shall be made no later than one hundred and eighty (180) days after the Landlord's receipt of the aforementioned annual statement and shall be limited to the Gross Revenue effected in the Tenant Store during the Lease Year covered by the annual statement, and further provided that no claim for revision of the Tenant's annual statement or for additional percentage rent computed on the information contained therein shall be made more than nine (9) months after the mailing of the said statement to the Landlord. The Landlord hereby covenants that neither the Landlord nor its agent or nominee will disclose any information so furnished to the Landlord by the Tenant or made known to the Landlord by the latter's examination of the books and records of the Tenant except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Project.

(e) All costs of any audit or examination or report conducted by the Landlord or its agent or nominee under subclause 4.00B(d) will be payable by Tenant to Landlord on demand if actual Gross Revenue for any Lease Year is greater by three percent (**3.0%**) or more than that reported by Tenant, unless such understatement is due to a clerical or inadvertent error on the part of the Tenant or those for whom the Tenant is at law responsible and so long as the Tenant, once being made aware of the error by the Landlord, provides the Landlord with reasonable evidence that it has taken appropriate steps to correct the error and to prevent its recurrence.

(ix) The acceptance by Landlord of any statement of Gross Revenue delivered by Tenant or any payment of Percentage Rent based thereon or on any accountant's or consultant's determination or Landlord's estimate, will not be deemed to relieve Tenant from its obligations to comply with the provisions of this Lease or from the consequences of any default thereunder, nor be a waiver by Landlord of any of the obligations of Tenant or any of the rights of Landlord under this Lease. Without limiting the generality of the foregoing, Landlord will be entitled to all its remedies under this Lease if there has been an omission by Tenant to report or to maintain or produce records affecting the determination of Gross Revenue or to maintain accounting procedures in respect of such Gross Revenue in accordance with generally accepted accounting principles.

4.01 Payment of Rent. Annual basic rent in the amount contemplated by clause 4.00 shall be paid in lawful money of Canada to the Landlord at such place in Canada as the Landlord may from time to time direct in writing, in equal monthly instalments in advance on the first day of each calendar month, except that rent payable for any broken portion of a calendar month shall be appropriately adjusted for, being calculated at a rate per day equal to 1/365th of the applicable annual rent for the broken portion of the calendar month involved, and without any previous notice or demand of the Landlord, and without any abatement, set-off or deduction whatsoever except as specifically provided for in this Lease or as permitted by court order.

4.02 Additional Rent. In addition to the basic rent referred to in clauses 4.00 and 4.01 all sums of money required to be paid by the Tenant to the Landlord under this Lease, whether or not such sums of money are expressed or referred to as being rent, shall, when in default, be deemed to be additional rent and payable and recoverable as rent.

4.03 GST. Notwithstanding any other provision of this Lease, the Tenant shall pay to the appropriate party designated by law all goods and service taxes, sales taxes, value-added taxes or multi-stage taxes, howsoever characterized at law, and imposed on the Tenant in respect of any rent or other charges payable to the Landlord hereunder in the manner and at the times permitted or specified by the appropriate taxing legislation (hereinafter collectively and individually called the "**GST**"). In the event that the Tenant is required by law to pay the GST to the Landlord (acting as agent for the taxing authority) the GST shall not be considered as rent, despite any other provision of this Lease, but the Landlord shall have the same remedies for and rights of recovery with respect to the amount of GST as it has for non-payment of rent under the Lease or at law

ARTICLE 5

GENERAL COVENANTS

5.00 Covenants of Tenant. The Tenant covenants with the Landlord:

(1) to pay when due the rent stipulated in Article 4 and the contributions in respect of the Operating Costs stipulated in Article 10 in the amount and manner therein provided, and all other sums from time to time due to the Landlord under this Lease; and

(2) to observe and perform all the covenants and obligations of the Tenant under this Lease.

5.01 Covenants of Landlord. The Landlord covenants with the Tenant to observe and perform all the covenants and obligations of the Landlord under this Lease.

ARTICLE 6

OCCUPANCY OF TENANT STORE

6.00 Uses of Tenant Store

(a) The Tenant Store, while being operated, shall be used only for the purpose of carrying on the primary business of a linen, home furnishings and accessories store selling bedding, bathroom and bath-related products, kitchenware, candles, drapery and related accessories, including, without limiting the generality of the foregoing and at the Tenant's option, the ancillary sale of home furniture (the "**Tenant's Use**"), and for no other purpose, under the name and style of "Home Outfitters, Canada's Bed, Bath and Kitchen Superstore" or any other name the Tenant may use from time to time for the majority of its similar retail stores.

(b) Subject to the provisions of subparagraph (c) of this clause 6.00, the Landlord hereby covenants and agrees that if and for so long as substantially the whole of the Tenant Store is being continuously used only for the purpose of carrying on the Tenant's Use (which period of operation shall include any reasonable, temporary cessation of operation that may be caused by Unavoidable Delay, damage or destruction, permitted alterations, repair or rebuilding, and/or an assignment or sublet to a third party who will continue to operate the Tenant Store for the Tenant's Use) it shall not use (or permit to be used) any premises in the Shopping Centre other than the Tenant Store for the operation of a retail store carrying on business as a "Bed Bath and Beyond" store. For the purposes of the foregoing restrictive covenant:

i) the term "'**Bed Bath and Beyond**" store' shall mean a store that is typical of the stores operated in North America by Bed Bath and Beyond Inc. or any of its affiliated companies (hereinafter collectively referred to as "BBB") under the name "*Bed Bath and Beyond*" or any other name BBB may use from time to time for the majority of its similar retail stores in lieu of the name "*Bed Bath and Beyond*".

(c) Notwithstanding the foregoing, the Tenant shall be entitled at any time during the Term to use the Tenant Store for the purpose of carrying on a lawful retail business other than the Tenant's Use (and, accordingly, to change the name under which it operates the Tenant Store), provided that:

i) the Tenant first obtains the Landlord's prior written consent to such change in use, which consent shall not be unreasonably withheld or unduly delayed;

ii) the proposed use is compatible with the operation of a first class shopping centre in the Province of Ontario;

iii) the proposed use is a use being operated by the Tenant under the same name as is proposed for the Tenant Store in at least ten (10) other stores that are of similar size to the Tenant Store and are located in first class shopping centres and/or power centres elsewhere in Canada; and

iv) such use does not conflict with those exclusive uses then granted by the Landlord to other tenants of the Shopping Centre.

(d) The Tenant covenants that, when operating its business in the Tenant Store, it shall carry on its business in a proper and efficient manner in keeping with the highest standards of the shopping centre industry and shall not carry on (or permit to be carried on) any of the businesses referred to in clause 14.00 of this Lease.

6.01 No Continuous Operating Covenant.

(a) Nothing contained herein shall create or be interpreted as creating a covenant by the Tenant to continuously occupy and operate the Tenant Store throughout all or any portion of the Term.

(b) If at any time during the Term less than the whole or substantially the whole of the Tenant Store is occupied and open to the public for business for a period exceeding two (2) months for any reason other than Unavoidable Delay, damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, the Landlord shall thereafter have the right to terminate this Lease while such cessation of operation continues by giving the Tenant no less than thirty (30) days' prior written notice thereof, provided that the Tenant may nullify such notice of termination and this Lease shall not be terminated if the Tenant re-opens the whole or substantially the whole of the Tenant Store to the public for business prior to the termination date specified in the Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Tenant Store open for business for at lease twelve (12) consecutive months (failing which the Landlord's termination of the Lease shall be effective immediately upon the Tenant ceasing to operate during the aforementioned 12-month period). In the event that the Tenant nullifies the Landlord's notice of termination as aforesaid, the provisions of this subparagraph (b) of clause 6.01 shall continue to apply throughout the balance of the Term.

6.02 Nuisance. The Tenant shall not use or permit any part of the Tenant Store to be used in such a manner as to cause a nuisance or cause or permit any annoying noises, vibrations or odours (having regard to the purposes for which the various portions of the Tenant Store are permitted to be used). The Tenant shall not permit any debris or refuse to accumulate in the Tenant Store, but shall cause the same to be stored in suitable receptacles and regularly removed. The Tenant will not permit to be stored in or about the Tenant Store any Hazardous Substance to which the insurers of the Tenant or of the Landlord have reasonable cause for objection, having due regard to the purposes for which such parts of the Tenant Store are permitted to be used, and if the Tenant shall breach this provision the Landlord shall have the right (without limiting any other remedy it may have) to recover the amount of any additional premium cost incurred by the Landlord as a result of such breach.

6.03 Receiving and Shipping. The Tenant shall not load or unload any merchandise, supplies or other materials or any debris or refuse except in the Truck Dock and Receiving Area, but this shall not apply to manual deliveries or shipments of small parcels to and from the Tenant Store where it is not practical or desirable to handle them through such receiving area.

6.04 Merchandising Activities in Common Facilities. The Tenant shall not carry on any merchandising or promotional activities or display any merchandise in the Common Facilities, other than as permitted as part of a promotion approved by the Landlord, such approval not to be unreasonably withheld, having regard to good shopping centre practice.

ARTICLE 7

OPERATION OF SHOPPING CENTRE

7.00 INTENTIONALLY DELETED

7.01 Standards of Operation. Throughout the Term, the Landlord shall cause the Shopping Centre to be managed, operated and maintained as a first-class shopping centre in accordance with the then standards of operation and maintenance that have been adopted by other first-class shopping centres of similar size in the Province of Ontario, and without limiting the generality of the foregoing the Landlord shall:

(1) maintain or cause to be maintained at the Shopping Centre a management office and a competent full-time manager (or part-time if consented to by the Tenant, such consent not to be unreasonably withheld) and a sufficient staff of management, operating and

maintenance personnel to perform the proper management, promotion, maintenance and operation of the Shopping Centre;

(2) keep or cause to be kept the Shopping Centre including the Parking Facilities and all other Common Facilities (including without limitation all landscaped areas), and all buildings and improvements thereon other than the Tenant Store, clean, tidy and well maintained, and in this connection maintain in force and take all reasonable action to enforce provisions of all leases to tenants of the Shopping Centre requiring such tenants to keep their respective premises clean, tidy and well maintained;

(3) take all such action as may reasonably be required to prevent any use of or conduct of any business or activity in any premises in the Shopping Centre that contravenes any provision of this Lease (including Article 14) or is a nuisance or annoyance or is not in keeping with the standards of the best shopping centres, and to prevent any other activity in the Shopping Centre that is not in keeping with the character of the Shopping Centre, or the display of any signs or advertising in respect of any such prohibited use, business or activity;

(4) prohibit the Common Facilities from being used for any display or sale of merchandise or any other commercial or promotional activity, other than, at the Landlord's sole option, for such purposes and/or activities as may benefit some or all of the tenants and occupants of the Shopping Centre and/or are in keeping with good shopping centre practice, provided that, notwithstanding the foregoing, no portion of the Common Facilities located within the No-Build Areas shown outlined in **BLUE** on Schedule "B-1" (and more particularly described in clause 19.01 hereof) shall be used at any time during the Term for any merchandising purpose or for any other commercial or promotional activity excluding any existing merchandising operation (including existing mobile retail units and replacements thereof) without the prior written approval of the Tenant (which approval shall not be unreasonably withheld or unduly delayed; and

(5) implement and enforce a Landlord's exterior sign policy applicable to all tenants of the Shopping Centre as contemplated by clause 22.01, and prohibit and prevent all signs in the Common Facilities other than signs that are consistent with the Landlord's sign policy.

7.02 Hours of Business. The Landlord shall use its continuing and diligent efforts to cause the whole or substantially the whole of the Shopping Centre to be open for business on those days that are consistent with the requirements of a first-class shopping centre.

7.03 INTENTIONALLY DELETED

7.04 Parking Facilities. Throughout the Term the Landlord shall cause the following requirements with respect to the Parking Facilities to be complied with:

(a) The Landlord shall:

(i) keep the Parking Facilities maintained and operated and open, including the means of access thereto, at all times when the Shopping Centre or the Tenant Store is open for business;

(ii) keep the Parking Facilities adequately lighted whenever required to facilitate their use during hours of darkness;

(iii) provide the Parking Facilities with parking spaces and aisles properly striped and otherwise keep the Parking Facilities marked and with the appropriate traffic and direction signs;

(iv) provide the Parking Facilities with adequate supervision of the flow of traffic therein whenever reasonably required and otherwise keep the Parking Facilities policed or supervised in accordance with the standards of a first-class shopping centres;

(v) keep the Parking Facilities free of refuse and debris and with all appropriate measures taken to keep them reasonably free of snow and ice during winter months; and

(vi) ensure that any use of the Parking Facilities by commuters using public transit facilities (or by any other third parties who are not tenants or occupants of the Shopping Centre and/or their respective customers, employees, agents and invitees) shall at no time result in insufficient parking spaces being available in the vicinity of the Tenant Store for use by the Tenant's customers.

(b) No charges shall be imposed for the use of parking spaces in the Parking Facilities unless required by any applicable by-law, regulation or law;

(c) The Landlord shall at all times maintain or cause to be maintained sufficient parking spaces to:

(1) meet all legal requirements as they now exist, in respect of present construction on the Shopping Centre Lands and, in the event of future construction on the Shopping Centre Lands, cause to be met all the then applicable legal requirements for the whole of the Shopping Centre in respect of such future construction, and

(2) maintain not fewer than 4.0 parking spaces for each 1,000 square feet of Gross Leasable Area of rentable retail premises in the Shopping Centre together in every case with adequate means of access thereto.

(d) identify using appropriate signage and pavement markings a minimum of two (2) parking spaces for use only by handicapped drivers' and two (2) parking spaces for use only by expectant mothers and/or mothers with small children all in close proximity to the demised premises. The Landlord shall have no obligation to supervise the use of those parking spaces.

7.05 Landlord's Rules and Regulations. The Landlord may from time to time establish reasonable rules and regulations pertaining to the operation of the Shopping Centre, which shall not be inconsistent with the terms of this Lease but are consistent with the requirements of a first-class shopping centre of comparable size in the Province of Ontario. Subject to the foregoing, the Tenant shall comply with such rules and regulations so long as the same are reasonably generally enforced throughout the Shopping Centre. The Landlord shall use its reasonable efforts to enforce or cause to be enforced such rules and regulations.

7.06 Employee Parking. The Landlord shall designate a remote area or areas within the Parking Facilities for use by employees of the Tenant and the other tenants. The Tenant shall inform its employees of such areas and shall instruct its employees to park only in areas specifically designated for such purpose from time to time by the Landlord. The Landlord shall use its reasonable efforts to cause all other tenants of the Shopping Centre and their employees, and the Tenant shall use its reasonable efforts to cause its employees, to park only in such designated areas, including the incorporation of a provision to this effect in all new leases to tenants. Where both the Landlord and Tenant agree, such areas may be located outside of the Shopping Centre Lands during peak periods of retail shopping, such as during the period from November 15 to December 31 in each year (provided that the Landlord shall not be required to provide such off-site parking).

ARTICLE 8

UTILITIES, SERVICES AND HVAC

8.00 Utilities and Services. During the Term:

(1) Subject to the provisions of subparagraph (4) of this clause 8.00, the Landlord agrees that it shall provide and maintain (up to, but not beyond, the exterior façade of the Tenant Store), all electrical service, telephone and other communication facilities, water, gas, and storm and sanitary sewers that are provided to the Tenant Store as of the Term Commencement Date for the permitted use and operation of the Tenant Store (but excluding any utility services or portions thereof that are located in and exclusively serve the Tenant Store, for which the Tenant shall be solely responsible). The costs incurred by the Landlord in providing and maintaining the said utility services shall be included in, and treated as part of, the Shopping Centre's Operating Costs. All utilities that are so provided to the Tenant Store as of the Term Commencement Date shall be separately metered, at the Landlord's sole cost and expense.

(2) The Landlord shall at all times cause such repairs to be performed to those portions of the services and utilities systems serving the Tenant Store that are not contained within the boundaries of the Tenant Store and do all other acts and things as may be necessary to ensure the continuous availability and adequate capacity of such utilities and services, subject only to Unavoidable Delay. As noted above, all costs incurred by the Landlord in effecting such repairs and the continuous availability and capacity of such utilities and services shall be included in, and treated as part of, the Shopping Centre's Operating Costs.

(3) The Landlord shall grant such easements to or make such other arrangements with the utilities and services as shall facilitate the provision of such utilities and services to the Tenant.

(4) If the Tenant shall at any time require a utility or service that is in addition to those provided to the Tenant Store as of the commencement of the Term, such utility or service will be provided at the Tenant's own expense, the Landlord will not unreasonably withhold its permission for an easement, servitude or other arrangement appropriate to enable such utility or service to be brought to the Tenant Store, and the Landlord shall provide the Tenant with such assistance as the Tenant may reasonably require to ensure provision and delivery of such additional utilities and services. Any utilities that are so provided to the Tenant Store after the commencement of the Term shall be separately metered, at the Tenant's sole cost and expense.

(5) The Tenant shall be responsible for the payment of normal non-capital consumption and user charges due to public utilities or services or other suppliers for any electricity, water or other services or utilities actually consumed or used by the Tenant, its subtenants, concessionaires and licensees.

(6) The Tenant shall have the right at any time and from time to time to install (including installation prior to the commencement of the Term), maintain, repair, operate and replace on the roof of the Shopping Centre (at such location as has first been approved by the Landlord, acting reasonably) such telecommunication equipment and facilities and such other systems as may be required by the Tenant in the permitted operation of the Tenant Store, provided that: (i) such equipment and facilities comply with all applicable laws, by-laws and regulations as may be imposed from time to time by governmental and quasi-governmental authorities having jurisdiction thereover and do not interfere with the Landlord's or other tenants' use and enjoyment of the Shopping Centre; and (ii) the Tenant shall at all times be responsible, at its sole cost and expense, for operating, maintaining, repairing, insuring and replacing any such equipment and facilities and shall promptly repair, at its sole cost, any damage to the Shopping Centre that is caused by or arises out of the installation, operation, maintenance, repair or replacement of any such equipment and facilities. Upon the expiry or earlier termination of this Lease, the Tenant shall, at its sole cost and expense, remove any telecommunications equipment and facilities that the Tenant may have installed upon the roof of the Shopping Centre and shall promptly repair any damage to the Shopping Centre that is caused by or arises out of such removal.

8.01 HVAC.

(1) The Tenant shall at its own expense heat and air-condition the Tenant Store (other than portions thereof that are not designed to be heated or air-conditioned) whenever

reasonably required from time to time. The Tenant shall also, at its expense, maintain, repair and replace the systems for heating and air-conditioning the Tenant Store as required for the purpose, reasonable wear and tear excepted. The parties hereby acknowledge that the Tenant Store is served by its own independent heating, ventilating and air-conditioning systems.

ARTICLE 9

TAXES

9.00 Tenant's Taxes.

(1) From and after the Term Commencement Date, the Tenant shall pay to the Landlord an annual contribution towards the costs incurred by the Landlord during each year of the Term in paying all Real Property Taxes levied in respect of the whole of the Shopping Centre (as more particularly provided in clause 9.01). The Tenant's contribution towards Real Property Taxes shall be set at a rate of **$4.75** per square foot of the Gross Leasable of the Tenant Store per annum during the first year of the Term and thereafter the said contribution shall be successively adjusted every twelve (**12**) months, commencing in the second year of the Term, by the percentage change in the Consumer Price Index for the Province of Ontario, all items, excluding the food component (or an equivalent or comparable index should the aforesaid index cease to be available) during the twelve-month period immediately preceding each such date of adjustment.

(2) From and after the Term Commencement Date, the Tenant shall pay to the taxing authority or authorities having jurisdiction all business taxes imposed during the Term by municipal or other governmental authorities having jurisdiction in respect of: (i) the business and activities carried on by the Tenant and its assignees, subtenants and concessionaires in the Tenant Store; and/or (ii) (to the extent permitted under this Lease) their use of the Common Facilities; including in each case all fixtures and equipment constructed and used by the Tenant or its assignees, subtenants or concessionaires thereon.; and

All Real Property Taxes and business taxes that the Tenant is obligated to pay or cause to be paid hereunder, including each and every instalment thereof, shall be paid when due to the Landlord or the appropriate taxing authority as the case may be. The Tenant shall also pay or cause to be paid all penalties and interest imposed with respect to arrears of its payments of the aforementioned business taxes to the extent such are levied by the taxing authority if the said business taxes are not paid by the Tenant by the payment due date. Whenever reasonably requested by either the Landlord or the Tenant, receipts or other appropriate evidence as to the due payment of such Real Property Taxes and business taxes shall be exhibited to either the Landlord or the Tenant as the case may be. In the event that the Tenant shall fail to pay or cause to be paid any business taxes payable under this clause 9.00 when due, the Landlord, after notice to the Tenant and if the Tenant shall fail to pay or cause to be paid the same within fifteen (15) days after receipt of such notice, may pay the same, and the amount so paid by the Landlord shall be forthwith repaid by the Tenant to the Landlord.

9.01 Landlord's Taxes. The Landlord shall pay or cause to be paid:

(1) all Real Property Taxes in respect of the whole of the Shopping Centre (including, without limitation, the Tenant Store); and

(2) all business taxes (including taxes for the supply of utilities and services to Rentable Premises other than the Tenant Store and other taxes personal to tenants and other occupants of the Shopping Centre other than the Tenant capable of constituting a lien against the Shopping Centre Lands) imposed by municipal or other governmental authorities having jurisdiction in respect of all business and activities carried on by such tenants and other occupants in or upon the Shopping Centre Lands, save those payable in respect of the Tenant Store by the Tenant pursuant to paragraph (2) of clause 9.00.

All Real Property Taxes and business taxes that the Landlord is obligated to pay or cause to be paid hereunder, including each and every instalment thereof, shall be paid when due to the appropriate taxing authorities. The Landlord shall also pay or cause to be paid all penalties and interest imposed with respect to arrears of such payments to the extent such are levied by the appropriate taxing authority. Whenever the Tenant shall reasonably request the Landlord shall exhibit to the Tenant receipts or other appropriate evidence as to the due payment of such Real Property Taxes or business taxes payable by the Landlord under this clause 9.01. In the event that the Landlord shall fail to pay or cause to be paid any Real Property Taxes or business taxes payable under this clause 9.01 when due the Tenant, after notice to the Landlord and if the Landlord shall fail to pay or cause to be paid the same within fifteen (15) days after receipt of such notice, may pay the same and the amount so paid by the Tenant shall forthwith be repaid by the Landlord to the Tenant.

9.02 INTENTIONALLY DELETED

9.03 Tax Appeals. The Landlord may appeal any official assessment or the amount of any Real Property Taxes (including other taxes capable of constituting a lien) relating to the Shopping Centre Lands including the improvements (including fixtures and equipment) thereon.

9.04 No Administration Fee. The parties hereto acknowledge and agree that under no circumstances shall the Tenant be required at any time to pay the Landlord any administration fee or other similar charge on Real Property Taxes or other taxes payable by the Tenant pursuant to this Lease.

ARTICLE 10

OPERATING COSTS

10.00 Contribution to Operating Costs. From and after the Term Commencement Date, the Tenant shall pay to the Landlord an annual contribution towards the Operating Costs incurred by the Landlord from time to time during each year of the Term. The Tenant's annual contribution towards Operating Costs shall be set at the rate of Two Dollars and Seventy-Five Cents (**$2.75**) per square foot of the Gross Leasable Area of the Tenant Store per annum during the first Lease Year of the Term and thereafter the said rate shall be successively adjusted every twelve months, commencing in the second Lease Year, by the percentage change in the Consumer Price Index for the Province of Ontario, all items, excluding the food component (or an equivalent or comparable index should the aforesaid index cease to be available) (the "**CPI**") during the twelve-month period immediately preceding each such date of adjustment, provided that no such adjustment shall cause the annual amount paid by the Tenant for any Lease Year of the Term to be less than the annual amount paid by the Tenant for the immediately preceding Lease Year.

10.01 Payments and Adjustments. The contributions to Operating Costs payable by the Tenant pursuant to clause 10.00 shall be paid in equal monthly instalments in advance on the first day of each and every month during every Lease Year or (if applicable) broken portion thereof.

ARTICLE 11

INSURANCE AND INDEMNITY

11.00 Tenant's Insurance.

(1) The Tenant shall at all times during the Term keep in force or cause to be kept in force, at no expense to the Landlord, in respect of the Tenant Store, the use and occupancy thereof by it and its subtenants and concessionaires and licensees and the conduct of business thereon the following insurance:

(i) comprehensive general liability insurance for bodily injury or death and damage to property of others including, but not limited to, blanket contractual liability, owners' and contractors' protective liability, non-owned automobile and employers' liability insurance coverage with respect to all business conducted in, at, upon or from the Tenant Store, the use and occupancy thereof and the use of the Common Facilities, by the Tenant and by any other person on behalf of the Tenant and by those for whom the Tenant is in law responsible. Such policy or policies shall be written with such inclusive limits as would be carried by a prudent and reasonable owner of similar property, but in any event not less than five million dollars ($5,000,000) for any one accident or occurrence, shall include the Landlord (and/or the owners of the Shopping Centre, if different from the Landlord) and the Landlord's Property Manager (if any) as additional insureds, shall be primary and non-contributing with, and not in excess of, any other liability insurance obtained by the Landlord (and/or the owners of the Shopping Centre, if different from the Landlord) and/or by the Landlord's Property Manager, and shall include severability of interests and cross liability clauses;

(ii) 'all risks' property insurance (including, but not limited to, flood and earthquake) in respect of the Tenant Store and the Tenant's leasehold improvements, tenant fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents situated in and upon the Tenant Store (including all components of the Tenant HVAC System, regardless of location), to 100% of the full replacement cost thereof, with no co-insurance penalties, provided that the Tenant shall be entitled to self-insure against loss or damage to the trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Tenant Store, and if the Tenant insures against loss or damage to the aforesaid trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Tenant Store, the loss payable shall (notwithstanding the provisions of subclause 11.00 (2) (iv) (a) hereof) be paid only to the Tenant without any trust provisions;

(iii) comprehensive boiler and machinery insurance in respect of boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus installed in, relating to or serving the Tenant Store or any part thereof and operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant, on a 'repair and replacement' basis; and

(iv) business interruption insurance in such amount as will reimburse the Tenant for direct or indirect loss of gross earnings attributable to the perils insured against in paragraphs (ii) and (iii) of subclause 11.00 (1) or attributable to prevention of access to the Tenant Store or the Shopping Centre as a result of such perils.

2) The parties hereto acknowledge and agree that:

(i) any of the insurance to be taken out by the Tenant pursuant to the foregoing subclause 11.00(1) shall be placed with an insurer or insurers of recognized net worth and reputation, federally licensed to carry on the business of insurance in all provinces in Canada, and shall be provided under a policy or policies in such form, providing for such coverage and exclusions and on such terms as are normally effected by owners in similar circumstances;

(ii) with regard to insurances outlined in paragraphs (ii) and (iii) of subclause 11.00(1) of this Lease, provide:

(a) that the proceeds thereof shall be payable to (i) the Landlord (and/or the owners of the Shopping Centre, if different from the Landlord),

(ii) such of the Landlord's or owners' mortgagees for the Shopping Centre, if any, as have been requested in writing by the Landlord (and which request shall include each such mortgagee's address) and (iii) the Tenant, as their respective interests may appear. Notwithstanding the aforesaid, the Landlord and the Tenant hereby agree that all proceeds of such insurance payable in the event of loss, damage or destruction to the insured property shall be made available for the repair or rebuilding of the insured property, and the Tenant shall not be required to include any such mortgagee as a loss payee unless such mortgagee has agreed in writing with the Landlord (which agreement the Landlord covenants with the Tenant to enforce on behalf of the Tenant) or is bound by the provisions of its mortgage (which particular provisions the Landlord covenants with the Tenant not to amend) that all such proceeds shall be made available for such repair or rebuilding regardless of the existence of any mortgage default;

(b) that the insurers specifically waive subrogation rights against the Landlord (and/or the owners of the Shopping Centre, if different from the Landlord) and the Landlord's Property Manager, including their respective employees, officers and directors (herein collectively referred to as the "**released parties**"), with respect to loss, damage or destruction to the insured property, and the Tenant hereby releases the aforesaid released parties from liability in regard to such loss, damage or destruction, regardless of cause and regardless of whether or not such loss is self-insured or otherwise insured;

(c) that the policies shall not be invalidated against the Landlord as an additional insured by reason of any breach or violation by the Tenant of any warranties, representations, declarations or conditions in such policies or in any applications for such policies;

(iii) contain a provision by the insurers to notify in writing the Landlord and such of the Landlord's mortgagees for the Shopping Centre, if any, of whom the Landlord has given the Tenant written notice (including the mortgagee's address), not less than thirty (30) days before cancellation or reducing coverage; and

(3) The Tenant shall from time to time, whenever reasonably requested, furnish to the Landlord certificates of insurance to evidence the insurance to be kept in force by the Tenant hereunder.

(4) If the Tenant shall fail to insure as required under this Lease, the Landlord after at least fifteen (15) days notice to the Tenant may (but shall not be obligated to) effect such insurance in the name of and at the expense of the Tenant, and the Tenant shall promptly repay to the Landlord all costs incurred by the Landlord in so doing.

11.01 Landlord's Insurance

(1) The Landlord shall take out, or cause to be taken out, and at all times during the Term keep or cause to be kept in force, without expense to the Tenant, in respect of the Shopping Centre and the Landlord's operation thereof the following insurance:

(i) comprehensive general liability insurance for bodily injury or death and damage to property of others including, but not limited to, blanket contractual liability, non-owned automobile and employers liability insurance coverage, with respect to the Landlord's operation of the Shopping Centre including the Common Facilities. Such policy or policies shall be written with such inclusive limits as would be carried by a prudent and reasonable owner of similar property, but in any event not less than five million dollars ($5,000,000) for any one accident or occurrence, shall include

the Tenant as an additional insured (but only with respect to claims or losses occurring in the Common Facilities of the Shopping Centre and relating to the Landlord's operation of the Common Facilities), and shall be primary and non-contributory with, and not in excess of, any other insurance obtained by the Tenant, and shall include severability of interest and cross liability clauses;

(ii) 'all risks' property insurance (including, without limitation, flood and earthquake) in respect of all buildings and improvements comprising the Shopping Centre (excluding the Tenant Store and any improvements and other property that the Tenant and other tenants are required to insure within the Shopping Centre), for the full replacement cost thereof, with no co-insurance penalties; and

(iii) comprehensive boiler and machinery insurance in respect of boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus installed in, relating to or serving the Shopping Centre or any part thereof and operated by the Landlord or by others (other than the Tenant) on behalf of the Landlord (but excluding any boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus installed in, relating to or serving the Tenant Store), on a repair and replacement basis.

(2) The insurance described above shall:

(i) be placed with an insurer or insurers of recognized net worth and reputation federally licensed to carry on the business of insurance in all provinces in Canada;

(ii) be provided under a policy or policies in such form, providing for such coverage and exclusions and on such terms as are normally effected by owners in similar circumstances;

(iii) with regard to insurances outlined in paragraphs (ii) and (iii) of subclause 11.01(1) of this Lease:

(a) provide that the proceeds thereof shall be payable to the Landlord and the Landlord's mortgagee, if any, as their respective interests may appear. Notwithstanding the aforesaid, the Landlord covenants with the Tenant that all proceeds of such insurance payable in the event of loss, damage or destruction to the insured property shall be made available for the repair or rebuilding of the insured property, and if any of such proceeds are to be payable to such mortgagee the Landlord covenants with the Tenant to require such mortgagee to agree in writing, or to be bound by the terms of its mortgage, to make all such proceeds available for such repair or rebuilding regardless of the existence of any mortgage default; and

(b) provide that the insurers specifically waive subrogation rights against the Tenant, its employees, officers and directors with respect to loss, damage or destruction to the insured property, and the Landlord hereby releases the Tenant, its employees, officers and directors from liability in regard to such loss, damage or destruction;

(iv) contain a provision by the insurers to notify the Tenant in writing not less than thirty (30) days before cancellation or reducing coverage.

(3) The Landlord shall from time to time, whenever reasonably requested, furnish to the Tenant certificates of insurance to evidence the insurance to be kept in force by the Landlord.

(4) If the Landlord shall fail to insure as required under this Lease, the Tenant after at least fifteen (15) days notice to the Landlord may (but shall not be obligated to) effect such insurance in the name of and at the expense of the Landlord, and the Landlord shall promptly repay to the Tenant all costs incurred by the Tenant in so doing.

11.02 Mutual Covenant Re Use Of Property Damage Insurance Proceeds. Each of the Landlord and the Tenant hereby covenants that all proceeds of its respective property damage insurance shall be made available to the party obligated to reconstruct, repair or replace solely for the purpose of carrying out such reconstruction, repairs or replacement. Neither party shall assign or otherwise alienate any proceeds of property damage insurance (including, without limitation, boiler and machinery insurance) except to any mortgagee who agrees to make such proceeds available for reconstruction, repair or replacement. Any shortfall of insurance proceeds in meeting the costs of reconstruction, repair or replacement shall be for the account of the party who is obligated to obtain and maintain insurance coverage for the same.

11.03 Indemnity. Each of the Landlord and the Tenant (the "**indemnifying party**") will, except to the extent that the indemnifying party has been specifically released pursuant to the provisions of subclause 11.00(2)(ii)(b) or subclause 11.01(2)(iii)(b) or elsewhere in this Lease, protect, defend, indemnify and save harmless the other including the other's directors, officers, employees, agents and contractors (collectively the "**indemnified party**") of and from all fines, suits, claims, demands and actions of any kind or nature that the indemnified party shall or may become liable for or suffer by reason of any breach, violation or non-performance by the indemnifying party of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons (including the Landlord or the Tenant, as the case may be), or any property, resulting from any wrongful act, neglect or default on the part of the indemnifying party or any of its agents, employees, officers or contractors.

ARTICLE 12

REPAIRS AND REBUILDING

12.00 Repairs and Rebuilding by Tenant. The Tenant shall at all times during the Term be responsible for maintaining and repairing the interior of the Tenant Store (including, without limitation, the interior surfaces of the exterior walls of the Tenant Store) and the electrical, sprinkler, plumbing and other utility services located in and exclusively serving the Tenant Store, and all the Tenant's fixtures, equipment and improvements therein and thereon, including the Tenant HVAC System, as hereinbefore more particularly provided, but specifically excluding reasonable wear and tear that does not affect the proper use of the Tenant Store and/or the Tenant HVAC System for the purposes intended and those repairs and/or replacements for which the Landlord assumes responsibility under clause 12.01; provided further that:

(1) In the course of any repair or rebuilding the Tenant may alter the Tenant Store to the extent permitted by, and subject to compliance with, the provisions of this Lease pertaining thereto.

(2) If at any time during the last two (**2**) years of the original term or at any time during any extension period, the Tenant Store shall be damaged or destroyed in whole, or damaged or destroyed in part to an extent such that according to the reasonable estimate of the Tenant (which estimate may be disputed by the Landlord) the cost of repairing or rebuilding it shall exceed thirty-five percent (**35%**) of the replacement cost (excluding footings, foundations and pavements) of the entire Tenant Store, the Tenant may, by notice to the Landlord given within sixty (**60**) days after the happening of such destruction or damage, elect to terminate this Lease notwithstanding the prior exercise by the Tenant of its right to any extension period or periods. If it elects to so terminate, this Lease shall terminate as of the date of the giving of such notice, the Tenant shall be relieved of its obligation to repair or rebuild the Tenant Store, the Tenant shall assign to the Landlord all its interest in all

property insurance policies required to be maintained by the Tenant hereunder in regard to the Tenant Store (excluding any insurance on the Tenant's tenant fixtures, furniture, equipment, inventory, stock-in-trade and/or merchandise but including any insurance on the components of the Tenant HVAC System) or in any of the Landlord's policies in which the Tenant is named, and in any proceeds that may be payable under any such policies in respect of such damage or destruction to the Tenant Store (other than proceeds in regard to the Tenant's tenant's fixtures, furniture, equipment, inventory, stock-in-trade and/or merchandise), the Tenant shall within sixty **(60)** days after such date of termination vacate the Tenant Store, and rent and all other amounts payable by the Tenant hereunder shall be paid and adjusted to the date of such termination.

(3) The Tenant shall perform all repairs required hereunder consistent with the standards of a careful and prudent owner, with reasonable expedition and in accordance with all laws and regulations or governmental authorities having jurisdiction applicable thereto, but subject to Unavoidable Delay. In the event that the Tenant after reasonable notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.00, the Landlord, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required and in a reasonable manner to remedy such failure on the part of the Tenant and any reasonable costs incurred by the Landlord in so doing shall be immediately repaid by the Tenant to the Landlord.

12.01 Repairs and Rebuilding by Landlord and Others.

(1) Throughout the Term the Landlord shall, consistent with the standards of a careful and prudent owner:

(a) maintain and keep or cause to be maintained and kept in a good and substantial state of repair all the building and improvements on the Shopping Centre Lands, including without limitation the Common Facilities and all equipment, utilities and services thereon necessary for the operation of the said buildings and improvements (but excluding the Tenant Store except to the extent that the Landlord has agreed to be responsible pursuant to the provisions of the following paragraph (2) of this clause 12.01); and

(b) be responsible for all repairs, replacements and rebuilding of the exterior walls and façade (but excluding the interior surface of the said walls) of the Tenant Store and the foundations, structural ceiling and other structural elements of the Tenant Store, howsoever caused.

Accordingly, the Landlord will from time to time whenever necessary diligently carry out or cause to be carried out all of the foregoing maintenance, repairs, replacements and rebuilding (including those made necessary by age and damage or destruction by casualty or any other reason); provided that in the course of any repair or rebuilding the Landlord may alter or expand the buildings and improvements on the Shopping Centre Lands other than the Tenant Store to the extent permitted by, and subject to compliance with, the provisions of this Lease pertaining thereto. The Landlord's obligations to maintain, repair, replace or rebuild hereunder shall include the obligation to keep in good and substantial repair and operating condition all building equipment and services including the heating, ventilating and air-conditioning equipment, electrical wiring and fixtures and plumbing of the buildings and improvements on, in or under the Shopping Centre Lands (other than the Tenant HVAC System and such equipment, electrical wiring, fixtures and plumbing located in and exclusively serving the Tenant Store), and all paving in Parking Facilities on the Shopping Centre Lands in good repair and condition and properly striped, and to make all repairs required hereunder in a good and workmanlike manner, with reasonable expedition and in accordance with all laws and regulations of governmental authorities having jurisdiction applicable thereto, subject to Unavoidable Delay.

(2) In the event that the Landlord after reasonable notice shall fail to proceed with reasonable expedition to comply with its obligations under this clause 12.01, and such failure shall affect either the Tenant Store or the Common Facilities located upon the Shopping Centre Lands or cause interference with access to the Tenant Store, the Tenant, in addition to any other remedies it may have, shall have the right to take all such action as shall be reasonably required and in a reasonable manner to remedy such failure on the part of the Landlord and any reasonable costs incurred by the Tenant in so doing shall be immediately repaid by the Landlord to the Tenant.

12.02 Insurable Damage. Each of the Landlord and the Tenant shall ensure that, if and to the extent that any of the aforementioned repairs, replacements or rebuilding are necessitated by damage that is insurable under the insurance coverage that either party covenants to maintain hereunder, all insurance proceeds in respect of such damage shall be made available solely for effecting such repairs, replacements or rebuilding.

12.03 Warranties. To the extent within its control, and at the Tenant's expense to the extent that the warranties relate to work for which the Tenant is responsible under this Lease, the Landlord covenants with the Tenant to either enforce or cause to be enforced all warranties obtained by or assigned to the Landlord or to anyone over whom the Landlord exercises control in respect of the Tenant Store as to the labour, materials and construction thereof, for the benefit of the Tenant.

ARTICLE 13

COMPLIANCE WITH STATUTES AND BY-LAWS

13.00 Tenant's Compliance with By-Laws. The Tenant shall comply with all legal requirements (including statutes, laws, by-laws, regulations, ordinances and orders of every governmental authority having jurisdiction including those binding on either or both of a tenant or owner of premises) from time to time affecting the condition, equipment, maintenance, use or occupation of the Tenant Store (excepting any legal requirements that pertain to the obligations of the Landlord pursuant to clause 12.01). The Tenant shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings taken to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre Lands to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Tenant shall fail to comply with the provisions of this clause, the Landlord shall have the right, after notice to the Tenant and unless the Tenant shall have within thirty (30) days thereafter commenced and proceeded diligently to remedy such failure, to take any necessary action to cause such failure to be remedied, and all costs incurred by the Landlord in so doing shall be promptly repaid by the Tenant to the Landlord.

13.01 Landlord's Compliance with By-Laws. The Landlord shall comply with or cause to be complied with all legal requirements (including statutes, laws, by-laws, ordinances, regulations and orders of every governmental authority having jurisdiction including those binding on either or both of a tenant or owner of premises) affecting the condition, equipment, maintenance, use or occupation of the Shopping Centre, excluding the Tenant Store except for those matters that pertain to the Landlord's obligations in respect of the Tenant Store pursuant to clause 12.01. The Landlord shall have the right to contest the validity of any such legal requirement and to defer compliance therewith to the extent permitted by law pending any proceedings to contest the same, provided that such proceedings are prosecuted with due diligence and that such deferment of compliance does not subject any part of the Shopping Centre Lands to forfeiture or sale or prevent the continued use and occupation of every part thereof. If the Landlord shall fail to comply with the provisions of this clause and such failure shall materially adversely affect the Tenant, the Tenant shall have the right, after notice to the Landlord and unless the Landlord shall have within thirty (30) days thereafter commenced and proceeded diligently to remedy such failure, to take any necessary action to cause such failure to be remedied, and all costs incurred by the Tenant in so doing shall be promptly repaid by the Landlord to the Tenant.

ARTICLE 14

LEASES TO OTHER TENANTS

14.00 Prohibited Uses. Subject to any provisions of law limiting the validity or enforceability of covenants in leases restricting or regulating use, the Landlord will not permit any of the following businesses to be carried on in any part of the Shopping Centre:

(1) any business involving the sale of second-hand goods (except the sale of antiques, or the incidental sale of traded-in merchandise by a tenant whose principal business is the sale of new merchandise but where it is customary in the usual conduct of such business to accept trade-ins in connection with the sale of new merchandise and such traded-in merchandise was actually traded-in at the premises of such tenant in the Shopping Centre in connection with the purchase of new merchandise from such premises), war surplus articles, insurance salvage stock or merchandise (including fire sale stock) damaged by fire or purported to be damaged by a fire unless damaged by fire on the respective premises;

(2) any auction (except an antique or fine art auction conducted in the normal course of business in premises in the Shopping Centre leased to a dealer in antiques or fine art), or any pawnshop;

(3) any business that by reason of noises, odours or vibrations emanating or likely (having regard to the nature of the business) to emanate therefrom interferes or is likely to interfere unreasonably with the use and enjoyment of Common Facilities or other premises in the Shopping Centre;

(4) any business within Rentable Premises that is primarily a mail order business; and

(5) any business that is carried on in a fraudulent or unethical manner or any operation of a nature presently considered to be a "flea market".

14.01 Exclusives. The Landlord covenants with the Tenant that it will not, during the Term, grant any exclusive rights of use to any tenant unless the Tenant Store is exempted from that exclusive in respect of the use contemplated in subclause 6.00(a) of this Lease.

ARTICLE 15

MERCHANTS' ASSOCIATION/PROMOTION FUND

15.00 Tenant's Membership in Merchants' Association. The Tenant shall not be required to join and maintain membership in any merchants' association of the Shopping Centre, nor to make any financial contribution towards any such association used to promote the Shopping Centre and/or the tenants thereof.

15.01 Tenant's Annual Contributions to Promotion Fund. The Tenant will pay to Landlord an annual contribution towards the promotion fund that the Landlord has created exclusively for the promotion of the Shopping Centre and the tenants and other occupants thereof in accordance with good shopping centre practice (the "Promotion Fund"), which fund may be used, inter alia, for the development of a mall video network, offering a program of information, entertainment and advertisements. The Tenant's annual contribution towards the Promotion Fund shall be equal to Twenty-Five Cents (**$0.25**) per square foot of the Gross Leasable Area of the Tenant Store per annum and shall be paid to the Landlord as additional rent hereunder in equal monthly instalments.

ARTICLE 16

16.00 Land and Road Access:
The Tenant will have the right to approve any material changes to those areas of access to and from the Shopping Centre shown **HATCHED** in **HEAVY BLACK** on the Site Plan to

the extent the Landlord has approval or control of the same (specifically excluding, without limitation, any changes required by governmental authority), such approval by the Tenant not to be unreasonably withheld or unduly delayed.

ARTICLE 17

LIENS

17.00 Liens. Each of the Landlord and the Tenant shall so conduct any construction or other work done by it so as to minimize the possibility of any claim for lien being registered against any part of the Shopping Centre Lands and if any such claim for lien shall be registered shall forthwith take all reasonable steps to have the same vacated by the court having jurisdiction or discharged, but nevertheless may defer payment of any contested claim for lien if and so long as the same is being diligently contested, and provided that non-payment thereof does not render any part of the Shopping Centre Lands liable to forfeiture or sale. In the conduct of any construction or other work each of the Landlord and the Tenant shall comply with all the provisions of applicable statutes available to it for the protection of the Shopping Centre Lands from claims for lien. In the event that either the Landlord or the Tenant shall make default in the payment of moneys justly due in connection with any such construction or other work and a claim for lien shall be filed or registered and not promptly secured, vacated or discharged, the other party may, on not less than five (5) days prior notice to the defaulting party, obtain a court order vacating the registration of the claim for lien and in conjunction therewith may make payment into court or post security to the extent required to obtain such order, and all expenses incurred by it shall be promptly repaid to it by the party in default.

ARTICLE 18

ALTERATION OF TENANT STORE

18.00 Alteration of Tenant Store. The Tenant shall have the right at any time and from time to time to alter the Tenant Store (including any of the improvements therein), subject to the following provisions:

(1) The Tenant Store shall be architecturally compatible with the Shopping Centre and shall be functionally integrated therewith in the manner in which it was so integrated immediately prior to each such alteration;

(2) Any alteration that affects the structure or exterior appearance of the Tenant Store and/or the Tenant HVAC System or the plumbing, electrical or mechanical systems of the Tenant Store shall be performed substantially in accordance with plans and specifications that have been approved by the Landlord, which approval shall not be unreasonably withheld or delayed. In the performance of any alteration, the Tenant will perform all work involved with reasonable expedition (but subject to Unavoidable Delay), in a good and workmanlike manner and at least in accordance with the general standards that were applicable to the initial construction of the Tenant Store, and will comply with all applicable municipal by-laws and other legal requirements pertaining to such work;

(3) The Tenant shall have no right to expand the Gross Leasable Area of the Tenant Store.

ARTICLE 19

EXPANSION AND ALTERATION OF SHOPPING CENTRE

19.00 Shopping Centre Alteration. The parties hereto acknowledge and agree that the Landlord has constructed or is in the process of constructing the Shopping Centre in accordance with the plans attached hereto as Schedule "B" and "B-1". The parties hereto further acknowledge and agree that any material changes to the Shopping Centre (as

presently shown on Schedules "B" and "B-1") that have a materially detrimental effect upon the visibility of the Tenant Store, parking facilities used by customers of the Tenant Store or access between the Tenant Store and the said parking facilities, shall be subject to the Tenant's prior written approval, not to be unreasonably withheld or unduly delayed. Subject to the foregoing, and subject to the provisions set out in the following clause 19.01, the Landlord shall have the right at any time and from time to time, at its sole discretion, to relocate, expand, construct, reduce, alter or eliminate any area, facility or structure (other than the Tenant Store) comprising part of the Shopping Centre.

19.01 Additional Conditions on Expansion and Alteration. In connection with any expansion, alteration or reconstruction of the buildings and improvements in the Shopping Centre permitted by clause 19.00, the following additional requirements shall be complied with:

(1) the Parking Facilities shall at all times during and after any such alteration, reconstruction or expansion comply with the parking ratio requirements set forth in clause 7.04 of this Lease;

(2) all construction shall be architecturally compatible with the buildings from time to time existing in the Shopping Centre;

(3) the Landlord covenants (which covenant shall run with the Shopping Centre Lands) that, notwithstanding any other provisions of this Lease, no structures or other improvements of any nature (other than such existing kiosks, mall planters, seating, digital display units and other structures as may be shown on the plan attached hereto as Schedule "B-1" and any replacements thereof) shall at any time be constructed within any part of the following areas (herein collectively referred to as the "**No-Build Areas**"):

(i) the interior mall of the Shopping Centre located within fifty feet (50') of the main mall entrance to the Tenant Store, as shown outlined in **BLUE** on Schedule "B-1";

(ii) the exterior Common Facilities contained within the area shown outlined in **BLUE** on Schedule "B";

without the prior written consent of the Tenant, which consent may be unreasonably withheld;

(4) any alteration, reconstruction or expansion permitted hereunder shall be consistent with a first-class shopping centre similar in size to the Shopping Centre, and shall be performed by the Landlord or other party performing the same with reasonable expedition consistent with the standards of a careful and prudent owner and in accordance with the general standards that were applicable to the initial construction of the Shopping Centre and in compliance with all applicable municipal by-laws and other legal requirements pertaining thereto;

(5) no expansion or alteration to the Shopping Centre shall be carried out that is likely to detrimentally affect the structural integrity of the Tenant Store, and the Landlord shall provide the Tenant with prior reasonable notice, in reasonable detail, of any expansion or alteration to be carried out to the Shopping Centre that may affect such structural integrity.

ARTICLE 20

ASSIGNMENTS, TRANSFERS AND ENCUMBRANCES OF INTEREST BY LANDLORD AND TENANT

20.00 Restrictions on Assignment and Subletting by Tenant.

(1) Save and except as otherwise herein expressly provided, the Tenant will not assign this Lease or sublet the whole or any portion of the Tenant Store without the prior written

consent of the Landlord, which consent shall not be unreasonably withheld or unduly delayed.

(2) Notwithstanding the aforesaid, the Tenant may, without the consent of the Landlord, assign, sublease or mortgage or encumber its interest under this Lease to a mortgagee or encumbrancer that is a recognized financial institution (including a bank, life insurance, trust or mortgage company and a trustee for bondholders) as security in connection with any bona fide general corporate borrowing by the Tenant or an affiliated corporation of the Tenant, it is understood that, prior to any such mortgagee or encumbrancer entering into possession of the Tenant Store, it shall undertake to the Landlord to be bound by the terms of this Lease but only for so long as it remains in possession, and if it sells or otherwise disposes of its security, it shall require the purchaser to covenant directly with the Landlord to be bound by the terms of this Lease; upon such covenant being given such mortgagee or encumbrancer shall be released from its obligations stipulated hereunder.

(3) Notwithstanding the aforesaid, the Tenant may, without the consent of the Landlord, (a) assign this Lease or sublet the whole or any part of the Tenant Store to, and may in any event permit the Tenant Store to be used and occupied in whole or in part by, any affiliated corporation of the Tenant (as such term "affiliated corporation" is defined by the Canada Business Corporations Act), and (b) assign this Lease to any corporation with which the Tenant merges or consolidates; and

(4) No assignment or subletting by the Tenant shall have the effect of releasing it from any of its obligations under this Lease.

20.01 Transfers and Encumbrances by Landlord. The Landlord may assign, transfer, mortgage or otherwise deal with its interest in the Shopping Centre without restriction, provided always that (except in the case of a lease, license or other occupancy agreement for space in the Shopping Centre) any such assignee, transferee, or other person (other than a lessee, licensee or other occupant of space in the Shopping Centre as aforesaid, and other than a mortgagee who shall be bound to so covenant only if it enforces its security in respect of the Shopping Centre) succeeding to the rights of the Landlord assumes (by covenant in favour of the Tenant) the Landlord's obligations under this Lease, in writing, in which event the Tenant shall attorn in writing to such successor of the Landlord's interest and the Landlord shall be released from its obligations under this Lease to the extent that such obligations are assumed by the aforesaid successor, provided that in no event will the Landlord be released in respect of then existing defaults or in respect of any monies that may be owing to the Tenant by the Landlord for any period prior to the effective date of the assignment or transfer.

ARTICLE 21

DETERMINATION OF CERTAIN MATTERS

21.00 Determination of Gross Leasable Area. The Gross Leasable Area of the Tenant Store and any other premises in the Shopping Centre in respect to which it is material under the provisions of this Lease to determine the same, shall, unless accepted and agreed by both the Landlord and the Tenant in writing, be determined at the insistence of either party by a surveyor appointed by the Landlord and the Tenant acting jointly for the purpose, or if they cannot agree upon such appointment, appointed upon the application of either party by a Judge in the courts of the Province of British Columbia. Any Gross Leasable Area so agreed or determined shall be binding upon the parties but subject to redetermination in the manner herein provided if there shall be any expansion, alteration, reconstruction or other change affecting the same.

21.01 Determination by Arbitration. Wherever in this Lease it is provided that any matter in dispute between the Landlord and the Tenant, if not settled or agreed between them, is to be determined by arbitration, then the dispute shall be determined by arbitration, as follows:

(1) Either party may give notice to the other of its desire to arbitrate such dispute, and shall in such notice give notice of the appointment of an arbitrator chosen by the party giving such notice. The party receiving such notice shall within fifteen (15) days after the receipt thereof give a notice to the party giving the first notice of the appointment of an arbitrator chosen by the party giving the second notice. The two arbitrators so chosen shall jointly appoint a third arbitrator;

(2) If a party required to appoint an arbitrator shall fail to do so within such period of fifteen (15) days, or if each party has appointed an arbitrator and such arbitrators fail to agree upon a third arbitrator within fifteen (15) days after both have been appointed, then any party not in default of appointing an arbitrator may apply to a Judge of the provincial courts for the appointment of an arbitrator on behalf of the party in default, or the appointment of the third arbitrator, as the case may require; and

(3) The three arbitrators so appointed shall determine the dispute having regard to the provisions of this Lease and to any other agreements that the parties may have made respecting the arbitration or the matter in dispute and the decision of any two of them shall bind the parties. Subject to the provisions of this clause, the arbitration shall be conducted in accordance with the provisions (if any) of the laws of the Province of Ontario from time to time in effect pertaining to arbitration. Nothing in this clause 21.01 shall prevent the parties from carrying out an arbitration using a single arbitrator, if one can be agreed upon.

21.02 Costs. In any proceedings under clause 21.00 to determine any Gross Leasable Area, the party who requests determination by surveyor shall be responsible for the fees and expenses of the surveyor appointed. In any proceedings under clause 21.01 to determine any question or dispute, the fees and expenses of the arbitrators and all other expenses of such proceedings shall be borne in such manner as the arbitrators may determine.

21.03 Judicial Remedies Preserved. The provisions of this Article 21 regarding the determination of certain questions or matters in dispute by arbitration are acknowledged by the parties to have the intended purpose of providing, where applicable, an equitable and rapid determination, but are not intended and shall not be interpreted as excluding recourse by any party to the Courts as to any matter not expressly required by this Lease to be determined by arbitration, or recourse by any party to any of the remedies available at law or in equity including damages or injunction. Recourse to the Courts may be taken notwithstanding the provisions of clause 21.01 in respect of any matter where the substantial rights of a party are involved and might be prejudiced or impaired if such recourse is not taken, except where a determination of such matter has already been made pursuant to clause 21.01, in which event the determination already made pursuant to clause 21.01 shall be binding upon the parties.

ARTICLE 22

SIGNS

22.00 Tenant's Signs. The Tenant shall have the right to erect signage and identification of and for the Tenant Store at the following locations at the Shopping Centre:

(1) the Tenant's standard identification signage over the entrance to the Tenant Store from the interior pedestrian mall of the Shopping Centre;

(2) such exterior signage upon any or all of the exterior walls of the Tenant Store as is generally used by the Tenant at its similar stores within the Province of Ontario or, with the Landlord's approval (not to be unreasonably withheld or delayed), as the Tenant otherwise deems appropriate for the present location, subject to compliance with all applicable governmental requirements.

The Tenant shall also be entitled to have its name on both sides of:

(i) any existing way-finding signs at the Shopping Centre that previously displayed signage for "*Linens N Things*", at no cost to the Tenant other than the cost of the Tenant's nameplate signage, in the same position and with lettering comparable to that used for the said "*Linens N Things*" signage; and

(ii) any future pylon sign displaying major tenant identification signage to be erected at the Shopping Centre during the Term, at no cost to the Tenant other than the cost of the Tenant's nameplate signage, in a position approved by the Tenant (acting reasonably) and with lettering at least equal in size, type and prominence to that of any other occupant of the Shopping Centre given representation on such pylon sign;

provided that any and all such signage shall be subject to compliance with all applicable governmental requirements and shall be further subject to the Landlord's approval (which approval shall not be unreasonably withheld or delayed, and further provided that the signage in question complies with the Landlord's signage policy for the Shopping Centre, as more particularly provided in clause 22.01 hereof).

The Tenant, at its sole cost, shall maintain all signs or identification referred to in subparagraphs (1) and (2) of this clause 22.00 in good repair and condition and shall keep them suitably illuminated (to the extent designed to be illuminated) as and when required during the hours when the Tenant Store shall be open for business. The Tenant shall have the right to install and maintain within the Tenant Store such interior signage as it desires in order to meet the needs of its business. The Landlord shall maintain the pylon and identification signage thereon (other than the Tenant's own nameplate signage) referred to in subparagraphs (i) and (ii) of this clause 22.00 in good repair and condition and shall keep them suitably illuminated (to the extent designed to be illuminated) as and when required during the hours that the Shopping Centre is open for business.

On or before the Possession Date, the Tenant, at its sole expense, shall have the right to erect on the exterior wall of the Tenant Store facing the parking lot a 10 foot high by 20 foot long sign indicating that a "*Home Outfitters*" store will soon be opening in the Shopping Centre.

22.01 Landlord's Sign Policy. The Landlord shall implement, and shall also enforce or cause to be enforced, a sign policy applicable to all tenants of the Shopping Centre and governing the standard design criteria of the signs (including pylon signs and their respective locations) that may be displayed on their premises and in the Shopping Centre, and which shall represent good shopping centre practice for a first-class centre and shall maintain the dignity and appearance of the Shopping Centre.

ARTICLE 23

REMEDIES AND DEFAULTS

23.00 Particular Remedies of Landlord. The Landlord, in addition to all other remedies it may have under the express provisions of this Lease and (to the extent not expressly excluded hereby) under the general law, shall have the following rights:

(1) If the Tenant is in default of the payment of annual basic rent or any other amount payable by the Tenant to the Landlord hereunder and has failed to remedy such default by making payment thereof within fifteen (15) days after receipt of notice from the Landlord, the Landlord at its option (in addition and without limitation to any other rights it has at law, in equity or hereunder) may enter into and upon the Tenant Store and terminate this Lease, subject to such equitable or other relief, including relief from forfeiture, as may be available to the Tenant under the laws of the Province of Ontario;

(2) In the event of any default by the Tenant of any of its covenants, agreements or undertakings in this Lease, other than a default under subclause (1) hereof, that the Tenant fails to remedy within thirty (30) days after receipt of notice from the Landlord specifying such default (or such longer period as may be reasonably necessary therefor having regard

to the nature of such default and the occurrence of any Unavoidable Delay), the Landlord may, in addition and without limitation to such other remedies as it may have hereunder or at law or in equity, including any right it may have to damages or specific performance, take such reasonable steps as may be necessary to remedy such default, and for that purpose the Landlord shall have entry to all parts of the Tenant Store, and any reasonable costs incurred by the Landlord in so doing shall be promptly repaid to it by the Tenant, provided further that the Landlord may at its option enter into and upon the Tenant Store and terminate this Lease, subject to such equitable or other relief, including relief from forfeiture, as may be available to the Tenant under the laws of the Province of Ontario;

(3) As an alternative to its rights under subclauses (1) or (2) to enter into and upon the Tenant Store and terminate this Lease, the Landlord may, if it so elects, without terminating this Lease or relieving the Tenant of any of its covenants or obligations under this Lease, enter into and upon the Tenant Store to take possession of all property of the Tenant in the Tenant Store, and as the agent of and in the name and at the risk and expense of the Tenant to repair or alter the Tenant Store as may be necessary or appropriate and to sublet the Tenant Store and sell or lease as the Landlord shall see fit all or any of such property, all at the expense of the Tenant (the Tenant agreeing to promptly reimburse the Landlord for all reasonable costs and expenses including legal fees and realtors' commissions if any incurred by it in so doing), and to receive and apply all rents and other proceeds derived therefrom against the then and continuing indebtedness and obligation of the Tenant to the Landlord (the Tenant remaining liable for the payment to the Landlord of any deficiency then or thereafter arising, and to indemnify and save harmless the Landlord from all reasonable loss, cost and expense arising by reason of the Tenant's default and any action lawfully taken by the Landlord hereunder consequent thereon, provided that the Landlord has used reasonable efforts to mitigate its damages).

23.01 Particular Remedies of Tenant. The Tenant, in addition to all other remedies it may have under the express provisions of this Lease and (to the extent not expressly excluded hereby) under the general law, shall have the following rights:

(1) In the event of the failure of the Landlord to pay any amount due to the Tenant under any provision of this Lease when due, and if such failure shall not have been remedied within fifteen (15) days after receipt of notice from the Tenant specifying the default, the Tenant shall have the right, in addition and without limitation to any other rights that the Tenant has at law or in equity, to deduct such amount from amounts due or to accrue due to the Landlord under Article 10 of this Lease.

(2) In the event the Landlord is in default under this Lease, other than a default under subclause (1) hereof, and the Landlord shall fail to remedy such default within thirty (30) days after receipt of notice from the Tenant to the Landlord (or such longer period as may reasonably be necessary therefor having regard to the nature of such default and the occurrence of any Unavoidable Delay), the Tenant may in addition and without limitation to any other rights that the Tenant has at law or in equity, take such reasonable steps as may be necessary to remedy such default, and any costs incurred by the Tenant in so doing shall be promptly repaid to it by the Landlord.

23.02 Interest on Sums in Default. If the Tenant fails to pay any rent or other sum owing to the Landlord when it is due or payable or the Landlord fails to pay any sum owing to the Tenant when it is due or payable, in each case such sum so owing shall bear interest from the date such sum so owing was due and payable under the applicable provision of this Lease until such sum is actually paid, at an annual rate equal to 2% plus the Prime Rate (as hereinafter defined) then in effect, compounded semi-annually, not in advance, and such interest shall accrue on, be added to and be recoverable in the same manner as the principal sum upon which it is calculated. "**Prime Rate**" means the reference rate of interest announced from time to time by Canadian Imperial Bank of Commerce (or its successor bank) for the purpose of determining interest rates on Canadian dollar commercial loans in Canada, commonly known as its "prime rate".

ARTICLE 24

MISCELLANEOUS PROVISIONS

24.00 Unavoidable Delay. Whenever in this Lease it is provided that any act or things to be done or performed is subject to Unavoidable Delay, the time for the doing or performance thereof shall be extended for a period equal to the period for which such Unavoidable Delay operates to delay or prevent the act or thing required to be done or performed from being done or performed, and the party obligated to do or perform such act or thing shall not be deemed to be in default until the expiration of such time as so extended. Each party shall promptly notify the other of the occurrence of any Unavoidable Delay of which it is aware and which might prevent or delay the doing or performance of acts or things required by this Lease to be done or performed by such party.

24.01 Waiver. Any condoning or overlooking by the Landlord or the Tenant of any default, breach or non-performance by the other at any time or times in respect of any obligation contained in this Lease shall not operate as a waiver of such default, breach or non-performance, and any waiver of a particular default, breach or non-performance shall not operate as a waiver of any subsequent or continuing default, breach or non-performance.

24.02 Certificates. The Tenant agrees that it will from time to time whenever reasonably required by the Landlord for the purpose of giving assurance to any third party interested (including any prospective or actual assignee or mortgagee of the Landlord) execute and deliver to the Landlord or as the Landlord may direct a statement in writing certifying to such third party whether this Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and Tenant, whether or not there are any existing defaults on the part of the Landlord of which the Tenant has notice (and if so, specifying them) and as to any other matters in connection with this Lease in respect of which such a certificate is reasonably requested. The Landlord agrees that it will from time to time whenever reasonably requested for the purpose of giving assurance to any third party interested (including any proposed or actual assignee or mortgagee of the Tenant) execute and deliver to the Tenant or as the Tenant may direct a statement in writing certifying to such third party whether this Lease is in full force and effect, whether or not it has been modified (and if so in what respect), the status of annual rent and other accounts between the Landlord and the Tenant, whether or not there are any existing defaults on the part of the Tenant of which the Landlord has notice (and if so, specifying them) and as to any other matters in connection with this Lease in respect of which such a certificate is reasonably requested. Such statements may be relied upon by (but only by) the third party for whose benefit they are given.

24.03 Approvals. Except insofar as it is otherwise provided in this Lease, any approval or consent that either party is entitled or required to request of the other hereunder shall, unless a shorter period is otherwise designated or contemplated, be either given or refused in writing within twenty (20) days of a written request therefor, and if refused and if such approval or consent is one that the requested party can withhold only on reasonable grounds, the requested party shall also give reasons for such refusal. Any request for approval or consent shall be in writing and shall specify the aforementioned time limitation.

24.04 Registration. The Tenant, at its sole cost, may register a notice, caveat or short form of this Lease on title to the Shopping Centre Lands, provided that no financial terms of the Lease shall be disclosed thereby and further provided that such notice, caveat or short form of lease shall have first been approved by the Landlord, acting reasonably. The Tenant covenants to promptly discharge such notice, caveat or short form of lease from title, at its sole cost, following the expiry or earlier termination of the Lease.

24.05 Notices. All notices, approvals, demands or requests that a party is entitled, requested or required to give or make under any provision of this Lease shall be made in writing and shall be deemed to have been duly given or made, where intended for the Landlord, if delivered to the Landlord or sent by fax or by prepaid registered post addressed to:

the Landlord: Suite 300
95 Wellington Street West
Toronto, ON M5J 2R2
FAX NO: **(416) 369-1328**

Attention: Corporate Secretary

and, where intended for the Tenant, if delivered to the Tenant or sent by fax or by prepaid registered post addressed to:

the Tenant: 401 Bay Street
Suite 600
Toronto, ON M5H 2Y4
FAX NO: **(416) 861-6870**

Attention: Senior Vice-President
Real Estate and Development.

Any such notice, approval, demand or request shall be deemed to have been given or made:

i) if so delivered, when delivered; or

ii) if so mailed, except in the case of publicized postal interruptions (during which any notice or request shall be delivered), on the fourth next business day (excluding Saturdays) following its mailing; or

iii) if sent by fax, on the day of transmission, provided such day is not Saturday, Sunday or a recognized governmental holiday, in which event the notice, approval, demand or request shall be deemed to have been received on the next business day following the Saturday, Sunday or recognized governmental holiday in question.

Any party may by notice in writing to the other change the address to which any notice, approval or request for approval is to be given or made. All payments required to be made under this Lease shall be delivered or mailed to the above addresses of the Landlord or the Tenant, as the case may be, unless the party entitled to such payment shall otherwise direct in writing.

24.06 Ownership of Tenant's Improvements and Removal of Fixtures. It is agreed between the Landlord and the Tenant that, notwithstanding any lease and demise herein, the title to and ownership of all improvements erected by or at the expense of the Tenant in the Tenant Store shall notwithstanding the manner or degree of their affixation to the freehold remain vested in the Tenant and shall not pass to or become vested in the Landlord until thirty (30) days after the expiration or sooner termination of the Term, and that upon or within thirty (30) days after the expiration or sooner termination of the Term the Tenant may, but shall not be obligated to, remove any or all of its fixtures and improvements of the nature of trade or tenants' fixtures that are ordinarily removable by a tenant, but not any improvements of a fixed and permanent nature.

24.07 Interpretation and Construction. All of the provisions of this Lease are to be construed as covenants and agreements. If any provision of this Lease is illegal, invalid or unenforceable it shall be considered as separate and severable from the remaining provisions, which shall remain in force and binding as though the said provision had never been included. No provision of this Lease that imposes or requires a party to impose or enforce a restriction against any third party shall be read or interpreted as contemplating any violation of the Competition Act (Canada) or any similar legislation, but if and to the extent such imposition or enforcement would cause any such violation, such provision shall be deemed modified to the extent necessary to avoid such violation. The headings and marginal sub-headings of Articles and clauses are for convenience of reference, and are not intended to limit, enlarge or otherwise affect their meanings. References in the singular shall include

the plural, where the context reasonably so requires, and vice versa, and references herein to the parties shall mean the Landlord and the Tenant.

24.08 Successors. This Lease shall be binding upon the Landlord and the Tenant and their respective successors and assigns, and shall also enure to the benefit of their respective successors and assigns provided such successors and assigns are permitted successors and assigns under the provisions of Article 20.

24.09 Applicable Law. This Lease shall be governed and interpreted by and in accordance with the laws of the Province of Ontario and the laws of Canada applicable thereto.

24.10 Entire Agreement. This Lease constitutes the entire agreement between the Landlord and the Tenant relating to the subject matter hereof, and supercedes and replaces any offer to lease or letter agreement for the Tenant Store that preceded the entering into of this Lease. This Lease may be amended only by an agreement in writing signed by the parties hereto and, with respect to the subject matter hereof, neither party is bound by any representations, warranties, promises, agreements or inducements not embodied herein.

24.11 Confirming Agreements. As and when information becomes known to the parties hereunder that was unknown at the time of execution and delivery of this Lease and is the proper subject matter of this Lease, the parties shall enter into an appropriate agreement confirming the information then known from time to time.

IN WITNESS WHEREOF the Landlord and the Tenant have executed this Lease.

IVANHOE CAMBRIDGE II INC.

per: _____
George Fiddler
Senior Vice President
Central Region

per: _____
Fred J. Santini
Senior Legal Counsel

(Landlord)

(I/We have the authority to bind the corporation)

HUDSON'S BAY COMPANY

per: _____

per: _____

(Tenant)

(We have the authority to bind the corporation)

SCHEDULE A

Description of Shopping Centre Lands

Firstly:

Property Identifier No. 03280-0533(LT)

BLK 1, PL 65M3696, EXCEPT PTS 1 TO 29 INCL., 42 & 43, 65R26825, PTS 71, 72, 73, 74, 75, 78, 79, 80, 99, 100, 101 & 105, 65R27637, PTS 1 TO 8 INCL., 65R28663 & EXCEPT PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976 , VAUGHAN.

S/T EASE OVER PTS 31, 44, 46-52, 56-60, 62, 65, 69, 72, 74, 75, 78, 79 , 81, 83, 85, 87 & 90, 65R26598, IN FAVOUR OF CITY OF VAUGHAN, AS IN YR402628 (PARTIALLY RELEASED AS TO PTS 11 & 52, 65R27637).

S/T EASE OVER PTS 6, 11-13, 15-26, 28-30, 32-43, 45, 54, 55 & 70, 65R26598 IN FAVOUR OF THE CITY OF VAUGHAN, AS IN YR402629.

S/T EASE OVER PTS 1-5, 7-10, 47, 49, 52, 57, 58, 65, 74, 78-80, 82-91, 65R26598 EXCEPT PTS 42 & 43, 65R26825 IN FAVOUR OF THE CITY OF VAUGHAN AS IN YR402630 (PARTIALLY RELEASED AS TO PTS 1, 4, 5, 7, 8, 9, 15, 18, 19, 21, 23, 29, 30, 33, 34, 35, 40, 41, 42, 48, 54, 56, 57, 60, 63 , 64, 76, 95, & 98, 65R27637 & PTS 2 & 5, 65R27622).

S/T EASE OVER PTS 1-5,7-10,47,49,52,57,58,65,74,78-80,82-91, 65R26598, EXCEPT PTS 42 & 43, 65R26825 & PTS 12, 13, 25, 37, 38 & 39, 65R29976, IN FAVOUR OF THE REGIONAL MUNICIPALITY OF YORK, AS IN YR402631 ; (PARTIALLY RELEASED AS TO PTS 1, 4, 5, 7, 8, 9, 15, 18, 19, 21, 23, 29 30, 33, 34, 35, 40, 41, 42, 48, 54, 56, 57, 60, 63, 64, 76, 95, 97 & 9 8, 65R27637 & PTS 2 & 5, 65R27622).

S/T EASE OVER PTS 27, 60 & 61, 65R26598 IN FAVOUR OF THE REGIONAL MUNICIPALITY OF YORK, AS IN YR402632.

S/T EASE OVER PTS 1-5, 7-10, 47, 49, 52, 57, 58, 65, 74, 78, 79, 80, 82-91, 65R26598 IN FAVOUR OF HYDRO VAUGHAN DISTRIBUTION INC., AS IN YR406020 (PARTIALLY RELEASED AS TO PTS 1, 4, 5, 7, 8, 9, 15, 18, 19, 21, 23, 29, 30, 33, 34, 35, 40, 41, 42, 48, 54, 56, 57, 60, 63, 64, 76, 95 & 98, 65R27637, PTS 42 & 43, 65R26825 & PTS 2 & 5, 65R27622).

S/T EASE OVER PTS 33, 34, 37-41, 65R26825, IN FAVOUR OF HYDRO VAUGHAN DISTRIBUTION INC., AS IN YR443791.

S/T EASE OVER PTS 30-41, 65R26825, IN FAVOUR OF ROGERS CABLE COMMUNICATIONS INC., AS IN YR443857.

S/T EASE OVER PTS 30, 31 TO 36 INCL., 65R26825 IN FAVOUR OF FUTUREWAY COMMUNICATIONS INC., AS IN YR443859.

T/W EASE OVER PT BLK 1 PL 65M3696, PTS 11 & 12, 65R26825, IN FAVOUR PT BLK 1 PL 65M3696, PTS 1-13, 15-45, 47, 49, 50, 52, 54, 55, 57, 58, 60, 61, 62, 65, 69, 70, 72, 74, 78, 79-92, 95-129, 135-146, 65R26598 , EXCEPT PTS 42 & 43, 65R26825 & EXCEPT PTS 12, 13, 25, 37, 38 & 39, 65R29976(LYING WITHIN PT 5 65R26598), AS IN YR444562.

S/T EASE IN FAVOR OF ROGERS CABLE COMMUNICATIONS INC., OVER PTS 63, 64, 66, 67, 71, 74, 76, 78-81, 84, 85, 88, 90, 92, 93, 94 & 96, 65R27637, PTS 2,5,6,7,9,10, 65R27622, PT 95 65R26598 & PTS 4, 5, 6, 7, 10, 13 & 14, 65R27621, EXCEPT PTS 10, 11, 12 & 39, 65R29976, AS IN YR581068.

S/T EASE IN FAVOUR OF FUTUREWAY COMMUNICATION INC., OVER PTS 63, 64, 65, 66, 67, 71, 74, 76, 78-81, 84, 85, 88, 90, 92, 93, 94 , & 96, 65R27637, PTS 2, 5, 6, 7, 9, 10, 65R27622, PT 95, 65R26598 & PTS 4, 5, 6, 7, 10, 13 & 14, 65R27621, EXCEPT PTS 10, 11, 12 & 39, 65R29976, AS IN YR581073.

S/T EASE IN FAVOUR OF THE CORPORATION OF THE CITY OF VAUGHAN, OVER PTS 3, 13, 17, 26, 32, 37, 38, 44, 45, 49, 50, 51, 52, 61, 62, 81, 82, 88, 89, 90 & 91, 65R27637, & PTS 3 & 4, 65R27622, AS IN YR581327.

S/T EASE IN FAVOUR OF THE CORPORATION OF THE CITY OF VAUGHAN OVER PTS 13, 14, 26, 27, 44, 49, 67, 71, 74 & 101, 65R27637, AS IN YR581347.

S/T EASE IN FAVOUR OF THE CORPORATION OF THE CITY OF VAUGHAN, OVER PTS 4, 7, 18, 21, 41, 55 & 101, 65R27637, AS IN YR581372.

S/T EASE IN FAVOUR OF POWERSTREAM INC., OVER PTS 3, 13, 17, 26, 32, 37, 38, 44, 45, 49, 50, 51, 52, 61, 62, 81, 82, 88, 89, 90 & 91, 65R27637 & PTS 3 & 4, 65R27622, AS IN YR581393.

S/T EASE IN FAVOUR OF POWERSTREAM INC., OVER PTS 63-67, 71, 74, 76, 78, 79, 80, 81, 84, 85, 88, 90, 92, 93, 94 & 96, 65R27637 & PTS 2, 5, 6, 7, 8, 9, 10 & 95, 65R26598, EXCEPT PTS 10, 11, 12 & 39, 65R29976, AS IN YR581412.
S/T EASE IN FAVOUR OF THE CORPORATION OF THE CITY OF VAUGHAN OVER PTS 4, 7, 18, 21, 41, 55 & 101, 65R27637, AS IN YR581372.
T/W EASE OVER PT BLK 1 PL 65M3696, PT 99, 65R27637, IN FAVOUR OF PT BLK 1 PL 65M3696, PTS 1-13, 15-45, 47, 49, 50, 52, 54, 55, 57, 58, 60, 61, 62, 65, 69, 70, 72, 74, 78, 79-92, 95-129, 135-146, 65R26598 EXCEPT PTS 42 & 43, 65R26825 & PT BLK 1 PL 65M3696, PTS 2, 3, 6, 10-14, 16, 17, 20, 22, 25-28, 31, 32, 81 & 82, 65R27637, & EXCEPT PTS 12, 13, 25, 37, 38 & 39, 65R29976, AS IN YR583686.
T/W EASE OVER PT BLK 1 PL 65M3696, PT 75, 65R27637 IN FAVOUR OF PT BLK 1 PL 65M3696, PTS 1-13, 15-45, 47, 49, 50, 52, 54, 55, 57, 58,60,61,62,65,69, 70, 72 , 74, 78, 79-92, 95-129, 135-146, 65R26598 EXCEPT PTS 42 & 43, 65R26825 & PT BLK 1 PL 65M3696, PTS 2, 3, 6, 10-14, 16, 17, 20, 22, 25 , 26, 27, 28, 31, 32, 81 & 82, 65R27637, & EXCEPT PTS 12, 13, 25, 37, 38 & 39, 65R29976, AS IN YR583692.
T/W EASE OVER PT BLK 1 PL 65M3696, PT 101 65R27637 IN FAVOUR OF PT BLK 1, PL 65M3696, PTS 1-13, 15-45, 47, 49, 50, 52, 54, 55, 57, 58, 60, 61, 62, 65, 69, 70, 72, 74, 78, 79-92, 95-129, 135-146, 65R26598 EXCEPT PTS 42 & 43, 65R26825 & PT BLK 1 PL 65M3696, PTS 2, 3, 6, 10-14, 16, 17, 20, 22, 25, 26, 27, 28, 31, 32, 81 & 82, 65R27637, & EXCEPT PTS 12, 13, 25, 37, 38 & 39, 65R29976, AS IN YR583692.
S/T EASE IN GROSS IN YR681660.
T/W EASE OVER PT BLK 1 PL 65M3696, PTS 1, 2, 3, 4, 5, 65R28663, AS IN YR842003.
S/T EASE IN GROSS OVER 1STLY: PTS 2, 5, 6, 7, 8, 9 & 10, 65R27622, 2NDLY: PTS 10, 13, 14, 17, 18, 19, 20, 21, 22, 23, 24 & 25, 65R28663, AS IN YR841771.
S/T EASE IN GROSS OVER 1STLY: PTS 63, 64, 66, 67, 76, 81, 84, 88, 90,92,93,94 & 96, 65R26598 & 2NDLY: PTS 10, 13, 14, 17, 18, 19, 20, 65R28663, AS IN YR841878.
S/T EASEMENT IN GROSS OVER PTS 2, 3, 4, 19, 22, 23, 26, 28 & 29, 65R29976, AS IN YR991962.
S/T EASEMENT IN GROSS OVER PTS 2, 3, 4, 19, 22, 23, 26, 28 & 29, 65R29976, AS IN YR992148.
S/T EASE IN GROSS OVER PTS 14, 15, 16, 17, 18, 19, 20, 21 & 40, 65R29976, AS IN YR992156.
S/T EASE OVER PTS 3, 4, 17 & 31, 65R29976, IN FAVOUR OF PT BLK 1 PL 65M3697, PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976, AS IN YR992309.
S/T EASE OVER PTS 32, 33 & 34, 65R29976, IN FAVOUR OF PT BLK 1 PL 65M3697, PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976, AS IN YR992309.
S/T EASE OVER PTS 26 & 28, 65R29976, IN FAVOUR OF PT BLK 1 PL 65M3696, PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976, AS IN YR992309.
S/T EASE OVER PTS 14, 15, 16 & 40, 65R29976, IN FAVOUR OF PT BLK 1 PL 65M3696, PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976, AS IN YR992309.
S/T EASE IN GROSS OVER PTS 3, 13, 17, 26, 32, 37, 38, 44, 45, 49, 50, 51, 52, 61, 62, 81, 82, 88, 89, 90 & 91, 65R27637, AND PTS 3 & 4, 65R27622, AS IN YR640452.
S/T EASE IN GROSS OVER PTS 57, 58, 59 & 66, 65R27637 SAVE & EXCEPT PT 10, 65R29976, AS IN YR640484.
S/T EASE IN GROSS OVER PTS 1, 3, 5, 6, 8, 9, 10, & 13, 65R27619, AS IN YR640500.
S/T EASEMENT IN GROSS OVER PTS 7, 32, 33 & 34, 65R29976 AS IN YR1193703.
S/T EASEMENT IN GROSS OVER PTS 14, 15, 17, 1 7, 18, 19, 20, 21 & 40, 65R29976 AS IN YR1193704.
S/T EASEMENT IN GROSS OVER PTS 14, 15, 16, 17, 18, 19, 20, 21 & 40 65R29976 AS IN YR1193705.

Secondly:

Property Identifier No. 03280-0520(LT)

PT BLK 1, PL 65M3696, PTS 41, 42, 43, 44 & 48 65R28416, VAUGHAN.
S/T EASE FOR ENTRY AS IN YR742539.

S/T EASE FOR ENTRY AS IN YR444562.
S/T EASE OVER PT 42 65R28416 AS IN YR402628.
S/T EASE OVER PT 41, 42 & 43, 65R28416 AS IN YR443791.
S/T EASE OVER PT 41, 42, 43 & 48, 65R28416 AS IN YR443857.
S/T EASE OVER PT 43 & 44, 65R28416 AS IN YR444562.
S/T EASE OVER PT 42 & 48, 65R28416 AS IN YR655072.
T/W EASE OVER PT BLK 1, 65M3 696 PTS 17, 25 & 26 65R27974 AS IN YR655072.
T/W EASE OVER PT BLK 1, 65M3696 PTS 15, 17 & 28, 65R27974 AS IN YR655072.
T/W EASE OVER PT BLK 1, 65M3696 PTS 17, 25 & 26, 65R2974 AS IN YR655072.
T/W EASE OVER PT BLK 1, 65M3696 PTS 15, 17 & 28, 65R27974 AS IN YR655072.

Thirdly:

Property Identifier No. 03280-0521(LT)

PT BLK 1, PL 65M3696, PT 45, 46 & 47 65R28416, VAUGHAN.
S/T EASE FOR ENTRY AS IN YR742539.
S/T EASE OF ENTRY AS IN YR444562.
S/T EASE OVER PT 45, 65R28416 AS IN YR443791.
S/T EASE OVER PT 45, 65R28416 AS IN YR44 3857.
S/T EASE OVER PTS 45, 46 & 47, 65R28416 AS IN YR402628.
S/T EASE OVER PT 45, 65R28416 AS IN YR443859.
T/W EASE OVER PT BLK 1, 65M3696 PTS 17, 25 & 26, 65R27974 AS IN YR655072.
T/W EASE OVER PT BLK 1 65M3696 PTS 15, 17 & 28, 65R27974 AS IN YR655072.
T/W EASE OVER PT BLK 1 65M3696 PTS 17, 25 & 26, 65R27974 AS IN YR655072.
T/W EASE OVER PT BLK 1 65M36 96 PTS 15, 17 & 28 65R27974 AS IN YR655072.

Fourthly:

Property Identifier No. 03280-0522(LT)

PT BLK 1 PL 65M3696 PTS 33-36 65R28416; VAUGHAN.
S/T EASE ON PTS 34 & 36 65R28416 AS IN YR655072.
S/T EASE ON ALL AS IN YR402628.
S/T EASE ON ALL (ACCESS) & PT 34, 65R28416 (ELECTRICAL) & PT 36, 65R28416 (COMMUNICATIONS) FOR PTS 22-32, 65R28416 AS IN YR742540.
S/T EASE FOR ENTRY AS IN YR444562.
All in the City of Vaughan, in the Regional Municipality of York.
Being the whole of the said PINs.
Land Titles Division of York Region (No. 65).

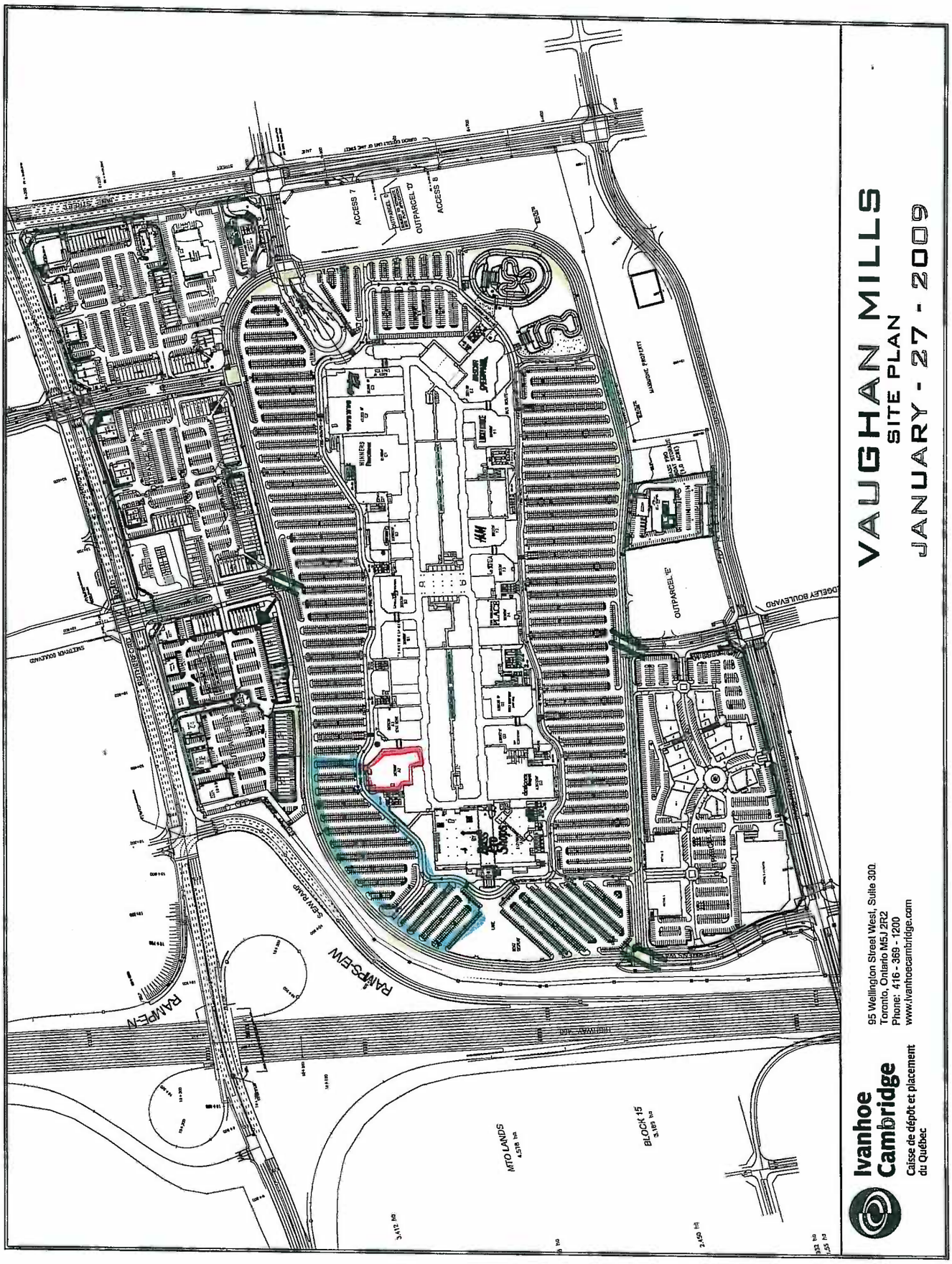
SCHEDULE B

Site Plan

COLOUR LEGEND:

Tenant Store	**- outlined in RED**
Shopping Centre Lands	**- outlined in GREEN**
Access Control Areas (Article 16)	**-hatched in HEAVY BLACK**
Exterior No-Build Area	**-outlined in BLUE**

Schedule B


VAUGHAN MILLS
SITE PLAN
JANUARY - 27 - 2009
Ivanhoe Cambridge
Caisse de dépôt et placement du Québec
95 Wellington Street West, Suite 300
Toronto, Ontario M5J 2R2
Phone: 416 - 369 - 1200
www.ivanhoecambridge.com
ACCESS 7
ACCESS 8
OUTPARCEL "D"
OUTPARCEL "E"
RAMP S-E/W
RAMP E-W
MTO LANDS
BLOCK 15

SCHEDULE B-1

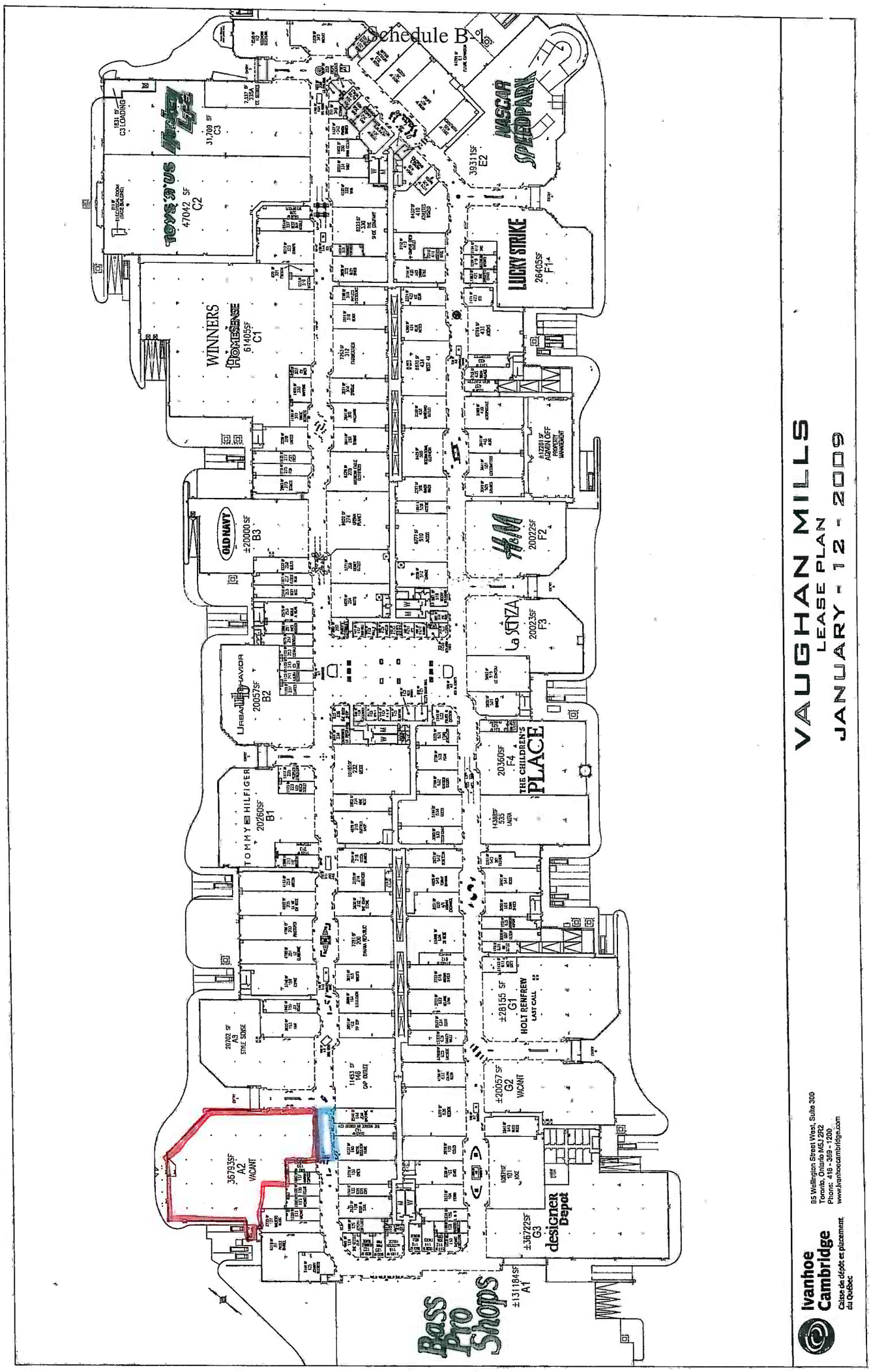
Floor Plan Showing Location of Tenant Store

COLOUR LEGEND:

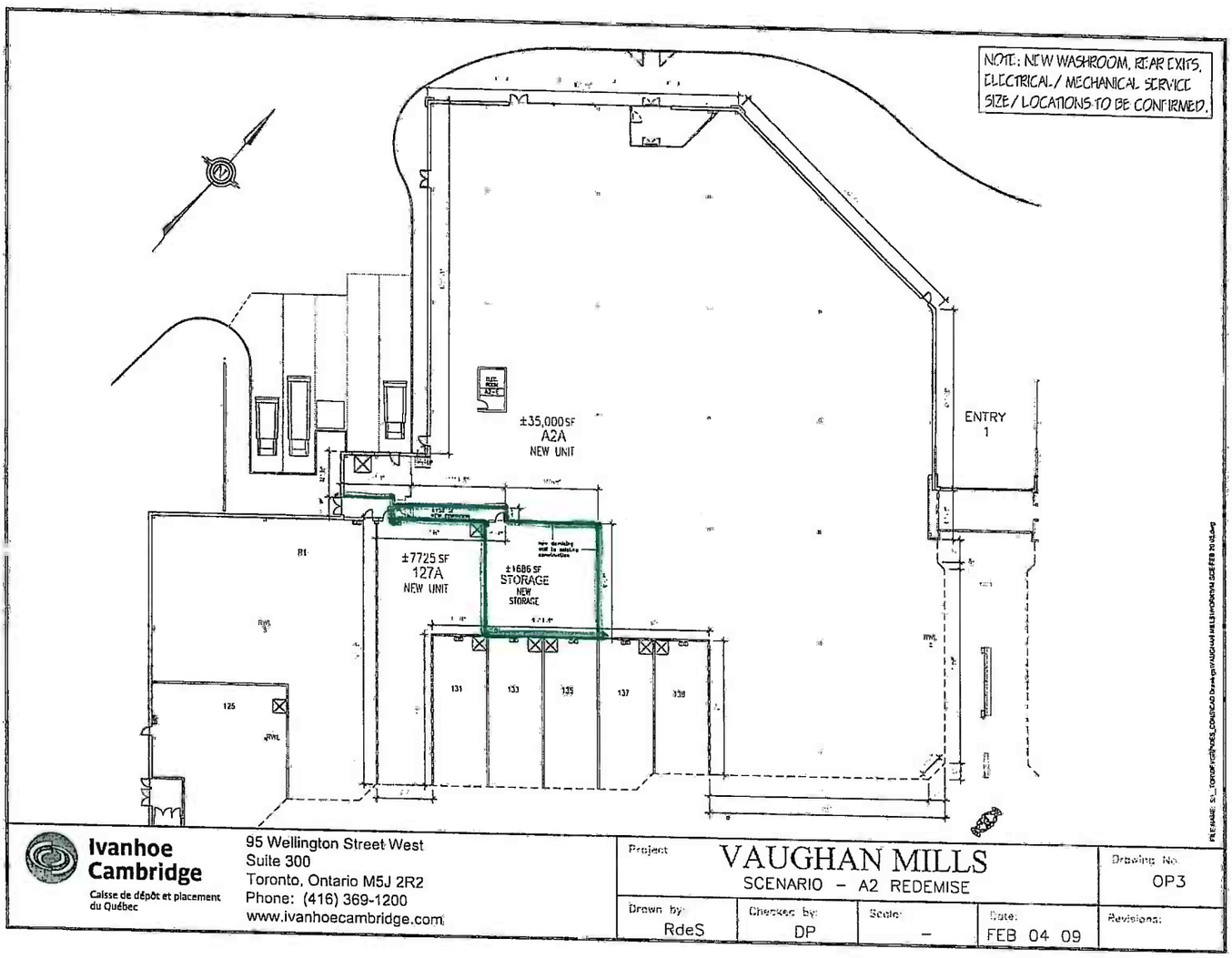
Tenant Store	**- outlined in RED**
Interior No-Build Area	**- outlined in BLUE**
Severed Premises	**-outlined in GREEN**

Schedule B-1

Schedule B-1



Schedule B-1 – Floor Plan showing location of Tenant Store



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HOME OUTFITTERS LEASE

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LEASE AGREEMENT

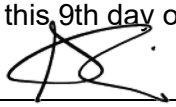
between

HUDSON'S BAY COMPANY

and

IVANHOE CAMBRIDGE II INC.

This is **Exhibit "K"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE

THE OUTLET COLLECTION AT WINNIPEG LIMITED
and SEASONS RETAIL CORP.
(LANDLORD)

TO

HUDSON'S BAY COMPANY
d/b/a SAKS FIFTH AVENUE OFF FIFTH
(TENANT)

DATED NOVEMBER 11, 2015

DEMISED PREMISES IN
OUTLET COLLECTION AT WINNIPEG
WINNIPEG, MANITOBA

LEASE

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LEASE

THIS LEASE (the "**Lease**") dated as of the 11th day of November, 2015, by and between The Outlet Collection of Winnipeg Inc. and Seasons Retail Corp., having a designated office at 95 Wellington Street West, Suite 300, Toronto, Ontario, Canada M5J 2R2 (collectively, "**Landlord**") and **Hudson's Bay Company**, having its principal office at 401 Bay Street, Suite 500, Toronto, Ontario, Canada M5H 2Y4 ("**Tenant**"). The obligations and liabilities of each party comprising the Landlord hereunder are joint and several.

W I T N E S S E T H:

1. Landlord is the registered owner of certain lands, together with the improvements located or to be constructed thereon, in Winnipeg, Manitoba, Canada, which lands are more particularly described in Exhibit A (hereinafter the "**Lands**") and the Lands and all improvements located or which are contemplated to be constructed thereon are situated as shown in broken red outline on Exhibit B.

2. Ivanhoe Cambridge II Inc., Harvard Developments Inc., and Forster Investments Inc. are the beneficial owners of the Lands, and Ivanhoe Cambridge Inc. is the duly authorized agent for and on behalf of Landlord and said beneficial owners and has the authority to enter into this Lease on their behalf.

3. The Lands and all improvements located or to be located thereon will be operated by Landlord as a shopping centre under the name "**Outlet Collection at Winnipeg**" (the "**Shopping Centre**"), which Shopping Centre, when completed, will be not less than 385,000 square feet of rentable area.

4. Landlord and the Shopping Centre have the benefit of certain rights, easements and rights of way to use and enjoy certain lands, services and facilities in the nature of Common Area which adjoin the Shopping Centre (such lands, services and facilities as more particularly described in Exhibit A-1 and shown for illustrative purposes in **BLUE** on the site plan attached to Exhibit A-2, collectively, the **"ROA Lands"**) pursuant and subject to a Reciprocal Operating Agreement dated October 15, 2014 between Landlord and Seasons Retail Corp., notice of which is registered on title to the Lands and the ROA Lands (the "**ROA**" and the aforesaid rights, easements and rights of way over the ROA Lands as set out in the ROA, being the "**ROA Rights**").

5. The parties desire that certain premises in the Shopping Centre be leased by Landlord to Tenant as hereinafter more particularly provided.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and of good, lawful and valuable considerations moving to and received by each of the parties to be bound hereby, and intending to be legally bound hereby, the parties do hereby agree as follows:

ARTICLE 1
GRANT OF DEMISED PREMISES

Landlord does hereby demise and lease to Tenant and Tenant does hereby lease and take from Landlord, upon the terms, covenants and agreements and subject to the conditions hereinafter set forth, all those certain premises hereinafter mentioned and described and referred to herein as the "**Demised Premises**", to wit:

(i) that certain space known as Unit A shown outlined in **RED** on Exhibit B, which space contains approximately **32,191** square feet of rentable area;

(ii) the entrances to and exits from such space to and from the Common Area (as defined below), as such entrances and exits are shown on Exhibit B; and

(iii) all leasehold improvements now or hereafter located therein and thereon, including, without limitation, the Improvements (as such term is defined in Section 30.4 of this Lease) that are acquired with or funded by the Tenant Improvement Allowance (as defined in Section 30.3).

The Landlord hereby grants to the Tenant, for the duration of the Term, an exclusive licence to use the loading dock, unloading and compactor areas which serve such space as shown shaded in **GREEN** on Exhibit B (the "**Licensed Area**"). For certainty, the Tenant's obligations as to maintenance, repair and replacement of the Demised Premises as set out in this Lease shall equally apply in respect of the Licensed Area.

The Demised Premises are leased to Tenant together with all rights, privileges, benefits, rights of way and easements now or hereafter appurtenant or belonging thereto, whether arising under this Lease or any private or public grant or authority, including, without limitation, the direct right of ingress to and egress from the Demised Premises through the entrances and exits shown on Exhibit B.

Landlord does further hereby grant to Tenant and its employees, agents, customers, licensees and invitees a non-exclusive right and privilege to use, in common with others, those parts of the Shopping Centre (herein referred to as "**Common Area**") which constitute all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, (i) all non-leasable service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), (ii) all parking areas, parking decks, roadways, sidewalks, landscaped areas, and all roofs, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, common loading areas and truck courts, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, (iii) mall decorative installations, (iv) customer and service stairways, (v) mall directories and directional signs and information booths, (vi) elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of the Common Area, and (vii) the areas comprising roadways, sidewalks, parking areas and ingress and egress, which are the subject of the ROA Rights, on and subject to the terms of the ROA. Such use to be for the intended uses and purposes of the Common Area and the improvements therein and thereon, including, without limitation, ingress and egress and parking and passage and such other things as are authorized, permitted or required under the terms of this Lease. For the sake of greater certainty, the parties hereto hereby acknowledge and agree that the sprinkler room that provides sprinkler service throughout the Demised Premises forms part of the Common Area of the Shopping Centre and is the sole responsibility of Landlord to maintain as more particularly provided in Section 12.1 hereof.

The dimensions, shape and location of the Demised Premises as described herein are approximate and it is agreed and understood by Tenant that, upon the completion of construction of the Demised Premises, Landlord, at its sole cost, shall have the actual number of square feet of rentable area within the Demised Premises measured and certified by an architect licensed to do business in the Province of Manitoba. No later than thirty (30) days following the Landlord Delivery Date (as that term is hereinafter defined) Landlord shall provide the Tenant with written notice of the number of square feet of rentable area for the Demised Premises and providing a copy of the said architect's certification thereof and supporting plans and calculations (the "**Measurement Notice**"), and the number of square feet of rentable

area for the Demised Premises stated above in this Article 1 shall be adjusted as may be required (subject to Tenant's right of confirmation, below). Such measurement shall be made utilizing standard BOMA computation methods for retail premises and a copy of Landlord's architect's plans and calculations for such measurement shall be included with the Measurement Notice.

Tenant may, at its option, at its sole cost and expense and within thirty (30) days after the later of (i) the date Tenant receives the Measurement Notice and (ii) the date that Landlord delivers actual and exclusive possession of the Demised Premises to Tenant as described in Article 2 below, cause the Demised Premises to be measured by an architect retained by Tenant for such purpose. Tenant shall submit its architect's measurement to Landlord. In the event of a discrepancy which cannot be resolved by agreement of the parties, Landlord may cause its architect to re-measure the Demised Premises for purposes of verifying the measurement by Tenant's architect. If, after Landlord has had the opportunity to re-measure the Demised Premises, the parties are unable to reach agreement as to the number of square feet of rentable area within the Demised Premises, Landlord's and Tenant's architect shall appoint an independent third-party architect to measure the Demised Premises. The measurement by such third-party architect shall be binding on Landlord and Tenant, and shall replace the number of square feet of rentable area for the Demised Premises for all purposes of this Lease. The fees for such third-party architect shall be shared equally by the parties. The fees of each party's architect shall be paid by the respective parties.

ARTICLE 2
DELIVERY

Section 2.1 Delivery

Landlord shall satisfy the Opening Conditions (as defined in Section 8.1 below) and deliver actual and exclusive possession of the Demised Premises (in the condition described herein) to Tenant on **December 16, 2016** (subject to the provisions of this Section 2.1). Landlord shall deliver actual and exclusive possession of the Demised Premises to Tenant (i) free and clear of all tenancies, occupancies, restrictions, liens, encumbrances, reservations or other defects of title or claims of other parties except for the title exceptions listed in Exhibit C (the "**Permitted Exceptions**"), which Permitted Exceptions Landlord represents, warrants, and covenants do not and shall not involve or result in any interference with or impairment of Tenant's use, occupancy, and enjoyment of the Demised Premises or with Tenant's other rights hereunder, (ii) in a broom clean condition with all furniture, trade fixtures, merchandise and other items of personal property removed and (iii) with Landlord having completed, which Landlord hereby agrees to do, Landlord's Work (as defined below). In addition to the foregoing, on or before the date that Landlord shall deliver actual and exclusive possession of the Demises Premises to Tenant, Landlord shall also provide to Tenant the following (collectively, the "**Additional Requirements**"):

(i) a Phase I Environmental or other applicable report(s) in respect of the Lands upon which the Demised Premises and the remainder of the Shopping Centre are located that confirms there is no contamination and/or hazardous materials in excess of concentrations which are permissible under applicable Requirements (as hereinafter defined);

(ii) an updated title report;

(iii) all inspection and consultant reports on the Demised Premises and the remainder of the Shopping Centre, if any, in Landlord's possession or otherwise under Landlord's control;

(iv) all existing survey(s) with respect to the Lands which are now in the possession or control of Landlord;

(v) non-disturbance agreement(s) as described in Section 16.2 of this Lease for any existing Mortgage(s) on title to the Shopping Centre, provided, however, such non-disturbance agreement(s) shall be delivered to Tenant no later than the date set forth in Section 16.2 hereof;

(vi) any and all approvals from third parties or confirmation from Landlord that it has obtained same, including, without limitation, any and all governmental approvals for the construction and operation of the Demised Premises and the remainder of the Shopping Centre, including, without limitation, any approvals necessary for signage (excluding in each case such permits and approvals in respect of or related to the Tenant's Work); and

(vii) payment of the first instalment of the Tenant Improvement Allowance as described in Section 30.3 of this Lease.

Landlord further warrants and represents to Tenant that, as of the date of execution hereof, there are no Mortgages registered on title to the Shopping Centre except for those set out in the Permitted Exceptions.

The last date upon which Landlord (a) satisfies the Opening Conditions, (b) satisfies the Additional Requirements and (c) delivers actual and exclusive possession of the Demised Premises to Tenant in the condition set forth herein and the same are accepted by Tenant shall be the "**Landlord Delivery Date**". Tenant's acceptance of the Demised Premises shall be without waiver of the aforesaid requirements. In the event that the Landlord Delivery Date has not occurred by the date set forth above for any reason other than a delay occasioned by Force Majeure (as that term is hereinafter defined), Tenant shall receive, without waiver of its other rights and remedies against Landlord as a result of such delay, a rent credit in the amount of Three Thousand Dollars (**$3,000.00**) for each day of delay ("**Delivery Credit**"). In the event that the Landlord Delivery Date does not occur by **December 16, 2016** (the "**Scheduled Delivery Date**") due to a delay occasioned by Force Majeure, the date upon which the aforementioned rent credit shall commence to be payable to Tenant hereunder shall be extended beyond the Scheduled Delivery Date by the same number of days that Landlord's failure to deliver actual and exclusive possession of the Demised Premises to Tenant in accordance with the foregoing conditions can be attributed exclusively to the intervention of such occasion of Force Majeure (and to no other cause). As noted in Article 21 of this Lease, Landlord shall notify Tenant of the occurrence or potential occurrence of any occasion of Force Majeure that might delay the Landlord Delivery Date beyond the Scheduled Delivery Date immediately upon Landlord becoming aware thereof, and Landlord shall thereupon and thereafter keep Tenant fully advised of the anticipated duration and consequences of such Force Majeure.

Notwithstanding the foregoing, in the event that Landlord, acting reasonably and in good faith, determines that the Landlord Delivery Date cannot coincide with the Scheduled Delivery Date, and Landlord provides Tenant, on or before May 31, 2016, with notice of such anticipated delay and the date upon which the Landlord expects the conditions required to determine the Landlord Delivery Date can be duly satisfied, which date shall be no later than April 30, 2017 (the "**Second Scheduled Delivery Date**"), then, the Scheduled Delivery Date shall be delayed to the said Second Scheduled Delivery Date and the aforementioned Delivery Credit shall only apply in the event that the Landlord Delivery Date does not occur by the Second Scheduled Delivery Date (save and except if due to a delay occasioned by Force Majeure in which event the Second Scheduled Delivery Date shall be extended accordingly), and all other applicable dates in this Lease shall also be adjusted and extended accordingly.

In the event that the Landlord Delivery Date does not occur by **April 30, 2017** (the "**Sunset Delivery Date**"), Tenant shall have the right, without waiver of its other rights and remedies against Landlord, to terminate this Lease by notice of termination given to Landlord by May 16, 2017 (failing which this termination right shall be of no further force or effect). If this Lease shall be terminated pursuant to the provisions of this Section 2.1, neither party shall have any further obligation to the other, except that Landlord shall pay to Tenant within ten (10) days of such termination as liquidated damages an amount equal to the Delivery Credit accrued through such termination date. The parties acknowledge and agree that the damages sustained by Tenant would be difficult or impossible to determine and

Landlord and Tenant have agreed upon such liquidated amount as payment for such damages and not as a penalty.

Section 2.2 Entry Prior to Delivery

Tenant shall have the right at any time after **September 16, 2016** to enter upon the Demised Premises for the purpose of having an inspection of the Demised Premises performed by Tenant's engineers.

Section 2.3 [Intentionally Deleted]

Section 2.4 Physical Condition

Landlord represents, warrants and covenants to Tenant that, to Landlord's best knowledge as of the date hereof, (i) no material, substance, chemical or waste which possesses or may possess hazardous or toxic characteristics has been generated, used, stored, leaked, discharged, released or is present in, on, under, above or from the Lands in excess of concentrations which are permissible under applicable Requirements (as hereinafter defined); and (ii) all materials, data and information relating to or affecting the Demised Premises which Landlord has provided or shall provide to Tenant are true, accurate and complete copies of the originals. Landlord shall indemnify, defend and hold harmless Tenant from and against all claims, costs, expenses (including reasonable attorneys' fees), losses, damages, injuries and liabilities arising from any breach of these representations and warranties.

ARTICLE 3
TERM; RENT COMMENCEMENT DATE; EXTENSIONS

Section 3.1 Initial Term

The initial term of this Lease ("**Initial Term**") shall commence on the date of execution of this Lease by both parties hereto and shall expire at 11:59 p.m., Eastern Time, of the last day of the month in which the tenth (10th) anniversary of the Rent Commencement Date (as defined below) occurs, except where the Rent Commencement Date occurs on the first (1st) day of a month, in which event the Initial Term shall end on the last day of the month preceding the tenth (10th) anniversary of the Rent Commencement Date.

Section 3.2 Rent Commencement Date

Rent (as defined below) shall commence on the earlier of the following (in either event, the "**Rent Commencement Date**"):

(i) that date which is one hundred thirty-nine days (**139**) days after the Landlord Delivery Date (the "**Outside Date**") except that:

(a) if the Outside Date occurs on or between November 1 of any calendar year and February 28 of the following calendar year, then the Outside Date shall be extended to March 1;

(b) if the Outside Date occurs on or between the date that Easter occurs in any calendar year and the date that is thirty (30) days prior to Easter in such calendar year, then Outside Date shall be extended to two (2) weeks after Easter of such calendar year; and

(ii) the date on which Tenant opens the Demised Premises to the public for business.

Notwithstanding anything to the contrary, in no event shall the Rent Commencement Date occur prior to the date on which Landlord satisfies the Opening Conditions all as set forth in this Lease. In

addition, notwithstanding anything to the contrary, if Tenant cannot obtain a temporary certificate of occupancy (or its applicable equivalent in the jurisdiction in which the Demised Premises are located) because of any required Landlord's Work or work under Landlord's control, including, without limitation, work anywhere else in the Shopping Centre which Landlord has the right to cause to be corrected under existing leases, reciprocal easement agreements or other agreements (other than Tenant's Work), Landlord shall perform or cause such work to be performed and both the Outside Date and the Rent Commencement Date shall be postponed on a day-for-day basis.

After the Rent Commencement Date shall have been determined, Tenant and Landlord shall execute and deliver duplicate originals of an agreement, substantially in the form of Exhibit G attached hereto and made a part hereof, setting forth the rentable area of the Demised Premises, the Rent Commencement Date, the date of expiration of the Initial Term and the commencement and expiration dates of any extended periods; provided, however, that the failure of either party to execute and deliver such agreement shall not affect the occurrence of the Rent Commencement Date or the date of expiration of the Initial Term.

Section 3.3 Extensions of Term

Tenant shall have the right and option to extend the Term of this Lease for five (5) consecutive extended terms of five (5) years each unless and until this Lease shall be sooner terminated pursuant to the terms of this Lease, provided that, in each instance, Tenant (or its then current successor or assign under this Lease) is occupying and carrying on business in and from the Demised Premises at the time Tenant exercises such right and option to extend. Each extended term shall commence immediately upon the expiration of the prior term and shall end at 11:59 p.m., Eastern Time, on the fifth (5th) anniversary of the commencement of such extended term (which date shall be the last day of the applicable month).

Tenant may exercise its option for an extended term by giving notice to Landlord of Tenant's intention to extend at least three hundred sixty-five (365) days prior to the expiration of the then existing term.

In order to prevent the inadvertent failure of Tenant to exercise any of the options set forth above within the time limits prescribed, this Lease shall not expire unless and until Landlord notifies Tenant (the "**Landlord Renewal Notice**") that Tenant has not exercised its option to extend and that Tenant's option to extend shall expire thirty (30) days after Tenant's receipt of such notice unless Tenant gives notice to Landlord that Tenant elects to extend prior to the expiration of such thirty (30) day period. In the event Tenant does not elect to exercise its option to extend prior to the expiration of said thirty (30) day period, Tenant's option to extend shall expire. If Landlord fails to so notify Tenant prior to the expiration of the Term of this Lease and Tenant shall remain in possession of the Demised Premises after the expiration of the Term of this Lease, such holding over shall not be deemed to extend the Term of this Lease or renew this Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at the monthly rental in effect during the last month of the Term of this Lease until terminated by Tenant by notice to Landlord designating the date of termination, which notice shall be given ninety (90) or more days prior to the date designated by Tenant for termination, or such earlier date as the Lease is terminated by reason of Tenant not exercising its option to extend within ninety (90) days after Tenant's receipt of the Landlord Renewal Notice. If Landlord finally gives Tenant the Landlord Renewal Notice following the expiration of the Term of this Lease and Tenant exercises its option to extend, then the effective date of such exercise shall be retroactive to the expiration of the Initial Term, the first extended term, the second extended term, the third extended term or the fourth extended term, as the case may be.

During the extended terms all of the terms and conditions of this Lease shall remain in full force and effect except as the expiration date and the Rent shall change by the exercise of any option.

The word "**Term**", as used in this Lease, shall mean, unless the context shall denote otherwise, the Initial Term and any and all extended terms of this Lease.

Section 3.4 **Option to Extend to January 31**

If the Term of this Lease expires on a date other than January 31 of a calendar year, and if Tenant either has no further options to extend the Term or Tenant has elected not to extend the Term, then Tenant shall have the right to extend the final Lease Year of the Term until the following January 31st. Tenant may exercise its option to extend such final Lease Year until January 31st by giving notice to Landlord of Tenant's intention to extend at least one hundred and eighty (180) days prior to expiration of the Term of this Lease.

Section 3.5 **Termination by Reason of Gross Sales**

Anything in this Lease to the contrary notwithstanding, and provided Tenant is not otherwise in default beyond any applicable cure period, Tenant shall have the option ("**Tenant's Termination Right**") to terminate this Lease upon sixty (**60**) days' written notice to Landlord (as hereinafter more particularly provided) setting forth the effective date of termination , which date shall be set no later than ninety (90) days following the date the notice is delivered to Landlord hereunder ("**Termination Notice**"), if at the end of the third (3rd) Percentage Rent Lease Year (as defined in Section 4.1) and/or at the end of the seventh (7th) Percentage Rent Lease Year, Gross Sales (as hereinafter defined) for such Percentage Rent Lease Year equal less than One Hundred Fifty Dollars (**$150.00**) per square foot of the rentable area of the Demised Premises, as certified by an officer of Tenant (the "**Sales Threshold**"). In the event that Tenant fails to exercise the Tenant's Termination Right pursuant to this Section 3.5 within sixty (**60**) days after the end of such third or seventh Percentage Rent Lease Year, the Tenant's Termination Right for the applicable Percentage Rent Lease Year shall be deemed waived and of no further force or effect. In the event that Tenant elects to terminate the Lease pursuant to this Section 3.5 then the following shall apply:

(a) Tenant shall provide Landlord with a certification from an officer of Tenant that Gross Sales for the third (3rd) or seventh (7th) Percentage Rent Lease Year, as the case may be, did not exceed the Sales Threshold;

(b) this Lease shall terminate upon expiration of the period stipulated in the Termination Notice, (the "**Termination Date**") and Tenant shall deliver vacant possession of the Demised Premises to Landlord by the Termination Date in accordance with all applicable provisions in this Lease and without compensation of any kind from Landlord;

(c) Tenant shall be responsible for the payment of all Rent and charges owing under the terms of this Lease up to and including the Termination Date; and

(d) neither party shall have any further liability or obligation to the other after the Termination Date, except for Tenant's obligations under Subsection (b) above, and except for any default under this Lease by either party occurring on or before the Termination Date.

ARTICLE 4
RENT

Section 4.1 Rent

Subject to the terms and provisions hereof and in consideration of Landlord's representations, warranties and covenants herein, Tenant agrees to pay to Landlord, from and after the Rent Commencement Date, as rent (the "**Rent**") for the Demised Premises, at the place and in the manner set forth herein for notices, an amount equal to **3.5%** of Gross Sales (as hereinafter defined) made from the Demised Premises during each Percentage Rent Lease Year (as hereinafter defined).

Rent shall be payable monthly in arrears within twenty (20) days following the end of each calendar month commencing with the month after the month in which Tenant opens the Demised Premises to the public for business. Along with the monthly payment of Rent, Tenant shall furnish Landlord a statement, which need not be certified, of the Gross Sales derived from the Demised Premises for the prior month, which statement shall be in accordance with generally accepted accounting principles, consistently applied. Within sixty (60) says after the end of each Percentage Rent Lease Year, other than the first Percentage Rent Lease Year, and within sixty (60) days after the end of the calculating period with respect to the first full Percentage Rent Lease Year, Tenant shall furnish Landlord a statement certified by an officer of Tenant showing the Gross Sales derived from the Demised Premises during such Percentage Rent Lease Year and the amounts, if any, of Rent required to be paid by Tenant or credited to Tenant for any overpayment or underpayment of Rent for the Percentage Rent Lease Year, which statement shall be in accordance with generally accepted accounting principles, consistently applied..

For purposes of calculating Rent under this Lease, the term "**Percentage Rent Lease Year**" as used in this Lease refers to the period from February 1 to the following January 31 of each year during the term of this Lease, provided that, if the Rent Commencement Date does not occur on February 1, then the first Percentage Rent Lease Year shall be for a period of less than twelve (12) consecutive months, commencing on the Rent Commencement Date and expiring on the following January 31, and further provided that any period of less than twelve (12) full calendar months occurring from and after February 1 at the expiry or earlier termination of the term shall be deemed to be a Percentage Rent Lease Year. The computation of Rent shall be made separately with regard to each Percentage Rent Lease Year or partial Percentage Rent Lease Year, as the case may be, it being understood and agreed that Gross Sales per any Percentage Rent Lease Year and Rent due thereon shall have no bearing on Gross Sales of any other Percentage Rent Lease Year.

Full true and accurate records from which Gross Sales in any Percentage Rent Lease Year may be readily and correctly determined will be kept by Tenant, including, without limiting the generality of the foregoing, the requirement to retain all sources of primary sales records (that is, cash register tapes, pre-numbered sales tickets, daily sales reports, etc.) and otherwise in accordance with generally accepted accounting principles until at least the fifth (5th) anniversary of the end of such Percentage Rent Lease Year. Landlord or any Person designated by Landlord will have access to such records at any and all times during business hours for the purpose of examining and reviewing all the accounting records and procedures adopted by Tenant for the purpose of recording and control of all transactions affecting the determination of Gross Sales. For the sake of greater clarification, the parties hereto acknowledge that, in the event Landlord determines that Tenant has failed to report Gross Sales in accordance with its obligations contained herein, such failure shall constitute a default under this Lease and Landlord shall have the right to exercise its remedies in the event of Tenant default under Section 19.1 of this Lease. Landlord will not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Shopping Centre.

Landlord shall be entitled to characterize the Rent, and to allocate the payment thereof to costs, expenses, taxes etc. incurred by or for which Landlord is responsible, in each case as Landlord may determine in its sole discretion.

Section 4.2 **Gross Sales**

The term "**Gross Sales**" as used in this Lease means the actual sale price of all goods, wares and merchandise sold in, upon or from any part of the Demised Premises, including actual receipts from services rendered by Tenant as well as the total actual sales and services rendered by any licensee, subtenant or concessionaire occupying any portion of the Demised Premises, including, without limitation, such sales, income, receipts, revenues and services which Tenant, any licensee, subtenant or concessionaire occupying any portion of the Demised Premises (collectively, "**Other Occupants**") in the normal and customary course of business would credit or attribute to its business upon the Demised Premises or any part or parts thereof, provided, however, that the term "Gross Sales" shall not be deemed to mean and there shall be excluded from "Gross Sales" amounts representing: (i) amounts credited by Tenant or Other Occupants for returned or defective merchandise; (ii) amount of discount on sales to bona fide employees of Tenant and bona fide employees of any affiliates of Tenant; (iii) allowances granted to customers for damaged or defective merchandise; (iv) trade and other discounts; (v) GST (as hereinafter defined) and all other sales, excise and similar taxes levied upon sales made at the Demised Premises; (vi) workroom charges for alterations, repairs or installation of merchandise sold, or similar services rendered in connection with merchandise sold; (vii) charges for services rendered primarily to accommodate customers or employees; (viii) charges for making deliveries, shipments or transfers of merchandise in the regular course of business; (ix) carrying charges on time sales; (x) fees and charges paid by Tenant or Other Occupants to issuers of third party credit cards; (xi) charges for inter-store transfers of merchandise; (xii) sales of merchandise in bulk to non-retail customers; and (xiii) the proceeds of sales of trade fixtures, operating equipment or other property used by Tenant or Other Occupants in the operation of its business and not acquired by it for the purpose of sale.

Sales shall be deemed to have been made when merchandise has been shipped or delivered, and services shall be deemed to have been rendered when completed, or when such sales or services, as the case may be, have been charged against the purchaser or customer on the books of Tenant or Other Occupants, whichever of such events shall be the first to occur. Transactions shall be included whether for cash or on credit and whether the amount thereof is collected or uncollected. The phrase "sold in, upon or from any part of the Demised Premises" as used herein to modify "Gross Sales" shall include such sales as shall be in good faith credited by Tenant or Other Occupant in the regular course of its business to personnel employed at the time of sale in, at or in connection with the retail store to be operated by Tenant or Other Occupant in the Demised Premises but shall in no event include any sales that are transacted by Tenant or any Other Occupant in the Demised Premises as part of an independent electronic business conducted by Tenant or any Other Occupant in the Demised Premises by way of any internet or other electronic communications that are not being sold in the regular course of business in the Demised Premises, even if the merchandise sold pursuant to such transactions is delivered to customers at or from the Demised Premises. Subject to the foregoing, the said phrase shall include transactions conducted by mail or telephone, and other orders received at the Demised Premises, even though filled elsewhere, provided the particular items ordered are ones which are at the time being sold in the regular course of business in the Demised Premises. Said phrase shall not include, in any event, sales transacted by mail or telephone or other orders received at a place other than the Demised Premises even though the same may be filled from stocks at the Demised Premises, unless recorded on the books of the Demised Premises as a sale for the Demises Premises. Tenant makes no representation or warranty as to the Gross Sales, if any, which it expects to derive from the Demised Premises.

ARTICLE 5
TAXES

Section 5.1 Landlord's Obligation re Real Estate Taxes

Landlord shall pay before the date due any and all real estate taxes and assessments (general and special, ordinary and extraordinary, foreseen or unforeseen, and including, without limitation, applicable local improvement taxes) (collectively "**Real Estate Taxes**") levied, assessed or otherwise imposed upon the Demised Premises and/or the remainder of the Shopping Centre throughout the Term. Tenant shall have no obligation to contribute to the payment of Real Estate Taxes as such Real Estate Taxes are intentionally included in the Rent provided for herein.

Section 5.2 Other Taxes

(a) For the sake of greater certainty, the parties hereto hereby acknowledge and agree that nothing contained in this Lease shall require Tenant to pay any franchise, corporate, estate inheritance, succession, capital or transfer levy or tax of Landlord, or any taxes on Landlord's income, profits or revenue.

(b) Tenant shall be responsible for paying such business taxes (if any) as may be imposed at any time during the term by municipal or other government authorities having jurisdiction exclusively in respect of the business and activities carried on by Tenant and its assignees, subtenants and concessionaires in or from the Demised Premises,

ARTICLE 6
UTILITIES

Landlord shall cause to be provided and sub-metered all utility services necessary for the conduct of the Tenant's business in the Demised Premises. Tenant shall pay for its consumption of all utilities to Landlord based on a bona fide estimated charge for all utilities established by Landlord for each lease year, which estimated charge shall be payable in equal monthly installments simultaneously with the Tenant's payments of Rent. The Landlord shall deliver to the Tenant within a reasonable period of time after the end of each lease year a written statement setting out the amounts estimated in advance and if such amount actually paid by the Tenant to the Landlord during such lease year differs from the actual charges based on the actual consumption of utilities by the Tenant determined on the basis of the sub-meter readings, the Tenant shall pay such difference or the Landlord shall credit the Tenant's account (as the case may be), without interest within 30 days after the date of delivery of such statement. If any utility services are provided by Landlord the charges payable therefor by Tenant shall not exceed Landlord's cost therefor. Landlord shall submit to Tenant copies of all utility bills documenting the utility charges purchased from Landlord together with the statement showing in detail the method of calculating that portion of the utility charges billed to Tenant.

Any charges for utilities consumed in the Demised Premises applicable to any period prior to the date actual and exclusive possession of the Demised Premises is delivered to Tenant shall be paid by Landlord and subsequent to that date and until termination of this Lease shall be paid by Tenant.

If Landlord shall be notified by any party that utility services will be interrupted, Landlord shall promptly notify Tenant of such fact so that Tenant may (but need not) provide alternate utility services.

ARTICLE 7
MAINTENANCE AND REPAIR

Section 7.1 Tenant's Obligation

Subject to Landlord's obligations set forth in Articles 2 and 29 and Section 7.2, Tenant shall, at its own cost and expense (except as otherwise provided herein), keep the interior of the Demised Premises and all heating, ventilation and air conditioning equipment exclusively serving the Demised Premises (the "**HVAC**") in good order, and condition and repair, ordinary wear and tear excepted, and make all necessary non-structural interior repairs to the Demised Premises and all plate glass and glass entrance doors serving the Demised Premises, but in no event shall Tenant be required by this Section 7.1 to make any repairs or replacements that are necessary as a result of damage or destruction by structural fault or failure of the building of which the Demised Premises are a part or by Landlord's negligence or default, which repairs or replacements shall be the responsibility of Landlord to perform, at its cost.

In the event one or more of the HVAC units serving the Demised Premises requires replacement (or any major component of such unit(s) requires replacement), Tenant shall promptly contract for said replacement at Landlord's cost and expense. If Landlord does not promptly pay for such replacement and Tenant pays for same, Landlord shall reimburse Tenant for the cost and expenses thereof (including without limitation the cost of the labour) within thirty (30) days of written demand therefor, provided however, that Tenant shall then be responsible for paying the HVAC Rent Adjustment as provided herein once Landlord has reimbursed Tenant. Provided Landlord has paid for same (or reimbursed Tenant for same as provided herein), Tenant shall reimburse Landlord for each HVAC unit (or major component) replaced in the amount of a "HVAC Rent Adjustment" (as hereinafter defined).

Commencing on the tenth day of the month immediately following the later of (i) the month in which the HVAC unit (or major component) is replaced and (ii) the month in which Landlord pays for (or reimburses Tenant for, as the case may be) the costs thereof, Tenant shall pay to Landlord (at the same time and place as Rent is payable) an "**HVAC Rent Adjustment**" which shall be an amount equal to the actual, out-of-pocket, third party costs (provided such costs shall not exceed the prevailing market rate for same) incurred by Landlord in connection with replacement of the HVAC unit (or major component), amortized on a straight line basis over ten (10) years. Such sum shall be payable for the remainder of the Term of the Lease (including extensions or renewals) until the first to occur of (i) the termination date of the Lease, or (ii) the last day of the one hundred ninetieth (119th) month immediately following the first payment of the HVAC Rent Adjustment. As an example of the foregoing, assume that the total replacement costs for one (1) HVAC unit equals $7,500.00. $7,500.00 shall be amortized on a straight line basis over ten (10) years. Therefore, the HVAC Rent Adjustment shall equal $62.50 per month and if the Lease terminates earlier than the end of such one hundred ninetieth (119th) month, Tenant shall not be liable to Landlord for any remaining amounts (and the HVAC Rent Adjustment due for any partial month at the end of the Term shall be prorated).

Section 7.2 Landlord's Obligation

Landlord shall, at its own cost and expense, keep in good order, condition and repair, and make all necessary replacements to (i) the exterior and structure of the Demised Premises and all foundations, exterior walls, downspouts, gutters, roof, canopies, utility services extending to the building service connections of the Demised Premises, (ii) all plumbing, sewage facilities, electrical equipment and sprinkler equipment and facilities located within or serving the Demised Premises and (iii) all other portions, improvements and elements of the Demised Premises which Tenant is not required to maintain pursuant to Section 7.1, but in no event shall Landlord be required by this Section 7.2 to make any repairs or replacements which are necessary as a result of Tenant's gross negligence or willful misconduct.

ARTICLE 8
USE

Section 8.1 Tenant's Opening Covenant

Subject to the following conditions (the "**Opening Conditions**"):

(i) Landlord's completion of all the Landlord's Work and all on-site and off-site improvements in a timely fashion in order to deliver to Tenant actual and exclusive possession of the Demised Premises as described in Article 2, and

(ii) Landlord not being in default of any of the terms and/or provisions of this Lease.

Tenant will build out the Demised Premises from the delivery condition described in Exhibit F herein and open the Demised Premises for business with the public not later than the Outside Date (subject to Force Majeure) for at least one (1) day staffed, stocked and fixtured as an off-price retail store for the use described in Article 8.2 below consistent with its other off-price retail stores in Canada operating under the trade name "*Saks Fifth Avenue Off Fifth*", "*Off 5th*", "*Saks 5th Avenue Off 5th*", "*Saks 5th*", "*Off 5th-Saks 5th Avenue Outlet*", "*Saks*", "*Saks Fifth Avenue*" or such other trade name being used from time to time to identify the majority of the off-price retail stores operated by Tenant in Canada that were previously operated as a Saks Fifth Avenue Off Fifth. Thereafter, Tenant shall have no obligation to operate the Demised Premises.

Tenant further covenants that, upon opening the Demised Premises for business with the public, the interior décor and fixturing of the Demised Premises will be generally consistent with the décor and fixturing of the off-price retail store operating under the trade name "*Saks Fifth Avenue Off Fifth*" located in Costa Mesa-South Coast Plaza, California.

Notwithstanding any other provision of this Lease, Tenant acknowledges and agrees that it will not open, and is prohibited from opening, all or any part of the Demised Premises to the public prior to the Grand Opening Date (as hereinafter defined) without Landlord's prior written consent, which consent may be arbitrarily withheld. "**Grand Opening Date**" means the date designated by Landlord for the common or general opening to the public for business of the Shopping Centre in which the Demised Premises are located. The Grand Opening Date is **May 3, 2017** unless Landlord advises otherwise in accordance with this provision. Landlord reserves the right, at its sole discretion, to extend the Grand Opening Date up to a date that is no later than **October 31, 2017** provided that Landlord delivers notice thereof to Tenant no later than **October 15, 2016** (it being acknowledged that the Grand Opening Date shall also be subject to extension due to an event of Force Majeure). For certainly, in the event the Grand Opening Date is extended, the Outside Date shall be extended accordingly on a day for day basis.

Section 8.2 Tenant's Use Generally

Tenant shall have the right to use and occupy, if at all, the Demised Premises or any portion or portions thereof, for the operation of an off-price retail store selling better quality apparel, accessories, shoes, handbags, jewellery and other better quality merchandise as is typically sold from time to time in Tenant's similar off-price retail stores in Canada operating under the name *Saks Fifth Avenue Off Fifth*", "*Off 5th*", "*Saks 5th Avenue Off 5th*", "*Saks 5th*", "*Off 5th-Saks 5th Avenue Outlet*", "*Saks*", "*Saks Fifth Avenue*" (or such other trade name being used from time to time to identify the majority of the other similar off-price retail stores operated by Tenant in Canada) and in other similar off-price retail stores selling better quality merchandise currently operating in North America, such as, by way of example only and without limitation, those off-price retail stores operating under the names "*Nordstrom Rack*", "*Holt*

Renfrew's HR2", and "*Nieman Marcus Last Call*".

Landlord hereby warrants and represents to Tenant that, as of the date signing hereof, Landlord has granted the restrictive covenants and/or exclusive rights of use set out in Exhibit C-1 hereto to or in favour certain other tenants of the Shopping Centre or in favor of other third parties as referenced in said Exhibit C-1 (the "**Restricted Uses**"). For greater certainty, Tenant hereby acknowledges and agrees that, if and for so long as each of the Restricted Uses granted by Landlord to the respective persons (including their respective successors and assigns) remains unamended and in full legal force and effect, Tenant shall not use the Demised Premises or permit the Demised Premises to be used for the operation of any business or the sale of any merchandise or services that would cause Landlord to be in default of any such Restricted Uses.

No provision of this Lease imposes (i) any obligation on Tenant to operate a business in or make any sales from the Demised Premises (except to the limited extent as may be provided in Section 8.1) or (ii) any radius or other operating restrictions on Tenant; and no operation, business, sale or other activity of Tenant outside of the Shopping Centre shall entitle Landlord to any rent or other compensation. Subject to the provisions in this Lease (including but not limited to the provisions governing Tenant's use of the Demised Premises in the preceding paragraph), the hours of business, the number and types of departments to be operated, the particular contents, wares and merchandise to be offered for sale in, and the services to be rendered, the methods and extent of merchandising and storage thereof and the manner of operating the Demised Premises, if at all, in every respect whatsoever shall be within the sole and absolute discretion of Tenant, but must be consistent with Tenant's general practice in its other similar off-price retail stores in Canada. Subject to the provisions of Article 10 of this Lease, Tenant may operate, or cause to be operated, the department or departments within the Demised Premises, in whole or in part, by licensees, sub-tenants and/or concessionaires, provided that the Demised Premises continue to be carried on, and retain the appearance to the public of being carried on, as an integrated, and not a multiple tenant, off-price retail store. Tenant will carry on its business on the Demised Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Demised Premises that will result in or bring about a breach of any provision of this Lease. Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Demised Premises as an off-price retail store or other permitted use hereunder in a first class manner in keeping with the said standards of the shopping centre industry.

Notwithstanding the provisions of the opening paragraph of this Section 8.2, Tenant shall not, at any time during the Term, conduct or carry on in the Demised Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any call centre operation (iii) a store conducted principally for the sale of war surplus articles, insurance salvage stock, or fire sale stock; (iv) the sale of merchandise damaged by fire except in the event of a fire taking place on the Demised Premises and then only for the sale of merchandise damaged by such fire; (v) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (vi) an auction sale; and (vii) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

Section 8.3 **Landlord's Right of Recapture**

If at any time during the Term less than the whole or substantially the whole of the Demised Premises is occupied and open to the public for business for a period exceeding two (2) months for any reason other than Force Majeure (as that term is hereinafter defined), damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, Landlord shall

thereafter have the right to terminate this Lease while such cessation of operation continues by giving Tenant no less than thirty (30) days prior written notice thereof, provided that Tenant may nullify such notice of termination and this Lease shall not be terminated if Tenant re-opens the whole or substantially the whole of the Demised Premises to the public for business prior to the termination date specified in Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Demised Premises open for business for at least twelve (12) consecutive months (failing which Landlord's termination of the Lease shall be effective immediately upon Tenant ceasing to operate during the aforementioned 12-month period). In the event that Tenant nullifies Landlord's notice of termination as aforesaid, the provisions of this Section 8.3 shall continue to apply throughout the balance of the Term.

ARTICLE 9
ALTERATIONS; SIGNS

Section 9.1 Alterations

Tenant shall have the right at any time and from time to time, at its own cost and expense, to make such repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the non-structural components and/or interior of the Demised Premises as Tenant, acting in its sole discretion, may deem necessary or desirable, without requiring the prior consent of Landlord thereto.

Tenant shall have the further right at any time and from time to time, at its own cost and expense, to make repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the structural components and/or exterior façade of the Demised Premises, provided that:

(a) Any such repairs, decorations, alterations, changes, substitutions, replacements, additions and/or improvements in and to the structural components and/or exterior of the Demised Premises (hereinafter collectively referred to as "**Tenant's Structural or Exterior Work**") shall be subject to Landlord's prior approval (which approval shall not be unreasonably withheld, conditioned or delayed).

(b) Any Tenant's Structural or Exterior Work so approved by Landlord shall be carried out by Landlord in a diligent, good and workmanlike manner in accordance with such plans, specifications or designs therefor as have been prepared by Tenant and approved by Landlord, in accordance with all governmental laws, rules, regulations and code requirements applicable thereto, and in accordance with a work schedule that has approved in advance by Tenant (which approval shall not be unreasonably withheld, conditioned or delayed).

(c) Landlord shall provide Tenant with estimates of the total cost to perform any Tenant's Structural or Exterior Work hereunder from at least two (2) independent contractors (collectively, the "**Submitting Contractors**") for Tenant's review and approval, and Tenant, acting in its sole discretion, shall determine which of the said Submitting Contractors shall be engaged by Landlord to carry out the Tenant's Structural or Exterior Work by providing written notice thereof to Landlord within fifteen (15) days following its receipt of the said cost estimates. Should Tenant elect not to proceed with any Tenant's Structural or Exterior Work following its review of the said cost estimates therefor, it shall promptly provide written notice of its decision to Landlord.

(d) Following Landlord's completion of any Tenant's Structural or Exterior Work as aforesaid, Tenant shall reimburse Landlord for the costs incurred by Landlord in carrying out such Tenant's Structural or Exterior Work within thirty (30) days following Tenant's receipt of Landlord's invoice therefor,

which invoice shall be accompanied by receipted proof of payment and/or such other evidence in support thereof as Tenant may reasonably request.

Tenant shall save Landlord harmless from and indemnify Landlord against all liens, claims and damages which may be asserted against Landlord or the Demised Premises or both by reason of any work which Tenant elects to do as authorized in this Article 9. Tenant agrees that any work performed by it pursuant to this Section shall be performed in a good and workmanlike manner and in accordance with all governmental laws, rules, regulations and code requirements applicable thereto. Landlord shall cooperate with Tenant in obtaining all permits, licenses and approvals for such work and shall join Tenant in the execution of any application for any such permit, license or approval.

Until the expiration or sooner termination of this Lease, title to any improvement constructed or installed by Tenant in or upon the Demised Premises or any other capital improvement made to the Demised Premises by Tenant or any fixture provided by Tenant shall remain solely in Tenant, and Tenant alone shall be entitled to deduct all depreciation and take all investment tax credits and other tax benefits on Tenant's income tax return for any such items.

Section 9.2 **Tenant's Signs**

(a) Tenant shall have the unrestricted right to install and maintain within the Demised Premises at any time and from time to time whatever interior signage it desires or requires in order to meet the needs of the business conducted therein and therefrom.

(b) Tenant shall have the right to install, replace or remove the following signage upon the exterior facades of the Demised Premises, at locations chosen by Tenant, including, without limitation, over the entrance(s) to the Demised Premises:

(i) Tenant shall have the right to install one (1) of its standard exterior signs upon each one of the three (3) exterior facades of the Demised Premises currently facing onto the exterior parking areas of the Shopping Centre;

(ii) Tenant shall have the right to install one (1) of its standard interior mall signs upon the exterior facades of the Demised Premises facing into the interior pedestrian mall of the Shopping Centre; and

(iii) Tenant shall have the further right to install two (2) of its standard blade signs upon the exterior facades of the Demised Premises facing into the interior pedestrian mall of the Shopping Centre;

(which signage is collectively referred to herein as the "**Tenant's Exterior Signage**"), provided further that Tenant shall obtain any mandatory governmental approvals for the Tenant's Exterior Signage and all of the said Tenant's Exterior Signage shall comply with the reasonable requirements of such sign policy (if any) governing the standard design criteria of all exterior signs erected at the Shopping Centre that is implemented and enforced by Landlord against all tenants of the Shopping Centre, which sign policy shall represent good shopping centre practice for a first-class shopping centre and shall maintain the dignity and appearance of the whole of the Shopping Centre. Landlord hereby further grants to Tenant an easement for the purpose of installing (at Tenant's election), maintaining, operating, repairing, replacing and removing all of the aforesaid Tenant's Exterior Signage, the lighting for which shall be controlled by Tenant directly from an electrical panel board operated by Tenant within the Demised Premises. Landlord shall cooperate with Tenant in obtaining all permits, licenses and approvals of or for all of the Tenant's Exterior

Signage and shall join Tenant in the execution of any application for any such permits, licenses or approvals.

(c) The parties hereto hereby acknowledge and agree that the number, design, dimensions and locations of the Tenant's Exterior Signage that shall be installed on the exterior facades of the Demised Premises on the day that Tenant first opens the Demised Premises to the public for business are more particularly shown on the drawings attached hereto as Exhibit H,

(d) The parties hereto hereby acknowledge and agree that Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with the Tenant's Exterior Signage or any other signage installed at any time or from time to time in or upon the Demised Premises.

(e) In addition to the foregoing, subject to Tenant obtaining any necessary governmental approvals, Landlord, at its sole cost, will obtain (i) the necessary approval from the owners(s) of the ROA Lands to allow Tenant to have its standard identification signage installed on the exterior directional signage shown on Exhibit H, and (ii) cause such directional identification signage to be installed and maintained in such location for the entire Term.

Section 9.3 Pylon Signs and Directional Signage

(a) Tenant shall have the right to have a sign panel on any existing or future pylon signs ("**Pylons**") installed and/or located on the Shopping Centre (or installed and/or located on other property for the purpose of advertising the Shopping Centre) that identify any one or more of the occupants of the Shopping Centre, subject to any pre-existing and conflicting rights to sole representation on any such Pylons as Landlord may have granted to other occupants of the Shopping Centre prior to **October 15, 2015**. Tenant's sign panel(s) on any such Pylons shall be supplied, installed, operated and maintained by Landlord, at Landlord's sole cost and expense and the design of the sign panels identifying Tenant on any such Pylons shall be subject to Tenant's prior approval. Subject to the said sign panels of Tenant complying with all governmental laws, rules, regulations and code requirements applicable thereto, and further subject to any pre-existing and conflicting rights to representation on any such Pylons as Landlord may have granted to other occupants of the Shopping Centre prior to **October 15, 2015**, Tenant's sign panels shall be placed in a prominent location on each such Pylon and shall be at least the size of the largest sign panel thereon. Tenant shall also have the right, at Landlord's sole cost and expense, to have its business name or other signage identifying the business operated in and from the Demised Premises ("**Tenant's Identification Signage**") included on any existing or future directional, way-finding and/or monument sign and/or other Shopping Centre identification signs that identify retail occupants of the Shopping Centre (wherever located in both the interior and exterior Common Area on the lands of the Shopping Centre) as follows: (i) for exterior signs, approximately as shown on the conceptual images of the directional, way-finding and monument signs and other Shopping Centre identification signs attached hereto as Exhibit I, and (ii) for interior signs (and unless otherwise agreed by Landlord and Tenant), to be consistent with the signage agreed to by the parties for Crossiron Mills. The said Tenant's Identification Signage shall be supplied, installed, operated and maintained by Landlord at Landlord's sole cost and expense, and, subject to the Tenant's Identification Signage complying with all governmental laws, rules, regulations and code requirements applicable thereto, and further subject to any pre-existing and conflicting rights to representation on any such directional, way-finding and/or monument sign and/or other Shopping Centre identification signs as Landlord may have granted to other occupants of the Shopping Centre prior to **October 15, 2015**, Tenant's Identification Signage shall be placed in a prominent location and shall be at least the size of the largest identification signage situated

thereon. Landlord shall, at its sole cost and expense, maintain, operate, repair, replace and reconstruct the Pylons, directional, way-finding, monument and other identification signs.

(b) The parties hereto hereby acknowledge and agree that Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with any signage identifying Tenant that is installed at any time or from time to time upon any of the aforesaid Pylons, directional, way-finding, monument and/or other identification signs.

ARTICLE 10
ASSIGNMENT

Section 10.1 Right to Assign or Sublease and Leasehold Mortgage

Save and except as otherwise herein expressly provided, Tenant will not assign this Lease or sublet the whole or any portion of the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably conditioned or withheld or unduly delayed.

Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease or sublet the whole or any part of the Demised Premises to, and may in any event permit the Demised Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by the *Canada Business Corporations Act)*

(b) assign this Lease to any corporation with which Tenant merges or consolidates; and

(c) assign this Lease to any corporation to which Tenant transfers no less than ten **(10)** of its other similar off-price retail stores in Canada, has a net worth equal to or greater than One Hundred Million Dollars **($100,000,000.00)** and is a first class reputable retail operator of a business selling better quality merchandise;

(which corporate entities are herein referred to as "**Permitted Transferees**"),

Notwithstanding anything that may be contained in this Lease to the contrary, Tenant shall also have the right, acting in its sole and absolute discretion and without the consent of Landlord, to grant licenses or subleases of departments or concessions for the sale of merchandise and services in or from the portions of the Demised Premises covered by such departments or licenses consistent with Tenant's general practice in its other similar off-price retail stores in Canada, provided that:

(a) the Demised Premises continue to be carried on, and retain the appearance to the public of being carried on as an integrated, and not a multiple tenant, off-price retail store; and

(b) not more than twenty percent **(20%)** of the rentable area of the Demised Premises in aggregate is so sublet or has rights granted as aforesaid.

The parties hereto further acknowledge and agree as follows:

1. No assignment of this Lease or subletting of all or any portion of the Demised Premises shall be deemed to relieve Tenant from its obligations pursuant to this Lease.

2. Any Permitted Transferee and any other assignee of the Lease and/or subtenant, licensee or concessionaire occupying the Demised Premises shall use the Demised Premises only for carrying on such business as is permitted to be carried on in accordance with the provisions of this Lease (including but not limited to the provisions contained in Article 8 of this Lease).

3. Any party to whom Tenant assigns the Lease or subleases the Demised Premises in whole or in part or grants licenses, concessions, or rights to occupy the Demised Premises in whole or in part shall be a bona fide retail operator.

4. For any sublease, license or concession of the whole or substantially the whole of the Demised Premises to any Permitted Transferee by Tenant, where the gross amount of the rent, fees or monies received by Tenant from the Permitted Transferee pursuant to the governing sublease, license or concession agreement exceeds the gross amount of the Rent received by Landlord from Tenant under the Lease throughout the term of such sublease, license or concession agreement, Tenant shall then pay to Landlord as additional rent hereunder the said amount by which the gross amount of the rent, fees or monies received by Tenant from the Permitted Transferee under the sublease, license or concession agreement exceeds the gross amount of the Rent received by Landlord from Tenant under the Lease throughout the term of such sublease, license or concession. The aforesaid additional rent, fees or monies so payable by Tenant hereunder (the "**Excess Rent**") shall be paid to Landlord on a monthly basis at the same time that Tenant's monthly payment of Rent is delivered to Landlord. Along with the monthly payment of Rent, Tenant shall provide Landlord with a statement, certified by an officer of Tenant and prepared in accordance with generally accepted accounting principles, consistently applied, showing the gross amount of the rent, fees or monies received by Tenant from the Permitted Transferee during the reporting period in question and confirming the calculation of the amount of the Excess Rent payable to Landlord in respect of such reporting period.

As used in this Lease, "**Mortgage**" means any mortgage, deed of trust or other instrument securing a loan and "**Mortgagee**" means a mortgagee under a mortgage or a trustee or beneficiary or both under a deed of trust or a lender under any other instrument securing a loan. Tenant shall have the right, without Landlord's consent, to encumber the whole or any part of its leasehold estate in the Demised Premises by Mortgage, but the rights of any Mortgagee shall be subject and subordinate at all times to the provisions of this Lease and the right of Landlord to exercise all or any of Landlord's rights and remedies provided in this Lease or by law (except as limited by the specific provisions of this Lease), and shall in no way alter, affect or diminish the reversionary interest of Landlord. Notwithstanding the foregoing, if Tenant executes a Mortgage of its leasehold interest hereunder to secure any obligation, the Mortgagee from time to time may designate, by written instrument delivered to Landlord, a place where notices may be sent to such Mortgagee. In the event the Mortgagee furnishes Landlord with the information set forth in the preceding sentence, Landlord agrees that if, after receipt of such notice and while such Mortgage is in effect, Landlord gives any notice to Tenant, Landlord shall mail a copy of such notice to such Mortgagee to the place last designated in the written instrument delivered to Landlord as aforesaid, and such Mortgagee shall have and is hereby expressly given the right to do or perform any covenant or obligation of Tenant and shall have the right to cure any breach. In such event, Landlord will take no action against Tenant by reason of such breach by Tenant if the Mortgagee shall, within thirty (30) days after service on the Mortgagee of written notice from Landlord of Landlord's intention to take such action, either cure such breach if the same can be cured by the payment of money, or, if such is not the case, undertake in writing to perform all covenants of this Lease capable of performance by such Mortgagee. In the event of such undertaking to cure, such breach shall be deemed cured if such Mortgagee shall proceed in a timely and diligent manner to succeed to the interest of Tenant hereunder by foreclosure, whether by judicial sale, by power of sale contained in any security instrument, or by deed given in lieu of foreclosure. The obligation of any such Mortgagee for the performance of the terms of this Lease shall

terminate upon the date of transfer or assignment of the right, title and interest of such Mortgagee in the leasehold estate to any other person or entity.

ARTICLE 11
INSURANCE AND INDEMNIFICATION

Section 11.1 Landlord Insurance

Throughout the Term of this Lease Landlord, at no cost to Tenant, will carry the following insurance:

(1) a policy of "all risk" insurance on the Demised Premises (save and excepting those leasehold improvements located within and forming part of the Demised Premises that Tenant covenants to insure under subparagraph (3) of Section 11.2 hereof) and on all other buildings, structures and improvements of any kind and description in and forming part of the Shopping Centre, in each case for no less than the full replacement cost thereof and with such reasonable deductibles as are normally effected by owners in insuring similar first-class shopping centres.

(2) commercial general liability insurance (including coverage for legal liability) on a per occurrence basis covering Claims (as that term is hereinafter defined), other than standard exclusions, for bodily injury or personal injury to or death of persons and property damage arising out of Landlord's use, operation and/or maintenance of the Shopping Centre, which insurance shall have per occurrence limits of not less than Three Million Dollars **($3,000,000.00)** and an annual aggregate limit of no less than Ten Million Dollars **($10,000,000.00)** .

(3) Any other insurance Landlord will deem appropriate and that a prudent owner of similar property would carry.

All of the foregoing insurance that Landlord covenants to carry throughout the Term of this Lease shall be carried with financially responsible insurance companies rated at least A- -X in the then most current edition of Bests' Rating Guide and shall be federally licensed to carry on the business of insurance in all provinces of Canada.

The "all risk" insurance coverage that Landlord covenants to provide under subparagraph (1) of this Section 11.1 shall:

(i) insure against loss or damage from causes that are from time to time included as covered risks under standard insurance industry practices within the classification of difference in conditions coverage and all risk coverage, and specifically against the following perils: fire, windstorm, hail, cyclone, hurricane, tornado, riots, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage and sprinkler leakage, flood, earthquake and, if coverage is available, nuclear or other explosion with no co-insurance penalties; and

(ii) shall provide no co-insurance penalties.

In addition to the foregoing, Landlord hereby covenants and warrants that all proceeds collected under the "all risk" insurance coverage that Landlord covenants to provide under subparagraph (1) of this Section 11.1 shall be payable to Landlord, Tenant and the Landlord's Mortgagee, if any, as their respective interests may appear, and that all such proceeds payable in the event of loss, damage or destruction to the insured property that are received by Landlord or Landlord's Mortgagee (as the case may be) shall be made available for the reconstruction or repair of any building or buildings and other improvements damaged

or destroyed, provided further that, if any of such proceeds are to be payable to any such Mortgagee, Landlord covenants with Tenant to require such Mortgagee to agree in writing (or to be bound by the terms of its Mortgage) to make all such proceeds available for such reconstruction or repair regardless of the existence of any default under the Mortgage granted to such Mortgagee..

The commercial general liability insurance coverage that Landlord covenants to provide under subparagraph (2) of this Section 11.1 shall name Tenant as an additional insured.

Landlord shall provide Tenant with no less than thirty **(30)** days' prior written notice of any cancellation or non-renewal of the insurance policies Landlord is required to carry under Section 11.1 hereof.

Landlord shall, on reasonable request, promptly furnish Tenant with a certificate of insurance evidencing Landlord's compliance with the foregoing insurance coverage requirements of this Section.

Section 11.2 Tenant Insurance

Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the following insurance:

(1) a policy of "all risk" insurance on the leasehold improvements located within and forming part of the Demised Premises from time to time and Tenant's tenant fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents situated in and upon the Demised Premises, which policy shall insure against loss or damage from causes that are from time to time included as covered risks under standard insurance industry practices within the classification of difference in conditions coverage and all risks coverage, and specifically against the following perils: fire, windstorm, hail, cyclone, hurricane, tornado, riots, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage and sprinkler leakage, flood, earthquake and, if coverage is available, nuclear or other explosion, to 100% of the full replacement cost thereof, provided that, notwithstanding the foregoing, Tenant shall be entitled in the alternative to self-insure against loss or damage to the said leasehold improvements, trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Demised Premises, and provided further that, if Tenant does maintain the aforementioned policy of "all risks" insurance against loss or damage to the aforesaid leasehold improvements, trade fixtures, furniture, inventory, stock-in-trade (including merchandise) and other contents of the Demised Premises, the loss payable shall be paid only to Tenant without any trust provisions;

(2) business interruption insurance in such amount as will reimburse Tenant for direct or indirect loss of gross earnings attributable to damage to the whole or any portion of the Demised Premises or attributable to prevention of access to the Demised Premises or the Shopping Centre for a period of no less than twelve **(12)** months;

(3) commercial general liability insurance (including coverage for legal liability) on a per occurrence basis covering Claims (as that term is hereinafter defined), other than standard exclusions, for bodily injury or personal injury to or death of persons and property damage arising out of Tenant's use, operation and/or maintenance of the Demised Premises, which insurance shall have per occurrence limits of not less than Three Million Dollars **($3,000,000.00)** and an annual aggregate limit of no less than Ten Million Dollars **($10,000,000.00)** .

All of the foregoing insurance that Tenant covenants to carry throughout the Term of this Lease shall be carried with financially responsible insurance companies rated at least A- -X in the then most current edition of Bests' Rating Guide and shall be federally licensed to carry on the business of insurance in all provinces of Canada.

The commercial general liability insurance coverage that Tenant covenants to provide under subparagraph (3) of this Section 11.2 shall name Landlord as an additional insured.

Tenant shall provide Landlord with no less than thirty (30) days' prior written notice of any cancellation or non-renewal of the insurance policies Tenant is required to carry under Section 11.2 hereof.

Tenant shall, on reasonable request, promptly furnish Landlord with a certificate of insurance evidencing Tenant's compliance with the foregoing insurance coverage requirements of this Section.

Section 11.3 Indemnification

Except to the extent that Tenant has been specifically released pursuant to the provisions of Section 11.5 hereof, Tenant shall indemnify, protect, defend and hold harmless Landlord against all claims, costs, expenses (including, without limitation, reasonable attorneys' fees) losses, damages, injuries and liabilities (in this Article 11 collectively called "**Claims**") arising from the death of or any accident, occurrence, injury, loss or damage whatsoever caused to any third party natural person or to the property of any third party person or entity arising out of Tenant's operation and/or of Tenant's use and/or maintenance of the Demised Premises from and after the date Tenant accepts actual and exclusive possession of the Demised Premises (except to the extent such Claims arise from any gross negligence or willful misconduct of Landlord or its employees, servants or agents).

Except to the extent that Landlord has been specifically released pursuant to the provisions of subclause 11.5 hereof, then, notwithstanding anything in this Lease to the contrary, including, without limitation, the immediately preceding paragraph, Landlord shall indemnify, protect, defend and hold Tenant harmless from all Claims arising from the death of or any accident, occurrence, injury, loss or damage whatsoever caused to any person or to the property of any person or entity arising out of Landlord's use, operation and/or maintenance of the Shopping Centre or the carrying out (or failure to carry out) its obligations under this Lease, including, without limitation, any such Claims arising out of Landlord's performance of Landlord's Work hereunder (except to the extent such Claims arise from any gross negligence or willful misconduct of Tenant or its employees, servants or agents).

The indemnitee hereunder shall give the indemnitor timely notice of any suit or proceeding arising from any of the items for which it is entitled to indemnification as hereinabove provided and the indemnitor shall have the right to defend the indemnitee in said suit or proceeding with counsel acceptable to the indemnitee. Failure to give such notice shall not, however, in any manner negate or invalidate the obligation to provide such indemnification except to the extent the indemnitor is prejudiced by such failure.

Section 11.4 Self-Insurance; Blanket Policies

Tenant may satisfy its obligations under subparagraphs (1) and (2) of Section 11.2, in whole or in part, by means of self-insurance or by a so-called blanket policy.

Section 11.5 Waiver of Rights of Recovery

Landlord agrees that Landlord's policy or policies of insurance shall contain a waiver of subrogation clause as to Tenant, and, anything in this Lease to the contrary notwithstanding, Landlord hereby waives all rights of recovery and causes of action, and releases Tenant from any and all liability for all losses and damages occasioned to the Demised Premises and/or any other property within or upon or constituting a part of the Shopping Centre, which losses and damages are of the type covered under the policies required to be carried by Landlord under Section 11.1, whether such claim or demand may arise because of the negligence or fault of Tenant and its agents, contractors, servants, employees, licensees, customers, business invitees or otherwise; provided, however, to the extent any such losses or damages are caused by the negligence or willful misconduct of Tenant or its agents, contractors, servants, employees, licensees, customers, business invitees and all or any portion of such loss is "deductible" or part of a "self-insured retention", then Tenant shall pay to Landlord the amount of such loss (not to exceed $25,000 per event, and hereinafter referred to in this paragraph as the "deductible loss"). Except with respect to any deductible loss, as aforesaid, Landlord agrees to look to Landlord's insurance coverage only in the event of such loss.

Tenant agrees that Tenant's policy or policies of insurance shall contain a waiver of subrogation clause as to Landlord, and, anything in this Lease to the contrary notwithstanding, Tenant waives all rights of recovery and causes of action, and releases Landlord from any and all liability for all losses and damages occasioned to the Demised Premises and/or any other property within or upon or constituting a part of the Shopping Centre, which losses and damages are of the type covered under the policies required to be carried by Tenant under Section 11.2, whether such claim or demand may arise because of the negligence or fault of Landlord and its agents, contractors, servants, employees, licensees or otherwise; provided, however, to the extent any such loss or damage to or destruction of such property of Tenant are caused by the negligence or willful misconduct of Landlord or its agents, contractors, servants, employees, licensees and all or any portion of such loss is "deductible" or part of a "self-insured retention", then Landlord shall pay to Tenant the amount of such loss (not to exceed $25,000 per event, and hereinafter referred to in this paragraph as the "deductible loss"). Except with respect to any deductible loss, as aforesaid, Tenant agrees to look to Tenant's insurance coverage only in the event of such loss.

ARTICLE 12
COMMON AREA MAINTENANCE AND CHARGES

Section 12.1 Common Area Maintenance

At all times from the Grand Opening Date and thereafter during the Term of this Lease, Landlord shall, at Landlord's sole cost and expense, operate, manage, clean, heat, air-condition, light, maintain, repair, provide snow and ice removal, replace and provide security (collectively "**Common Area Maintenance**") for the Common Area and all improvements thereon and thereto (including, without limitation, all interior and exterior pedestrian malls, sidewalks, curbs and disks, parking areas, parking decks, access roads and ramps, landscaping, lighting standards, traffic and directional signs, traffic striping and markings, Shopping Centre monument, wayfinding and pylon signs, storm drainage facilities, sanitary sewer systems, natural gas systems, water systems, sprinkler and other fire protection installations, methane recovery/remediation systems, electrical lines and power cables and all other similar amenities and like improvements constructed or installed for the non-exclusive use, convenience or benefit of tenants in the Shopping Centre or their customers, visitors and invitees) in good order, condition and repair, in a first-class, clean manner and condition and in accordance with this Lease.

Section 12.2 **General Common Area Operation and Maintenance Standards**

Without limiting the generality of anything set forth in this Article 12, Landlord, in the performance of Common Area Maintenance, shall perform, without limitation, the following services in accordance with the standards of a first-class shopping centre as of the Grand Opening Date:

(1) Inspect, maintain, repair and replace the surface of the parking areas, curbs, and sidewalks, keeping them level and smooth and keeping the parking area surfaced with durable black-top or cement and concrete (or such other materials as may be commonly used in lieu thereof from time to time by other shopping centres operating in accordance with the standards of a first-class shopping centre) and the curbs and sidewalks repaired or replaced with cement and concrete (or such other materials as may be commonly used in lieu thereof from time to time by other shopping centres operating in accordance with the standards of a first-class shopping centre);

(2) Maintain the Common Area free of any obstructions; promptly remove all papers, debris, filth, refuse, and surface waters, snow and ice from the Shopping Centre; wash and thoroughly sweep paved areas as required, at intervals before the Demised Premises are open for business;

(3) Maintain in an attractive condition, in keeping with the operating standards of a first-class shopping centre, all parking area entrance, exit and directional signs, markers, and all amenities, decorative elements and benches of the Common Area and promptly replace or repair the same upon the occurrence of any defects or irregularities thereto;

(4) Clean parking area lighting fixtures, replace lighting fixtures when no longer functioning and relamp as needed;

(5) Repaint hard-surfaced markings and striping as the same become unsightly or indistinct;

(6) Maintain, repair and replace landscaping, including the removal of dead plants, weeds and foreign matter, pruning, fertilizing and such replanting and replacement as the occasion may require;

(7) Clean, relamp and repair signs of the Shopping Centre (as contrasted from those of tenants);

(8) Empty all trash and rubbish containers located in the Common Area, wash the same at intervals sufficient to maintain the same in a clean and sanitary condition, and otherwise keep and maintain the same in good working order and condition;

(9) Clean, maintain and repair and replace all storm drainage and sanitary sewer lines, as required to keep the systems in a free-flowing condition at all times, and all other utility facilities serving the Shopping Centre, to the extent the same is not done by public utilities;

(10) Provide traffic control and security and security patrol;

(11) Furnish necessary pest abatement controls;

(12) Repair or replace, in accordance with all applicable laws, regulations, or ordinances, all surface utility facilities servicing the Shopping Centre (including, without limitation, hose

bibbs, stand pipes, sprinklers, and domestic water lines) upon the occurrence of any defect or malfunctioning; and

(13) Sweep and wash at regular intervals all stairs, if any, sufficient to maintain the same in a clean condition and promptly repair the same upon the occurrence of any irregularities or worn portions thereof.

Section 12.3 **[Intentionally Deleted]**

Section 12.4 **Tenant's Contribution Toward Common Area Maintenance Cost**

A. **Tenant's Share.** Tenant shall have no obligation to contribute to the cost of the Common Area Maintenance as such costs are intentionally included in the Rent provided for herein.

B. **Common Area Lighting.** Without limiting the generality of anything set forth in this Article 12, during any period when the Demised Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, Landlord shall keep all Common Area on the Shopping Centre lighted and opened to the public. Landlord agrees that it shall keep all Common Area on the Shopping Centre lighted for security purposes seven (7) days each week during the hours of darkness such lighting is necessary for such purpose. Landlord shall pay for all costs of electricity for lighting the Common Area (i) during any period when the Demised Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, but not later than 11:00 p.m., CDT, (ii) during any other period, in addition to the period described in the immediately preceding clause (i), when both the Demised Premises and at least fifty percent (50%) of the remainder of the floor area in the Shopping Centre are open for business and (iii) during the times and to the extent such lighting is required under the second sentence of this Subsection B. of Section 12.4.

The cost of electricity for lighting the Common Area at times or to the extent such cost is not considered part of Landlord's costs in accordance with the preceding paragraph shall be paid as follows:

(i) If the Demised Premises are open for business, then Tenant shall pay its proportionate share (based on the square footage of the Demised Premises compared to the square footage of the premises of all occupants that are open for business) of the cost of electricity to light the Common Area,

(ii) If the Demised Premises are not open for business, Landlord shall pay the cost of electricity to light the Common Area.

ARTICLE 13
COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 13.1 **General Landlord Covenants**

Landlord covenants and agrees that following the Grand Opening Date it shall operate or cause to be operated the Shopping Centre in the following manner:

(1) To continuously manage and operate the Shopping Centre as a complex of retail stores and commercial and service enterprises;

(2) To maintain a first class quality of management and operation;

(3) To use its best efforts to have all the rentable floor area of the Shopping Centre occupied in its entirety;

(4) To use its best efforts to have all rentable floor area of the Shopping Centre utilized to the maximum extent possible and to consider the objective of maintaining a balanced and diversified grouping of retail stores, merchandise and services;

(5) In accordance with the Rules and Regulations attached hereto as Exhibit D (provided, and the parties hereto expressly acknowledge and agree, that the said Rules and Regulations shall apply to Tenant's use and occupancy of the Demised Premises only to the extent that they are consistent and do not conflict with the provisions of this Lease, and, in the event of any conflict or inconsistency between the provisions of this Lease and the provisions of any of the Rules and Regulations governing the operation and occupation of the Shopping Centre at any time, the provisions of this Lease shall prevail in all respects);

(6) To maintain and not change, modify or alter the exterior or design of the other improvements in the Shopping Centre that would in any way:

(i) obstruct the visibility of the Demised Premises or the visibility of the remainder of the Shopping Centre from the Demised Premises; or

(ii) interfere with pedestrian and/or vehicular access to and from the Demised Premises; or

(iii) materially reduce pedestrian traffic flow to or near the Demised Premises.

Landlord further covenants and agrees that it shall at no time during the Term transfer ownership of any portion of the lands in and upon which the Shopping Centre is located (either as such lands exist as of the date of signing hereof or as may be expanded from time to time hereafter) to any third party unless the party acquiring ownership of such portion of the Shopping Centre lands (the "**Sale Parcel**") enters into an appropriate agreement with Landlord whereby, inter alia, (a) the buildings and improvements located in and upon the Sale Parcel and the balance of the Shopping Centre lands owned by Landlord will appear to the public to be operated as an integrated first class shopping centre and (b) the lands and improvements of the Sale Parcel shall be subject to easements granted in favour of the balance of the Shopping Centre lands then owned by Landlord for pedestrian and vehicular access across the Sale Parcel lands and the use of parking facilities located thereon for the benefit of the tenants and occupants of the balance of the Shopping Centre lands owned by Landlord. The parties acknowledge that the covenant of Landlord set forth in the immediately preceding sentence is specific to the present Lease.

Landlord covenants that during the Term of the Lease and at its sole cost (i) it will observe and perform all obligations, covenants and responsibilities that Landlord is required to observe and perform pursuant to the terms and conditions of the ROA and shall not take any action or refrain from taking any action within Landlord's control which may cause the ROA to be terminated or which would otherwise result in Landlord being in default thereunder, nor shall it amend the ROA in a manner that would reduce Tenant's rights and/or increase its obligations under this Lease in any material and adverse way, (ii) it will enforce against the other parties to the ROA, for the benefit of the Tenant, its successors, assigns, customers and invitees, the obligations of such other party under the terms of the ROA that affect the use and occupation of the Demised Premises under this Lease or, which are necessary to the performance or observance of Landlord's covenants under this Lease, and (iii) it will not terminate, or agree to any termination of the ROA in a manner that would reduce Tenant's rights and/or increase its obligations under this Lease in any material and adverse way without first obtaining the Tenant's written consent thereto, in its sole discretion.

Section 13.2 Representations and Warranties of Landlord

Landlord represents and warrants to Tenant as of the date hereof, that:

A. Landlord has validly executed this Lease and the same constitutes its authority to enter into this Lease and to consummate the transactions contemplated hereby.

B. The making of this Lease and the provisions of this Lease:

(i) do not, and will not violate or breach any term or provision of any agreements, covenants or restrictions whether written or oral, between Landlord and any third party,

(ii) do not, and will not conflict with any applicable municipal, provincial or federal law, judgment, order, regulation, rule or ordinance,

(iii) do not, and will not conflict with any applicable public or private restrictions applicable to the Shopping Centre,

(iv) do not require any consent or approval of any public or private authority which has not been obtained (other than, for certainty, permits and approvals for the undertaking of the Landlord's Work, the Tenant's Work and the installation of all signage);

(v) are not threatened with invalidity of unenforceability by any action, proceeding or investigation pending, or to Landlord's knowledge, threatened, or by or against (x) Landlord without regard to capacity, (y) any person with whom Landlord may be jointly or severally liable or (z) the Shopping Centre or any portion thereof.

C. Landlord has not received notice of any condemnation or expropriation proceedings or negotiations for the purchase of any of the Shopping Centre in lieu of condemnation and has no knowledge that any expropriation proceedings or negotiations have been commenced or threatened in connection with the Shopping Centre or any portion thereof.

D. No litigation or other actions or proceedings are pending or, to the knowledge of Landlord, threatened, relating to the Shopping Centre, or any part thereof, which may have a material adverse effect thereon or which challenge or threaten Landlord's capacity or ability to validly perform its obligations in this Lease.

E. There are no agreements to which Landlord is a party or of which Landlord has knowledge which materially affects the Shopping Centre other than this Lease and the Permitted Exceptions.

F. There is no fact known to Landlord pertaining to the physical condition of the Shopping Centre and no environmental factors known to Landlord affecting the Shopping Centre (i) which Landlord has not disclosed to Tenant in writing prior to the date of this Lease, and (ii) which, as determined by Tenant, acting reasonably, materially adversely affects or will materially adversely affect the Shopping Centre or the contemplated use or enjoyment or the value thereof.

G. To the best of Landlord's knowledge, this Lease does not (i) contain an untrue statement of a material fact or (ii) omit a material fact necessary to make the statements contained therein or herein not substantially misleading. There is no fact which Landlord, to the best of its knowledge, has not disclosed to Tenant in writing which materially adversely affects the Shopping Centre or Tenant's anticipated use thereof.

H. Landlord has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Landlord's creditors, (iii) suffered the appointment of a receiver to take all, or substantially all, of Landlord's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all of Landlord's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

I. **[Intentionally Deleted]**.

J. The Shopping Centre is validly zoned and will be validly zoned on the date the Demised Premises are open or required to open so as to permit the operation thereon of an enclosed shopping centre and a retail store in the Demised Premises and that the Shopping Centre shall be constructed and may be developed, used and operated as a shopping centre in the manner contemplated by this Lease without violation of any applicable laws, regulations, or ordinances; that no portion of the Shopping Centre is located in a flood plain nor contains designated wetlands; and that all on-site and off-site improvements can be installed and used as contemplated.

K. The current zoning for the Shopping Centre and any existing Record of Site Condition and/or Certificate of Property Use for the Shopping Centre that has been accepted and filed with the Manitoba Ministry of the Environment that are currently in force with respect to the Shopping Centre (if any) provide for and permit the construction, occupation and use of the Demised Premises as described in this Lease.

L. The development, use and operation of the Shopping Centre in the manner contemplated by this Lease is not now prohibited by any existing municipal, provincial or federal environmental protection act or regulations and that all required studies, reports, permits (except construction permits for Tenant's work in the Demised Premises) and approvals relating thereto have been or shall be obtained by Landlord so as to permit the Demised Premises to open and operate.

M. Other than in respect of the Restricted Uses, Landlord is not currently party to and shall not enter into any lease or other occupancy agreement with any other tenant or occupant of the Shopping Centre whereby that party is given exclusive rights of use or any other privileges that would prevent Tenant from using the Demised Premises for the typical operation of a Saks Fifth Avenue Off Fifth store.

N. Tenant has good and marketable leasehold title and Landlord has good and marketable fee-simple title in and to the Demised Premises, free and clear of all claims of other parties, mortgages, liens, encumbrances, restrictions, violations, reservations and defect except for the Permitted Exceptions.

O. The Landlord has appointed Ivanhoe Cambridge Inc. to act as its exclusive agent and manager for the management, operation, maintenance and leasing of the Shopping Centre.

P. The ROA is in full force and effect and is and will be a binding and unconditional obligation of all owners of the ROA Lands. The ROA is registered against the ROA Lands and the Lands in priority to all Mortgages and other financial encumbrances existing as of the date hereof. Landlord shall protect, indemnify, defend and hold Tenant harmless from and against any and all loss, cost, damage, expense and attorneys' fees and expenses incurred by Tenant by reason of any breach by Landlord of the representations and warranties set forth above.

Section 13.3 **Representations and Warranties of Tenant**

Tenant represents and warrants to Landlord that:

A. Tenant has the full power and authority to enter into this Lease and to consummate the transactions contemplated hereby.

B. The making of this Lease and the provisions of this Lease do not and will not violate any agreements, covenants or restrictions, whether written or oral, between Tenant and any third party.

C. As of the date of signing hereof, Tenant has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Tenant's creditors, (iii) suffered the appointment of a receiver to take all, or substantially all, of Tenant's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all of Tenant's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

Tenant shall protect, indemnify, defend and hold Landlord harmless from and against any loss, cost, damage, expense and attorney fees incurred by Landlord by reason of any breach by Tenant of the representations and warranties set forth above.

Section 13.4 **Asbestos and Other Hazardous Materials**

A. Notwithstanding any other provision of this Lease, Landlord represents and warrants that the Demised Premises will be, as of the date Tenant takes possession of the Demised Premises, free of all Hazardous Materials (as defined below) that are in excess of concentrations permitted under applicable Requirements (as hereinafter defined). Landlord shall provide to Tenant, on or before delivering the Demised Premises to Tenant as described in this Lease, evidence reasonably acceptable to Tenant that the Demised Premises do not contain asbestos or any other Hazardous Materials in excess of concentrations permitted under applicable Requirements and that the methane gas levels within the Demised Premises (if any) are within acceptable range. Notwithstanding any provision of this Lease to the contrary, Tenant shall have no obligation to make any repairs, alterations or improvements to the Demised Premises or incur any costs or expenses whatsoever as a result of Hazardous Materials in the Demised Premises, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant, any subtenant, concessionaire, or licensee of Tenant or any of their respective officers, employees, agents, customers, invitees or contractors (collectively, under this Section, "**Tenant**"). Landlord shall be solely responsible for any changes to the Demised Premises relating to Hazardous Materials, including the removal thereof if required by any Requirement (as defined below), or as required by any present or future laws, ordinances or regulations of any governmental authority, insurance carrier or any similar body, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant.

B. Landlord shall indemnify and hold Tenant harmless from and against all liabilities, costs, damages and expenses which Tenant may incur (including, without limitation, reasonable attorneys' fees and disbursements), other than consequential damages, as the result of the presence of Hazardous Materials at the Demised Premises or at the Shopping Centre, other than those Hazardous Materials brought or permitted to be brought onto the Demised Premises by Tenant.

C. If, and to the extent, Tenant is unable to operate its business in and from the Demised Premises as a result of Landlord's removal or abatement of Hazardous Materials as provided herein (and except where the Hazardous Materials were introduced by Tenant), all Rent shall abate from the date of Tenant's closure until the date that Tenant is able to open and operate its business in and from the Demised Premises for a period in excess of sixty (**60**) days. In the event only a portion of the Demised Premises is rendered unusable, there shall be a proportional abatement based upon the rentable area thereof that is rendered unusable. Notwithstanding anything to the contrary, in the event that Tenant is unable to operate its business in and from the Demised Premises as a result of Hazardous Materials and/or

the removal or abatement thereof as provided herein (except where the Hazardous Materials were introduced by Tenant), then Tenant, in addition to all of the rights and remedies hereunder, shall have the right to terminate this Lease upon thirty (30) days advanced notice given to Landlord.

D. As used herein, the term "**Hazardous Materials**" shall mean each and every element, compound, material, mixture, substance, waste, hazardous substance, hazardous waste, hazardous material, toxic substance, pollutant or contaminant either as those terms are defined under any law or regulation enacted or promulgated by any government having jurisdiction or the presence of which may cause harm to any person(s) and/or liability at common law, including, without limitation, methane gas, polychlorinated biphenols, ureaformaldehyde, chlorofluorocarbons asbestos and/or asbestos-containing products, whether or not currently friable.

E. As used herein, the term "**Requirement**" shall mean all applicable laws, statutes, ordinances (including, but not limited to, building codes and zoning regulations and ordinances), orders, rules, regulations and requirements of all federal, provincial and municipal governments, and the appropriate agencies, officers, departments, boards and commissions thereof, whether now or hereafter in force.

ARTICLE 14
SHOPPING CENTRE LAYOUT AND APPEARANCE

Section 14.1 Location of Buildings and Other Improvements

Landlord shall not erect, construct or expand, or permit the erection, construction or expansion of, any building or buildings or other structures or improvements, other than Common Area improvements, within those portions of the Shopping Centre shown outlined in **BLUE** on Exhibit B (the "**No-Build Area**") without the prior written consent of Tenant, which consent may be granted, denied and/or withheld in Tenant's sole and absolute discretion. Landlord represents and warrants that the Common Area improvements shown on Exhibit B are proposed to be located as shown on Exhibit B and Tenant duly acknowledges its acceptance of the same. Landlord covenants and agrees that no changes or alterations shall be made in any portion of the Common Area of the Shopping Centre (or in the location and design of the improvements thereon and thereto) from that shown on Exhibit B that would materially affect Tenant's parking, ingress, egress, access or visibility to Tenant's Demised Premises.

Section 14.2 [Intentionally Deleted]

Section 14.3 [Intentionally Deleted]
Section 14.4 [Intentionally Deleted]

Section 14.5 Limitation on Detrimental Characteristics

No use or operation shall be made, conducted or permitted in any part of the Shopping Centre which use or operation is clearly objectionable to the development or operation of the Shopping Centre. Included among the uses or operations which are prohibited because of their obvious detrimental effect upon the general appearance of the Shopping Centre and conflict with the reasonable standards of appearance, maintenance and housekeeping required by this Lease, are uses or operations which produce or are accompanied by the following characteristics, which list is not intended to be all inclusive:

(1) Any noise, litter, odor or other activity which may constitute a public or private nuisance;

(2) Any unusual firing, explosion or other damaging or dangerous hazards;

(3) Any assembly, manufacturer, distillation, refining, smelting, industrial, agriculture, drilling or mining operation;

(4) Any trailer court, mobile home park, lot for sale of new or used motor vehicles, labour camp, junk yard, stock yard or animal raising (other than pet shops and veterinarians);

(5) Any dumping, disposal, incineration or reduction of garbage or refuse other than handling or reducing such waste if produced on the Demised Premises from authorized uses and if handled in a reasonably clean and sanitary manner.

Section 14.6 Non-Interference with Circulation

(a) So as not to interfere with efficient automobile and pedestrian traffic flow between the Demised Premises and all other areas in the Shopping Centre and the ROA Lands, there shall be no selling activities conducted within the areas of the Shopping Centre shown outlined in **YELLOW** on Exhibit B without the prior written consent of Tenant, which consent may be granted, denied and/or withheld in Tenant's sole and absolute discretion. For the sake of greater clarification, the parties hereto hereby acknowledge and agree that the foregoing restriction shall not apply to any marketing and promotional events that do not include any kind of selling activities and are conducted solely for the benefit of the Shopping Centre in collaboration with various businesses operating in the City of Winnipeg and/or for the promotion of tourism.

(b) Landlord agrees to maintain an adequate and sufficient area adjacent to and adjoining Tenant's service entrance(s) and loading docks for unobstructed standing, loading, unloading and otherwise servicing the Demised Premises.

Section 14.7 Fences; Obstructions

No fence, structure or other obstruction of any kind (except as may be specifically permitted herein or as may be indicated on Exhibit B or except for decorative features and customer conveniences) shall be placed, kept, permitted or maintained upon the Common Area in the Shopping Centre, except such of the foregoing as are reasonably necessary or proper for the construction, repair or rebuilding authorized hereunder. Without limiting the foregoing, Landlord covenants that Tenant at all times shall have unobstructed and adequate means of ingress and egress between each of the entrances to the Demised Premises and the adjacent public streets and highways. Landlord further agrees not to change or alter the access points to the Shopping Centre contained within the areas outlined in **ORANGE** on Exhibit B hereto without Tenant's prior written approval, which approval shall not be unreasonably withheld, delayed or conditioned, provided that Tenant's consent shall not be required in the event any relocation, variations or changes are required by any governmental authorities, or where they do not inhibit or prevent passage, ingress and ingress for pedestrians or vehicles.

Section 14.8 Sign Policy

Landlord covenants and agrees that if it at any time and/or from time to time establishes a sign policy governing the standard design criteria of all exterior signs erected at the Shopping Centre, such sign policy shall represent good shopping centre practice for a first-class shopping centre and shall maintain the dignity and appearance of the whole of the Shopping Centre and shall be implemented and enforced by Landlord against all tenants of the Shopping Centre.

Section 14.9 Maintenance of Buildings

Without limiting or adding to Landlord's obligations as to the Demised Premises, which obligations are set forth elsewhere in this Lease, Landlord agrees that it shall, throughout the Term of this Lease, maintain or cause to be maintained, at no expense to Tenant, the buildings in the Shopping Centre, other than the non-structural interior of the Demised Premises, in good order, condition and repair, ordinary wear and tear excepted.

ARTICLE 15
PARKING REQUIREMENTS

Section 15.1 Parking Area

Landlord covenants and agrees that it shall at all times maintain a parking ratio for the entire Shopping Centre that is the greater of that required under applicable law and **4.2** car spaces per **1,000** square feet of rentable area of the Shopping Centre thereon. Landlord further covenants that it shall not materially change or alter the layout, design and/or configuration of the parking areas located within the No-Build Area of the Shopping Centre, or permit such changes or alterations to be made from that shown on Exhibit B without obtaining Tenant's prior written consent thereto, which consent shall not be unreasonably withheld, delayed or conditioned.

Section 15.2 Charges for Parking; Employee Parking Areas

(a) Landlord shall not make or collect, nor permit to be made or collected, any charge of any type for the right to park vehicles in the parking areas of the Shopping Centre.

(b) Landlord hereby warrants and represents to Tenant that, as of the date of signing hereof, no portion of the parking facilities of the Shopping Centre has been designated for use by employees of the tenants or occupants of the Shopping Centre. The parties hereto further acknowledge and agree that, if at any time during the Term Landlord intends to designate a portion of the parking facilities for use by employees of the tenants or occupants of the Shopping Centre, it shall designate a sufficient portion of the parking areas of the Shopping Centre for such purpose in one or more locations outside of the No-Build Area that are reasonably acceptable to Tenant, in which event Tenant shall use its reasonable and diligent efforts to require its employees to park their vehicles in the area(s) so established by Landlord for employee parking and Landlord shall use its reasonable and diligent efforts to require the employees of other tenant or occupants of the Shopping Centre to park their vehicles in such area(s).

Section 15.3 Use of Parking Areas

Landlord shall take whatever steps may be appropriate and reasonable to prevent persons other than Landlord, the tenants and other occupants of the Shopping Centre and their respective employees, agents, customers, licensees and invitees from using the parking areas of the Shopping Centre for the parking of motor vehicles (such as, by way of example only and without limitation, commuters in the area using the said parking areas while travelling on the public transit system).

ARTICLE 16
QUIET ENJOYMENT

Section 16.1 Quiet Enjoyment

Landlord covenants, warrants and represents that it has full right and power to execute and perform this Lease and to grant the estate demised herein, and covenants that Tenant, provided that

Tenant is not in default hereunder, shall peaceably and quietly have, hold and enjoy the Demised Premises and all rights, easements, appurtenances and privileges belonging or in anywise appertaining thereto, during the full Term of this Lease including any extension thereof.

Landlord further covenants, warrants and represents that: (i) it owns a fee simple interest in and to the Demised Premises and the remainder of the Shopping Centre; (ii) that the Demised Premises and the remainder of the Shopping Centre are free of all liens, encumbrances, restrictions and violations except as specifically listed on Exhibit C; (iii) that there are no claims of other parties, encumbrances, Mortgages or other liens, restrictions, reservations or defects in Landlord's title which could interfere with or impair or result in any interference with or impairment of Tenant's use, occupancy and enjoyment of the Demised Premises or with Tenant's other rights hereunder, all in accordance with the terms of this Lease; and (iv) that it shall indemnify and hold harmless Tenant from and against any loss and expense, including, without limitation, attorney's fees and consequential damages, incurred on account of any breach of its warranties.

Landlord covenants and agrees that it shall promptly and duly perform all of its obligations under any Mortgages, leases, liens, agreements and other instruments, whether of record or not, which have, in whole or in part, priority over this Lease. Landlord further covenants and warrants that such prior instruments shall not interfere with Tenant's full enjoyment of this Lease or the Demised Premises or the easements and appurtenances thereto, nor impose on Tenant any greater or other obligations than are set forth in this Lease. The provisions of this paragraph shall not in any way limit Landlord's warranties of title and quiet enjoyment nor enlarge the title exceptions listed in Exhibit C.

Section 16.2 Non-Disturbance Agreement by Mortgagee(s)

In the event there is a Mortgage registered on title to the Shopping Centre prior to notice of the Lease being registered on title, Landlord shall obtain and deliver to Tenant a non-disturbance agreement executed by the Mortgagee or Mortgagees under any such Mortgage, which agreement shall be in form and substance acceptable to counsel for Tenant and shall provide in substance that, notwithstanding any default or foreclosure under the Mortgage in question, so long as no event of default under this Lease shall have occurred on the part of Tenant after the expiration of all applicable grace periods with respect to defaults as herein provided, the Mortgagee and its successors and assigns shall not abrogate or diminish or otherwise adversely affect any rights of Tenant under this Lease (including the ROA Rights) and this Lease shall remain in effect as a direct lease between Tenant and the Mortgagee and its successors or assigns, and said Mortgagee shall be bound by the obligations of Landlord under this Lease provided that Tenant agrees to attorn to said Mortgagee as Landlord under this Lease.

Upon Landlord's request, Tenant agrees to execute an agreement subordinating this Lease to the lien of any Mortgage hereafter placed by Landlord upon Landlord's interest in the Demised Premises. The form and substance of such subordination agreement to be executed by Tenant shall be as approved by Tenant in its reasonable discretion, and shall include a provision stating that in the event of any foreclosure of or transfer (including a deed in lieu of foreclosure) under any Mortgage to which this Lease has been subordinated pursuant to this Section, Tenant shall not be disturbed in its possession of the Demised Premises so long as it is not in default under this Lease beyond any applicable cure periods and it shall attorn to the purchaser or Mortgagee as Landlord under this Lease.

Landlord shall, within fifteen **(15)** days after Tenant's request, deliver to Tenant a recognition and non-disturbance agreement reasonably acceptable to Tenant, Landlord and any subtenant, executed and acknowledged by Landlord, Tenant and subtenant, for the benefit of any subtenant of all or any portion of the Demised Premises, subject to the following requirements: (1) the subtenant leases at least 10,000 square feet of floor area; (2) the rights of the subtenant under the sublease shall not be greater than the rights of Tenant under this Lease; and (3) Landlord receives a copy of the sublease.

Section 16.3 Default Under Section 16.2

In the event that Landlord fails to deliver any of said executed non-disturbance agreement(s) to Tenant then, notwithstanding any tender of delivery or acceptance of possession of the Demised Premises, Tenant shall have the right to terminate this Lease by notice of termination given to Landlord and Tenant shall have no liability to Landlord on account of such termination.

Notwithstanding any provision of this Lease to the contrary or inconsistent herewith and notwithstanding the fulfillment of any or all other conditions to this Lease, Tenant shall not be obligated to pay Rent or any other sums under this Lease and Tenant shall not in any manner or for any purpose be bound by this Lease unless and until Landlord shall have delivered to Tenant said executed non-disturbance agreement(s) as provided in this Article 16.

ARTICLE 17
DAMAGE OR DESTRUCTION

Section 17.1 Demised Premises

A. If the Demised Premises are damaged or destroyed so that (i) in Tenant's reasonable opinion the same are not suitable for the purpose of Tenant's business, (ii) in the reasonable opinion of Tenant's architect, they cannot be repaired with reasonable diligence within one hundred and eighty (**180**) days of the date of such damage or destruction, or (iii) there remains only two (**2**) years or less on the Term of this Lease as the same may have been extended by Tenant, then Tenant shall have the right to terminate this Lease upon thirty (**30**) days' notice to Landlord. In the event of such termination, Rent and all other charges payable by Tenant shall be payable only to the date of the damage or destruction and any Rent or other charges paid in advance, if any, by Tenant shall be refunded by Landlord to Tenant to the extent that the same are for a period after the damage or destruction.

B. If the Demised Premises are damaged or destroyed and Tenant does not exercise its right to terminate as provided in Subsection A. of this Section 17.1, then Landlord shall rebuild and restore the Demised Premises with all reasonable diligence to the condition it existed prior to such damage or destruction, including without limitation, restoring and replacing the Improvements (as such term is defined in Section 30.4 below) that were acquired with or funded by the Tenant Improvement Allowance (as defined in Section 30.3 below) and during the period from the date of such damage or destruction until completion of rebuilding and restoration, the charges payable by Tenant shall abate as follows:

(1) If the Demised Premises are used during such period, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the damaged or destroyed portion bears to the whole and Rent and all other charges shall be paid on the basis of the number of square feet of rentable area in the Demised Premises which are actually used; or

(2) If the Demised Premises are not used during such period for the purpose of retail sales, then there shall be a complete abatement of Rent and all other charges from the date of damage until thirty (**30**) days after completion of rebuilding and restoration.

C. If any damage to or condition of the Demised Premises, which by this Lease is Landlord's responsibility, shall in Tenant's reasonable judgment be considered of such a nature as to require emergency action, Tenant may undertake, at Landlord's expense, temporary emergency measures and Landlord shall reimburse Tenant for the costs and expenses associated with such measures taken by Tenant upon its receipt of Tenant's written demand therefor (which written demand shall be accompanied

by copies of receipted invoices or other reasonable evidence of the costs and expenses so claimed by Tenant). If the amount so due to Tenant is not paid within thirty (30) days after Landlord's receipt of the said demand therefor, Tenant shall have the right to deduct said amount, including interest, from Rent and all other charges thereafter payable by Tenant to Landlord under the Lease. Tenant shall use reasonable commercial efforts to promptly notify Landlord (by telephone or otherwise) of any such emergency and shall allow Landlord reasonable opportunity to undertake such necessary emergency measures prior to Tenant undertaking same.

Section 17.2 Common Area

If any portion of the Common Area of the Shopping Centre is rendered or found to be unfit for the use for which it was intended and if the Demised Premises are thereby rendered not reasonably usable for retail sales, then during the period that the Demised Premises are not reasonably usable for retail sales Rent and all other charges payable hereunder by Tenant shall be entirely abated. In the event that thirty percent (30%) or more of the Common Area of the entire Shopping Centre or ten percent (10%) or more of the portion thereof within three hundred (300) feet of the Demised Premises is rendered unfit for its intended use for any reason for a period of ninety (90) days or more, then Tenant shall have the option to terminate this Lease by notice to Landlord at any time after such ninety (90) day period has terminated and while such portion of the Common Area remains unfit for its intended use. If any portion of the Common Area of the Shopping Centre is damaged or destroyed Landlord shall promptly repair and restore the same at its sole cost and expense or cause the same to be repaired at no expense to Tenant.

Section 17.3 Other Area in the Shopping Centre

In the event that more than twenty-five percent (25%) of the rentable area in the Shopping Centre other than the Demised Premises is damaged or destroyed, then Tenant shall have the option to terminate this Lease by notice to Landlord at any time within one hundred and twenty (120) days after such damage or destruction. If Tenant does not exercise its right to terminate this Lease as aforesaid and either (i) more than two (2) years remain on the Term of this Lease as the same may have been extended by Tenant or (ii) there remains less than two (2) years on the Term as may be extended but their remains at least one (1) unexercised option to extend the Term and Tenant agrees to exercise such option, then Landlord shall rebuild or restore the damaged or destroyed rentable area with all reasonable diligence.

Section 17.4 Performance of Repair or Restoration

All work required of Landlord under the provisions of this Article shall be prosecuted by Landlord with all due diligence and shall be completed in a good and workmanlike manner, using first quality workmanship and materials.

ARTICLE 18
CONDEMNATION

Section 18.1 Definition of Condemnation

The term "**Condemnation**" or "**Condemned**" means the taking or expropriation of any portion of the Shopping Centre pursuant to an exercise of the power of eminent domain or any conveyance in lieu of expropriation under threat thereof by a government authority having the power of expropriation or the requisitioning and possession of any portion of the Shopping Centre by any governmental authority for any purpose arising out of a temporary emergency or other temporary circumstances.

Section 18.2 **Tenant's Right to Terminate**

In the event of the occurrence of any of the following events, Tenant shall have the right and option to terminate this Lease:

(a) if the whole of the Demised Premises shall be Condemned;

(b) if any part of the Demised Premises shall be Condemned;

(c) if ten percent (**10%**) or more of the rentable area of the other buildings in the Shopping Centre shall be Condemned;

(d) if twenty percent (**20%**) or more of the number of parking spaces in the Shopping Centre shall be Condemned and Landlord shall not have, within sixty (**90**) days of the date upon which such Condemnation takes effect, replaced the same on the Shopping Centre or on land adjacent to the Shopping Centre in a location reasonably satisfactory to Tenant;

(e) if any of Tenant's means of vehicular ingress and egress between any entrance to the Shopping Centre and public roads are Condemned or impaired and Landlord shall not have, within sixty (**60**) days of the date upon which such Condemnation or impairment takes effect, replaced such ingress and egress by similar ones reasonably satisfactory to Tenant.

Tenant may exercise its option to terminate this Lease, as a result of the foregoing events, by giving Landlord no less than ninety (**90**) days prior written notice (given no later than one hundred twenty (**120**) days after the date of the Condemnation). The termination shall be effective upon the earlier of (a) the last day of the calendar month next following the expiration of the ninety (**90**) day notice period or (b) the date when title becomes vested in the party exercising the right of Condemnation or (c) the earlier date of termination as specified by Tenant in its notice. Rent and all other charges to be paid by Tenant shall be pro-rated and paid to the date of termination and all amounts paid in advance, if any, shall be immediately refunded by Landlord to Tenant.

Section 18.3 **Effect of Condemnation Where Tenant Does Not Have the Right to Terminate or Where Tenant Does Not Elect to Exercise Its Right to Terminate**

In the event that this Lease is not terminated as the result of a Condemnation of the Demised Premises and/or any other rentable premises in the Shopping Centre pursuant to the provisions of the foregoing Section 18.2, Landlord shall, within one hundred eighty (**180**) days after the occurrence of any Condemnation, at Landlord's expense, repair, restore and rebuild the Demised Premises (or the other premises) to a condition, as nearly as practicable, to that which existed prior to the Condemnation, so as to effect thereby an architectural and operating unit similar to that which existed before the taking. During the period of repair and restoration, if Tenant is unable to operate its business on the Demised Premises, Rent and all other charges payable hereunder shall be entirely abated. If, during the period of restoration Tenant operates its business or a portion thereof in the Demised Premises, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the unused portion of the Demised Premises bears to the former whole thereof and Rent and all other charges shall be paid on the basis of the number of square feet of floor area in the Demised Premises which Tenant uses for the operation of its business during the period of restoration. After the completion of repair and restoration, Rent and all other charges payable hereunder by Tenant shall abate in the proportion that the portion taken bears to the remaining Demised Premises and thereafter Rent and all other charges shall be paid on the basis of the number of square feet of floor area remaining in the Demised Premises.

If this Lease is not so terminated and a portion of the parking area shall have been Condemned, then Landlord, at its expense, shall restore the parking, within the boundaries of the Shopping Centre, in order to maintain the parking ratio required pursuant to Section 15.1.

Section 18.4 Condemnation Award

Both Landlord and Tenant agree to cooperate with each other in respect of any Condemnation of all or any part of the Demised Premises or any other part of the Shopping Centre so that each may receive the maximum award to which each is respectively entitled by law, provided that either party shall have the right to appeal any order or decision under which such award is issued. Without limiting the foregoing rights of Tenant, Tenant shall have the right to prove and obtain a portion of any Condemnation award that is allocable to the loss, or diminution in value, of Tenant's leasehold interest and leasehold improvements and for loss or damage to Tenant's trade fixtures and other personal property, and for damages or interruption of Tenant's business and for relocation and moving expenses.

Section 18.5 No Transfers; Notice

Landlord covenants and agrees to make no transfer, conveyance or assignment under threat of Condemnation without the prior written consent of Tenant, which consent shall not be unreasonably withheld or delayed. Landlord further covenants and agrees that, upon the filing or notice of any Condemnation proceedings, it shall promptly notify Tenant and give Tenant full opportunity to participate in any such proceedings to the extent Tenant deems such participation advisable.

ARTICLE 19
DEFAULTS

Section 19.1 Tenant Defaults

In any of the following events (which events are referred to herein as a "**default**"):

(A) Tenant shall fail to pay Rent to Landlord when due and such failure continues for fifteen **(15)** days after Tenant's receipt of notice from Landlord of such failure; or

(B) Tenant shall fail to take all reasonable steps to perform any other term, covenant, or condition on its part to be performed hereunder, other than the payment of Rent, within thirty **(30)** days after receipt of notice from Landlord so to do (or, if such default cannot be cured within said thirty **(30)** day period, then within such additional period of time as may be reasonably required to cure such default provided Tenant is diligently pursuing to completion the curing of such default);

then Landlord may by giving ten **(10)** days prior notice to Tenant at any time thereafter during the continuance of such default either (a) terminate this Lease or (b) re-enter the Demised Premises by summary proceedings, expelling Tenant and removing all property therefrom and re-let the Demised Premises at the best possible rent obtainable, making reasonable efforts therefor, and receive the rent therefrom; but Tenant shall remain liable for the equivalent of the amount of all rent reserved herein less the avails of re-letting, if any, after deducting therefrom the reasonable cost of obtaining possession of the Demised Premises and of any repairs and alterations necessary to prepare them for re-letting. Any and all monthly deficiencies so payable by Tenant shall be paid monthly on the date herein provided for the payment of rent. Notwithstanding the foregoing provisions, upon the happening of any alleged default on the part of Tenant (other than a default in the payment of Rent), if, within thirty **(30)** days after receipt of the aforementioned thirty **(30)** day notice thereof from Landlord, Tenant shall, in good faith, either (i)

commence and thereafter diligently prosecute in a court of competent jurisdiction a proceeding to determine whether or not such alleged default or defaults have occurred or (ii) institute arbitration proceedings for the determination of whether or not such alleged default or defaults shall have occurred, then Landlord may not terminate this Lease or re-enter as provided above unless the final judgment in such court proceedings or the award in such arbitration proceedings, as the case may be, shall be adverse to Tenant and Tenant, in such case, shall have a further grace period of twenty (**20**) days from the date of the final judgment in such court proceedings or of the award in such arbitration proceedings within which to cure such defaults or, if any such default or defaults cannot reasonably be cured within such twenty (**20**) days, within which to commence and thereafter diligently prosecute to completion the work of curing such default or defaults.

Provided further, if Tenant fails to make any payment to Landlord required under this Lease when due hereunder, the full amount of the said payment owing by Tenant to Landlord shall bear interest at the rate of two percent (**2%**) per annum over the then existing prime rate of interest charged from time to time by the Canadian Imperial Bank of Commerce at its main Toronto branch to its most creditworthy customers (but in no event exceeding the maximum rate per annum permitted by law) from the time payment was due hereunder until paid.

Section 19.2 **Landlord's Defaults**

A. If Landlord shall fail to perform or to make any of the obligations, agreements, payments or covenants to be performed or made by Landlord pursuant to this Lease, and said default is not cured within the "**Curing Period**" as defined and limited in Subsection B of this Section, then, in addition to the right to collect damages therefor and all other rights and remedies available to Tenant under the circumstances, Tenant shall have the following rights and remedies:

(1) the right to enjoin said violation in a court of competent jurisdiction. Said right shall also exist with respect to any threatened violation.

(2) The right, but not the obligation (said right not imposing any duties on Tenant with respect to its exercise), to perform any such obligation, agreement, payment or covenant, including any payment to a third party required hereunder, and Tenant by reason of so doing shall not be liable or responsible for any loss or damage thereby sustained by Landlord or anyone claiming under or through Landlord except for losses due to Tenant's gross negligence.

(3) The right to terminate the Lease.

If Landlord fails to make any payment to Tenant required under this Lease when due hereunder, the full amount of the said payment owing by Landlord to Tenant shall bear interest at the rate of two percent (**2%**) per annum over the then existing prime rate of interest charged from time to time by the Canadian Imperial Bank of Commerce at its main Toronto branch to its most creditworthy customers (but in no event exceeding the maximum rate per annum permitted by law) from the time of expenditure or damage until paid. If the amount so due to Tenant is not paid within thirty (**30**) days after said statement is submitted, Tenant shall have the right to deduct said amount, including interest, from Rent and all other charges thereafter payable by Tenant to Landlord.

B. The "**Curing Period**" for any default under this Lease by Landlord shall be thirty (**30**) days commencing with the receipt by Landlord of notice from Tenant of said default; provided, however, that if the default relates to a matter which, in Tenant's reasonable judgment, is of an emergency nature, the Curing Period shall be forty-eight (**48**) hours or such lesser period as is reasonable under the circumstances. If said default is of such a character as reasonably to require more than thirty (**30**) days to cure, said Curing Period shall be extended to such period as may be reasonably required for such cure if

Landlord has commenced curing said default within said thirty (**30**) day period and is diligently pursuing said cure to completion.

C. Landlord hereby grants to Tenant non-exclusive easements in, over, under and through any and all parts of the Shopping Centre (excluding the right to enter any store occupied by tenants or occupants) for all purposes reasonably necessary to enable Tenant, acting in accordance with the provisions of Subsection A of this Section 19.2, directly or through employees, agents or contractors, to perform any of the terms, provisions, agreements, obligations, covenants or conditions of this Lease which Landlord shall have failed to perform.

ARTICLE 20
[INTENTIONALLY DELETED]

ARTICLE 21
EXCUSES FOR NON-PERFORMANCE

Notwithstanding anything contained in this Lease, each party shall be excused from performing any obligation under this Lease, and any delay in the performance of any obligation under this Lease shall be excused, if and so long as the performance of the obligation is prevented, delayed or otherwise hindered by acts of God, fire, earthquake, floods, explosion, actions of the elements, war, riots, mob violence, inability to procure or a general shortage of labour, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labour unions, condemnation, court orders, laws or orders of governmental or military authorities or any other cause, whether similar or dissimilar to the foregoing, not within the control of such Party (other than lack of or inability to procure monies to fulfill its commitments and obligations under this Lease) ("**Force Majeure**"). Each party shall promptly notify the other of the occurrence of any Force Majeure that might prevent or delay the doing or performance of acts or things required to be done or performed by it upon becoming aware of such Force Majeure, and shall also advise the other of the anticipated duration and consequences of such Force Majeure..

ARTICLE 22
REMOVAL OF PERSONAL PROPERTY

At any time during the Term of this Lease Tenant may remove any or all trade fixtures, furniture, furnishings, signs, equipment, carpeting, cash registers, inventory and any and all items of personal property placed in, on or about the Demised Premises by Tenant or by Tenant's subtenants, licensees or concessionaires. Tenant agrees to repair any damage to the Demised Premises occasioned by the removal of any such item, but such obligation shall not extend to painting or redecorating the Demised Premises. Title to all of such trade fixtures, furniture, furnishings, signs, equipment, machinery, carpeting, cash registers, inventory and any and all items of personal property shall remain in Tenant and Tenant alone shall be entitled to claim depreciation therefor. Landlord hereby waives, releases and relinquishes any and all rights of distraint, levy, attachment or recourse to the trade fixtures, furnishings, signs, equipment, machinery, carpeting, cash registers, inventory and personal property in the Demised Premises. Although the foregoing waiver, release and relinquishment shall be self-operative without the necessity for any further instrument or document, Landlord hereby agrees to furnish Tenant or any vendor or other supplier under any conditional sale, chattel mortgage or other security arrangement, or any consignor and holder of reserved title or any holder of a security interest, upon request from time to time, waivers of Landlord's right to distraint, levy, attachment or recourse with respect thereto and exempting the same from distraint, levy, attachment or recourse.

ARTICLE 23
SURRENDER; HOLDING OVER

Upon the expiration or earlier termination of the term of this Lease, Tenant covenants that it shall peaceably and quietly leave and surrender the Demised Premises together with all alterations, additions and improvements then a part of such Demised Premises in good order and condition, reasonable wear and tear, physical depreciation, obsolescence, and any restoration, repairs and replacements required to be made by Landlord excepted, and loss or damage by fire, the elements and casualty excepted.

Should Tenant hold over in possession after the expiration of the term, such holding over shall not be deemed to extend the term or renew this Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at the monthly rate of rental in effect during the last month of the term, until terminated by either party by notice designating the date of termination given to the other party sixty (60) or more days before such date.

ARTICLE 24
BROKERS' FEES

Tenant and Landlord each represent and warrant to the other that it has had no dealings, negotiations, or consultations with any broker, representative, salesperson, employee, agent or other intermediary in connection with this Lease and/or any other any other transaction between Tenant and Landlord respecting the Demised Premises. Tenant shall defend, protect, indemnify and hold Landlord harmless from and against all liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees) arising out of or related to any claim (whether meritorious or not) of any broker, representative, salesperson, employee, agent, finder or other intermediary claiming to have dealt on Tenant's behalf for any and all commission and/or fees arising out of or related to the transaction described in this Lease and/or any other transaction between Landlord and Tenant respecting the Demised Premises. Landlord shall defend, protect, indemnify and hold Tenant harmless from and against all liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees) arising from any claim (whether meritorious or not) of any broker, representative, salesperson, employee, agent, finder or other intermediary, claiming to have dealt on Landlord's behalf for any and all commissions and/or fees arising out of or related to the transaction described in this Lease and/or any other transaction between Landlord and Tenant respecting the Demised Premises.

ARTICLE 25
REGISTRATION

Tenant may register a notice of this Lease on title to those lands in and upon which the Shopping Centre is located, the form and content of which will be subject to Landlord's prior approval, which approval shall not be unreasonably withheld or delayed. All costs related to such registration shall be the responsibility of Tenant. The notice of Lease so registered on title will not disclose any information concerning the rent or rental rates to be paid hereunder or any other financial provisions of this Lease. Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the notice of Lease to be discharged, vacated or otherwise removed from title to the Shopping Centre and to provide proof of such action to Landlord, within thirty (30) days following the date of such expiry or early termination.

ARTICLE 26
NOTICES

Except as expressly provided otherwise in this Lease, any notice, demand, request, consent, approval or other communication which either party hereto is required or desires to give or make or

communicate to the other hereunder shall be in writing and shall be given or made or communicated either by personal delivery, by registered or certified mail, return receipt requested, postage prepaid, or by a nationally-recognized overnight delivery service that provides a receipt to indicate delivery, and addressed in the case of Landlord to:

c/o Ivanhoe Cambridge Inc.
95 Wellington Street West, Suite 300
Toronto, Ontario
M5J 2R2
Attention: Legal Affairs Department

with a copy thereof to:

the Management Office at the Shopping Centre address
Attention: General Manager

and addressed in the case of Tenant to:

Hudson's Bay Company Real Estate Department
Third Floor
698 Lawrence Avenue
Toronto, Ontario
M6A 3A5
Attention: Senior Vice President Real Estate

with a copy thereof to:

Hudson's Bay Company
15 West 38th Street, 11th Floor
New York, New York 10018
Attention: President-Real Estate

subject to the right of either party to designate different addresses by giving notice as above provided. Any notice, demand, request, consent, approval, or other communication so sent shall be deemed to have been given, made or communicated, as the case may be, (i) on the date the same was deposited in the Canadian mail as registered or certified mail, with postage fully prepaid, regardless of the time of actual delivery, (ii) if by personal delivery, on the date thereof or (iii) one (1) business day after the same was deposited with such nationally-recognized overnight delivery service for overnight delivery. In no event shall either party be required to give notice to more than three addresses or persons, nor shall Tenant be required to cut multiple checks for the payment of Rent.

No successor to Landlord's interest in the Demised Premises shall be entitled to receive Rent nor any other amounts due hereunder until thirty (30) days after Tenant's receipt of proper notice of such change, together with a copy of the executed document or documents evidencing such change from the grantor, assignor or party entitled to receive Rent and other amounts immediately preceding such change. Until such receipt, Tenant shall continue to pay the Rent and any and all other amounts due to Landlord hereunder to the party to which, and in the manner in which, the last preceding instalment of Rent and/or any other amounts due hereunder was paid or pending receipt of such property notification and documentation, accrue and withhold payment of any and all such amounts.

ARTICLE 27
ESTOPPEL CERTIFICATES

Each of Landlord and Tenant covenant that within twenty (**20**) days after a written request of the other, it shall issue to the other party's prospective lender or prospective purchaser of its interest in the Shopping Centre (or as to Tenant, its interest in the Lease and/or the Demised Premises), specified by such requesting party, an estoppel certificate stating to the best of its knowledge: (i) whether any notice of default has been sent for a default under the Lease not yet cured; (ii) whether the Lease has been modified or amended in any way (and if it has, then listing the names and dates of the applicable modification and/or amendment documents); and (iii) that the Lease as of that date is in full force and effect. Such statements shall not subject the party furnishing it to any liability, notwithstanding the negligent or otherwise inadvertent failure of such party to disclose correct and/or relevant information. However, the party furnishing the certificate shall not be permitted to assert or enforce any claim against the person or entity to whom it is delivered (or against such person's or entity's property) which is inconsistent with the statements contained in the certificate, except to the extent that the person or entity against whom the claim would otherwise be asserted or enforced had actual knowledge of facts to the contrary. Either party hereto who is requested to give an estoppel certificate under this Article 27 (the "**Requested Party**") may require, as a condition to fulfilling its obligation to provide such estoppel certificate, that the other party hereto requesting such estoppel certificate give a similar estoppel certificate to the Requested Party.

ARTICLE 28
MISCELLANEOUS

Section 28.1 Captions

The captions of the Articles and Sections of this Lease are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 28.2 Remedies Cumulative

The various rights, options, elections, powers and remedies contained in this Lease, including the rights herein granted to terminate this Lease, shall be construed as cumulative and no one of them shall be exclusive of any of the others, or of any other legal or equitable remedy which either party might otherwise have in the event of breach or default in the terms hereof, and the exercise of one right or remedy by such party shall not impair its right to any other right or remedy until all obligations imposed upon the other party have been fully performed; provided, however, that legal or equitable remedies not specifically provided for in this Lease shall not be exercisable concurrently with, the rights, options, elections, powers and remedies contained in Sections 19.1 and 19.2 to the extent of and for the periods set forth in said Sections 19.1 and 19.2. It is intended that each of the agreements and covenants of Landlord and Tenant set forth herein be deemed both a covenant and a condition.

Section 28.3 Governing Law

This Lease shall be governed and interpreted by and in accordance with the laws of the Province of Manitoba and the laws of Canada applicable thereto.

Section 28.4 Successors and Assigns

Each and all of the provisions of this Lease shall be binding upon and enure of the benefit of the parties hereto and their respective heirs, executors, administrators, permitted successors-in-interest, permitted successors and permitted assigns, subject at all times, nevertheless, to all agreements, covenants and conditions contained elsewhere in this Lease.

Section 28.5 No Partnership

Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, and neither the method of computation or rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

Section 28.6 No Waiver

No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and then only for the time and to the extent therein stated. No delay or omission by either party hereto to exercise any right or power accruing upon any non-compliance or default by the other party with respect to any of the terms hereof, or otherwise accruing hereunder shall impair any such right or power or be construed to be a waiver thereof. One or more waivers of any breach of any covenant, term or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by a party to or of any act by the other party requiring the former party's consent or approval shall not be deemed to waive or render unnecessary such former party's consent or approval to or of any subsequent similar acts by the other party.

Section 28.7 Entire Agreement; Amendment

As of the execution hereof, this Lease contains all covenants and agreements between Landlord and Tenant exclusively relating in any manner to the rental, use and occupancy of the Demised Premises and the other matters set forth in this Lease. No prior agreement or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease cannot be altered, changed, modified or added to, except in writing signed by Landlord and Tenant.

Section 28.8 Severability

If any provision of this Lease or the application thereof to any one or to any circumstance shall to any extent be invalid or unenforceable, the validity and enforceability of this Lease or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and all remaining terms, conditions and provisions of this Lease (except those which are conditioned upon or made subject to such invalid or unenforceable provision) shall be valid and shall be enforceable to the extent permitted by law, unless enforcement or performance of this Lease, without the invalid and/or unenforceable term, conditions or provisions, would be unreasonable or inequitable to Landlord or Tenant under all the circumstances or would frustrate the purposes of this Lease. An invalid or unenforceable provision shall be deemed modified so as to constitute a provision conforming as nearly as possible to said invalid or unenforceable provision while still maintaining valid and enforceable the remaining terms, conditions and provisions of this Lease and the intent of the parties.

Section 28.9 Assumption Agreement

Landlord agrees to deliver to Tenant an agreement signed by any party or parties who may purchase or succeed to all or any part of Landlord's interest in the Demised Premises and/or the remainder of the Shopping Centre, which agreement shall formally recognize the obligations of such party or parties as purchasers from and successors to Landlord and the assumption by such party or parties as purchasers of and successors to all of Landlord's obligations, responsibilities and duties hereunder. Such agreement shall be in a form reasonably satisfactory to the counsel of Tenant and shall be delivered to Tenant before any such sale or transfer by Landlord can become final. No assignment or other transfer by Landlord shall relieve Landlord of its obligations, covenants, representations or warranties under this Lease.

Section 28.10 Construction

Landlord and Tenant have participated equally in the preparation of this Lease. This Lease was subject to revision and modification by both parties and has been accepted and approved as its final form by counsel for both parties. Accordingly, any uncertainty or ambiguity existing in this Lease shall not be interpreted against any one party hereto as a result of the manner of the preparation of this Lease.

Section 28.11 References to Landlord and Tenant

Wherever in this Lease reference is made to Landlord or Tenant, it shall be held to include and apply to one or more persons or entities which may be such Landlord or Tenant and use of singular or plural verbs and pronouns shall be appropriately adapted.

Section 28.12 Time of the Essence

Time is of the essence with respect to all matters provided in this Lease.

Section 28.13 Locative Adverbs

The locative adverbs "**herein**", "**hereunder**", "**hereto**", "**hereby**", "**hereinafter**", and like words wherever the same appear herein, mean and refer to this Lease in its entirety and not to any specific Article, Section or Subsection hereof.

Section 28.14 Exhibits

All exhibits referred to in this Lease and attached hereto are and shall be incorporated in this Lease and made a part hereof.

Section 28.15 Counterparts

This Lease may be signed in counterparts, each of which, when delivered by both parties, shall be deemed to be an original, and all of which shall be taken to be one and the same instrument, with the same effect as if both parties hereto had signed the same signature page. Any signature page of this Lease may be detached from any counterpart of this Lease without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Lease identical in form hereto but having attached to it one or more additional signature pages. Any counterpart to which is attached the signatures of both parties shall constitute an original of this Lease.

Section 28.16 Image Transmission

The transmission of an image of any signed original document will have the same binding effect as an original bearing an original signature. No party may raise the use of a facsimile machine or other

image transmission device or method or the fact that any signature was transmitted as an image as a defense to the enforcement of such document. At the request of either party, the parties will confirm signatures by signing and delivering an original document.

Section 28.17 Calculation of Ends of Periods

Whenever in this Lease it is provided that an action may or must be taken or that an event is to occur within a specified number of days, if the last day of the specified number of days falls on a Saturday or Sunday or a public holiday, such last day shall, instead of such Saturday, Sunday or public holiday, be deemed to be the following business day after such Saturday, Sunday or public holiday.

Section 28.18 The Term "And/Or"

The term "**and/or**" as used in this Lease means one or the other or both, or any one or ones of all, of the items, entities or persons in connection with which the words are used.

Section 28.19 References to Articles and Sections

All references herein to a given Article or Section refer to the Article or Section of this Lease, unless otherwise stated.

Section 28.20 [Intentionally Deleted]

Section 28.21 Leasehold Policy

Landlord shall pay all premiums and other charges of a title company (selected by Tenant) (the "**Title Company**") to issue to Tenant an ALTA, Form B, extended coverage leasehold policy of title insurance in the amount of One Million Dollars ($1,000,000.00), insuring the leasehold in the Demised Premises and insuring Tenant's easement rights, including without limitation for parking, vehicular and pedestrian ingress and egress and use of the Common Area for their intended purposes, as set forth in this Lease, all to be good in Tenant on the date hereof without any exceptions except the Permitted Exceptions (the "**Leasehold Policy**"). The Leasehold Policy shall be in such form and contain such endorsements as may be deemed necessary by Tenant in its sole and absolute discretion. Landlord shall satisfy such reasonable requirements of the Title Company for issuance of the Leasehold Policy as are set forth in the commitment therefore and provide to Title Company any items reasonably requested to facilitate removal of certain exceptions, including, without limitation, affidavits and surveys. If the Title Company charges any fees for the commitment, the search of the records and/or for obtaining copies of all of the exceptions to title, then Landlord shall also pay such charges to the Title Company upon demand therefor.

Section 28.22 [Intentionally Deleted]

Section 28.23 Roof Equipment

Tenant shall have the right, without charge but subject to Landlord's prior approval (not to be unreasonably withheld, conditioned or delayed), to install, maintain, repair, operate, use, replace and remove, at Tenant's expense, a wireless communications antenna, and/or other telecom equipment including, without limitation, satellite dishes, satellite poles or other communications facilities (collectively, the "**Roof Equipment**") on the roof of the Demised Premises, including the right to connect the Roof Equipment to the interior of the Demised Premises. Tenant shall have access to the roof upon reasonable notice to Landlord for the purpose of installing, operating, servicing, maintaining, repairing, replacing or removing the Roof Equipment, but subject to Landlord's reasonable policies regarding insurance coverage for contractors. Upon the expiration or earlier termination of this Lease, Tenant shall

remove the Roof Equipment from the roof and repair any damage to the roof caused by the Roof Equipment. Tenant shall indemnify and hold Landlord harmless from and against any damage arising out of the erection, maintenance, existence and/or removal of the Roof Equipment. Tenant shall similarly have access to the roof upon reasonable notice to Landlord for the purpose of inspecting, maintaining, repairing and replacing the HVAC units and related equipment located thereon.

Section 28.24 [Intentionally]

Section 28.25 Confidentiality

The parties agree that the terms and conditions of this Lease shall remain confidential and that neither party may disclose any of the terms of this Lease to any person that is not a party to this Lease without the prior written consent of the other party, except that each party shall be permitted to disclose this Lease and/or the provisions hereof (a) to its attorneys, consultants, accountants, directors or employees; (b) any lender, purchaser, or prospective partner of Landlord or Tenant; (c) any prospective assignee of this Lease; (d) any prospective subtenant all or any portion of the Demised Premises; (e) as may be reasonably necessary to enforce the provisions of this Lease; and (f) as may otherwise be required by law or court order.

Landlord shall not issue any press statements regarding Tenant's entering into this Lease or any other agreement to lease space in the Shopping Centre without having obtained Tenant's prior written approval thereof.

Section 28.26 [Intentionally]

Section 28.27 GST

Notwithstanding any other provision of this Lease, Tenant shall pay to the appropriate party designated by law all harmonized sales taxes, goods and service taxes, sales taxes, value-added taxes or multi-stage taxes, howsoever characterized at law, and imposed on Tenant in respect of any rent or other charges payable to Landlord hereunder in the manner and at the times permitted or specified by the appropriate taxing legislation (hereinafter collectively and individually called the "**GST**"). In the event that Tenant is required by law to pay the GST to Landlord (acting as agent for the taxing authority) the GST shall not be considered as rent, despite any other provision of this Lease, but Landlord shall have the same remedies for and rights of recovery with respect to the amount of GST as it has for non-payment of rent under the Lease or at law.

ARTICLE 29
LANDLORD'S WORK

Section 29.1 Landlord's Work; Drawings and Specifications

Landlord shall construct the Demised Premises in a good quality to the level of completion and in accordance with the specifications attached hereto as Exhibit F on or prior to the date Landlord is, pursuant to Section 2.1, required to deliver to Tenant actual and exclusive possession of the Demised Premises.

The work described in the first sentence of this Section 29.1 is referred to herein as "**Landlord's Work.**" All of Landlord's Work shall be performed in accordance with drawings and specifications prepared by Landlord and approved by Tenant. Tenant shall review and either approve or disapprove in Tenant's reasonable judgment all drawings and specifications which are prepared by Landlord within twenty (**20**) days of Tenant's receipt of such drawings and specifications. If the drawings and specifications prepared by Landlord are approved by Tenant, Tenant shall initial one set and return them

to Landlord; if disapproved by Tenant, Tenant shall give to Landlord a written explanation of the reasons for the disapproval and Landlord shall, within ten (**10**) days, submit revised working drawings and specifications for Tenant's review and approval or disapproval. Tenant shall further review and Landlord shall further revise all such working drawings and specifications as provided in this Article 29 until approved.

Section 29.2 Completion of Landlord's Work

On or before the date Landlord is, pursuant to Section 2.1, required to deliver to Tenant actual and exclusive possession of Demised Premises, Landlord shall complete Landlord's Work to Tenant's satisfaction in accordance with Exhibit F and the drawings and specifications approved by Tenant. Landlord shall, at its sole expense, obtain and furnish all labour, materials, licenses, permits, plans, drawings, specifications, studies, tests, surveys, and any and all other things required to be furnished by Landlord or necessary to the completion of Landlord's Work. All of Landlord's Work shall be performed in accordance with all applicable governmental and insurance requirements. Landlord shall consult with Tenant from time to time concerning the scheduling and progress of Landlord's Work so as to keep Tenant informed of the progress and the estimated completion date for each portion of Landlord's Work. Tenant or its representative shall have the right at all reasonable times with prior written notice to enter upon the Demised Premises for the purpose of inspecting Landlord's Work to verify that it conforms with Exhibit F and the drawings and specifications approved by Tenant.

Section 29.3 Landlord's Warranties

Landlord warrants that all of the Landlord's Work shall be completed in a good and workmanlike manner, using first quality workmanship and materials, all of which are hereby guaranteed against all defects for a period of two (**2**) years from and after the completion date and such further period as materials and equipment shall be subject to manufacturer's warranty. All manufacturers' warranties applicable to any portion of the Demised Premises which Tenant is required to maintain shall be assigned to Tenant. Landlord has secured from the governmental agencies having jurisdiction thereof, in final form, all approvals required in respect of the Demised Premises and/or the Shopping Centre as to all work and improvements which Landlord and Tenant are obligated or permitted to complete or cause to be completed pursuant to this Lease so as to permit both Landlord and Tenant to submit its plans for construction and obtain building and other permits in respect thereof and to open and use the Demised Premises for retail sales and, if there are any conditions on Landlord with respect to such approvals which require performance after securing such approvals, then Landlord shall promptly fulfill such conditions.

Section 29.4 Common Area Improvements

Landlord shall, at its sole cost and expense, provide all on and off-site common area improvements required for the entire Shopping Centre, including those common area improvements and parking fields serving the Demised Premises. Landlord's work shall include, without limitation, all excavation, fill, compaction, utility relocation, and other preparation for the Shopping Centre site, including all road improvements adjacent to the Shopping Centre and leading thereto and required traffic signalization, all parking lot improvements, parking decks, sidewalks, walkways, curbs, gutters, streets, roadways, berms, retaining walls, landscaped areas, storm water disposal systems, sanitary sewer systems and all utilities (permanent and temporary) including the utilities serving the Demised Premises stubbed to a mutually acceptable location within the Demised Premises, street lighting, parking deck lighting, construction roads and staging areas and all other on and off-site common improvements reasonably necessary for the construction, operation and use of the Shopping Centre, and all tests, studies and certificates required in connection with any such work.

Landlord's work and improvements shall comply with all applicable codes, laws, ordinances, permits and regulations of all public authorities having jurisdiction and Landlord shall be responsible for procuring at Landlord's expense (except as specifically provided in the next sentence), all governmental, quasi-governmental and private permits, approvals, entitlements, variances, etc. necessary or appropriate so as to permit construction and subsequent operation of the Demised Premises and the remainder of the Shopping Centre. Tenant shall not be obligated to pay or incur any cost or expense in connection with said procurement and compliance, including, without limitation, costs or expenses associated with environmental controls or permits, development fees, utility connection charges, tap-in fees and hook-up fees for the utilities serving the Demised Premises, except that Tenant shall bear building permit costs imposed in connection with Tenant's improvements to the extent that such costs do not constitute or are not otherwise a substitute for development fees and the like.

ARTICLE 30
TENANT'S WORK AND TENANT IMPROVEMENT ALLOWANCE

Section 30.1 Tenant's Work

Landlord acknowledges that Tenant, at its own cost and expense, may design, construct and install within the Demised Premises such improvements, equipment, fixtures, point of sale system, furniture, signs and other personal property as Tenant may determine (hereinafter called "**Tenant's Work**"), subject to the terms of this Lease.

Section 30.2 Easements for Construction and Repairs

Landlord hereby grants to Tenant, for use by Tenant and its servants, agents, employees and independent contractors working on or in connection with the construction, renovation and/or modification of the Demised Premises, and/or the installation, maintenance, repair and/or replacement of trade fixtures or building equipment (including, without limitation, the HVAC equipment), all necessary or appropriate rights of reasonable access, ingress and egress to and from the front, back, sides and roof of the Demised Premises during the course of Tenant's Work and any subsequent construction, renovation and/or modifications of the Demised Premises and/or trade fixtures or building equipment (including without limitation, the HVAC equipment). Landlord shall cooperate reasonably with Tenant in all ways so that Tenant's Work may proceed as expeditiously as reasonably possible.

Section 30.3 Tenant Improvement Allowance

Landlord agrees to pay to Tenant as an inducement to enter into this Lease a tenant inducement and improvement allowance in the amount of (a) **$80,000.00**, plus (b) Eighty-Five Dollars (**$85.00**) per square foot of rentable area of the Demised Premises, plus applicable GST (collectively, the "**Tenant Improvement Allowance**"), subject to any holdback requirements applicable to such payment under the then current legislation in the Province of Manitoba. Such Tenant Improvement Allowance shall be paid by Landlord to Tenant in instalments as follows: (i) fifty percent (**50%**) shall be paid by Landlord to Tenant no later than the date Landlord delivers possession of the Demised Premises to Tenant, (ii) forty percent (**40%**) shall be paid by Landlord to Tenant upon the earlier to occur of the Rent Commencement Date and the date Tenant opens for business, and (iii) the balance shall be paid by Landlord to Tenant upon Tenant providing Landlord with a statutory declaration signed by an officer of Tenant confirming that the Tenant's Work has been substantially completed and a subsearch of title to the Shopping Centre lands confirming that no construction liens have been filed on title in connection with the Tenant's Work. Should Landlord fail to pay any amount of the Tenant Improvement Allowance and/or the GST applicable thereto when due to Tenant hereunder for any reason, then, in addition to whatever remedies are otherwise available to Tenant under this Lease or at law:

(a) interest shall accrue thereon (including interest on any unpaid GST to the extent and from the date that Tenant is required to pay GST to the applicable governmental authority) in favour of Tenant commencing as of the date on which payment was due to the date on which payment is made to Tenant at a rate of one and one-half percent (**1.5%**) per month, which interest shall be calculated and compounded at the end of each calendar month and shall be charged in lieu of the interest that would otherwise accrue on such unpaid sum(s) under the provisions of Section 19.2 of this Lease; and

(b) if any such payment falls due to Tenant prior to the then scheduled Rent Commencement Date, then, notwithstanding anything to the contrary herein contained or suggested, the date upon which the Rent Commencement Date is scheduled to occur shall be postponed on a day-for-day basis for the same number of days as occur between the date on which such payment was due to Tenant to the date on which such payment is made in full to Tenant.

Section 30.4 **Use of Tenant Improvement Allowance**

Landlord and Tenant acknowledge that the Tenant Improvement Allowance is provided to Tenant for the purpose of constructing or improving all alterations, additions, permanently-installed fixtures, HVAC equipment and other permanently-installed items in or about the Demised Premises (collectively, "**Improvements**"), and for the purpose of purchasing and installing Tenant's trade fixtures, furniture, point of sale system and other personal property to be used in connection with Tenant's trade or business at the Demised Premises.

ARTICLE 31
[Intentionally Deleted]

ARTICLE 32
LIENS

Each of Landlord and Tenant shall so conduct any construction or other work done by it so as to minimize the possibility of any claim for lien being registered against any part of the Shopping Centre lands and if any such claim for lien shall be registered shall forthwith take all reasonable steps to have the same vacated by the court having jurisdiction or discharged, but nevertheless may defer payment of any contested claim for lien if and so long as the same is being diligently contested, and provided that non-payment thereof does not render any part of the Shopping Centre lands liable to forfeiture or sale. In the conduct of any construction or other work each of Landlord and Tenant shall comply with all the provisions of applicable statutes available to it for the protection of the Shopping Centre lands from claims for lien. In the event that either Landlord or Tenant shall make default in the payment of moneys justly due in connection with any such construction or other work and a claim for lien shall be filed or registered and not promptly secured, vacated or discharged, the other party may, on not less than thirty (**30**) days prior notice to the defaulting party, obtain a court order vacating the registration of the claim for lien and in conjunction therewith may make payment into court or post security to the extent required to obtain such order, and all expenses incurred by it shall be promptly repaid to it by the party in default.

[Signatures on following page]

1000

IN WITNESS WHEREOF, the parties have executed this Lease as of November 11, 2015.

THE OUTLET COLLECTION AT WINNIPEG LIMITED and SEASONS RETAIL CORP. by its duly authorized agent, IVANHOE CAMBRIDGE INC.

By: _____
Name: Sunita V. Mahant
Title: Director, Legal Affairs

By: _____
Name: Sean T. Walters
Title: Senior Vice President, National & Mills Leasing

(We have the authority to bind the Landlord)

HUDSON'S BAY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

(We have the authority to bind the Corporation)

IN WITNESS WHEREOF, the parties have executed this Lease as of November 11, 2015.

THE OUTLET COLLECTION AT WINNIPEG LIMITED and SEASONS RETAIL CORP. by its duly authorized agent, IVANHOE CAMBRIDGE INC.

By:_____
Name:_____
Title:_____

By:_____
Name:_____
Title:_____
(*We have the authority to bind the Landlord*)

HUDSON'S BAY COMPANY

By: Patricia Heaney
Name: PATRICIA HEANEY
Title: VP & ASST TREASURER

By:
Name: TODD ZATOR
Title: CAO HBC FINANCE
(*We have the authority to bind the Corporation*)

Exhibit A – Legal Description of Shopping Centre lands

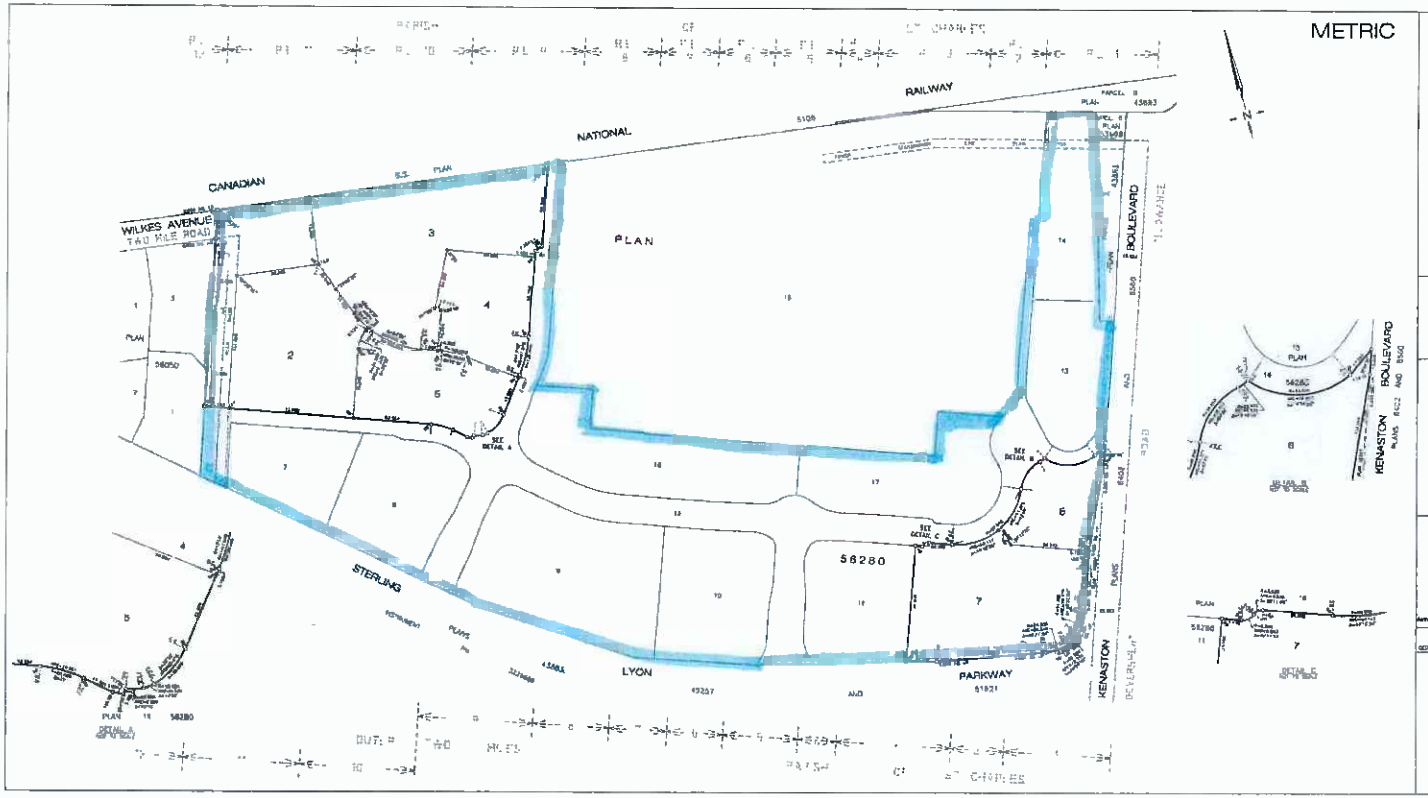
The Land is comprised of and legally described as:

Lot 15 Plan 56280 WLTO
in OTM Lots 1 to 11 Parish of St. Charles
and Two Mile Road (now closed)

Exhibit A-1 - Legal Description of ROA Lands

Lots 1 to 14 and Lots 16 to 18 Plan 56280 WLTO
in OTM Lots 1 to 11 Parish of St. Charles
and Two Mile Road (now closed)

Exhibit A-2 – Plan Showing ROA Lands



DEPOSIT No. 080H-2015
"ORIGINAL"

PLAN OF SUBDIVISION
OF PART OF
O.T.M. LOTS 1 TO 3, BOTH INCLUSIVE, O.T.M. LOTS 9 TO 11, BOTH INCLUSIVE AND TWO MILE ROAD (NOW CLOSED)
PARISH OF ST. CHARLES
BEING
LOTS 1 TO 5, BOTH INCLUSIVE, AND LOT 12, PLAN 56280

CITY OF WINNIPEG
MANITOBA
SCALE 1 · 1500

NOTES

AFFIDAVIT

APPROVALS

DASSF 542/2015

Exhibit B - Site Plan of Shopping Centre

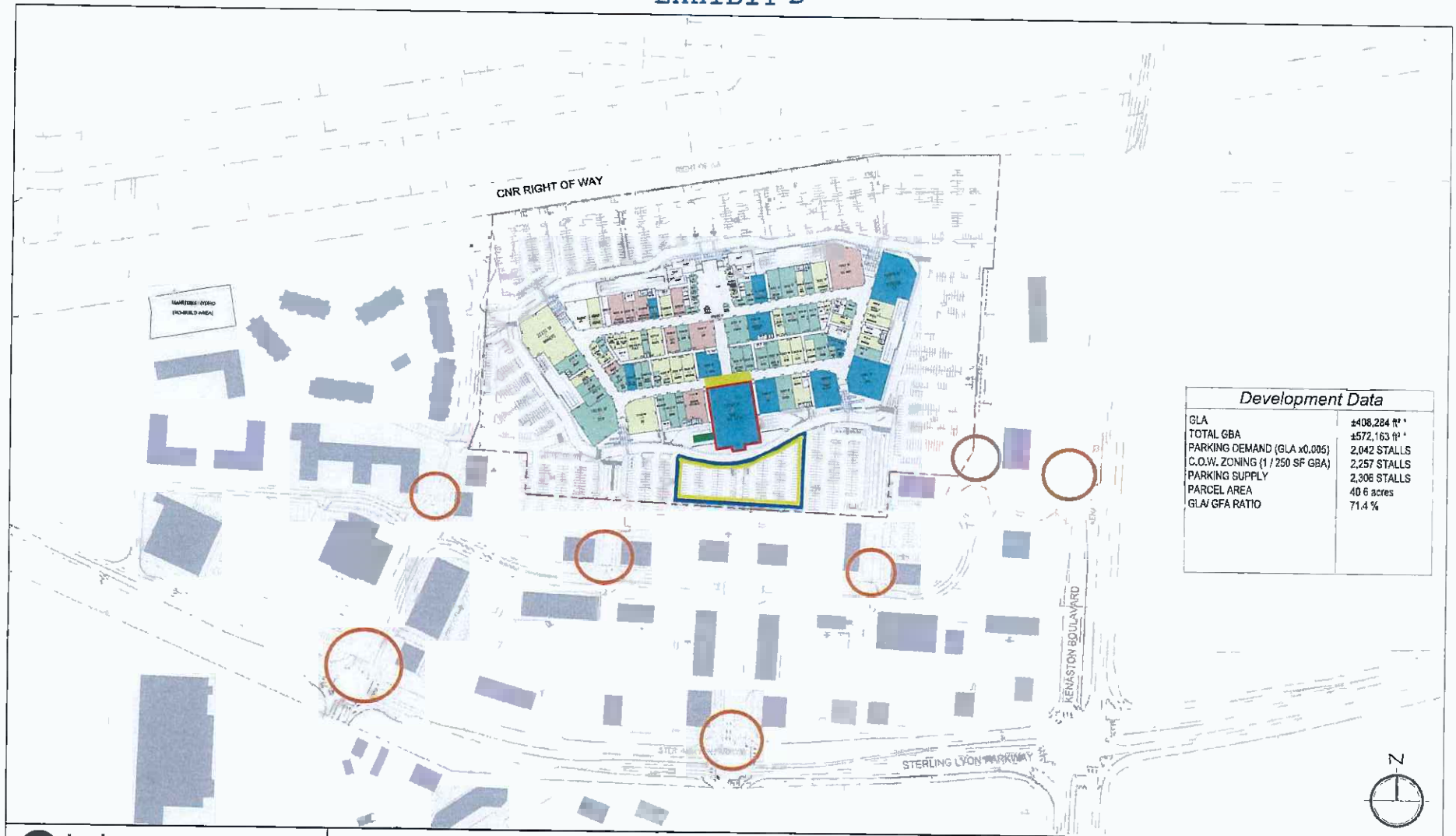
'BLUE' OUTLINE -NO-BUILD AREA (SECTION 14.1)

'YELLOW' OUTLINE -NO MERCHANDISING AREA (SECTION 14.6)

'ORANGE' OUTLINES -LOCATION OF ACCESS CONTROL AREAS (SEC. 14.7)

LEASED PREMISES (Unit D) -OUTLINED IN RED (MAIN PREMISES) AND GREEN (LOADING DOCK, UNLOADING AND COMPACTOR AREAS)

EXHIBIT B



Development Data	
GLA	±408,284 ft² *
TOTAL GBA	±572,163 ft² *
PARKING DEMAND (GLA x0.005)	2,042 STALLS
C.O.W. ZONING (1 / 250 SF GBA)	2,257 STALLS
PARKING SUPPLY	2,306 STALLS
PARCEL AREA	40 6 acres
GLA/ GFA RATIO	71.4 %

Ivanhoe Cambridge
Caisse de dépôt et placement du Québec
95 Wellington Street West, Suite 300
Toronto, Ontario M5J 2R2
Phone: 416 - 359 - 1200
www.ivanhoecambridge.com

UNDER DISCUSSION
PROPOSAL OUT
UNDER NEGOTIATION
PROPOSAL SIGNED
EXECUTED LEASE

NOTE: ALL DIMENSIONS/AREAS ARE APPROXIMATE AND SHOULD BE SITE VERIFIED.

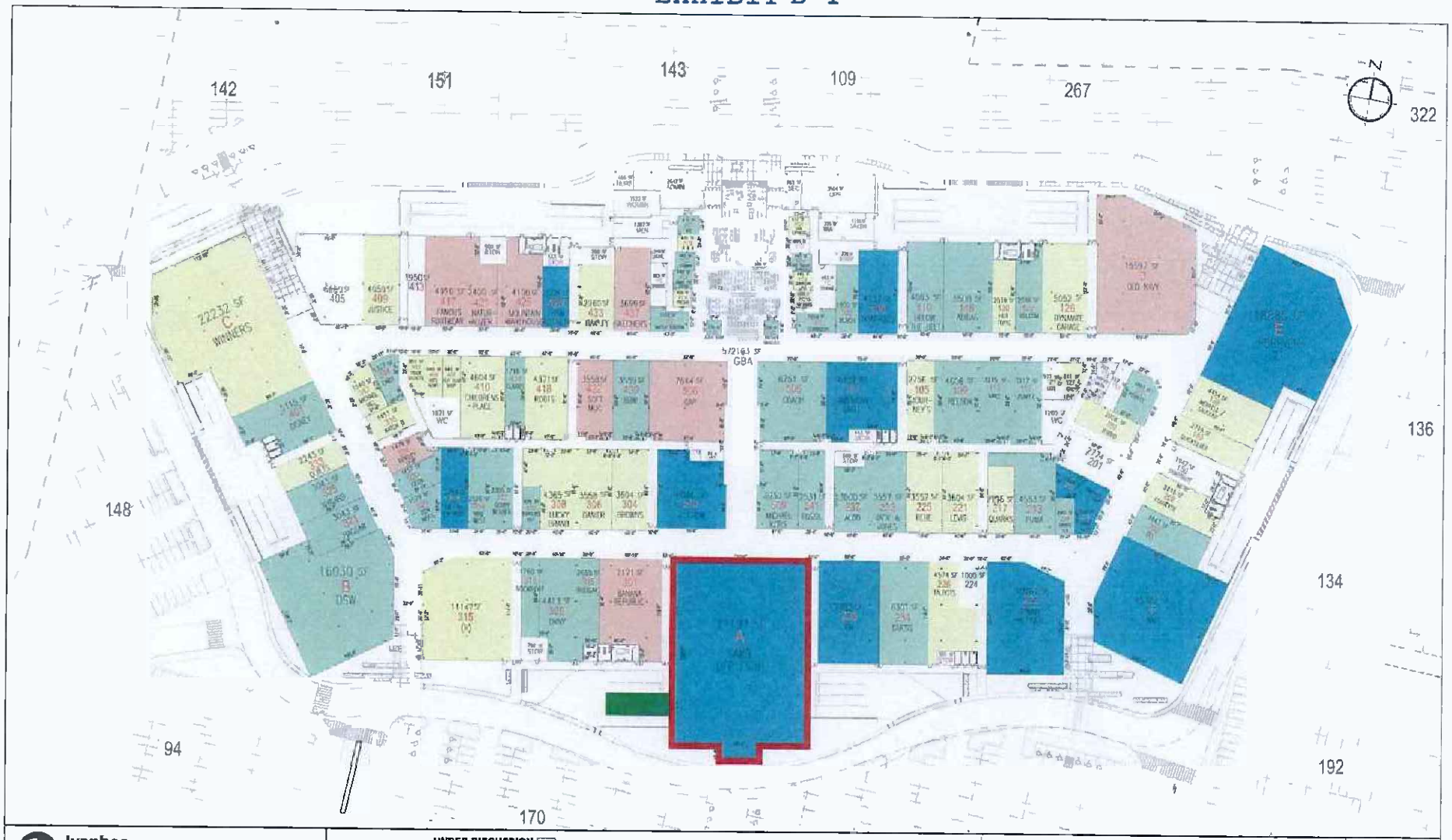
NOTE: NEW WASHROOMS, REAR EXITS, ELECTRICAL /MECHANICAL SERVICE SIZE/LOCATIONS TO BE CONFIRMED.

Project	Drawing No
OUTLET COLLECTION AT WINNIPEG CONCEPT PLAN (SITE PLAN)	PWP-02

Drawn by	Reviewed by	Scale	Date	Revisions
CS	RC	1" = 300'	4 Jan 2016	18

Exhibit B1 - - Leasing Plan for Shopping Centre

EXHIBIT B-1



Ivanhoe Cambridge
Caisse de dépôt et placement du Québec
95 Wellington Street West, Suite 300
Toronto, Ontario M5J 2R2
Phone: 416 - 369 - 1200
www.ivanhoecambridge.com

UNDER DISCUSSION
PROPOSAL OUT
UNDER NEGOTIATION
PROPOSAL SIGNED
EXECUTED LEASE
AREA UNDER DEVELOPMENT

NOTE: ALL DIMENSIONS/AREAS ARE APPROXIMATE AND SHOULD BE SITE VERIFIED.

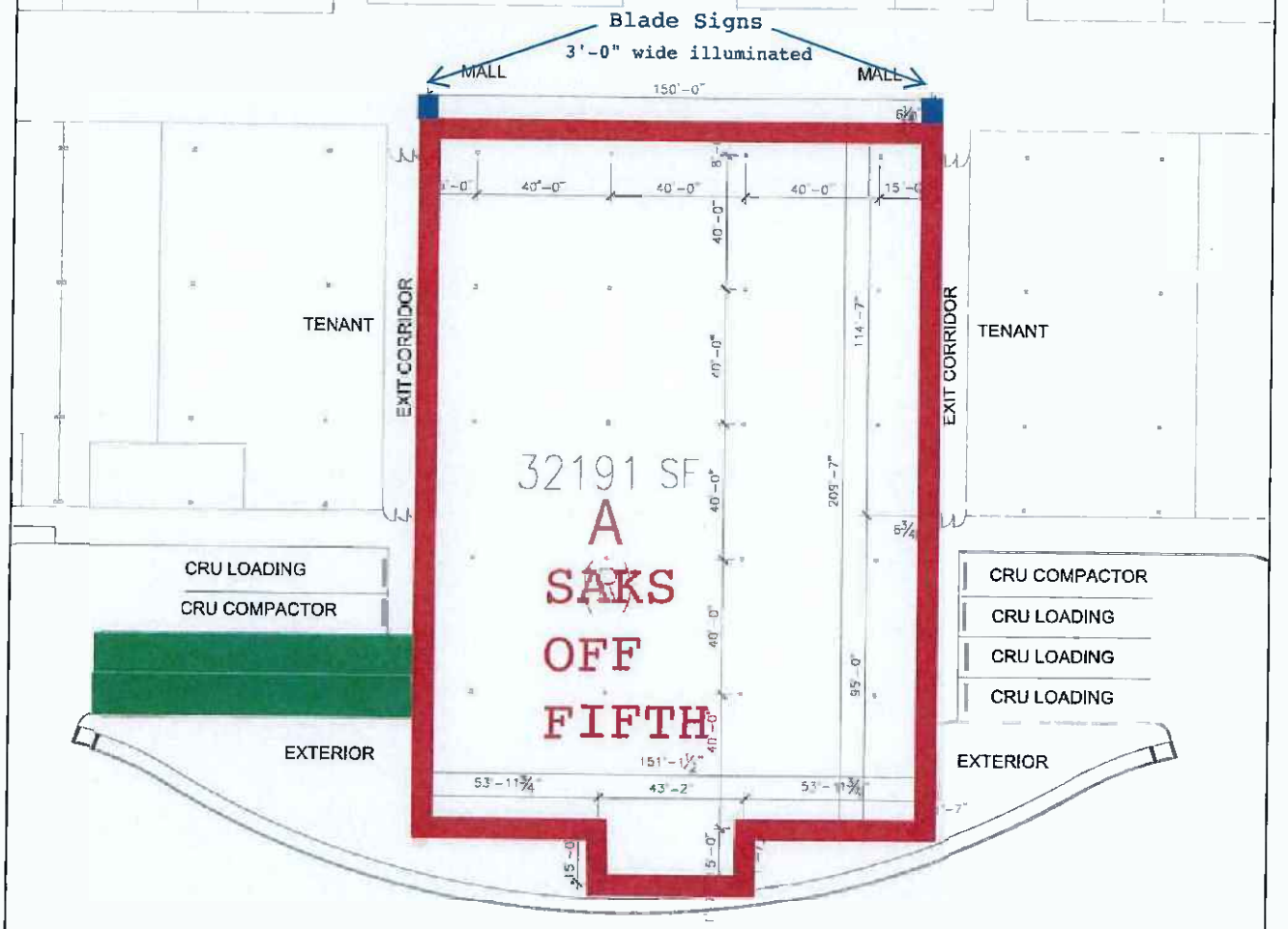
NOTE: NEW WASHROOMS, REAR EXITS, ELECTRICAL/MECHANICAL SERVICE SIZE/LOCATIONS TO BE CONFIRMED.

Project				Drawing No
OUTLET COLLECTION AT WINNIPEG CONCEPT PLAN				PLP-02
Drawn by	Reviewed by	Scale	Date	Revision
KM	SN	1" = 100'	4 Jne 2015	10

Exhibit B2 – Floor Plan of Demised Premises

1011

EXHIBIT B-2



NOTE:
- FOR DISCUSSION PURPOSES ONLY
- ALL DIMENSIONS/AREAS ARE APPROXIMATE AND SHOULD BE SITE VERIFIED
- NEW WASHROOMS, REAR EXITS, ELECTRICAL/MECHANICAL SERVICE SIZE/LOCATIONS TO BE CONFIRMED.

Key Plan



N

Ivanhoe Cambridge
Caisse de dépôt et placement du Québec

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Project	Drawing No
OUTLET COLLECTION AT WINNIPEG PROPOSED ANCHOR UNIT A	SKI

Drawn by:	Reviewed by	Scale:	Date:	Revisions:
KM	SN	1"=50'	23 January 2015	1

Exhibit C - Title Exceptions

See attached parcel register.

STATUS OF TITLE

Title Number **2751145/1**
Title Status **Accepted**
Client File 104960-0003

The Property Registry
A Service Provider for the Province of Manitoba

1. REGISTERED OWNERS, TENANCY AND LAND DESCRIPTION

THE OUTLET COLLECTION AT WINNIPEG LIMITED

IS REGISTERED OWNER OF AN UNDIVIDED 1/2 INTEREST, SUBJECT TO SUCH ENTRIES RECORDED HEREON, IN THE FOLLOWING DESCRIBED LAND:

LOT 15 PLAN 56280 WLTO
IN OTM LOTS 1 TO 11 PARISH OF ST CHARLES AND
IN TWO MILE ROAD (CLOSED).

The land in this title is, unless the contrary is expressly declared, deemed to be subject to the reservations and restrictions set out in section 58 of *The Real Property Act*.

2. ACTIVE INSTRUMENTS

Instrument Type:	**Easement Declaration**
Registration Number:	**3850724/1**
Instrument Status:	**Accepted**
Registration Date:	2009-10-30
From/By:	TUXEDO YARDS DEVELOPMENT CORP.
To:	
Amount:	
Notes:	No notes
Description:	No description

Instrument Type:	**Caveat**
Registration Number:	**3850726/1**
Instrument Status:	**Accepted**
Registration Date:	2009-10-30
From/By:	THE CITY OF WINNIPEG
To:	JAMES CARTER AS AGENT
Amount:	
Notes:	No notes
Description:	DEVELOPMENT AGREEMENT

Instrument Type:	**Caveat**
Registration Number:	**3850734/1**
Instrument Status:	**Accepted**
Registration Date:	2009-10-30
From/By:	IKEA PROPERTIES LIMITED
To:	HERBERT JAMES PETERS AS AGENT
Amount:	
Notes:	SERVIENT
Description:	EASEMENT

Instrument Type:	**Caveat**
Registration Number:	**3938247/1**
Instrument Status:	**Accepted**
Registration Date:	2010-06-09
From/By:	IKEA PROPERTIES LIMITED
To:	HERBERT J. PETERS AS AGENT
Amount:	
Notes:	SERVIENT
Description:	RECIPROCAL AGREEMENT

Instrument Type:	**Caveat**
Registration Number:	**3938248/1**
Instrument Status:	**Accepted**
Registration Date:	2010-06-09
From/By:	TUXEDO YARDS DEVELOPMENT CORP., ETAL
To:	MORTON LESLIE ROSENBERG & HERBERT J. PETERS AS AGENTS
Amount:	
Notes:	DOMINANT
Description:	RECIPROCAL AGREEMENT

Instrument Type:	**Caveat**
Registration Number:	**4228671/1**
Instrument Status:	**Accepted**
Registration Date:	2012-06-18
From/By:	TUXEDO YARDS DEV. CORP., SEASONS (WPG) JV CORP, ETAL
To:	AGENTS JOHANNA CAITHNESS, HERBERT PETERS, JEFFREY SELBY
Amount:	
Notes:	DOMINANT
Description:	RESTRICTIVE COVENANT

Instrument Type:	**Caveat**
Registration Number:	**4228672/1**
Instrument Status:	**Accepted**
Registration Date:	2012-06-18
From/By:	IKEA PROPERTIES LIMITED
To:	HERBERT J. PETERS AS AGENT
Amount:	
Notes:	SERVIENT
Description:	RESTRICTIVE COVENANT

Instrument Type:	**Caveat**
Registration Number:	**4228676/1**
Instrument Status:	**Accepted**
Registration Date:	2012-06-18
From/By:	CABELA'S RETAIL CANADA INC.
To:	JEFFREY SELBY AS AGENT
Amount:	
Notes:	SERVIENT
Description:	RESTRICTIVE COVENANTS

INSTRUMENTS THAT AFFECT THIS INSTRUMENT

Registration Number	Instrument Type	Status
4445845/1	Change Of Address	Accepted

Instrument Type:	Caveat
Registration Number:	4307099/1
Instrument Status:	Accepted
Registration Date:	2012-12-12
From/By:	THE CITY OF WINNIPEG
To:	JAMES CARTER AS AGENT
Amount:	
Notes:	No notes
Description:	STATUTORY EASEMENT

Instrument Type:	Caveat
Registration Number:	4445411/1
Instrument Status:	Accepted
Registration Date:	2014-01-07
From/By:	IKEA PROPERTIES LIMITED
To:	HERBERT J. PETERS AS AGENT
Amount:	
Notes:	SERVIENT
Description:	RESTRICTIVE COVENANT

Instrument Type:	Caveat
Registration Number:	4445412/1
Instrument Status:	Accepted
Registration Date:	2014-01-07
From/By:	TUXEDO YARDS DEVELOPMENT CORP., ET AL
To:	MORTON ROSENBERG, HERBERT J. PETERS, ET AL, AS AGENTS
Amount:	
Notes:	DOMINANT
Description:	RETRICTIVE COVENANT

Instrument Type:	**Change Of Address**
Registration Number:	**4445845/1**
Instrument Status:	**Accepted**
Registration Date:	2014-01-08
From/By:	CABELA'S RETAIL CANADA INC.
To:	BY AGENT: JEFFREY H. SELBY
Amount:	
Notes:	No notes
Description:	CHANGE OF ADDRESS FOR SERVICE

Instrument Type:	**Caveat**
Registration Number:	**4447199/1**
Instrument Status:	**Accepted**
Registration Date:	2014-01-14
From/By:	TUXEDO YARDS DEVELOPMENT CORP., ETAL
To:	SEE DOCUMENT FOR NAMES OF SIGNING AGENTS
Amount:	
Notes:	No notes
Description:	RESTRICTIVE COVENANT

Instrument Type:	**Caveat**
Registration Number:	**4447200/1**
Instrument Status:	**Accepted**
Registration Date:	2014-01-14
From/By:	IKEA PROPERTIES LIMITED
To:	BY AGENT: HERBERT J. PETERS
Amount:	
Notes:	No notes
Description:	RESTRICTIVE COVENANT

Instrument Type:	**Caveat**
Registration Number:	**4447201/1**
Instrument Status:	**Accepted**
Registration Date:	2014-01-14
From/By:	IKEA PROPERTIES LIMITED
To:	BY AGENT: HERBERT J. PETERS
Amount:	
Notes:	No notes
Description:	EASEMENT

Instrument Type:	**Caveat**
Registration Number:	**4447202/1**
Instrument Status:	**Accepted**
Registration Date:	2014-01-14
From/By:	TUXEDO YARDS DEVELOPMENT CORP., ETAL
To:	SEE DOCUMENT FOR NAMES OF SIGNING AGENTS
Amount:	
Notes:	No notes
Description:	EASEMENT

Instrument Type:	**Caveat**
Registration Number:	**4448583/1**
Instrument Status:	**Accepted**
Registration Date:	2014-01-17
From/By:	TUXEDO YARDS DEV. CORP.& MONTEZ CORE INCOME FUND GP INC
To:	
Amount:	
Notes:	SERVIENT
Description:	RESTRICTIVE COVENANT

Instrument Type:	**Easement**
Registration Number:	**4514812/1**
Instrument Status:	**Accepted**
Registration Date:	2014-08-08
From/By:	MANITOBA HYDRO, MTS INC. AND SHAW CABLESYSTEMS LIMITED
To:	
Amount:	
Notes:	No notes
Description:	STATUTORY EASEMENT

Instrument Type:	**Easement**
Registration Number:	**4514813/1**
Instrument Status:	**Accepted**
Registration Date:	2014-08-08
From/By:	CENTRA GAS MANITOBA INC.
To:	
Amount:	
Notes:	No notes
Description:	STATUTORY EASEMENT

Instrument Type:	**Caveat**
Registration Number:	**4543443/1**
Instrument Status:	**Accepted**
Registration Date:	2014-10-23
From/By:	OUTLETS OF SEASONS INC.
To:	BY AGENT: RICHARD H.G. ADAMS
Amount:	
Notes:	SERVIENT
Description:	EASEMENT

Instrument Type:	Caveat
Registration Number:	4543444/1
Instrument Status:	Accepted
Registration Date:	2014-10-23
From/By:	THE OUTLET COLLECTION AT WINNIPEG LIMITED
To:	BY AGENT: MICHAEL WILLCOCK
Amount:	
Notes:	DOMINANT
Description:	EASEMENT

Instrument Type:	Mortgage
Registration Number:	4543449/1
Instrument Status:	Accepted
Registration Date:	2014-10-23
From/By:	THE OUTLET COLLECTION AT WINNIPEG LIMITED
To:	OUTLETS OF SEASONS INC.
Amount:	$200,000,000.00
Notes:	No notes
Description:	No description

INSTRUMENTS THAT AFFECT THIS INSTRUMENT

Registration Number	Instrument Type	Status
4612572/1	Postponement Of Rights	Accepted
4618070/1	Postponement Of Rights	Accepted
4618071/1	Postponement Of Rights	Accepted

Instrument Type:	Personal Property Security Notice
Registration Number:	4543450/1
Instrument Status:	Accepted
Registration Date:	2014-10-23
From/By:	OUTLETS OF SEASONS INC.
To:	BY AGENT: RICHARD H. G. ADAMS
Amount:	
Notes:	No notes
Description:	INTEREST DOES NOT EXPIRE

INSTRUMENTS THAT AFFECT THIS INSTRUMENT

Registration Number	Instrument Type	Status
4612573/1	Postponement Of Rights	Accepted
4618072/1	Postponement Of Rights	Accepted
4618073/1	Postponement Of Rights	Accepted

Instrument Type: **Mortgage**
Registration Number: **4612566/1**
Instrument Status: **Accepted**

Registration Date: 2015-06-12
From/By: THE OUTLET COLLECTION AT WINNIPEG LIMITED
To: THE BANK OF NOVA SCOTIA

Amount: $200,000,000.00
Notes: No notes
Description: DEBENTURE

Instrument Type: **Caveat**
Registration Number: **4612568/1**
Instrument Status: **Accepted**

Registration Date: 2015-06-12
From/By: THE BANK OF NOVA SCOTIA
To: JOHN STEFANIUK AS AGENT

Amount:
Notes: No notes
Description: ASSIGNMENT OF RENTS AND LEASES

Instrument Type: **Personal Property Security Notice**
Registration Number: **4612569/1**
Instrument Status: **Accepted**

Registration Date: 2015-06-12
From/By: THE BANK OF NOVA SCOTIA
To: JOHN D. STEFANIUK AS AGENT

Amount:
Notes: No notes
Description: EXPIRES ON 2021/06/01

Instrument Type:	**Postponement Of Rights**
Registration Number:	**4612572/1**
Instrument Status:	**Accepted**
Registration Date:	2015-06-12
From/By:	SEASONS RETAIL CORP. (MTGE 4543449/1)
To:	MORTGAGE 4612566
Amount:	
Notes:	No notes
Description:	No description

Instrument Type:	**Postponement Of Rights**
Registration Number:	**4612573/1**
Instrument Status:	**Accepted**
Registration Date:	2015-06-12
From/By:	SEASONS RETAIL CORP. (PPSN 4543450/1)
To:	MORTGAGE 4612566
Amount:	
Notes:	No notes
Description:	No description

Instrument Type:	**Postponement Of Rights**
Registration Number:	**4618070/1**
Instrument Status:	**Accepted**
Registration Date:	2015-06-29
From/By:	SEASONS RETAIL CORP. (MORTGAGE 4543449)
To:	PPSN NO. 4612569/1
Amount:	
Notes:	No notes
Description:	No description

Instrument Type:	**Postponement Of Rights**
Registration Number:	**4618071/1**
Instrument Status:	**Accepted**
Registration Date:	2015-06-29
From/By:	SEASONS RETAIL CORP. (MORTGAGE 4543449)
To:	CAVEAT NO. 4612568/1
Amount:	
Notes:	No notes
Description:	No description

Instrument Type:	**Postponement Of Rights**
Registration Number:	**4618072/1**
Instrument Status:	**Accepted**
Registration Date:	2015-06-29
From/By:	SEASONS RETAIL CORP. (PPSN 4543450)
To:	PPSN NO. 4612569/1
Amount:	
Notes:	No notes
Description:	No description

Instrument Type:	**Postponement Of Rights**
Registration Number:	**4618073/1**
Instrument Status:	**Accepted**
Registration Date:	2015-06-29
From/By:	SEASONS RETAIL CORP. (PPSN 4543450)
To:	CAVEAT NO. 4612568/1
Amount:	
Notes:	No notes
Description:	No description

3. ADDRESSES FOR SERVICE

THE OUTLET COLLECTION AT
WINNIPEG LIMITED
300 - 95 WELLINGTON ST. WEST
TORONTO, ON.
M5J 2R2

4.	**TITLE NOTES** No title notes
5.	**LAND TITLES DISTRICT** Winnipeg
6.	**DUPLICATE TITLE INFORMATION** Duplicate not produced
7.	**FROM TITLE NUMBERS** 2737841/1 Partial
8.	**REAL PROPERTY APPLICATION / CROWN GRANT NUMBERS** No real property application or grant information
9.	**ORIGINATING INSTRUMENTS** Instrument Type: **Transfer Of Land** Registration Number: **4543442/1** Registration Date: 2014-10-23 From/By: OUTLETS OF SEASONS INC. To: THE OUTLET COLLECTION AT WINNIPEG LIMITED Consideration: $1.00
10.	**LAND INDEX** Lot 15 Plan 56280 UND 1/2 INT

CERTIFIED TRUE EXTRACT PRODUCED FROM THE LAND TITLES DATA STORAGE SYSTEM OF TITLE NUMBER 2751145/1

Exhibit C-1 - Restricted Uses

Caveat	
3938247 as amended by 4228671	Mutual covenant between **IKEA Properties Limited** and Owner that in no event shall any portion of its lands shall be used for: • A store conducting principally or in part the sale of second hand goods (but excluding: 1) any upscale and fashionable store which sells second hand goods or 2) sales in conjunction with, and as ancillary and incidental to conducting its business, the sale of pre-owned products provided similar products are also being sold as new), insurance salvage stock, fire sale stock, or bankruptcy stock (consignment stores are excepted); an auction, bulk sale, liquidation sale, «going out of business» or bankruptcy sale (but permitting a tenant on a one time basis whose lease is expiring to so indicate by tasteful interior window signage and also permitting a reputable liquidation retail chain such as Big Lots, Liquidation World, Value Village, XS Cargo and Xcess Wares); • An adult entertainment centre offering entertainment or service by persons exposing one or more of the following areas of their bodies: genitalia, buttocks or (in the case of female persons) breasts; • A tavern, bar, nightclub, cocktail lounge, discotheque, dance hall, or any other establishment which derives more than 50% of gross revenues from the sale of alcoholic beverages for on-premises consumption unless as part of a hotel business, or a restaurant which derives less than 50% of gross revenues from food sales; • A bowling alley, billiard parlour, bingo parlour, video game or amusement arcade, game room or other similar amusement centre unless part of, and contained within the building of a hotel, a residential complex (such as an apartment building, condominium corporation or co-op), and office building, or a combination of the foregoing or, in the case of a video game or amusement arcade, except as an incidental part of another primary business, and in case where the use is provided primarily for such principal use; • A house or place of worship; • A sales or rental agency or display establishment for motor vehicles (including without limitation cars, trucks, agricultural equipment (motorized or not)., industrial equipment (motorized or not), recreational vehicles (motorized or not) and boats), or used car lot, excepting: o (A) in the case of boats and recreational vehicles, for Lots 3 and 5 Plan 52165 WLTO in OTM 5 to 11 Parish of St. Charles, the IKEA Lands or part of the business of any tenant or owner whose premises exceed 70,000 square feet; o (B) kiosks or storefront offices or other retails facilities and without such vehicles being on display, parked or stored in or upon the parking areas of the Development; and o (C) for repair or service facilities which are part of a fuel, oil servicing, or vehicle service, station or are part of the business of any tenant or owner whose premises exceed 70,000 square feet), including body repair facilities; • A funeral establishment; • A pawn shop; • A shooting gallery; • An amusement park;

	• A payday advance services; • An off-track betting establishment (providing that government sponsored lottery tickets shall not be prohibited); • An adult bookstore or facility selling or displaying pornographic books, literature, or videotapes, provided however that the foregoing shall not prohibit the operation of a bookstore whose business is not primarily that of selling or renting adult or pornographic books, literature or videotapes (materials shall be considered «adult» or «pornographic» for such purpose if the same are not available for sale or rental to children under 18 years old because they explicitly deal with or depict human sexuality); • Massage parlour (unless in conjunction with a fitness facility or physiotherapy business); • Other than on the Future Development Lands, any residential use, including but not limited to living quarters, sleeping apartment or lodging rooms, except where part of an hotel; • An auditorium, banquet hall, meeting hall, or ballroom unless part of and contained within a hotel; • A grade school or other similar place of public assembly or attendance catering primarily to students and trainees rather than customers; • An employment agency, service or commission; • A skating or roller rink; • Flee market; or • A public storage facility where the premises have no substantial retail sale or service purpose, and within which the primary purpose or use of such premises is the rental of a variety of sized and subdivided spaces, which may be individually locked by the renter, and which are available for rent on a short or longer term basis by many members of the public and for the sake of clarity, does NOT include warehouse or storage space within premises as ancillary to a bona fide retail or service business carried on from the premises whether such space is accessible by the public or not.
4228676	Restrictive covenant in favour of **Cabela's Retail Canada Inc.** No part of the Lands shall be used or permitted to be used for the sale, display, leasing or operation of the Core Products, and it is further agreed that: ○ A) «Core Products» are taxidermy, marine products, boats, personal water craft and other water craft, trailers, live bait, fishing products and services, camping products and services, hunting products and services, off-road and all-terrain vehicles, firearms, ammunition, and archery products and components including related uses such as an archery range; and, ○ B) Without limiting the generality of the above, said usage restrictions will specifically disallow any store operated by: Bass Pro, Blain's Farm & Fleet, Scheels, REI, Gander Mountain, Academy Sports & Outdoors, Land's End, LL Bean, West Marine, Sierra Trading Post, Mac's Sporting Goods, Orvis, Columbia Outlet, Woolrich Outlet, Mossy Oak Outlet, Sportsman Guide, Boater's World, Mills Fleet Farm, Oshman's, Frontiersman, Fishing Hole, LeBaron, Sportsman's Warehouse, Sail/Baron and Wholesale Sports. • Notwithstanding the above:

	○ A) Onwer shall not be restricted from allowing or permitting either of SportChek or Dick's Sporting Goods (or such other names (if any) as they or their successors carry on business) to operate their respective business in or from the Lands, provided that Dick's Sporting Goods shall only be permitted on that portion of the Lands which lies north of Sterling Lyon Parkway. ○ B) Any retail occupant may use up to the lesser of: ○ (i) ten percent (10%) of its sales floor area; or ○ (ii) then thousand (10,000) square feet of its sales floor area, for either or both the sale and/or display of the aggregate of any such Core Products. • The Owner shall be entitled to have this Restrictive Covenant discharged from one lot of the Lands to be identified by Owner for use by a non-competing retailer occupying a building of more than 60,000 square feet (the «Additional Anchor» provided that, either: • (i) the Owner has made reasonable requests in writing to the Additional Anchor to allow this Restrictive Covenant to remain on such lot and not be discharged; or • (ii) the Additional Anchor is Target Department Stores (in which event Cabela's agrees to provide to the Owner a partial discharge of this Restrictive Covenant in trust at the time Target Department Stores purchases or closes its purchase or lease of the lot, on the condition that the partial discharge shall only be registered upon Target Department Stores opining for business from such location). • If the Additional Anchor requires registration of a restrictive covenant against the Dominant Tenement protecting the exclusive use as a department store, then Cabela's shall grant such registration but will then not be required to discharge its registration against the Additional Anchor's lot. • Prior to any assignment, sale or transfer of any portion of the Lands, or any interest in it, in whole or part, the Owner shall use reasonable commercial efforts to cause the assignee, purchaser, or transferee to enter into an assumption agreement with Cabela's agreeing to be bound by the terms and conditions of this Agreement, duly executed by the assignee, purchaser or transferee, and so on from time to time in respect of any subsequent dispositions during the term of this Agreement.
4448583	Restrictive covenant in favour of **Tuxedo Yards Development Corp.** and **Montez Core Income Fund Limited Partnership** (as owners of Lots 1, 2 and 5 to 13 Plan 52165 WLTO in OTM Lots 5 to 11) that no part of the Lands shall be used or permitted to be used for purposes of a store operated by or as a «Leon's» or «The Brick». Provided that the Owner therein sells Lot 5 Plan 52165 WLTO in OTM Lots 5 to 11 Parish of St. Charles to Lowe's Companies, Canada ULC or an entity related thereto on or before January 14, 2016, the Covenantors and Nominee agree that no portion of the Lands may be used for a retail home improvement centre, a warehouse home improvement centre, a retail warehouse home improvement centre, lumber yard, building materials supply centre, home improvement service centre, and/or any store whose primary business is the sale of large appliances, and without limiting the generality of the foregoing, including, Home Depot, Home Depot Expo, Villagers Hardware, 84 Lumber, Wickes, Hughes Lumber, McCoys, Menard's, Sears Hardware,

	Sears Appliance and Hardware, Sears Appliance Centre, Sears Home (or any combination of such Sears concepts), Great Indoors, Pacific Sales, hhgreg, Conn's, Sutherlands, Scotty's, Orchard Supply, The Brick, Leon's, Pro Hardware, Pro Home Centre, Rona Home Centre, Rona Home and Garden, Rona Lansing, Rona Cashway, The Building Box, Home Hardware, Lee Valley, Canadian Tire or Totem Building Supplies. The foregoing shall not apply or extend to: • Target Corporation, as a department store; • Simons La Maison Inc., as a department store; • J.C. Penney Corporation Inc., as a department store; • London Drugs Ltd., as a general merchandiser; • Kohl's Corp., as a department store; • Loblaw Companies Ltd., as a supermarket, grocery store and general merchandiser; and/or • Wal-Mart Stores Inc. or Wal-Mart Canada Corp., as a general merchandiser.
4448583	Restrictive covenant in favour of **Tuxedo Yards Development Corp.** and **Montez Core Income Fund Limited Partnership** that no portion of the Lands shall be used for the purpose or the sale of gasoline or other motor fuels and lubricants for direct dispensal in motor vehicles, except for that portion of the Lands occupied by a Major Anchor (as defined below) which user may operate or cause to be operated a retail fuel sales facility ancillary to the user's primary use which primary use shall not be retail fuel sales. Notwithstanding the foregoing, in no event will the Major Anchor operate the ancillary retail fuel facility under the brands Esso, Imperial, Petro Canada, Sunoco, Chevron, Co-op, Mohawk, Husky, Domo or any brand where the primary business associated with the brand is gasoline retailing but same is not meant to restrict any such Major Anchor from having the retail fuel sales facility operate under its own brand. «Major Anchor» shall mean any occupant, tenant or owner of premises with a building footprint exceeding fifty thousand (50,000) square feet within the Lands.
	All restrictions and prohibited uses as set out in the ROA, inclusive of Section 6.2 and Schedule F.

Exhibit D - Rules and Regulations

Tenant will not be required to comply with any rule or regulation unless the rule or regulation applies to all tenants in the Shopping Centre.

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or

use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

Exhibit E – [INTENTIONALLY DELETED]

Exhibit F - Description of Landlord's Work

Saks Fifth Avenue/Off Fifth,
Outlet Collection, Outlet Collection at Winnipeg
Exhibit F
October 16, 2015

LL Initials/Date: 19OCT2015
Tenant Initials/Date:

Landlord, at landlord's sole cost and expense, shall deliver the shell building to the tenant as per Landlord's shell drawings and material/equipment specification book incorporating the Tenant's requirements and in accordance with the Landlord's Design Criteria as set forth below:

I. Administrative Requirements

1. With regard to all Landlord work and Tenant work related to the building Core and Shell, Landlord is pursuing certification under the LEED Canada Core and Shell rating system for this Shopping Centre and intends to achieve a minimum level of LEED Certification. To achieve this, certain minimum design and construction standards and practices must be achieved with regard to Tenant's work. Landlord reserves the right to review and approve Tenant drawings to ensure compliance to the LEED requirements, provided that such comments are reasonable and do not increase the cost of tenant's construction.
2. Landlord to provide Saks Fifth Avenue/Off Fifth with documents, and electronically in PDF and Autocad format for all of the Landlord's work relative to the Tenant's space for review and approval. Documents and Drawings to be provided based on the following submissions:
    A. Tenant Outline Drawings, including any base building elements that affect Tenant premises
    B. Shell Construction Documents (C/Ds)
    C. Site Plan Drawings

    Tenant to review design development drawings and note fixed facility locations (i.e. toilet rooms, break-room, janitors closet, entrances, etc.) and roof top HVAC locations and return to the within 30 days of receipt of Landlord's drawings.

    Landlord shall submit the comprehensive set of Construction Documents Tenant Outline Drawings for Tenant review and approval as follows:
    - 33 weeks prior to Landlord's Expected Possession Date (EPD): Tenant shall receive a full set of Landlord Shell Construction Documents (C/Ds)
    - 2weeks later: Landlord shall receive initial review/comments back from Tenant.
    - 2 weeks later: Tenant shall receive revised C/Ds, based on its review comments.
    - 3 weeks later: Landlord shall receive second round of review/comments back from Tenant (as needed).
    - 2 weeks later: Tenant shall receive Final C/Ds from Landlord.
    - 2weeks later: Landlord shall receive final Tenant comments.
    - weeks prior to Landlord's EPD: Landlord shall receive "Final Approved by Tenant" C/Ds.

3. Landlord or its agent(s) shall submit a color rendering of elevation(s, to Tenant for review and approval at time of Design Development submission. Landlord shall not submit exterior elevations and material selections to the authority(s) having jurisdiction without Tenant approval. Tenant has already

approved subject to revisions to signage to Tenant's current standards based on elevations provided by Tenant. Any changes to reflect Tenant elevations will be subject to approval of Landlord and authority(s) having jurisdiction.

4. Fully-developed construction documents of Tenant Outline Drawings shall be submitted to the Tenant and Tenants Architect both in hard copy and electronically in .pdf and ACAD file format. The *full submittal set shall include all applicable Architectural, Mechanical, Electrical, and Plumbing information and locations.
5. Landlord shall insure that Tenant's prototypical plans and Exhibit 'C' are forwarded to the shell Architect for incorporation into the development of Tenant's shell drawings, subject to review and approval of authorities having jurisdiction.
6. Landlord shall not proceed on a "design-build" basis without written request and subsequent approval from the Saks Off Fifth Director of Construction.
7. Landlord shall provide Tenant with a written project development schedule, including timing, upon lease execution and a construction schedule at the start of project construction. Landlord shall inform the Tenant immediately of any changes that will have a positive or negative impact to delivery on the expected possession date.
8. Landlord shall provide construction progress photographs to Tenant's Director of Construction, on a timely basis (not less than once a month), of the job site from the start of site work until delivery of the premises. Photographs shall be representative of the most recent work completed.
9. Tenant to provide Landlord with detailed "punchlist" within one week after the "Expected Possession Date" (as defined by the lease). Landlord shall complete punchlist immediately, but not later than 30 days after the "Expected Possession Date". Unfinished punchlist items remaining after 30 days shall, at Tenant's option, be completed by Tenant and paid back by Landlord.
10. Within thirty (30) days of the "Expected Possession Date", Landlord shall supply Tenant with Area certification by licensed Architect.
11. All signage to be per the lease. Included shall be dimensioned elevations and site plan indicating location of signage and adjacent roads. Landlord shall allow Tenant's use of temporary banners (which must not jeopardize building envelope construction) and site identification signage, in accordance with governing municipal codes.

Landlord, at landlord's sole cost and expense, shall deliver to tenant at time of "substantial completion", in accordance with the lease exhibits and all applicable codes governing Landlord's Work, the following:

II. Site Work

1. Sidewalks, paving & striping, loading docks and landscaping as per approved site plan and local code requirements prior to Grand Opening Date.
2. Handicap curb cut or ramp in sidewalk shall be installed directly in front of Tenant's entry doors. Coordinate location with Tenant's plan.
3. Parking lot lighting shall provide as per Landlord's site plan approval and agreed that the minimum average of two foot-candles at ground level for the Tenant's storefront entry, subject to authorities having jurisdiction.
4. Building lighting (exterior), consisting of perimeter luminaries, entry canopy downlights and dock area floodlights (dock area lighting to Landlord's panel), shall provide a minimum illumination of one foot-candle (or as dictated by code) and shall be fully operational, wired to the

Landlord house panel. All shell building exit doors to have emergency powered exterior egress lights if required by code.

5. A depressed loading dock area , dedicated to Tenant, with tractor-truck well (max 2% slope) set at 4'-0" below building floor slab
6. Dedicated trash compactor area with concrete pad sized at 13' x 40' minimum, 4000 lb. psi, steel reinforced, 6" thick for Tenant supplied and installed compactor and container.
7. Screening the compactor and any dumpster areas as required by local codes & ordinances. Screening is not to interfere with the normal operational requirements of the equipment.
8. Steps, bollard (at base of metal steps at man door in the receiving area), ramps and railings at all perimeter egress door locations, as required per code. Landlord shall install exterior lighting and metal overhead weather protection over the exterior side of all egress doors and loading dock doors.
9. Architectural grade security decorative protection, which may include planters at all entrances and glazing facing roadways or parking areas. (max spacing face to face of protection is to be 44") Security bollard installed at the loading dock man door / staircase

III. Architectural

Shell Building Components –

1. Building shell including exterior walls with a minimum assembly value of R-13, and roof w/minimum assembly value of R-25 and based on geographic area and all applicable local energy code requirements.
2. Concrete floor slabs to be minimum 4" thick, , with live load of 100 lbs. per sq. ft. and as required by applicable code. Slab shall be measured for flatness and level in accordance with Canadian Standards Association (#A23.1). F-numbers to be as per Landlord's base building standard FF20/FL 15 which complies with CSA 23.1 for industrial and commercial buildings. This specification must be met at time of slab pour installation and Landlord shall provide certification of this requirement to Tenant. Slab shall be free of all pocking, spalling and all foreign materials, including curing compounds. Gypsum-based materials shall NOT be used for any slab repairs.
3. All concrete subfloors must be tested for moisture, PH(alkalinity)and proper adhesive bond for tenants floor finish installation. Tests must be conducted on the slab after the building is fully sealed in and has acclimated to final working temperature & humidity levels. All tests must be certified by a local testing agency. Results shall be forwarded to the tenant project manager no later than (30) thirty days prior to tenant taking possession. Should the test results exceed 5lbs/1000s.f., an RH level of 85% or be less than a PH level of 9, landlord shall be responsible for correcting the slab prior to, which may include applying materials such as a waterproofing membrane. Any corrective work is to be completed prior to the possession date.
4. Clear height from above finished floor to any obstruction shall be a minimum 17'-0" a.f.f.
5. All perimeter walls in accordance with base building specifications (including front, rear, and side walls) shall receive gypsum wallboard(GWB) on metal studs to underside of structure. GWB to be taped, spackled, sanded and ready for Tenant's finishes to underside of roof deck in areas where there is not ceiling and otherwise to 12'-0" A.F.F.. Roof deck shall be clear of defects and ready for Tenant's finishes.

6. All walls that are not constructed of CMU or tilt up concrete panels shall have metal diamond mesh fastened across the framing from the slab Diamond mesh shall be provided on all walls, from slab to a height of 7'-9".
7. Metal strapping (6" inch, 20 gauge, 8'-0" AFF to the centerline of strap) to be installed on all perimeter walls, across metal studs and drywall over it.
8. If roof structure/roof deck requires fireproofing, intumescent paint is to be used.
9. If required by code, electrical and sprinkler rooms shall be framed with drywall (including front, rear, and side walls) on metal studs tight to deck above. Electrical room shall be fire-rated if required by applicable codes. Gypsum board to be taped, sanded and ready for Tenant's finishes.
10. Egress and Fire Department access doors to exterior as dictated by code and in accordance with Tenant's fixture plan (subject to reasonable review). All doors to have Tenant hardware, as specified on the prototypical plans.
11. Loading dock door shall be 8'-0" wide x 9'-0" high overhead, insulated metal commercial grade motorized sectional door, per Arbon/Rite-Hite Corporation. Please contact **Chris Agnello at 732.225.5220 x1011.**
12. All dock seals, bumpers, and recessed "pit" leveler, per Arbon/Rite-Hite Corporation for all truck dock equipment. Please contact **Chris Agnello at 732.225.5220 x1011** for complete information and specifications. (Note: Landlord shall supply/install truck restraint devices when loading slope is flat or away from building)
13. 3'-0" x 7'-0" insulated hollow metal receiving area door.
14. One wall opening w/finished opening of 40" x 40" for compactor with lockable hollow metal access door, bottom installed at a height of 48" above finished floor.
15. . .
16. Exterior door hardware as follows:

<u>Hollow metal employee entrance (per location selected by tenant)</u>
Trident 200/KLT keyed entry and pull handle with IC Best compatible seven pin interchangeable IC cylinder
Detex 500 surface mounted battery exit alarm
Full length astragal
Peep hole
Hinges
Closer
Weather seal if necessary

(All doors to have seven pin IC Best exchangeable cores)

17. One lockable roof hatch with OSHA approved ladder with safety extension and cage per Tenant approved plans (unless a common area roof access ladder is provided).

III. Architectural – cont'd

Storefront Components –

1. Exterior facade shall be in accordance with the lease exhibit subject to approval of authorities having jurisdiction and in accordance with the LEED Core and Shell building requirements and the Tenant approved plans.

2. The Tenant acknowledges that incremental costs to upgrade above the standard door specifications provided by the Landlord to the Tenant's new standard door specifications (as follows) will be to the Tenant's account. Doors at each storefront exterior entry to be Stanley Dura-Storm 3000 series sliding automatic entrances. Door package to be 12'-0" wide x 7'-8" to the top of the head. Configuration to be two sliding leaves and two full sidelights with emergency breakaway capability. All glazing to be 9/16" impact glass. Doors to accept Best seven pin cylinders. All power and wiring to be by landlord. **Please contact Don Mattson of MacKenzie Doors at 212.227.1630 ext.334.**
3. Aluminum Frame Systems shall consist of a 2-1/2" x 5" (69.9 x 127.0) exterior, thermally broken impact resistant system. Kawneer IR 501 is listed as a standard of quality.
   - YKK AP America Inc., EFCO Corporation & Vistawall Architectural Products are listed as recognized equal manufacturers, subject to compliance with all requirements.
   - Finish to be Black Anodized aluminum
   -Frame system to accommodate impact glazing system as listed below.
4. Store glazing system(including glass doors)shall consist of the following:
   - Inner Layer:1/4" clear tempered
   - Airspace: 1/2"
   - Exterior Laminated Layer: 1/4" clear tempered .090 PVB interlayer, 1/4" clear tempered and low-e coating.
   - Visible light: transmittance 72% minimum, solar energy 40%, Ultraviolet <1%
   - Reflectance: visible light exterior 12%, visible light interior 12%, solar energy 20%
   - ASHRAE U-Value
   - Winter nighttime 0.31 Btu/(hr x sq ft x degrees F)
   - Summer Daytime 0.28 Btu/(hr x sq ft x degrees F)
   - Shading Coefficient 0.61
   - Relative Heat Gain 127 Btu/hr x sq ft
   - Solar Factor (SHGC) 0.53
   - LSG 1.37

IV. Electrical & Telephone

1. Electrical requirements shall include an 600 amp, 347/600 volt, 3 phase, 4 wire service based on Tenant's prototypical drawings as follows;
   - Meter, meter socket and CT located outside of Tenant's electrical room.
   - One 600 amp, 347/600 volt, 3 phase, 4 wire power distribution panel, Square D I-Line type HCM with an 600 amp main circuit breaker and a minimum of 72 inches of bussed circuit breaker mounting space. . This panelboard will be known as Panel "MDP."
   - ~~One 100 amp main lug only, 347/600 volt, 3 phase, 4 wire, 42 circuit, Square D lighting and appliance panelboard with Square D #NF500G3 Powerlink (or compatible) controller. This panel will be known as Panel "H1."~~
   - ~~Feeders originating at the 100 amp, 3 pole branch circuit breaker in Panel "MDP" to Panel "H1." Feeders shall be four #3 AWG, #8 AWG ground, in 1-1/2" conduit.~~

~~IV. Electrical & Telephone – cont'd~~

~~One 250 amp main circuit breaker, 120/208 volt, 3 phase, 4 wire, 84 circuit, Square D NQOD lighting and appliance panelboard. This panel will be known as Panel "L1."~~

~~One 75 kVA, 600 volt, 3 phase, 3 wire, delta primary to 120/208 volt, 3 phase, 4 wire, wye secondary, NEMA TP 1 rated dry type transformer.~~

~~Dry type 90 amp, 3 pole branch circuit breaker in Panel "MDP." Transformer primary conducters shall be three #3 AWG, #8 AWG ground in 1 1/4" conduit.~~

~~Dry type transformer secondary conductors terminating at the 250 amp, 3 pole main breaker in Panel "L1." Transformer secondary conductors shall be four #250 kcmil, #2 AWG ground, #2 AWG isolated ground in 3" conduit.~~

~~One 225 amp main lug only, 120/208 volt, 3 phase, 4 wire, 42 circuit, Square D lighting and appliance panelboard. This panel shall be a slave to Panel "H1" and will be known as Panel "L2."~~

~~Feeders originating at the 150 amp, 3 pole branch circuit breaker in Panel "L1" to Panel "L2." Feeders shall be four #1/0 AWG, #6 AWG ground, in 2" conduit.~~

2. Distribution panel(s) and all related electrical equipment shall be located in an area designated by Tenant (i.e., electrical room).
3. Landlord shall furnish, install and wire electric utility quad-logic meter(s) dedicated solely to Tenant. The electrical system must be inspected and approved by the local authorities and be fully operational at the time of possession. Landlord shall establish the electric utility account the Tenant will be billed based on the readings from the quad-logic meter.

Wiring -

4. Mechanical units shall be wired to main distribution panel and be fully operational, including all 110v convenience outlets.

5. Landlord shall provide exit signs at each required exit door as indicated on the LOD or as required by code.
6. Landlord shall provide and install all code required emergency egress lights (interior and exterior) wired to appropriate tenant panel as per code.

Phone –

7. Telephone conduit (sized for 25 pair) with a 25 pair phone line stubbed and pulled to phone board located in tenants IT room within Tenants space.

V. Mechanical

1. HVAC roof top unit(s) including Landlord's standard thermostat coiled in ceiling space with 50' of wiring and "supply" and "return" air ducts 'dropped' into the Premises.

2. HVAC units will be furnished and installed by Landlord at a ratio of 1 ton per 350 square feet of the Premises. Landlord's thermostat will be placed in a temporary location near the HVAC unit and Landlord's contractor will start and test the HVAC unit prior to turnover. Maximum quantity of air to be delivered from an individual rooftop unit not to exceed 4,000 cfm. Provide a minimum of 6 HVAC units spaced evenly throughout the sales area for connection to concentric diffuser.
3. Tenant to approve Landlord's locations of rooftop units upon finalization of Tenant's interior floor plan in accordance with Item 1.2 of this Exhibit.

In the back of house areas:

4. Tenant to approve Landlord's location of new rooftop units upon finalization of Tenant's interior floor plan in accordance with item 1.2 of this Exhibit.
5. Landlord to provide roof opening vent for tenant to provide code compliant toilet exhaust system.
6. Landlord to furnish and install a roof opening and base mounting pad to allow for the Tenant's installation of a ductless split system air conditioner rated at 12000 BTU cooling capacity to serve IT room based on tenant's approved plans for locations.
7. Landlord to furnish and install a roof opening and base mounting pad to allow for the Tenant's installation of a ductless split system air conditioner rated at 12000 BTU cooling capacity to serve AP room based on tenant's approved plans for locations..

VI. Plumbing

Toilets -

Landlord shall provide 4" sewer line and 2" sanitary waste vent stubbed to a location on the Tenant's approved layout

Water -

1. Incoming 1-1/2 " cold water line extended to deck above plumbing stub areas and sized in accordance with code requirements.
2. Landlord shall furnish, install, and operate sub/check water meter(s) dedicated solely to Tenant. Landlord shall establish the water/sewer account and the Tenant will be billed based on the readings from the sub/check meter with no markup, profit or administration fee
3. All water supplies to have RPZ valves and back flow-preventer, if required by code, and water-pressure sufficient for normal and proper operation of all water fixtures.
4. Landlord shall insulate all water lines (condensates, potable, roof drains) within Tenant's space.

VI. Plumbing – cont'd

Sewer -

5. Provide plumbing stub ups, floor drains, trap primers for the janitor closet mop sink located in accordance with site-specific interior tenant improvement plans.
   Provide sewer stub up for remote break room
6. Provide drain for drinking fountain Provide roof vent stacks with piping stubs for all sewer runs, per plans.
7. Public Sewer line shall be a minimum of 4" in diameter.
8. All impact & tap fees, and any other fees relative to bringing public sewer and water service to the point of Tenant connection shall be the responsibility of the landlord. All fees shall be based on Tenant's final plans.

Gas -

9. Gas piping and all associated work required to service all HVAC units. All piping will be run on the roof subject to authority having jurisdiction
10. Landlord shall furnish and install gas utility sub/check gas meter(s) dedicated solely to Tenant if available from local public utility. The system must be inspected and approved by the local authorities and be fully operational at the time of possession. Landlord shall establish the gas utility account and Tenant will transfer into their name at time of possession, so that Tenant is billed based on the readings from the sub/check meter.

VII. Fire Sprinkler System

1. An automatic wet sprinkler system installed on a grid consisting of main and branch piping, which complies with all local codes and the NFPA 13. The

system shall be designed for the intended use,. Sprinkler system hydraulic calculations shall meet the appropriate discharge density and design area as required by NFPA 13 and the Authority Having Jurisdiction for storage of products including. The sprinkler system to be delivered with 'turned-up' heads. Any upgrades above 1 head per 130 square feet at 12 feet high are by Tenant at Tenant's cost including any fire pump and/or heads.

VIII. Fire Alarm System

1. To the extent the installation of any component of the fire alarm system serving the Premises may be necessitated as a condition of Landlord's Work pursuant to applicable governmental codes and regulations, Landlord will provide and install such components so as to deliver to Tenant a code compliant building. The system shall include ceiling-mounted spot-type smoke detectors in locations required by NFPA 72 in jurisdictions where smoke detection is required, including beam pockets.

Exhibit G – Rent Commencement Agreement

Form of Rent Commencement Date Memorandum

THIS RENT COMMENCEMENT DATE MEMORANDUM ("**Memorandum**") dated as of _____, ____, by and between _____, a _____ ("**Landlord**"), and _____, a _____ corporation ("**Tenant**").

RECITALS:

A. By that certain Lease dated as of _____, 20___, (the "**Lease**") between Landlord and Tenant, Landlord leased to Tenant and Tenant leased from Landlord the Demised Premises, subject to the conditions and limitations therein contained.

B. Section 3.2 of the Lease provides that, upon determination of the Rent Commencement Date and the determination of the number of square feet of rentable area within the Demised Premises, Landlord and Tenant shall execute a memorandum which shall set forth, among other things, the actual Rent Commencement Date, the rentable area of the Demised Premises, annual Rent, the expiration of the initial term, and the dates when Tenant may exercise its renewal options pursuant to Section 3.3.

C. The Rent Commencement Date and the rentable area of the Demised Premises have been determined and, accordingly, the parties desire to enter into this Memorandum pursuant to Section 3.2.

D. Unless otherwise provided herein, all capitalized words and terms in this Memorandum shall have the same meanings ascribed to such words and terms as in the Lease.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Rent Commencement Date is _____.
2. The initial term expires _____, unless the Lease is sooner terminated in accordance with the terms thereof.
3. The rentable area of the Demised Premises is _____ square feet.
4. Tenant shall exercise its right to the first renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
5. Tenant shall exercise its right to the second renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
6. Tenant shall exercise its right to the third renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
7. Tenant shall exercise its right to the fourth renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.
8. Tenant shall exercise its right to the fifth renewal option, if at all, before _____, subject to the conditions and limitations set forth in Section 3.3 of the Lease.

9. This Memorandum may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum as of the day and year first above written.

LANDLORD:

_____,

By:_____

Its: _____

By: _____

Its: _____

(*We have the authority to bind the Corporation*)

TENANT:

_____,

By: _____

Its: _____

By: _____

Its: _____

(*We have the authority to bind the Corporation*)

Exhibit H - Tenant's Exterior Signage Drawings

EXHIBIT H



OUTLET COLLECTION AT WINNIPEG

Exterior View

23 JAN 2015 | 1

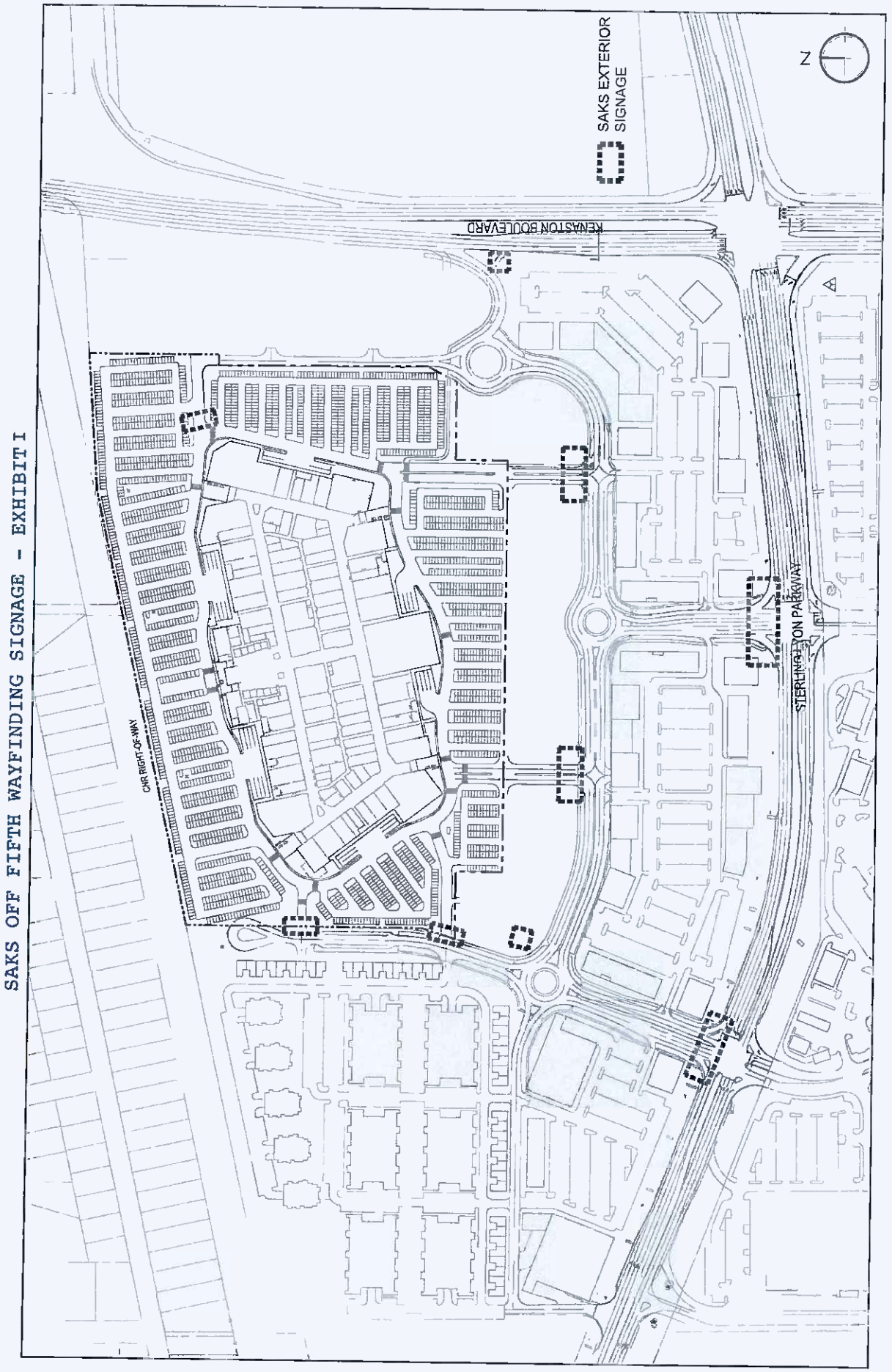

Saks
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OFF
5TH


Saks Fifth Avenue
OFF 5TH

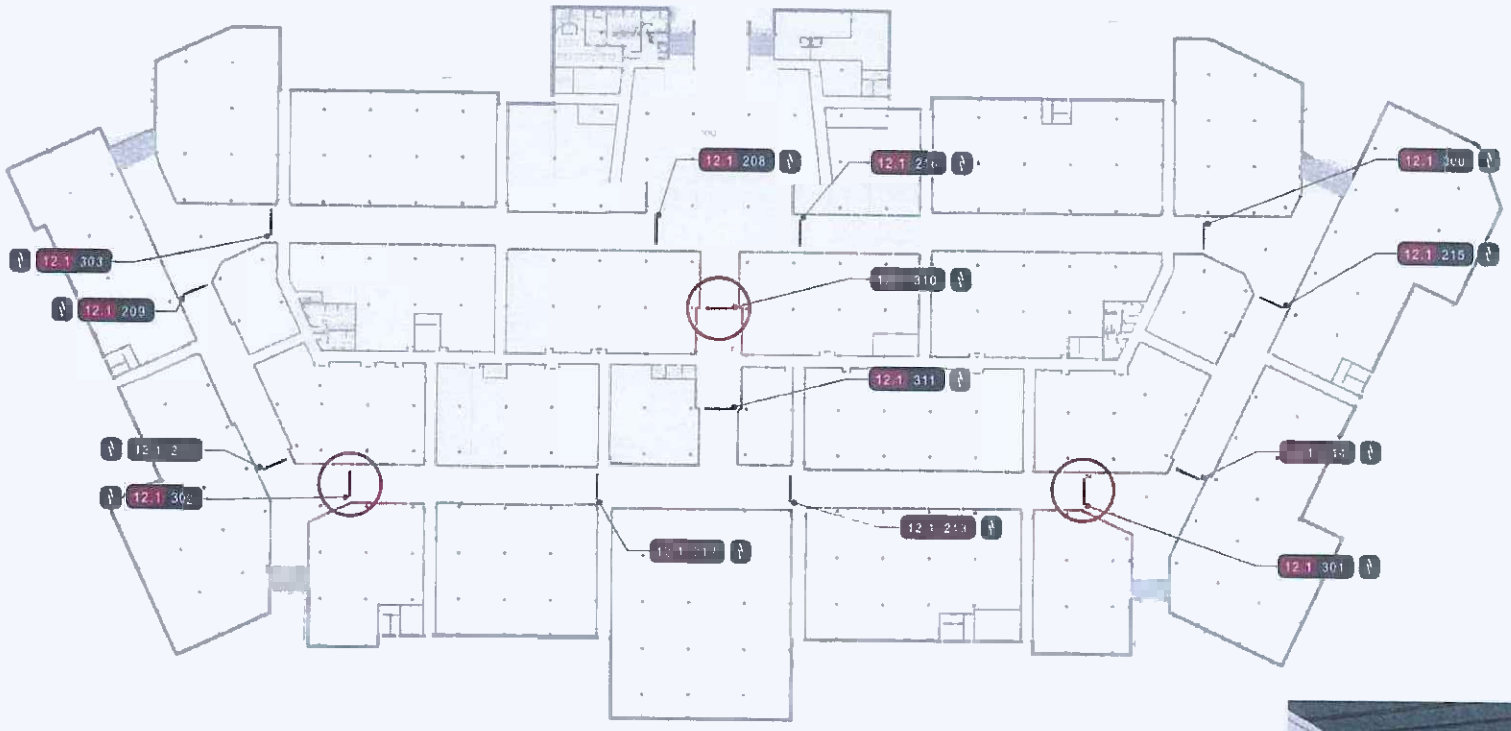
Exhibit I

CONCEPTUAL IMAGES OF EXISTING SHOPPING CENTRE DIRECTIONAL, WAY-FINDING, MONUMENT AND OTHER SHOPPING CENTRE IDENTIFICATION SIGNAGE DISPLAYING TENANT'S IDENTIFICATION SIGNAGE

1048



SAKS OFF FIFTH WAYFINDING SIGNAGE - EXHIBIT I

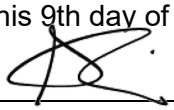


Sign with Saks represented

Sign Type 12.1 example



This is **Exhibit "L"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

From: "Drouin-Allaire, Maxime" <Maxime.Drouin-Allaire@ivanhoecambridge.com>
To: "Saint-Pierre, Charles" <Charles.Saint-Pierre@ivanhoecambridge.com>, "Houle, Annie" <Annie.Houle@ivanhoecambridge.com>
Cc: "Bourgon, Julie" <Julie.Bourgon@ivanhoecambridge.com>
Subject: FW: [EXTERNAL] RE: Properties
Date: Tue, 7 Nov 2023 18:22:17 +0000
Importance: Normal
Inline-Images: image001.jpg; image002.jpg; image003.png; image004.png

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PVI

MAXIME ALLAIRE
Directeur, Gestion d'actifs
Gestion d'actifs, Centres comm
T +1 514 566 9429

Ivanhoé Cambridge
1001 square Victoria, Bureau C-500
Montréal (Québec) H2Z 2B5

ivanhoecambridge.com

From: Putnam, Ian <ian.putnam@hbc.com>
Sent: 7 novembre 2023 13:20
To: Bourgon, Julie <Julie.Bourgon@ivanhoecambridge.com>
Cc: Drouin-Allaire, Maxime <Maxime.Drouin-Allaire@ivanhoecambridge.com>
Subject: Re: [EXTERNAL] RE: Properties

Julie,

I thought I replied to this last night but it doesn't seem to be in my outbox.

On pricing, we can move Guildford to $50mm but Oshawa needs to stay at $30mm.

In terms of cross defaults on all leases, that made sense in the context of security for a loan but doesn't make sense for where you are buying leaseholds and settling litigation. For the Off Fifth payments (and incremental lease payments), maybe there is a construct of some security (i.e., if we default on payment of incremental rent, maybe you get to take a property back for free).

Otherwise, I think we are close.

Need to get done by November 14 so let me know how we can move this forward...

Cheers,

Ian

On Mon, Nov 6, 2023 at 6:08 PM Bourgon, Julie <Julie.Bourgon@ivanhoecambridge.com> wrote:

Ian, the revised term sheet coming tonight will include the following, hope you will strongly consider, time is starting to be tight if we need approval by end of week (approval doc has to fit a certain template and sent 48h in advance).

1. Event of default: cross default on all IC/HBC leases + all remaining Restrictive Development covenants will become null and void on all remaining leases + reduce term to 10 years. Standard cure period.
2. Oshawa : 20M
3. Guildford : 40M
4. Still need to find out how to protect from an insolvency perspective for the next 5 years until you can show stabilized financials, any ideas?

From: Putnam, Ian <ian.putnam@hbc.com>
Sent: Monday, November 6, 2023 12:00 PM
To: Bourgon, Julie <Julie.Bourgon@ivanhoecambridge.com>; Drouin-Allaire, Maxime <Maxime.Drouin-Allaire@ivanhoecambridge.com>
Subject: Properties

Guildford - $60mm
Oshawa - $30mm

--
Ian G. Putnam
President & Chief Executive Officer, HBC Properties & Investments
Hudson's Bay Company
225 Liberty Street – 31st Floor
New York, NY 10281
E-Mail: ian.putnam@hbc.com
C: 1-646-596-3953

--
Ian G. Putnam
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225 Liberty Street – 31st Floor
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E-Mail: ian.putnam@hbc.com
C: 1-646-596-3953

This is **Exhibit "M"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025

Anna White
Commissioner for Taking Affidavits
(or as may be)

From: "Bourgon, Julie" <Julie.Bourgon@ivanhoecambridge.com>
To: "Saint-Pierre, Charles" <Charles.Saint-Pierre@ivanhoecambridge.com>, "Drouin-Allaire, Maxime" <Maxime.Drouin-Allaire@ivanhoecambridge.com>, "Houle, Annie" <Annie.Houle@ivanhoecambridge.com>
Subject: FW: IC Proposal November 7th 2023
Date: Wed, 8 Nov 2023 00:34:13 +0000
Importance: High
Attachments: TermSheetProposal_-_Ivanhoe_Cambridge_20231107.docx

---

From: Bourgon, Julie
Sent: Tuesday, November 7, 2023 7:34 PM
To: 'Putnam, Ian' <ian.putnam@hbc.com>
Cc: Drouin-Allaire, Maxime <Maxime.Drouin-Allaire@ivanhoecambridge.com>
Subject: IC Proposal November 7th 2023
Importance: High

Ian,

Please find attached our latest draft of the Term Sheet. Some revised/additional concept for your consideration:

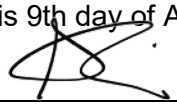
- Parking: Landlord's obligation to respect parking area from November 1 to December 31.
- Capital injection: a demonstration before the option's election to successfully secure CAD $600M
- Condition precedent: amendment of the leases prior to the option's election to protect from Insolvency situation

Our team will make ourselves available tomorrow from 13:30-15:00 if we wish to conclude on all remaining points over an All-hand call, with or without lawyers (to both our preference)

Let us know if you wish so.

Julie

This is **Exhibit "N"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "**Agreement**") dated as of the 14th day of November 2023,

B E T W E E N:

HUDSON'S BAY COMPANY ULC ("HBC")

(collectively, the "**Grantor**")

- and -

IVANHOE CAMBRIDGE INC. ("Ivanhoe")

(collectively, the "**Optionee**")

WHEREAS pursuant to a term sheet dated November 13, 2023, by HBC and Ivanhoe, HBC has agreed to grant the Optionee an option to replace or amend (as applicable pursuant to the terms hereof) the Existing Leases (as hereinafter defined), the whole upon the terms and conditions more particularly set out in this Agreement;

WHEREAS the Grantor is prepared to grant the Optionee the Options in order to monetize the value and use it as a means of financing its Canadian operations;

WHEREAS the parties have, by negotiation, agreed on the monetary value of the Option Payment associated with each Option;

WHEREAS the parties concur that such aforementioned operations regarding the Existing Leases in furtherance to the exercise of the Options, would bring value to Ivanhoe and the other owners of the relevant leased properties;

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.** Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(a) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(b) **"Amended Saks Leases"** means the Saks Leases as amended by the Saks Lease Amendments pursuant to Section 7, and as same may be further amended by the Further Saks Amendment Leases pursuant to Section 9;

(c) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(d) **"Controlled Affiliate"** means, with respect to the Optionee, any Person controlling, controlled by, or under common control with, the Optionee, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(e) **"CPI"** means the Consumer Price Index for all items in the city and Province in which the relevant property being leased is located, as issued by Statistics Canada or its successor, provided that if such Consumer Price Index is not available from Statistics Canada or its successor, the landlord under the relevant lease may utilize for the purposes of the relevant lease any reasonable measure of changes in consumer price levels;

(f) **"Deadline"** means February 3, 2024;

(g) **"Designated Saks Leases"** has the meaning ascribed thereto in Section 7(a)(i);

(h) **"Effective Date"** has the meaning ascribed thereto in Section 2(a);

(i) **"Event"** has the meaning ascribed thereto in Section 10(b);

(j) **"Exercise Date"** means the date on which the Optionee delivers to the Grantor a Notice of Exercise pursuant to Section 2 or a Notice of Substitution pursuant to Section 9(a), as the case may be;

(k) **"Existing Leases"** means, collectively, the Mapleview Lease, the Southgate Lease, the Guildford Lease, the Oshawa Lease and the Saks Leases, and individually, an **"Existing Lease"**;

(l) **"Further Saks Lease Amendments"** has the meaning ascribed thereto in Section 9(a);

(m) **"Grantor"** has the meaning ascribed thereto in the preamble hereto;

(n) **"Guildford Lease"** has the meaning ascribed thereto in Section Schedule "A";

(o) **"Guildford Minimum Ratio"** has the meaning ascribed thereto in Section 5(a)(iv)(A);

(p) **"Guildford Option"** has the meaning ascribed thereto in Section 5(a);

(q) **"Guildford Option Payment"** has the meaning ascribed thereto in Section 5(b);

(r) **"Guildford Parking Area"** has the meaning ascribed thereto in Section 5(a)(iv)(A);

(s) **"Guildford Renewal Term"** has the meaning ascribed thereto in Section 5(a)(iii);

(t) **"HBC"** has the meaning ascribed thereto in the preamble hereto;

(u) **"Incremental Rent"** means, in respect of either one of the New Metrotown Lease, the New Anjou Lease, any one of the New Leases or any one of the Amended Saks Leases, which is in excess of the rent payable by tenant under the respective existing current lease immediately prior to such lease or leases being replaced or amended by the either the New Metrotown Lease, the New Anjou Lease, any one of the New Leases or any one of the Saks Lease Amendments, as the case may be;

(v) **"Ivanhoe"** has the meaning ascribed thereto in the preamble hereto;

(w) **"Mapleview Lease"** has the meaning ascribed thereto in Schedule "A";

(x) **"Mapleview Minimum Ratio"** has the meaning ascribed thereto in Section 3(a)(iv)(A);

(y) **"Mapleview Option"** has the meaning ascribed thereto in Section 3(a);

(z) **"Mapleview Option Payment"** has the meaning ascribed thereto in Section 3(b);

(aa) **"Mapleview Parking Area"** has the meaning ascribed thereto in Section 3(a)(iv);

(bb) **"Mapleview Renewal Term"** has the meaning ascribed thereto in Section 3(a)(iii)

(cc) **"New Anjou Lease"** means the lease agreement between IC Anjou Inc. and Les Propriétés Anjou Inc., as landlords, and HBC, as tenant, relating to the shopping centre known as "Galeries d'Anjou" and entered into concurrently herewith;

(dd) **"New Guildford Lease"** has the meaning ascribed thereto in Section 5(a);

(ee) **"New Leases"** means collectively, the New Mapleview Lease, the New Southgate Lease, the New Guildford Lease and the New Oshawa Lease, and any one of them individually, a **"New Lease"**;

(ff) **"New Lease Documents"** means collectively the New Mapleview Lease, the New Southgate Lease, the New Guildford Lease, the New Oshawa Lease, the Saks Lease Amendments and the Further Saks Lease Amendments or any one or combination of them, as the context so requires;

(gg) **"New Mapleview Lease"** has the meaning ascribed thereto in Section 3(a);

(hh) **"New Metrotown Lease"** means the lease agreement between Ivanhoe Cambridge II Inc., as landlord, and HBC, as tenant, relating to the shopping centre known as "Metropolis at Metrotown" and entered into concurrently herewith;

(ii) **"New Oshawa Lease"** has the meaning ascribed thereto in Section 6(a);

(jj) **"New Southgate Lease"** has the meaning ascribed thereto in Section 4(a);

(kk) **"Notice of Exercise"** has the meaning ascribed thereto in Section 2(a);

(ll) **"Notice of Substitution"** has the meaning ascribed thereto in Section 9(a);

(mm) **"Optionee"** has the meaning ascribed thereto in the preamble hereto;

(nn) **"Optionee's Counsels"** means Blake, Cassels & Graydon LLP;

(oo) **"Option Payments"** means, collectively, the Mapleview Option Payment, the Southgate Option Payment, the Guildford Option Payment, the Oshawa Option Payment or the Saks Option Payment, or any one of them individually, as the case may be, an **"Option Payment"**;

(pp) **"Option Period"** has the meaning ascribed thereto in Section 2(a);

(qq) **"Options"** means, collectively, the Mapleview Option, the Southgate Option, the Guildford Option, the Oshawa Option and the Saks Option, and any one of them individually, and **"Option"**;

(rr) **"Oshawa Lease"** has the meaning ascribed thereto in Section Schedule "A";

(ss) **"Oshawa Minimum Ratio"** has the meaning ascribed thereto in Section 6(a)(iv)(A);

(tt) **"Oshawa Option"** has the meaning ascribed thereto in Section 6(a);

(uu) **"Oshawa Option Payment"** has the meaning ascribed thereto in Section 6(b);

(vv) **"Oshawa Parking Area"** has the meaning ascribed thereto in Section 6(a)(iv)(A);

(ww) **"Oshawa Renewal Term"** has the meaning ascribed thereto in Section 6(a)(iii);

(xx) **"Other IC HBC Portfolio Leases"** has the meaning ascribed thereto in Section 10(c);

(yy) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(zz) **"Restrictive Covenants"** means any rights, consent requirements, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in a lease agreement purporting to restrict, or which has the effect of restricting a landlord's capacity to renovate, expand, develop or re-develop its property (including parceling), as well as any merchandising control rights in favor of a tenant;

(aaa) **"Saks Leases"** has the meaning ascribed thereto in Schedule "A";

(bbb) **"Saks Lease Amendments"** has the meaning ascribed thereto in 7(a);

(ccc) **"Saks Option"** has the meaning ascribed thereto in Section 7(a);

(ddd) **"Saks Option Payment"** has the meaning ascribed thereto in Section 7(b);

(eee) **"Southgate Lease"** has the meaning ascribed thereto in Section Schedule "A";

(fff) **"Southgate Minimum Ratio"** has the meaning ascribed thereto in Section 4(a)(iv)(A);

(ggg) **"Southgate Option"** has the meaning ascribed thereto in Section 4(a);

(hhh) **"Southgate Option Payment"** has the meaning ascribed thereto in Section 4(b);

(iii) **"Southgate Parking Area"** has the meaning ascribed thereto in Section 4(a)(iv);

(jjj) **"Southgate Renewal Term"** has the meaning ascribed thereto in Section 4(a)(iii);

(kkk) **"Substitution Date"** has the meaning ascribed thereto in Section 9(a);

(lll) **"Substitution Option"** has the meaning ascribed thereto in Section 9(a);

(mmm) **"Substitution Option Payment"** has the meaning ascribed thereto in Section 9(a)

(nnn) **"Template Lease Agreement"** means the template of lease agreement agreed to by the Grantor and the Optionee and attached hereto as Schedule "B"; and

(ooo) **"Updated HBC Leases"** has the meaning ascribed thereto in Section 10(a).

2. **Grant of the Options**.

(a) The Grantor hereby grants to the Optionee, its successors and permitted assigns, the Options. Any one or all of the Options may be exercised by the Optionee at any time and from time to time during the period (the **"Option Period"**) commencing on the date of this Agreement and expiring on:

(i) with respect to all Options other than the Saks Option, December 31, 2024; and

(ii) with respect to the Saks Option, March 31, 2024;

by providing the Grantor with a written notice of exercise (a **"Notice of Exercise"**) (A) specifying which of the Options is being exercised by the Optionee, (B) specifying the date (the **"Effective Date"**) on which the New Lease Documents relating to the Option being exercised shall become effective (which date shall be no later than the tenth (10^{th}) day following the Exercise Date), (C) accompanied by the New Lease Documents relating to the Option being exercised, duly executed by the relevant landlord, and (D) accompanied by a letter from Optionee's Counsels confirming that they hold "in trust" the Option Payment relating to the Option being exercised and that they will release such funds to the Grantor within one (1) Business Day of the receipt, from the Optionee, of a copy of the New Lease Documents relating to the Option being exercised, duly executed by all parties thereto, and instructions to release the funds to the Grantor, provided such executed documents and instructions are received by Optionee's Counsels no later than two (2) Business Days before the Effective Date.

(b) Upon receipt by the Grantor of a Notice of Exercise, the Grantor shall be obligated, and shall cause the relevant tenant entity relating to the Option being exercised, to enter into the New Lease Documents. Should the Grantor fail to deliver the New Lease Documents relating to the Option being exercised duly executed by the tenant thereto in accordance with the terms of paragraph (a) above, the Optionee shall be under no obligation to make, or to instruct Optionee's Counsels to release, the Option Payment. The New Lease Documents relating to the Option being exercised shall only become effective upon receipt by the Grantor of the Option Payment in accordance with, and within the time periods provided hereinabove. For greater certainty, upon receipt by the Grantor of the Option Payment, the New Lease Documents relating to the Option being exercised shall automatically be in full force and effect, without any further actions or formalities by the parties.

(c) The parties acknowledge and agree that (i) each Option is separate and independent from the each of the other Options, (ii) notwithstanding the exercise of one or more Options, each of the other Options remain outstanding during the Option Period, (iii) more than one Option may be exercised at the same time, (iv) each Option shall be exercised through a distinct Notice of Exercise, and (v) the failure to comply with the exercise formalities contained in this Agreement in relation to one Option has no effect on the valid exercise of another Option, whether such Options are exercised simultaneously or at different times.

3. **Mapleview Option.**

(a) The Grantor hereby grants to the Optionee, its successors and permitted assigns, the irrevocable and exclusive right and option (the **"Mapleview Option"**), to effect the cancellation of the Mapleview Lease and the simultaneous entering into a new lease agreement (the **"New Mapleview Lease"**) on the following terms and conditions:

(i) the term shall be five (5) years, commencing on the Effective Date;

(ii) the basic rent shall be equal to:

(A) if the Exercise Date is no later than March 20, 2024, the basic rent payable under the Mapleview Lease increased by an amount of CAD $3,000,000 per annum, payable monthly in equal instalments, on the first day of each month; and

(B) if the Exercise Date is on March 21, 2024, or any date thereafter, the basic rent payable under the Mapleview Lease, payable monthly in equal instalments, on the first day of each month;

(iii) the landlord shall have an irrevocable and exclusive option and right, at its entire discretion, upon a 12-month prior written notice from the landlord to the Tenant, to renew the New Mapleview Lease for a further period of five (5) years (the **"Mapleview Renewal Term"**) at same terms and conditions, save and except for the rent which shall be equal to the rent which would have been payable under the Mapleview Lease had it not been cancelled, with common facilities operating costs indexed annually by CPI during the Mapleview Renewal Term of the New Mapleview Lease;

(iv) during the term of the New Mapleview Lease, the landlord will maintain:

(A) at all times during the period from November 1 to December 31 in each lease year, a minimum of 563 parking stalls (the **"Mapleview Minimum Ratio"**) in the area highlighted in yellow in Schedule "C" attached hereto (the **"Mapleview Parking Area"**);

(B) at all times during the period from January 1 to October 31 in each lease year, a minimum of 90% of the Mapleview Minimum Ratio, provided the landlord provides sufficient replacement parking stalls to meet the Mapleview Minimum Ratio within a 200-foot radius of the Mapleview Parking Area;

it being understood that landlord's only obligation with respect to the Mapleview Parking Area will be to maintain the aforementioned

Mapleview Minimum Ratio as aforementioned, and tenant shall have no other rights in relation to the Mapleview Parking Area;

(v) if:

(A) the tenant is liable to pay incremental basic rent pursuant to Section 3(a)(ii)(A) above, starting at the end of the first year of the term of the New Mapleview Lease, the landlord shall have an option, upon a twelve (12) month prior written notice to the tenant, to terminate the New Mapleview Lease;

(B) the tenant is not liable to pay incremental basic rent pursuant to Section 3(a)(ii)(B) above, starting at the end of the first year of the term of the New Mapleview Lease, each of the landlord and the tenant, acting alone, shall have an option, upon a twelve (12) month prior written notice to the other party, to terminate the New Mapleview Lease;

(vi) the New Mapleview Lease shall not contain any Restrictive Covenants in favour of the tenant;

(vii) at expiry of the term of the New Mapleview Lease, the premises shall be surrendered to the landlord on an "as-is, where-is" basis, subject however to the terms and conditions of the New Mapleview Lease with respect to the surrender of the premises; and

(viii) the New Mapleview Lease shall otherwise be in the form and substance of the Template Lease Agreement.

(b) In consideration for the cancellation of the Mapleview Lease and the simultaneous entering into the New Mapleview Lease, the Optionee agrees to pay to the Grantor, subject to the terms and conditions contained in Section 2, the sum of CAD $30,000,000, plus applicable taxes (the **"Mapleview Option Payment"**). The Grantor and the Optionee specifically acknowledge and agree that the Mapleview Option Payment represents good, valuable and sufficient consideration for the cancellation of the Mapleview Lease and the entering into the New Mapleview Lease.

4. **Southgate Option**.

(a) The Grantor hereby grants to the Optionee, its successors and permitted assigns, the irrevocable and exclusive right and option (the **"Southgate Option"**), to effect the cancellation of the Southgate Lease and the simultaneous entering into a new lease agreement (the **"New Southgate Lease"**) on the following terms and conditions:

(i) the term shall be five (5) years, commencing on the Effective Date;

(ii) the basic rent shall be equal to:

(A) if the Exercise Date is no later than March 20, 2024, basic rent payable under the Southgate Lease increased by an amount of CAD $4,000,000 per annum, payable monthly in equal instalments, on the first day of each month; and

(B) if the Exercise Date is on March 21, 2024, or any date thereafter, rent payable under the Southgate Lease, payable monthly in equal instalments, on the first day of each month;

(iii) the landlord shall have an irrevocable and exclusive option and right, at its entire discretion, upon a 12-month prior written notice from the landlord to the Tenant, to renew the New Southgate Lease for a further period of five (5) years (the **"Southgate Renewal Term"**) at the same terms and conditions, save and except for the rent which shall be equal to the rent which would have been payable under the Southgate Lease had it not been cancelled, with common facilities operating costs indexed annually by CPI during the Southgate Renewal Term of the New Southgate Lease;

(iv) during the term of the New Southgate Lease, the landlord will maintain:

(A) at all times during the period from November 1 to December 31 in each lease year, a minimum of 446 parking stalls (the **"Southgate Minimum Ratio"**) in the area highlighted in yellow in Schedule "D" attached hereto (the **"Southgate Parking Area"**);

(B) at all times during the period from January 1 to October 31 in each lease year, a minimum of 90% of the Southgate Minimum Ratio, provided the landlord provides sufficient replacement parking stalls to meet the Southgate Minimum Ratio within a 200-foot radius of the Southgate Parking Area;

it being understood that landlord's only obligation with respect to the Southgate Parking Area will be to maintain the aforementioned Southgate Minimum Ratio as aforementioned, and tenant shall have no other rights in relation to the Southgate Parking Area;

(v) if:

(A) the tenant is liable to pay incremental basic rent pursuant to Section 4(a)(ii)(A) above, starting at the end of the first year of the term of the New Southgate Lease, the landlord shall have an option, upon

a twelve (12) month prior written notice to the tenant, to terminate the New Southgate Lease;

(B) the tenant is not liable to pay incremental basic rent pursuant to Section 4(a)(ii)(B) above, starting at the end of the first year of the term of the New Southgate Lease, each of the landlord and the tenant, acting alone, shall have an option, upon a twelve (12) month prior written notice to the tenant, to terminate the New Southgate Lease;

(vi) the New Southgate Lease shall not contain any Restrictive Covenants in favour of the tenant;

(vii) at expiry of the term of the New Southgate Lease, the premises shall be surrendered to the landlord on an "as-is, where-is" basis, subject however to the terms and conditions of the New Southgate Lease with respect to the surrender of the premises; and

(viii) the New Southgate Lease shall otherwise be in the form and substance of the Template Lease Agreement.

(b) In consideration for the cancellation of the Southgate Lease and the simultaneous entering into the New Southgate Lease, the Optionee agrees to pay to the Grantor, subject to the terms and conditions contained in Section 2, the sum of CAD $40,000,000, plus applicable taxes (the **"Southgate Option Payment"**). The Grantor and the Optionee specifically acknowledge and agree that the Southgate Option Payment represents good, valuable and sufficient consideration for the cancellation of the Southgate Lease and the entering into the New Southgate Lease.

5. **Guildford Option**.

(a) The Grantor hereby grants to the Optionee, its successors and permitted assigns, the irrevocable and exclusive right and option (the **"Guildford Option"**), to effect the cancellation of the Southgate Lease and the simultaneous entering into a new lease agreement (the **"New Guildford Lease"**) on the following terms and conditions:

(i) the term shall be five (5) years, commencing on the Effective Date;

(ii) the basic rent shall be equal to:

(A) if the Exercise Date is no later than March 20, 2024, basic rent payable under the Guildford Lease increased by an amount of CAD $4,500,000 per annum, payable monthly in equal instalments, on the first day of each month; and

(B) if the Exercise Date is on March 21, 2024, or any date thereafter, basic rent payable under the Guildford Lease, payable monthly in equal instalments, on the first day of each month;

(iii) the landlord shall have an irrevocable and exclusive option and right, at its entire discretion, upon a 12-month prior written notice from the landlord to the Tenant, to renew the New Guildford Lease for a further period of five (5) years (the **"Guildford Renewal Term"**) at same terms and conditions, save and except for the rent which shall be equal to the rent which would have been payable under the Guildford Lease had it not been cancelled, with common facilities operating costs indexed annually by CPI during the Guildford Renewal Term of the New Guildford Lease;

(iv) during the term of the New Guildford Lease, the landlord will maintain:

(A) at all times during the period from November 1 to December 31 in each lease year, a minimum of 480 parking stalls (the **"Guildford Minimum Ratio"**) in the area highlighted in yellow in Schedule "E" attached hereto (the **"Guildford Parking Area"**);

(B) at all times during the period from January 1 to October 31 in each lease year, a minimum of 90% of the Guildford Minimum Ratio, provided the landlord provides sufficient replacement parking stalls to meet the Guildford Minimum Ratio within a 200-foot radius of the Guildford Parking Area;

it being understood that landlord's only obligation with respect to the Guildford Parking Area will be to maintain the aforementioned Guildford Minimum Ratio as aforementioned, and tenant shall have no other rights in relation to the Guildford Parking Area;

(v) if:

(A) the tenant is liable to pay incremental basic rent pursuant to Section 5(a)(ii)(A) above, starting at the end of the first year of the term of the New Guildford Lease, the landlord shall have an option, upon a twelve (12) month prior written notice to the tenant, to terminate the New Guildford Lease;

(B) the tenant is not liable to pay incremental basic rent pursuant to Section 5(a)(ii)(B) above, starting at the end of the first year of the term of the New Guildford Lease, each of the landlord and the tenant, acting alone, shall have an option, upon a twelve (12) month prior written notice to the tenant, to terminate the New Guildford Lease;

(vi) the New Guildford Lease shall not contain any Restrictive Covenants in favour of the tenant;

(vii) at expiry of the term of the New Guildford Lease, the premises shall be surrendered to the landlord on an "as-is, where-is" basis, subject however to the terms and conditions of the New Guildford Lease with respect to the surrender of the premises; and

(viii) the New Guildford Lease shall otherwise be in the form and substance of the Template Lease Agreement.

(b) In consideration for the cancellation of the Guildford Lease and the simultaneous entering into the New Guildford Lease, the Optionee agrees to pay to the Grantor, subject to the terms and conditions contained in Section 2, the sum of CAD $45,000,000, plus applicable taxes (the **"Guildford Option Payment"**). The Grantor and the Optionee specifically acknowledge and agree that the Guildford Option Payment represents good, valuable and sufficient consideration for the cancellation of the Guildford Lease and the entering into the New Guildford Lease.

6. **Oshawa Option**.

(a) The Grantor hereby grants to the Optionee, its successors and permitted assigns, the irrevocable and exclusive right and option (the **"Oshawa Option"**), to eaffect the cancellation of the Oshawa Lease and the simultaneous entering into a new lease agreement (the **"New Oshawa Lease"**) on the following terms and conditions:

(i) the term shall be five (5) years, commencing on the Effective Date;

(ii) the basic rent shall be equal to:

(A) if the Exercise Date is no later than March 20, 2024, basic rent payable under the Oshawa Lease increased by an amount of CAD $2,500,000 per annum, payable monthly in equal instalments, on the first day of each month; and

(B) if the Exercise Date is on March 21, 2024, or any date thereafter, basic rent payable under the Oshawa Lease, payable monthly in equal instalments, on the first day of each month;

(iii) the landlord shall have an irrevocable and exclusive option and right, at its entire discretion, upon a 12-month prior written notice from the landlord to the Tenant, to renew the New Oshawa Lease for a further period of five (5) years (the **"Oshawa Renewal Term"**) at same terms and conditions, save and except for the rent which shall be equal to the rent which would have been payable under the Oshawa Lease had it not been cancelled, with

common facilities operating costs indexed annually by CPI during the Oshawa Renewal Term of the New Oshawa Lease;

(iv) during the term of the New Oshawa Lease, the landlord will maintain:

(A) at all times during the period from November 1 to December 31 in each lease year, a minimum of 1,090 parking stalls (the **"Oshawa Minimum Ratio"**) in the area highlighted in yellow in Schedule "F" attached hereto (the **"Oshawa Parking Area"**);

(B) at all times during the period from January 1 to October 31 in each lease year, a minimum of 90% of the Oshawa Minimum Ratio, provided the landlord provides sufficient replacement parking stalls to meet the Oshawa Minimum Ratio within a 200-foot radius of the Oshawa Parking Area;

it being understood that landlord's only obligation with respect to the Oshawa Parking Area will be to maintain the aforementioned Oshawa Minimum Ratio as aforementioned, and tenant shall have no other rights in relation to the Oshawa Parking Area;

(v) if:

(A) the tenant is liable to pay incremental basic rent pursuant to Section 6(a)(ii)(A) above, starting at the end of the first year of the term of the New Oshawa Lease, the landlord shall have an option, upon a twelve (12) month prior written notice to the tenant, to terminate the New Oshawa Lease;

(B) the tenant is not liable to pay incremental basic rent pursuant to Section 6(a)(ii)(B) above, starting at the end of the first year of the term of the New Oshawa Lease, each of the landlord and the tenant, acting alone, shall have an option, upon a twelve (12) month prior written notice to the tenant, to terminate the New Oshawa Lease;

(vi) the New Oshawa Lease shall not contain any Restrictive Covenants in favour of the tenant;

(vii) at expiry of the term of the New Oshawa Lease, the premises shall be surrendered to the landlord on an "as-is, where-is" basis, subject however to the terms and conditions of the New Oshawa Lease with respect to the surrender of the premises; and

(viii) the New Oshawa Lease shall otherwise be in the form and substance of the Template Lease Agreement.

(b) In consideration for the cancellation of the Oshawa Lease and the simultaneous entering into the New Oshawa Lease, the Optionee agrees to pay to the Grantor, subject to the terms and conditions contained in Section 2, the sum of CAD $25,000,000, plus applicable taxes (the **"Oshawa Option Payment"**). The Grantor and the Optionee specifically acknowledge and agree that the Oshawa Option Payment represents good, valuable and sufficient consideration for the cancellation of the Oshawa Lease and the entering into the New Oshawa Lease.

7. **Saks Option**.

(a) The Grantor hereby grants to the Optionee, its successors and permitted assigns, the irrevocable and exclusive right and option (the **"Saks Option"**), to effect amendments to the Saks Leases (the **"Saks Lease Amendments"**), as follows:

(i) the gross rent payable under those of the Saks Leases designated by the Optionee in its sole discretion (the **"Designated Saks Leases"**) shall be increased by an aggregate amount of CAD $3,000,000 per annum, such aggregate rent increase to be allocated amongst the Designated Saks Leases at the sole discretion of the Optionee. Furthermore, the Optionee shall have the right, any time and from time to time, at its entire discretion, to reallocate the above-referenced rent increase amongst any one the Saks Leases and, in this regard, the tenant will have the obligation to enter into and execute all documents reasonably necessary to implement such reallocation of rent increase; and

(ii) the then current term of each of the Saks Leases shall be amended to expire on the tenth (10^{th}) anniversary of the date the Saks Option Payment is paid by the Optionee to the Grantor, subject to the tenant's rights to renew any of the Saks Leases in accordance with the terms and conditions of the existing renewal options contained in the Saks Leases, provided that the total term of each of the Saks Lease, as amended by the Saks Lease Amendments, shall not exceed the total remaining term (including all applicable options to renew), determined as at the Effective Date, under any of the Saks Leases prior to the Saks Lease Amendments.

(b) In consideration for the amendments to the Saks Leases, the Optionee agrees to pay to the Grantor, subject to the terms and conditions contained in Section 2, the sum of CAD $30,000,000, plus applicable taxes (the **"Saks Option Payment"**). The Grantor and the Optionee specifically acknowledge and agree that the Saks Option Payment represents good, valuable and sufficient consideration for the amendment of the Saks Leases.

8. **Mandatory Exercise of Option**.

Provided Grantor or any relevant tenant entity is not in default of any of its monetary obligations (beyond any applicable cure period) under (i) the New Metropolis Lease, (ii) the New Anjou Lease, or (iii) any one of the Other IC HBC Portfolio Leases, on or prior to February 3, 2024 (the **"Deadline"**), the Optionee shall have the obligation to exercise at least one of the Mapleview Option, the Southgate Option, the Guildford Option, the Oshawa Option or the Saks Option, as selected by the Optionee in its sole discretion.

9. **Substitution of Option**.

(a) In the event the Optionee has exercised the Saks Option on or before the Deadline (and the Optionee did not exercise any other Options during the Option Period), the Optionee shall have one-time irrevocable and exclusive option and right (the **"Substitution Option"**), to be exercised by delivering a notice of substitution (the **"Notice of Substitution"**) prior to the expiry of the Option Period, to partially rescind the exercise of the Saks Option and the Saks Lease Amendments, provided it concurrently exercises any one of the other Options. The Notice of Substitution shall (A) specify which of the Options is being exercised by the Optionee, (B) specifying the date (the **"Substitution Date"**) on which (x) the Designated Saks Leases shall be further amended to cancel the obligation to pay the increased rent mentioned in Section 7(a)(i), and (y) the new lease documents relating to the further amendments to the Designated Saks Leases (the **"Further Saks Lease Amendments"**) and the New Lease Documents relating to the Option being exercised shall become effective (which date shall be no later than the tenth (10^{th}) day following the Exercise Date), (C) accompanied by the New Lease Documents (including the Further Saks Lease Amendments), duly executed by the relevant landlord, and (D) accompanied by a letter from Optionee's Counsels confirming that they hold "in trust" an amount (the **"Substitution Option Payment"**) representing the positive difference, if any, between (x) the Option Payment relating to the Option being exercised and (y) the Saks Option Payment, and that they will release such funds to the Grantor within one (1) Business Day of the receipt, from the Optionee, of a copy of the New Lease Documents, duly executed by all parties thereto, and instructions to release the funds to the Grantor, provided such executed documents and instructions are received by Optionee's Counsels no later than two (2) Business Days before the Substitution Date. In the event of a negative difference between the Option Payment relating to the Option being exercised and the Saks Option Payment, the Substitution Option Payment shall be equal to zero (for example, in the event the Option being exercised pursuant to this Section 9 is the Oshawa Option).

(b) Upon receipt by the Grantor of a Notice of Substitution, the Grantor shall be obligated, and shall cause the relevant tenant entity relating to Saks Designated Leases and to the Option being exercised, to enter into the New Lease Documents. Should the Grantor fail to deliver such documents duly executed by the relevant

tenant thereto in accordance with the terms of this Section 9, the Optionee shall be under no obligation to make, or to instruct Optionee's Counsels to release, the Substitution Option Payment. The New Lease Documents shall only become effective upon receipt by the Grantor of the Substitution Option Payment in accordance with, and within the time periods provided hereinabove. For greater certainty, upon receipt by the Grantor of the Substitution Option Payment, the New Lease Documents shall automatically be in full force and effect, without any further actions or formalities by the parties.

(c) For purposes of greater clarity, in the event the Option being exercised pursuant to this Section 9 is the Oshawa Option, the Grantor shall not be liable to reimburse to the Optionee an amount of CAD $5,000,000.

10. **Condition Precedent in favour of Optionee**.

(a) As a condition precedent to the obligations of the Optionee to exercise an Option pursuant to Section 8, on or before the Deadline, the Grantor and the Optionee agree to terminate and to replace all Other IC HBC Portfolio Leases by new lease agreements, which will reflect the following terms (the **"Updated HBC Leases"**):

(i) there will be no Restrictive Covenants contained in the Updated HBC Leases;

(ii) the term of each Updated HBC Lease will be for a period of 10 years commencing on the Deadline;

(iii) the landlord shall have an irrevocable and exclusive option and right, at its entire discretion, upon a 12-month prior written notice from the landlord to the tenant, to renew any one of the Updated HBC Leases for a further period of five (5) years at same terms and conditions.

In connection with the above, the parties hereby covenant and agree to work together, diligently and in good faith and to use best commercial efforts, from the date of execution of this Agreement, to progress the necessary documentation to finalize agreed form Updated HBC Leases documentation as soon as possible to enable a fulfilment of the above condition precedent.

(b) For a period expiring on the earlier of five (5) years from execution of this Agreement and the date upon which the Grantor's obligation to pay incremental rent pursuant to the New Leases ceases, and so long as the Grantor (X) is not in default of any of its monetary obligations (beyond any applicable cure period) under the New Metrotown Lease, the New Anjou Lease, any one of the New Leases or any one of the Other IC HBC Portfolio Leases (including for certainty any one the Saks Leases or the Amended Saks Leases), and (Y) (a) is not insolvent, (b) has not committed an act of bankruptcy, and (c) has not become bankrupt (each of the events described in (X) and (Y) above, an **"Event"**), the Optionee covenants and

agrees that, notwithstanding the cancellation of the Other IC HBC Portfolio Leases and the entering into the Updated HBC Leases, it will not take any action that would have been prohibited under any Restrictive Covenants contained in the Other IC HBC Portfolio Leases.

At the expiry of the aforementioned five (5) year period, if no Event has occurred, the Updated HBC Leases shall be automatically resolved, cancelled and rescinded, and the Other IC HBC Portfolio Leases (with the exception of any of the Other IC HBC Portfolio Leases which will have been cancelled and replaced by a New Lease) will resume and be reinstated.

(c) For the purposes hereof, **"Other IC HBC Portfolio Leases"** shall be defined as all leases in effect between Grantor and Optionee as of the date of this Agreement, but excluding specifically the New Metrotown Lease, the New Anjou Lease and, to the extent applicable, any one of the New Leases.

11. **Cross-Default**.

(a) So long as the tenant under the relevant lease has the obligation to pay Incremental Rent pursuant to the New Metrotown Lease or the New Anjou Lease, a default of the relevant tenant entity of its monetary obligations (beyond any applicable cure period) under (i) the New Metrotown Lease or (ii) the New Anjou Lease, shall be deemed to be a default under any one of the New Metrotown Lease, the New Anjou Lease and, as applicable, any one of the New Leases or of the Amended Saks Leases; and

(b) So long as the tenant under the relevant lease has the obligation to pay Incremental Rent pursuant to any one of the New Leases, a default of the relevant tenant entity of its monetary obligations (beyond any applicable cure period) under any one of the New Mapleview Lease, the New Southgate Lease, the New Guildford Lease, the New Oshawa Lease or any of the Amended Saks Leases, shall be deemed to be a default under any one of the aforementioned leases.

12. **Special Notices**.

The Grantor will provide the Optionee with:

(a) a 30-day prior written notice of Grantor's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(b) notwithstanding subparagraph (a) hereof, to the extent Grantor should decide to seek such relief on a more immediate basis, Grantor shall provide written notice within 24 hours of any resolution approving such action;

(c) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Grantor pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(d) five (5) Business Day prior written notice of the Grantor's signing of a forbearance agreement with one or more creditor(s).

13. **Reporting**.

For the period commencing on the date of this Agreement and expiring on the earlier of (i) the fifth (5^{th}) anniversary of this Agreement, or (ii) the date on which the Incremental Rent payable by the tenant to the landlord under any of the New Metrotown Lease, the New Anjou Lease, any one of the New Leases or any one of the Amended Saks Leases is, in the aggregate, CAD $3,000,000 or less per annum, Grantor covenants and agree to provide Optionee with the following reports:

(a) on an annual basis, no later than 120 days from the end of each year, audited financial statements of the HBC LP as at the end of such entity's fiscal year, including an audited consolidated balance sheet and the related consolidated statements of income or operations, shareholders' equity, cash flows statement and retained earnings for such fiscal year, all in reasonable detail and prepared in accordance with GAAP or IFRS, each such consolidated financial statement to be audited and accompanied by the report of a auditors' firm of nationally recognized standing reasonably acceptable to the Optionee, which report shall be prepared in accordance with generally accepted auditing standards; and

(b) on a quarterly basis, no later than 45 days from the end of each quarter, unaudited balance sheet and statement of income of the Grantor.

14. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be transferred by the Optionee to a Controlled Affiliate of the Optionee, provided the Grantor receives written notice of such transfer and the Optionee shall not be released of its obligations under this Agreement.

15. **Representations and Warranties.**

(a) The Grantor hereby represents and warrants to and in favour of the Optionee that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder

and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Grantor of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Grantor; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Grantor.

(b) The Optionee hereby represents and warrants to and in favour of the Grantor that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Optionee of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Optionee; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Optionee.

16. **Confidentiality**.

The parties agree that this Agreement are subject to the terms of the Mutual Nondisclosure Agreement dated October 17, 2023, entered into between the Optionee and the Grantor, which terms, for greater certainty, are confirmed and reaffirmed by the parties hereto and thereto.

17. **Notice.**

Any notice or other communication to be given under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or email, addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

(a) if to the Grantor:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate
E-mail: bruce.moore@hbc.com

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments
E-mail: ian.putnam@hbc.com

(b) if to the Optionee:

Ivanhoé Cambridge Inc.
1001 Square Victoria
Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

18. **Time.**

Time shall be of the essence of this Agreement.

19. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

20. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns.

21. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

22. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Québec.

23. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

GRANTOR:

HUDSON'S BAY COMPANY ULC

Per: 
_____

Name: Ian Putnam
Title: President & Chief Executive Officer, HBC Properties & Investments

OPTIONEE:

IVANHOE CAMBRIDGE INC.

Per: Julie Bourgon (Nov 13, 2023 17:30 EST)

Name: Julie Bourgon
Title: Head of Retail

Per: Maria Concetta Giampa (Nov 13, 2023 17:32 EST)

Name: Maria Concetta Giampa
Title: Director, Legal Affairs, Investments

SCHEDULE "A"

DESCRIPTION OF EXISTING LEASES

Mapleview Lease

A lease dated November 18, 1988, between Canapen (Halton) Limited and Ivanhoe Cambridge II Inc., by their manager, Ivanhoé Cambridge Inc. (or any of their predecessor in title), as landlords, and Hudson's Bay Company ULC (or its predecessor in title), as tenant, as same may have been amended and supplemented from time to time (the **"Mapleview Lease"**).

Southgate Lease

A lease dated August 12, 1970, between Ivanhoe Cambridge II Inc. and OPB (Southgate) Inc., by their manager, Ivanhoe Cambridge Inc. (or any of their predecessor in title), as landlord, and Hudson's Bay Company ULC (or its predecessor in title), as tenant, as same may have been amended and supplemented from time to time (the **"Southgate Lease"**).

Guildford Lease

A lease dated June 9, 1993, between Guildford Guildford Town Centre Limited Partnership, by its manager, Ivanhoe Cambridge Inc. (or its predecessor in title), as landlord, and Hudson's Bay Company ULC (or its predecessor in title), as same may have been amended and supplemented from time to time (the **"Guildford Lease"**).

Oshawa Lease

A lease dated August 9, 1978, between Oshawa Centre Holdings Inc., by its manager, Ivanhoe Cambridge Inc. (or its predecessor in title), as landlord, and Hudson's Bay Company ULC (or its predecessor in title), as tenant), as same may have been amended and supplemented from time to time (the **"Oshawa Lease"**).

Saks Leases

Ste-Foy:

A lease dated November 11, 2015, between Ivanhoé Ste-Foy Inc (or any of its predecessor in title), as landlord, and Hudson's Bay Company ULC (or any of its predecessor in title), as tenant, as same may have been amended and supplemented from time to time;

CrossIron:

A lease dated July 2, 2015, between CrossIron Mills Holdings Inc. (or any of its predecessor in title), as landlord, and Hudson's Bay Company ULC (or any of its predecessor in title), as tenant, as same may have been amended and supplemented from time to time;

Niagara:

A lease dated February 17, 2015, between The Outlet Collection (Niagara) Limited (or any of its predecessor in title), as landlord, and Hudson's Bay Company ULC (or any of its predecessor in title), as tenant, as same may have been amended and supplemented from time to time;

Vaughan:

A lease dated February 23, 2009, between Ivanhoe Cambridge II Inc. (or any of its predecessor in title), as landlord, and Hudson's Bay Company UCL (or any of its predecessor in title), as tenant, as same may have been amended and supplemented from time to time;

Winnipeg:

A lease dated November 11, 2015, between Seasons Retail Corp. and The Outlet Collection at Winnipeg Limited (or any of their predecessor in title), as landlords, and Hudson's Bay Company ULC (or any of its predecessor in title), as tenant, as same may have been amended and supplemented from time to time;

(collectively, the **"Saks Lease"**)

SCHEDULE "B"

TEMPLATE LEASE AGREEMENT

(See attached)

LEASE OF RETAIL SPACE

BETWEEN:
(address) **IVANHOE CAMBRIDGE II INC.**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

CENTRE: [●]

LEASE OF RETAIL SPACE

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LEASE OF RETAIL SPACE

DATE: [●]

BETWEEN:
(address) **IVANHOE CAMBRIDGE II INC.**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("Landlord")

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

("Tenant")

FOR PREMISES IN: [●]

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice***:

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant:[1] **401 Bay Street, Suite 2302 (Attention: Real Estate Department)**
Toronto, Ontario
M5H2Y4

1.02 ***Location of Premises:*** Premises No. Unit [●]

1.03 ***Shopping Centre:*** [●],

1.04 ***Area:*** [●] square feet.

1.05 ***Term:*** A period of [●] years, beginning on the [●] day of [●], and expiring on the [●] day of [●], unless terminated earlier as provided in this Lease.

1.06 ***Intentionally deleted.***

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1.07 ***Permitted Use of Premises:*** the Premises shall be used for the purposes of a department store operated in a manner consistent with the standards of other department stores operated by the Tenant that are located in the greater [●] area, and shall not be used for any other purpose whatsoever.

1.08 ***Tenant's Store Name:*** HUDSON'S BAY COMPANY, HUDSON'S BAY, THE BAY or any other trade name used by the Tenant in a majority of its department stores in the greater [□] area. Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Minimum Rent:*** An annual amount equal to **$[●] per square foot of the Area per annum,** payable pursuant to Article 4.00.

1.10 ***Intentionally deleted.***

1.11 ***Proportionate Share of Operating Costs:*** Tenant's Proportionate Share of Operating Costs shall for the 2023 Fiscal Year of the Term be $[●] per square foot of the Area per annum. Said amount shall be payable and increased pursuant to Article 4.20.

1.11.1 ***Intentionally deleted.***

1.12 ***Promotion Charge:*** For each Fiscal Year of the Term, a charge of **$[●]** per square foot of the Area per annum.

1.13 ***Tenant's Share of Taxes:*** . For the 2023, Fiscal Year, an initial amount estimated to be **$[●]** per square foot of the Area per annum. Said amount shall be payable and increased pursuant to Article 4.09.

1.14 ***Demised Utilities:*** Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00. **In addition, Tenant shall pay an initial amount of $[●] cents per square foot of the Area per annum on account of water charges for the 2023 Fiscal Year. Said amounts shall be payable and increased pursuant to Article 4.20.**

1.15 ***Intentionally deleted.***

1.16 ***Intentionally deleted.***

1.17 ***Tenant Allowance:*** See Article 22.00 of this Lease.

1.18 ***Definitions:*** In this Lease:

1.18.1 **"Additional Rent"** means all amounts (other than Minimum Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted.*** .

1.18.3 **"Area"** means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. **The parties acknowledge and agree that the Area of the Premises is [●] square feet.**

1.18.4 **"Architect"** means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.

1.18.5 **"Article"** means an article of this Lease.

1.18.6 **"Authority"** or **"Authorities"** means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted.***

1.18.8 **"Commencement Date"** means the first day of the Term (effective as of 12:00am).

1.18.9 **"Common Areas and Facilities"** means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 **"Consumer Price Index"** or **"C.P.I."** means the Consumer Price Index for all items in the City of [●] as issued by Statistics Canada or its successor, provided that if such Consumer Price Index is not available from Statistics Canada or its successor, Landlord may utilize for the purposes of this Lease any reasonable measure of changes in consumer price levels.

1.18.11 **"Delivery Facilities"** means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted.***

1.18.13 **"Environmental Law"** means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment.

1.18.14 **"Fiscal Year"** means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted.***

1.18.16 ***Intentionally deleted.***

1.18.17 **"Force Majeure"** means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes, walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted.***

1.18.19 **"Goods and Services Tax"** or **"GST"** means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST, QST or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 **"Gross Leasable Area"** means the total of all floor areas (measured in the manner stipulated in the definition of "Area") of all premises in the Shopping Centre intended for leasing from time to time, whether said premises directly access an enclosed mall or court or not, but excluding basement areas, mezzanines, storage areas, elevator and escalator shafts, areas of the Common Areas and Facilities leased or occupied on a temporary basis, areas not used for retail purposes such as, by way of example only, areas leased or occupied for non-retail purposes or promotional

purposes and areas occupied by the Shopping Centre manager and any support staff.

1.18.21 ***Intentionally deleted.***

1.18.22 **"Hazardous Substance"** means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs), pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted.

1.18.23 **"HVAC Cost"** means all the costs, charges and expenses in any Fiscal Year for the operation, repair, replacement and maintenance of the systems for heating, ventilating, and air conditioning the Shopping Centre and/or premises including the Premises as established by Landlord, from time to time, on a fair and equitable basis which reflects load and hours of operation provided, however, where Tenant pays an HVAC Charge for the Premises, or where Tenant maintains, repairs and replaces HVAC for the Premises at its cost, HVAC costs shall exclude the Premises.

1.18.24 **"Interest Rate"** means the Prime Rate in force when an amount becomes due, plus three (3) percentage points.

1.18.25 **"Land"** means all of the lands described in Exhibit B.

1.18.26 **"Landlord"** means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted.***

1.18.28 **"Lease"** means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.54 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 **"Lease Year"** means a period of twelve (12) calendar months except the first Lease Year of the Term which will begin on the Commencement Date and end on the last day of the calendar month in which the first (1st) anniversary of the day immediately preceding the Commencement Date occurs and succeeding Lease Years will comprise successive periods of twelve (12) calendar months (and the last Lease Year in the Term may contain less than twelve (12) calendar months), but if Landlord deems it expedient, it may by written notice to Tenant specify an annual date upon which any Lease Year will terminate, in which event the appropriate adjustments will be made between the parties.

1.18.30 ***Intentionally deleted.***

1.18.31 ***Intentionally deleted.***

1.18.32 **"Management Company"** means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted.***

1.18.34 **"Minimum Rent"** means the amount payable by Tenant to Landlord pursuant to Article 1.09 in respect of each year of the Term under Article 4.01.

1.18.35 **"Mortgagee"** shall have the meaning given to the term in Article 17.03.

1.18.36 **"Operating Agreement(s)"** means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any).

1.18.37 **"Operating Costs"** means:

(a) all costs, expenses and charges which are attributable to the insuring, operation, repair, replacement, administration and maintenance of the Shopping Centre or incurred to reduce

Operating Costs, including, without limiting the generality of the foregoing, any tax, rate, charge, levy, duty, fee, tariff or assessment however imposed, assessed or charged in relation to the consumption and/or emissions of any fuel of whatsoever nature for the Shopping Centre and/or the Premises or from any part of the foregoing, or levied or charged in lieu thereof, the costs to Landlord of purchasing in compliance with all applicable laws of any Authority tradable units of greenhouse producing gases including without limitation carbon dioxide, HVAC Cost, plus energy costs in relation thereto, depreciation or amortization allocable to the Fiscal Year on equipment and fixtures, energy conservation and security costs, cleaning, snow removal, landscaping, garbage collection and disposal, recycling, painting, decorations, parking lot repairs, maintenance, replacements and stripping, roof repairs, maintenance and replacements, utilities including water, gas, and electricity, security and security equipment and technology, energy efficiency, energy sub-metering and recycling technology and equipment, rental of equipment and hiring of services, remuneration of all or any on-site Shopping Centre staff and supervisory personnel, including but not limited to managers, supervisors and support staff, including wages, bonuses and benefits, employment related costs, including the foregoing costs of off-site personnel involved in the administration and management of Taxes and insurance for the Shopping Centre, general overhead expenses including office supplies and equipment, postage and courier costs, the fair market rentable value and any business taxes associated with any office space in the Shopping Centre used by Landlord or Management Company to operate and administer the Shopping Centre, interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the undepreciated or unamortized portion of the cost and expense of items being depreciated or amortized from time to time and capital replacement of the systems for heating, ventilating and air conditioning the Shopping Centre, and repairs and replacement of the roofs and parking facilities of the Shopping Centre;

(b) all expenses after the date any space in the Shopping Centre was first occupied by any tenant and properly allocable to the Fiscal Year for any capital improvement or structural repair to the Shopping Centre, or required by any change in the laws, rules, regulations, or orders of any governmental or quasi-governmental authority having jurisdiction, or incurred to reduce Operating Costs, which expenses will be amortized in accordance with reputable shopping centre management and operation practices, and interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the unamortized portion of the total costs of the foregoing;

(c) all costs, charges and expenses which are directly attributable to the operation, management, repair, replacement and maintenance of the Shopping Centre or incurred to reduce Operating Costs but which are not attributable solely to the operation, management, repair, replacement and maintenance of any leasable area of the Shopping Centre; and

(d) an administration fee equal to fifteen percent (15%) of the total of the items set out in Article 1.18.37 (a), (b) and (c) above.

1.18.37.1 **"Original Lease"** means that certain lease dated [●] (as amended, supplemented from time to time, collectively, the **"Original Lease"**), entered into by Landlord and the Tenant (as successors to the original parties thereto) for the Premises which Original Lease has been surrendered immediately prior to the Commencement Date.

1.18.38 **"Owners"** means the owner or owners or co-owners from time to time (other than Landlord) of the freehold or leasehold title of the Shopping Centre.

1.18.39 **"Person"** where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.40 **"Premises"** means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A. If the Premises are entirely self-enclosed, the boundaries shall extend to the exterior face of all exterior walls, doors and windows, or those separating the Premises from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the underside of the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical, electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.41 **"Prime Rate"** means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.42 **"Promotion Fund"** means the fund for promotion of the Shopping Centre, if any, described in Article 4.12.

1.18.43 **"Proportionate Share"** means, a fraction, the numerator of which is the Area, and the denominator of which is the Gross Leasable Area. **For certainty, the Tenant's Proportionate Share for the purposes of this Lease shall be determined in a manner consistent with the Tenant's Proportionate Share figure used by the parties under the Original Lease as at the Termination Date.**

1.18.44 **"Released Persons"** means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.45 **"Rent"** means the Minimum Rent and the Additional Rent.

1.18.46 **"Shopping Centre"** means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering or reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.47 **"Site"** means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.48 **"Taxes"** means the aggregate of all taxes, rates, charges (including local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.49 ***Intentionally deleted.***

1.18.50 **"Tenant"** means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.51 **"Tenant Security"** means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable, located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.52 ***Intentionally deleted.***

1.18.53 **"Term"** means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof.

1.18.54 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" INTENTIONALLY DELETED.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" INTENTIONALLY DELETED.

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 GRANT OF LEASE

2.01 ***Grant*** Landlord hereby demises and leases the Premises to Tenant, and Tenant hereby leases and accepts the Premises from Landlord, to have and to hold during the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 ***Intentionally deleted.***

3.02 ***Intentionally deleted.***

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures, chattels or other personal property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any other right to acquire any interest or real property right in all or any part of the Shopping Centre or the Premises.

3.04 ***Limitation on Length of Term*** This 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 are complied with relating to the severance of land or interests in land by conveyance or otherwise (as it may from time to time be amended). 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.

3.05 ***Termination of Previous Lease*** Tenant and Landlord hereby agree that the Original Lease is terminated effective on 11:59pm on the date immediately preceding the Commencement Date (the **"Termination Date"**). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date,

be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the termination of the Original Lease as provided herein. Tenant will, at its sole expense, cause all documents registered on title relating to the Original Lease (inclusive, for certainty, of any notices of leases; restrictive covenants, caveats, cautions, etc.) to be discharged, vacated or otherwise removed from title to the Site and the Shopping Centre and provide proof of such action to Landlord, within 15 days of the Termination Date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge thereof immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering such documents or instruments will be paid by Tenant.

For certainty, Tenant acknowledges and agrees that it remains responsible for the re-payment of all deferred rental amounts owing and outstanding as of the Termination Date under the Original Lease and the corresponding deferral agreement entered into by the parties in [●] (such deferred rent amount being $[●] per square foot of the Area of the Premises per annum).

ARTICLE 4.00 RENT

4.01 ***Minimum Rent*** Tenant will pay to Landlord a Minimum Rent for the Premises described in Article 1.09 of this Lease, payable in advance in equal and consecutive monthly instalments and without notice on the Commencement Date and on the first day of each calendar month thereafter during the Term.

4.02 **Intentionally deleted.**

4.03 **Intentionally deleted.**

4.04 **Intentionally deleted.**

4.06 ***Net Lease*** It is the stated purpose and intent of Landlord and Tenant that, **except as otherwise expressly provided herein,** this Lease will be fully net to Landlord. Tenant will pay to Landlord, at the times and in the manner provided in Articles 4.07 and 4.09, its Proportionate Share of Operating Costs and Taxes.

4.07 ***Calculation and Payment of Operating Costs***

(a) Tenant will pay the amounts stipulated in Article 1.11 to Landlord in monthly instalments one-twelfth of such estimate simultaneously with Tenant's payments of Minimum Rent during such Fiscal Year.

(b) If the Term commences after the beginning of or terminates before the end of a Fiscal Year, the amount of Operating Costs payable by Tenant for such Fiscal Year will be adjusted proportionately.

4.08 ***Intentionally deleted.***

4.09 ***Taxes Payable by Tenant*** The Tenant shall be responsible for the payment of all Taxes imposed from time to time during the Term in respect of the Premises and the lands immediately thereunder, including in each case all the improvements constructed thereon and all the fixtures and equipment constructed and used by Tenant and its assignees, sublicensees and concessionaires; for certainty, Tenant shall pay the Tenant's Taxes contribution to the Landlord as Additional Rent hereunder in an amount equal to the actual Taxes levied specifically against the Premises by the taxing authority, provided that if the Premises is not taxed on a separate basis, then in an amount determined by the Landlord, acting reasonably and equitably, on the basis of the notes and working papers of the British Columbia Assessment Authority (or its successor) made readily available to the Landlord, and provided further that if such notes and working papers are not readily available to the Landlord or they do not contain sufficient information to determine the Taxes applicable specifically to the Premises, then Tenant shall pay its Proportionate Share of all Taxes payable in respect of the Shopping Centre. The parties acknowledge and agree that for the 2023 Fiscal Year, the notes and working papers of the British Columbia Assessment Authority are readily available to the Landlord and contain sufficient information to determine the Taxes applicable specifically to the Premises. For the 2023 Fiscal Year, an initial amount of Taxes allocable to the Premises is estimated to be $[●] per square foot of the Area per annum.

Within 180 days of the end of the Fiscal Year for which the estimated payments apply, Landlord shall furnish Tenant with a statement showing the actual amount of Tenant's required contribution

pursuant to this Article 4.09 for such period. If the estimated amount paid by Tenant is less than the amount indicated on the statement, Tenant shall pay the difference to Landlord within 30 days following the date Landlord sends its invoice to Tenant. If the amount paid provisionally by Tenant is greater than the amount indicated on the statement, Landlord will credit or refund the overpayment against any sums due or which may become due by Tenant under this Lease. Notwithstanding the foregoing, the fact that Landlord delays, omits or is in default of providing Tenant with a statement showing the actual amount of Taxes to be paid by Tenant does not prejudice or affect in any manner whatsoever Landlord's right to provide same at any time or Tenant's obligation to pay.

Tenant shall reimburse Landlord that part of any increase in Taxes for the Shopping Centre, which is reasonably attributable to any change, addition or improvement or special equipment identified by a taxing Authority made on or in the Premises by Tenant. In such event, Tenant shall pay to Landlord the total amount of said Tax increase attributable to Tenant within 30 days of receipt of an invoice from Landlord, said amount to be deemed Additional Rent.

For greater certainty, Tenant shall pay to Landlord an amount equal to any and all goods and services tax, value added tax, or any other similar tax (such as by way of example GST, HST or any other similar tax) (**"Value Added Taxes"**), it being the intention of the parties that Landlord shall collect from Tenant all Value Added Taxes collectable by Landlord on the Rent and any other amounts payable by Tenant under this Lease. The amount of such Value Added Taxes so payable by Tenant shall be calculated by Landlord in accordance with the applicable legislation and shall be paid to Landlord at the same time as the amount to which such Value Added Taxes apply are payable to Landlord under the terms of this Lease. The amount payable by Tenant under this provision shall be deemed not to be additional rent, but Landlord shall have all of the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Lease

Landlord may, without being obliged to do so, contest any Taxes, assessment or any decision of any Authority, and to prosecute, suspend, appeal or settle any contestation as it deems appropriate. Nothing whatsoever related to any contestation or appeal will entitle Tenant to withhold or defer payment of any Taxes it is obliged to pay to Landlord. Tenant shall have no right to contest any Taxes to which it may be obliged to contribute.

4.10 ***Changes in Taxes*** If the system of real estate taxation is altered or varied from that in force on the Commencement Date and any new tax shall be levied or imposed on all or part of the Shopping Centre and/or the revenues therefrom and/or on Landlord in substitution for or in addition to previously existing Taxes by any taxing Authority, whether or not the taxing Authority has previously charged any Taxes, then any such new tax or levy shall be included in Taxes, or if by law, regulation or otherwise all or any part of any Taxes, is made payable by Landlord or if the mode of collecting such tax, assessment, local improvement, licence fee, excise or other charge is so altered so as to make Landlord liable in whole or in part therefor instead of Tenant or if all or any part of Tenant's Taxes under Article 8.01 is imposed, levied, assessed or charged upon or on account of the Shopping Centre, Tenant will pay to Landlord, from time to time, within 30 days after demand, the amount payable by Landlord, from time to time, as a result of such change as determined by Landlord in the same manner as the Proportionate Share of Taxes is payable under the terms of this Lease and Tenant will indemnify and save Landlord harmless from any cost or expense in respect thereof. For greater certainty, to the extent that the new tax or levy is fully recoverable by Tenant as an input tax credit or refund, such Tax shall be fully payable by Tenant notwithstanding the proportionate sharing of other Taxes hereunder. For greater certainty, to the extent a new tax or levy is fully recoverable by Tenant as an input tax credit or refund, such Tax shall be fully payable by Tenant notwithstanding the proportionate sharing of Taxes hereunder.

4.11 ***Intentionally deleted.***

4.12 ***Promotion Fund*** Landlord may establish and maintain a common Promotion Fund for the Shopping Centre or continue to maintain any Promotion Fund in existence as of the Commencement Date of this Lease. Landlord will use the Promotion Fund for the promotion or benefit of the Shopping Centre in such a manner and as Landlord may, from time to time, decide and, without limiting the generality of the foregoing, Landlord may utilize the Promotion Fund for payment of a full-time or part-time marketing director, the employment of other promotional staff and customer service, the purchase of advertising space and time, materials or equipment for decorating and promotional events and activities similar to those undertaken by other shopping centres. Any surplus in the Promotion Fund at the end of a Fiscal Year of the Promotion Fund will be carried forward for like purposes in the next year, without any reduction in the amount payable by Tenant pursuant to this Article 4.12. Landlord may, at its sole discretion, establish a Promotion Fund advisory committee comprised of representatives of the tenants of the Shopping Centre chosen by Landlord to advise Landlord on the application of the Promotion Fund contributions.

If there is a Promotion Fund for the Shopping Centre, Tenant will pay to Landlord in equal monthly instalments, the amount stipulated in Articles 1.12, towards the Promotion Fund, and may include the development of a mall video network, offering a program of information, entertainment and advertisements, and for the promotion of the Shopping Centre.

Landlord will have the right at its discretion to change the Fiscal Year of the Promotion Fund as it may deem appropriate, from time to time. In the event of any such change, Tenant's required contributions to the Promotion Fund for any fiscal year thereof, which is either greater or lesser than twelve (12) calendar months, will be adjusted by Landlord in a reasonable manner.

4.13 ***Intentionally deleted.***

4.14 ***Landlord's Promotions*** Landlord may promote and advertise the Shopping Centre in a manner and to the extent that would a diligent and prudent owner of a similar shopping centre, taking into account the nature, size, age, character and location of the Shopping Centre as well as the general image that Landlord is attempting to project for the Shopping Centre from time to time. Tenant agrees that Landlord will never be obliged to spend more than the total amount paid to the Promotion Fund described in Article 1.12 by the tenants of the Shopping Centre in any Fiscal Year in order to fulfill its obligations hereunder. Landlord shall alone administer the Promotion Fund.

Landlord's promotional activities may include, without limiting the generality of the foregoing, the production and distribution of written advertising or promotional materials and/or audio and/or audio visual promotions by the various media (radio and television) and/or internet and/or seasonal decorations and/or all other forms of promotion or publicity in relation to the Shopping Centre alone or on a joint basis with one or more other shopping centres or properties of which Landlord is owner or manager. Tenant agrees to give its complete support and cooperation to all of Landlord's promotional activities. Without limitation, Tenant will honour any discount coupons, gift certificates, gift cards, electronic gift cards or other incentives given to customers as part of any promotional activity.

Landlord may designate an agent to promote and/or advertise on its behalf, to enter into any agreements with third parties for promotion and/or advertising purposes, and may use all or any part of the Promotion Fund contributions to pay or remunerate its agent.

4.15 ***Intentionally deleted.***

4.16 ***Intentionally deleted.***

4.17 ***Tenant's Support*** Tenant will support all promotional events, functions and activities sponsored or participated in by either the Promotion Fund, if any. In order to comply with this obligation, however, Tenant will not be required to make any additional financial contributions toward the promotion of the Shopping Centre other than those set out in Article 4.12.

4.18 ***Payment of Rent – General*** During the Term of this Lease, Tenant shall pay Minimum Rent and Additional Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction or set-off, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.19 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.20 ***Charge Adjustment.*** Wherever it is mentioned in this Lease that Landlord may increase any amount or charge, the following rules may apply if required by the Landlord: (a) each permitted increase of any such amount or charge shall come into force as of the date indicated in Landlord's notice and shall remain in effect until the subsequent increase comes into effect; (b) each permitted increase of any such amount or charge may, at Landlord's option, be charged retroactively; (c) each time any such amount or charge increases, the amount or charge shall be deemed to be replaced by the increased amount or increased charge; (d) any such amount or charge that may be payable during any Fiscal Year shall never be less than the amount or charge so payable during the immediately preceding Fiscal Year; (e)the fact that no annual increase was imposed for any preceding Fiscal Year or such other period, or the fact that an amount less than the full amount of any permitted increase was charged, shall not prevent Landlord, in any manner whatsoever, from imposing the full amount of any annual increase, or any part thereof, during any subsequent Fiscal Year; and (f) the annual increase that Landlord shall be permitted to charge shall be calculated by multiplying the amount or charge presently in force by a fraction, the numerator of which shall be the C.P.I. for the month of September of the current Fiscal Year in question and the denominator of which shall be the C.P.I. for the month of September for the immediately preceding Fiscal Year.

ARTICLE 5.00 USE OF PREMISES

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the Greater Vancouver Area. Tenant shall abide by all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with this Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice, and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord unless guaranteed to the satisfaction of Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv)

a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased. Notwithstanding the foregoing, within the last six (6) months of the Term, the Tenant shall have the right to conduct clearance and other sales promotions in the Premises and the Tenant shall be permitted to erect, install and maintain within the Premises during such period any clearance and/or store closing signage (or other signage of a similar nature), provided that (i) any such signage on the exterior of the Premises or which faces any Common Areas and Facilities, shall be subject to the Tenant obtaining all required municipal approvals as well as the Landlord's prior written approval for the nature, size, type and location thereof; and (ii) all clearance and other sales otherwise comply with the requirements of sub-paragraph (b) above and this Lease and are undertaken in a reputable and prudent manner that does not interfere with the typical use and operation of the Shopping Centre or the occupants thereof. Landlord's approval of such signage shall not be unreasonably withheld, conditioned or delayed provided it complies with this provision.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted.***

5.06 ***Display Windows*** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the Premises during the Term and Tenant's use thereof will be subject to such regulations as Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 **Intentionally deleted.**

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the delivery facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the delivery facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

ARTICLE 6.00 SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b), Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 (except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises and will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre

(excluding the Premises), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles 10.01, 16.01, 16.02, 16.03, or 16.04.

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04 will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, , minimum stall number requirements or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights

to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, easements, transfers, dedications, permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial discharges of its notice of lease and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters.

6.05 ***Intentionally deleted.***

6.06 ***Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 DEMISED UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Demised Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the

tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

7.02 ***Demised Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, Tenant will be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the **"Tenant HVAC System"**) installed for the Premises where such equipment is not part of a shared or central system.

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will maintain the Premises and all improvements therein in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) ***intentionally deleted***;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed all elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the

rules and regulations of Landlord.

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Personal Property*** Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and personal property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or personal property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant

in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted.***

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("Sign") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** During the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** During the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective upon written notice to Tenant, or without terminating this Lease and after giving such notice, if any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Mutual Indemnity.*** Except to the extent released in Sections 10.02 and 10.03 below, each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

10.02 ***Release of Landlord.*** In respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Premises, the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 TRANSFERS

11.01 ***Transfers*** Except to an Eligible Corporation (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a "Transfer"), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or

unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to mortgage or encumber this Lease or all or part of the Premises. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, mortgagee, encumbrancer, user or occupant as the case may be (hereinafter the "Transferee"), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee notwithstanding any rule of law to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(g)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective control); (ii) details of the proposed Transferee's prior business experience (including experience in the enterprise for which the Premises are to be operated pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or

repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the Canada Business Corporations Act); or

(b)assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater [●] area; and (ii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord:

(i) in a vacant, clean and broom-swept condition with all of Tenant's signage, inventory, trade fixtures, racking and personal property removed; and

(ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators) servicing the Premises in a working order, subject to reasonable wear and tear ;

but otherwise in an "as is, where is" condition and without any obligation to: (A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or (B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof. For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has filed a caveat, caution or other document or instrument giving notice of this Lease against title to the Land, it will cause the same to be discharged no later than 15 days following the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a surrender of this Lease or a discharge of caveat, caution or other document or instrument will be paid by Tenant.

12.02 ***Trade Fixtures, Personal Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon

the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Tenancy at Sufferance*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy at sufferance may be immediately terminated by Landlord at any time by notice of termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy or tenancy at sufferance hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "Rules and Regulations") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than 60 days after the date (hereinafter "Date of Such Taking") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on the date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment, and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Limited Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, can be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord will immediately at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord or which have been installed by or on behalf of Tenant, which instead will be repaired immediately by Tenant at Tenant's own expense.

16.02 ***Major Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then Landlord, or in the event that there is less than two (2) years remaining in the Term, Tenant**,** may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than 20 days after receipt of the Architect's opinion, failing which Landlord will forthwith at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord or which have been installed by or on the behalf of Tenant, which instead will be repaired forthwith by Tenant at Tenant's own expense.

16.03 ***Abatement*** If Landlord is required to repair damage to all or part of the Premises under Article 16.01 or 16.02, provided such damage is caused by a peril Landlord is required to insure against pursuant to Article 9.01, the Rent payable by Tenant under this Lease will be proportionately reduced to the extent that the Premises are thereby rendered untenantable by Tenant in its business, from the date of such casualty until five (5) days after completion by Landlord of the repairs to the Premises (or the part thereof rendered untenantable) or until Tenant again uses the Premises (or the part thereof rendered untenantable) in its business, whichever first occurs.

16.04 ***Major Damage or Destruction of Shopping Centre*** Notwithstanding any contrary provision of this Lease and specifically, but without limitation, Article 16.01, if the Shopping Centre is totally or partially damaged or destroyed (whether the Premises are affected or not), and (i) in the Architect's opinion, the damaged or destroyed portions cannot reasonably be repaired, restored or rebuilt within one hundred and eighty (180) days following the occurrence of the damage or destruction (employing normal construction methods without overtime or other premium); or (ii) the cost as estimated by the Architect, of repairing, restoring or rebuilding the damaged or destroyed portions would exceed the proceeds of insurance available to Landlord for such purpose; or (iii) the damage or destruction was caused by a peril for which Landlord was not insured and for which Landlord was not obliged to insure against; or (iv)intentionally deleted; ; or (v) less than two (2) years remains during the Term; or (vi) a Mortgagee will not consent to the use of insurance proceeds for repair or reconstruction; then in any of the above cases, Landlord may, at its option (to be exercised by written notice to Tenant within 30 days following any such occurrence) elect to terminate this Lease.

If Landlord elects to terminate this Lease, then the following provisions will apply:

(a) If the Premises become totally unfit for the use for which they were leased, the termination will take effect from the date of the damage or destruction and the Rent will cease to be payable and will be adjusted as of that date.

(b) If the Premises are partially damaged and Tenant has occupied any part of the Premises or any part of the Premises have been reasonably capable of being occupied from the date of the damage or destruction, this Lease will terminate ten (10) days from Landlord's notice stipulated in the first paragraph of this Article 16.04 and the Rent will cease to be paid by Tenant as of the date of termination, however, Minimum Rent and Additional Rent will abate from the date of the damage and destruction until the date of termination to the extent the Premises cannot reasonably be used for their intended purposes.

(c) If the Premises were not damaged, this Lease will terminate ten (10) days from Landlord's notice stipulated in Article 16.00 and the Rent will cease to be paid from such date of termination.

If the Shopping Centre is totally or partially damaged or destroyed and Landlord does not elect to terminate this Lease, subject to the following, Landlord shall commence and proceed diligently to reconstruct or repair those portions of the Shopping Centre which have been so damaged or destroyed to the extent only of Landlord's responsibilities pursuant to the terms of the various leases for premises in the Shopping Centre and exclusive of any tenants' responsibilities. Furthermore, if the Premises are being repaired or reconstructed, the provisions of Article 16.01 will apply.

If Landlord does any reconstruction or repairing of the Shopping Centre, Landlord may do any one or more of the following: (i) use plans, specifications and working drawings which differ from those applicable to the Shopping Centre existing prior to the damage or destruction provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; (ii) change the configuration, design and/or size of the Shopping Centre or any of its component parts including, without limitation, the location and size of any mall, court, entrance, parking facility or any of other Common Areas and Facilities provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; and (iii) redesign the tenant mix, both with respect to the kinds of uses which will be included in the tenant mix, as well as the physical location of the types of uses being operated prior to the damage or destruction. Tenant agrees that none of the foregoing shall constitute a default of Landlord's obligation to provide peaceable enjoyment of the Premises, nor shall it constitute a change of form or destination of the Shopping Centre, nor shall the validity or enforceability of this Lease be affected in any manner by any of the foregoing.

ARTICLE 17.00 TRANSFERS AND MORTGAGES BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of

Landlord to sell, convey, assign or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 ***Definition of Mortgage, Mortgagee and Mortgagee's Interest*** Each and every charge, mortgage, debenture or trust deed, now or hereafter registered against all or any part of the Shopping Centre is hereafter called a "Mortgage" which term includes all amounts advanced or to be advanced thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. "Mortgagee" means a chargee or mortgagee named in a Mortgage, or the holder of a debenture or the trustee under a trust deed constituting a Mortgage, as the case may be; and "Mortgagee's Interest" means the estate or interest of the Mortgagee secured by a Mortgage.

17.04 ***Subordination of Mortgage to Lease*** If this Lease or the estate or interest of Tenant thereunder (the "Tenant's Leasehold Interest") is subordinate to a Mortgage or Mortgagee's Interest now or at any time hereafter, then on written request of the Mortgagee or of Landlord on Mortgagee's behalf, made concurrently with execution of this Lease or at any time thereafter, the Mortgage and the Mortgagee's Interest will be postponed and made subordinate to this Lease and the Tenant's Leasehold Interest as if such Mortgage had been executed, delivered, registered and fully advanced after the execution, delivery and registration of this Lease, by means of an instrument of postponement and subordination, which will be entered into between Tenant and the Mortgagee, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that it complies with the terms and conditions of the Lease. Such instrument will be in such form as the Mortgagee may reasonably require, consistent with this Article 17.04 and Article 17.07 and will be effective between the Mortgagee and Tenant when executed by them, without necessity for registration against title to the Shopping Centre; but if desired by the Mortgagee or Tenant, either of them may register such agreement or notice thereof and for that purpose the Mortgagee and Tenant will enter into any further document required to effect registration.

17.05 ***Attornment*** If this Lease and Tenant's Leasehold Interest now or at any time hereafter is subordinate to a Mortgage and Mortgagee's Interest and the Mortgagee does not require a postponement and subordination instrument under Article 17.04, Tenant will on request of such Mortgagee or of Landlord on behalf of the Mortgagee, made concurrently with execution of this Lease or at any time thereafter, enter into an attornment agreement with such Mortgagee in such form as the Mortgagee may reasonably require, whereby Tenant will agree that if default occurs under the Mortgage, and:

(a) the Mortgagee takes possession of the Premises, by obtaining and enforcing a court order to that effect or otherwise;

(b) the Mortgagee forecloses or otherwise acquires the interest of Landlord in the Premises, but does not foreclose the Tenant's Leasehold Interest; or

(c) the Mortgagee sells, conveys or assigns the Premises to another party (hereinafter a "Purchaser") pursuant to a power of sale or court order for sale which does not purport to sell the Premises free of the Tenant's Leasehold Interest,

Tenant will, on written demand of the Mortgagee or Purchaser as the case may be, attorn to and become the tenant of that person from and including the date the demand is received, for the balance of the term of this Lease (and with rights of renewal if any as provided in this Lease), at the rents and otherwise on the terms of this Lease, subject as hereinafter provided in Article 17.06, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that Tenant complies with, all the terms and conditions of the Lease.

17.06 ***Intentionally deleted.***

17.07 ***Effect of Subordination or Attornment*** No subordination effected under Article 17.04 and no attornment effected under Article 17.05 will render the Mortgagee or Purchaser, as the case may be:

(a) liable for any act or omission of Landlord or a predecessor in title of Landlord; or

(b) subject to any offsets or defenses which Tenant might have against Landlord or a predecessor in title of Landlord; or

(c) bound by any prepayment by Tenant of more than one month's instalment of Rent, or by any previous modification of this Lease, unless such prepayment or modification has been approved in writing by the Mortgagee or Purchaser or any predecessor in interest except Landlord.

Upon attornment occurring under Article 17.05, the relationship of landlord and tenant thereby created between the Mortgagee or Purchaser as the case may be, as Landlord, and Tenant as tenant, will supercede this Lease, but if the Mortgage is subsequently redeemed or put in good standing or the Mortgagee goes out of possession, the Mortgagee will be relieved of its obligations to Tenant as if a sale, conveyance or assignment had occurred to which Article 17.02 applied.

Any attornment by Tenant to a Mortgagee or Purchaser will be without prejudice to the right (when applicable) of any other mortgagee or purchaser that has priority to the Mortgagee or Purchaser to demand that Tenant attorn to the other mortgagee or purchaser pursuant to the rights if any, of the other mortgagee or purchaser in that regard under Article 17.00. In case of such demand being lawfully made, and Tenant attorning to such other mortgagee or purchaser the attornment previously made to the Mortgagee or Purchaser will cease to be effective.

17.08 ***Tenant's Obligations May Be Assigned*** Tenant acknowledges that its covenants and obligations under Article 17.00 are intended in whole or in part to operate for the benefit of any and all Mortgagees and Purchasers and that in obtaining such covenants and obligations Landlord is acting not only for itself, but also as trustee or agent for all such persons. Without limiting the foregoing, Landlord may assign the benefit of such covenants and obligations to any and all Mortgagees or Purchasers who request same, as security or otherwise, and Tenant agrees that any such Mortgagee or Purchaser will be entitled on receiving such assignment and giving due notice thereof to Tenant, to enforce such covenant or obligation against Tenant to the same extent as if it were a party to this Lease directly entitled to the benefit of such covenants and obligations.

17.09 ***Execution of Instruments*** Except as otherwise provided in Article 17.00, the subordination and attornment provisions herein will be self-operating and no further instrument will be required. Nevertheless Tenant, on request by and without cost to Landlord, any Mortgagee, Purchaser or successor in interest, will execute and deliver any and all instruments further evidencing such subordination and/or attornment when applicable.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a notice, caveat or short form of this Lease (the "Registration Document") to give notice of Tenant's interest created by this Lease, provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, and any right of renewal. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will only indicate and be registered against title to that portion or those parcels of the Site or Shopping Centre as Landlord may designate in its sole discretion. Further, in the event any portion of the Land ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) in the event that, in order to effect registration, the Registration Document must be executed by any party other than Landlord and Tenant, Landlord will request such consent or execution of that party, but the sole cost of obtaining same will be borne by Tenant and Landlord will not be liable to Tenant in the event that such consent or execution is not obtained;

(e) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(f) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a surrender of this Lease or a discharge of caveat, caution or other document or instrument will be paid by Tenant.

17.14 ***Easements and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or other creation of such licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.15 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article 6.04, Landlord will have the right from time to time to subdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery. Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord) designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues after five (5) Business Days' =notice by Landlord; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days notice by Landlord specifying with reasonable particularity the nature of such failure and requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, chattels or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it shall provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior written notice of the Tenant signing of a forbearance agreement with one or more creditor(s);** or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, chattels or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease; or

(h) a default (which is not remedied within the cure period provided for in such new lease) occurs of the tenant of the terms of any new lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), that is entered into or dated on or after the Commencement Date but before March 31, 2024, in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties, so long as the tenant has the obligation under such new leases to pay the "increased rent" therein (being the increased rental payments under such new lease in excess of that which would have been payable under the current existing lease

at such property as of the Commencement Date hereof):

(i) Galeries D'Anjou;

(ii) Mapleview;

(iii) Southgate;

(iv) Guilford; or

(v) Oshawa;

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "Tenant Inducements") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, chattels and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law or equity to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable.

19.04 ***Waiver of Exemption and Redemption*** Notwithstanding anything contained in any statute now or hereafter in force limiting or abrogating the right of distress, none of Tenant's goods, chattels or trade fixtures on the Premises at any time during the continuance of the Term will be exempt from levy by distress for Rent in arrears and upon any claim being made for such exemption by Tenant or on distress being made by Landlord this agreement may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying upon any such goods as are named as exempted in any such statute, Tenant hereby waiving all and every benefit that could or might have accrued to Tenant under and by virtue of any such statute but for this Lease. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any terms and conditions of this Lease or otherwise.

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages(subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after

re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing.

Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 ***Intentionally deleted.***

ARTICLE 21.00 MISCELLANEOUS

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venturer or a member of a joint or common enterprise with Tenant.

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular. If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be joint and several obligations of such executing parties. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements, representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease. No agreement respecting the Premises will arise or exist between the parties hereto except through the due execution of this Lease by both Tenant and Landlord. Upon execution and delivery by Tenant to Landlord, this Lease will be irrevocable by Tenant and open for acceptance by Landlord until 5:00 P.M. on the 60th day thereafter, and if not accepted by Landlord by then, may be withdrawn by Tenant by notice to Landlord at any time prior to its later acceptance by Landlord.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

21.16 ***Counterpart Execution*** This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

ARTICLE 22.00 TENANT ALLOWANCE

In consideration for Tenant entering this Lease, provided Tenant has executed and returned this Lease in a form acceptable to Landlord, Landlord shall pay to Tenant a payment (the "Tenant Allowance") in an amount equal to CDN$[●] plus applicable GST upon mutual execution of this Lease and issuance by Tenant of an invoice to Landlord containing all prescribed information required by Landlord to validly support its claims for input tax credits.

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD **IVANHOE CAMBRIDGE II INC.**
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

by _____
Name:
Title:

by: _____
Name:
Title:

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

by: _____
Name:
Title:

I have the authority to bind the company.

EXHIBIT A
FLOOR PLAN

EXHIBIT B
LEGAL DESCRIPTION

EXHIBIT C
INTENTIONALLY DELETED

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

    Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

    Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

    Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

    Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

    Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

    If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

    In addition to the requirements set out under Article 20.05 of the Lease, Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

    Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
INTENTIONALLY DELETED

EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

- Minimum Rent is: **$<>**

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT **HUDSON'S BAY COMPANY ULC**

by_____
Name:
Title:

I have the authority to bind the company.

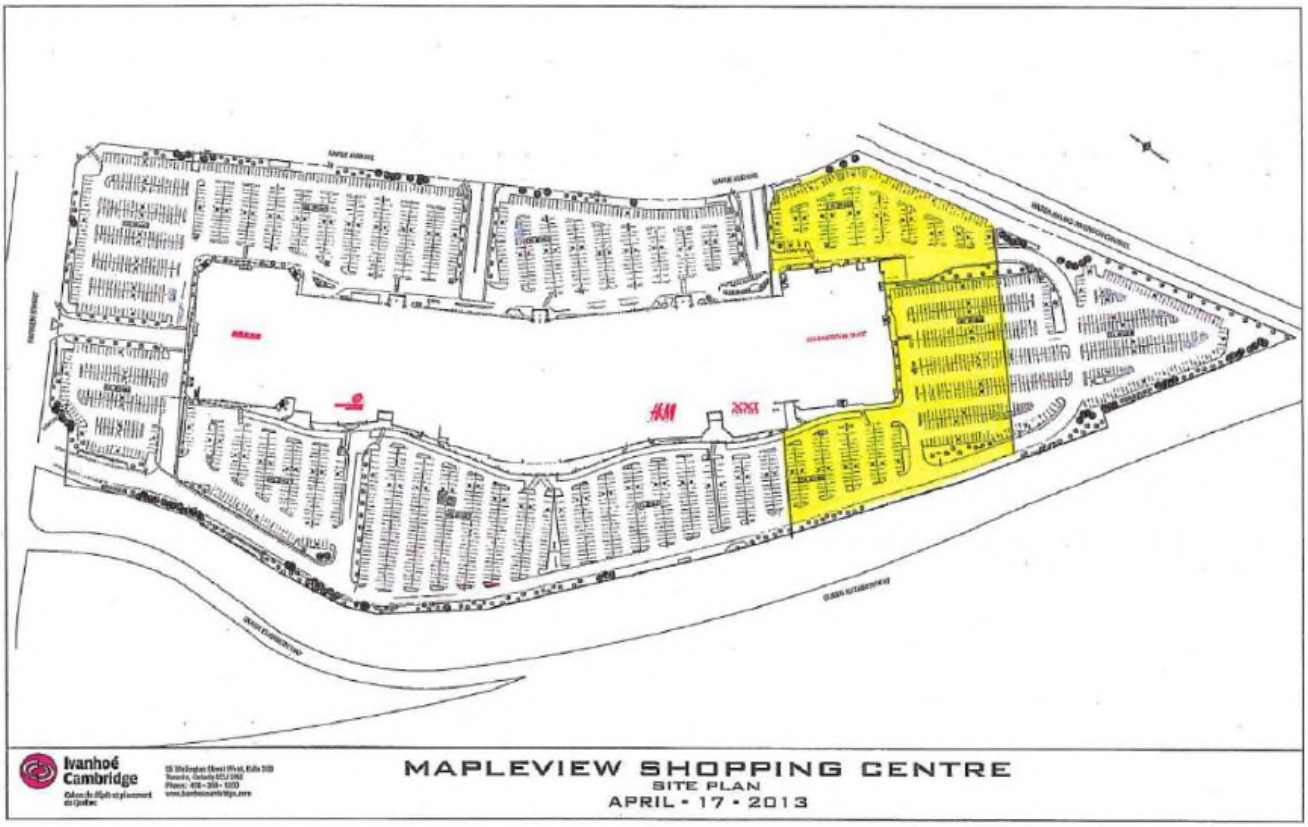
by_____
Name:
Title:

I have the authority to bind the company.

SPECIMEN

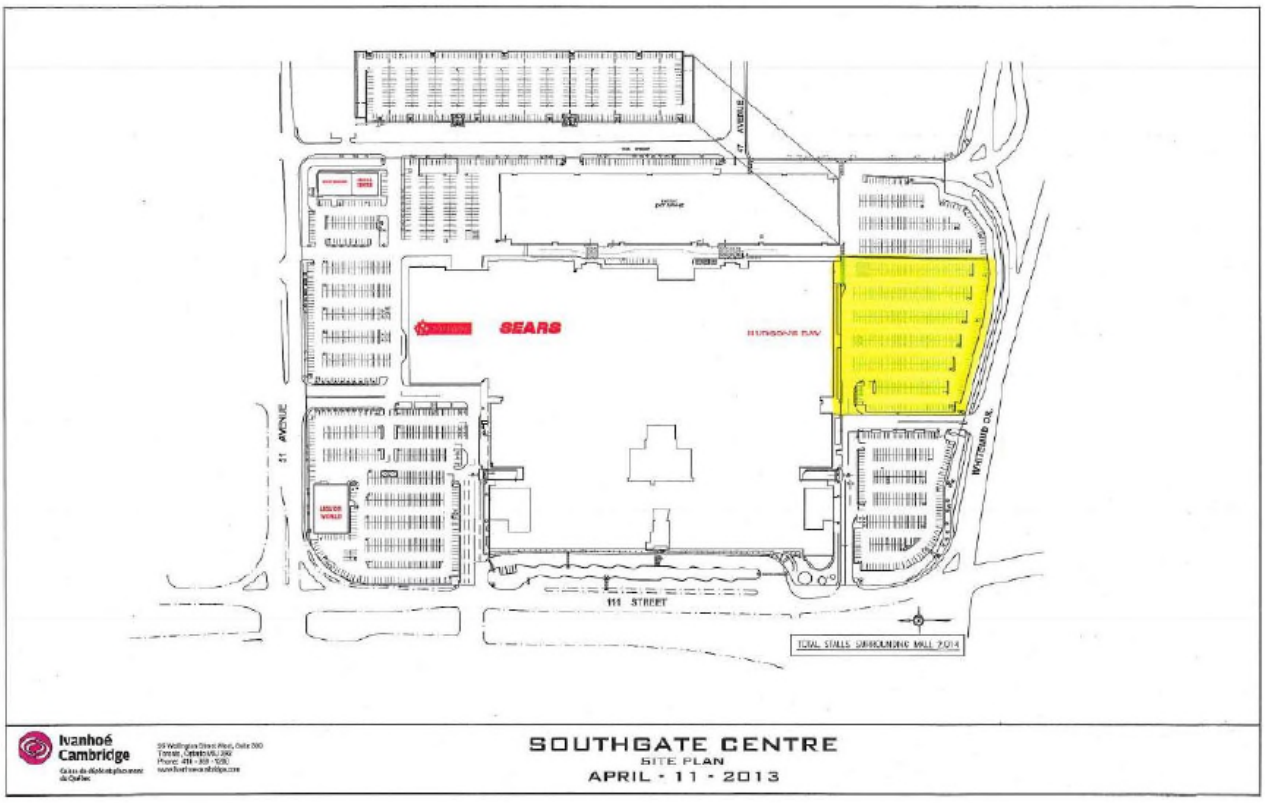
SCHEDULE "C"

MAPLEVIEW PARKING AREA



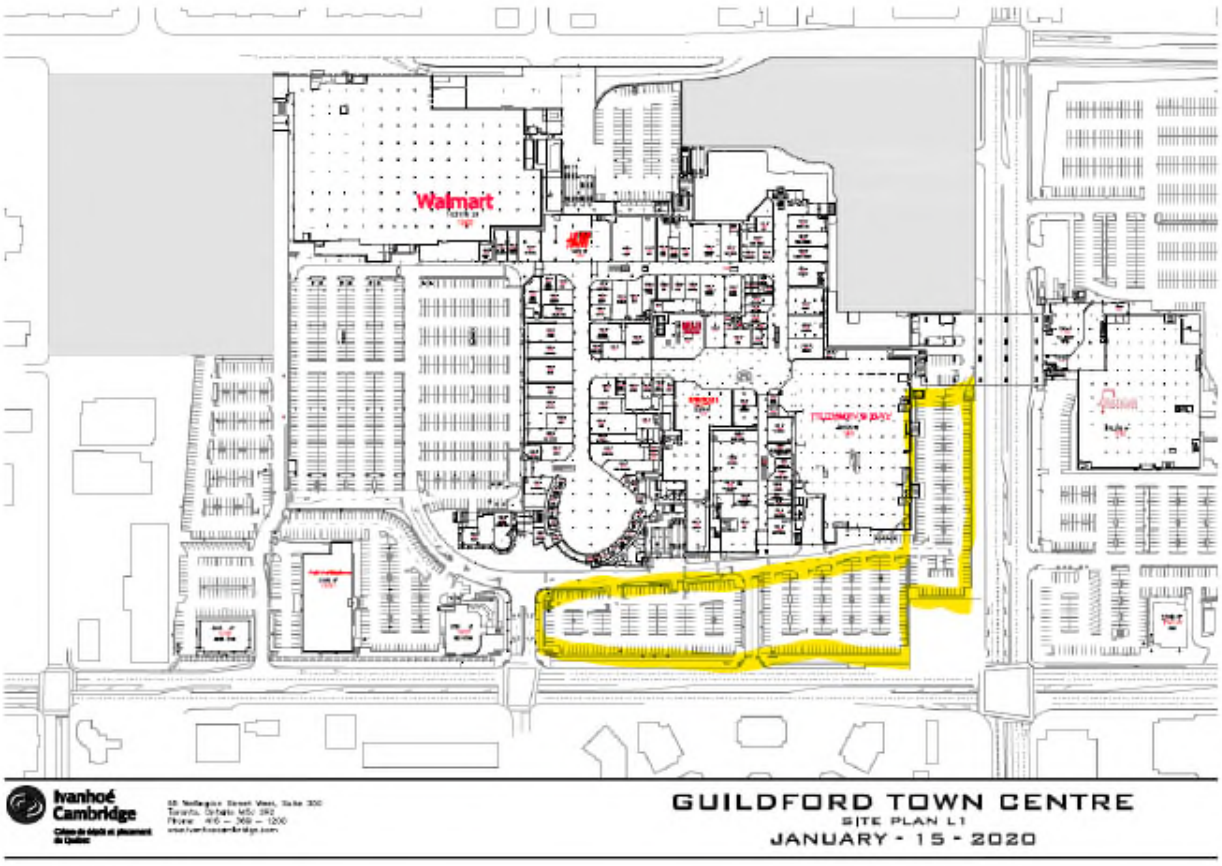
SCHEDULE "D"

SOUTHGATE PARKING AREA



SCHEDULE "E"

GUILDFORD PARKING AREA

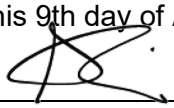


SCHEDULE "F"

OSHAWA PARKING AREA



This is **Exhibit "O"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

NOTICE OF EXERCISE OF OPTION TO LEASE

TO: **HUDSON'S BAY COMPANY ULC ("HBC")**

401 Bay Street, Suite 2302
Toronto, Ontario M5H 2Y4
Attention: SVP Real Estate
E-mail: bruce.moore@hbc.com

- and –

225 Liberty Street – 31st Floor
New York, NY 10281
Attention: President & Chief Executive Officer, HBC Properties & Investments
E-mail: ian.putnam@hbc.com

FROM: **IVANHOE CAMBRIDGE INC. ("Ivanhoe")**

RE: **Exercise of the Option pursuant to the Option Agreement dated November 14, 2023, made between HBC, as grantor, and Ivanhoe, as optionee (the "Option Agreement")**

DATE: **January 31, 2024**

In accordance with Sections 2 and 7 of the Option Agreement, Ivanhoe hereby exercises the Saks Option. In this regard, please note the following:

(a) Pursuant to Paragraph 2(a) of the Option Agreement, Ivanhoe elects for the Effective Date of each of the Saks Lease Amendments to be February 2, 2024;

(b) Pursuant to Subparagraph 7(a)(i), Ivanhoe elects for the rent payable pursuant to the designated Saks Leases to be amended as follows:

a. The annual gross rent payable under the Saks Lease at Vaughan Mills shall be increased by $35,000.00;

b. The annual gross rent payable under the Saks Lease at The Outlet Collection at Winnipeg shall be increased by $35,000.00;

c. The annual gross rent payable under the Saks Lease at CrossIron Mills shall be increased by $976,666,66;

d. The annual gross rent payable under the Saks Lease at The outlet Collection at Niagara shall be increased by $976,666,66; and

e. The annual gross rent payable under the Saks Lease at Place Ste-Foy shall be increased by $976,666,66.

(c) Pursuant to Paragraph 2(a)(C) of the Option Agreement, a new lease agreement relating to each of the Saks stores located at Place Ste-Foy, CrossIron Mills, The Outlet Collection at Niagara, Vaughan Mills and The Outlet Collection at Winnipeg, conforming to Section 7(a) and to paragraph (b) above (each a **"New Saks Lease"** and collectively, the **"New Saks Leases"**), duly executed by the landlord of each of these locations, has been delivered to HBC prior to the date hereof, which HBC acknowledges having received and confirms being satisfied with the form and substance therewith.

(d) Notwithstanding the terms of Paragraph 2(a)(D) of the Option Agreement, Ivanhoe and HBC agree that (i) upon confirmation by Optionee's Counsels of their receipt of the New Saks Leases, duly executed by HBC, and (ii) upon receipt by HBC from Ivanhoe of the Saks Option Payment, the Saks Option shall have been duly exercised and the New Saks Leases shall be in full force and effect as of the Effective Date in accordance with paragraph (a) above.

Capitalized terms used but not defined herein shall have the meanings given to them in the Option Agreement.

This Notice of Exercise may be signed in any number of counterparts and may be signed and validly delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology (Québec)*, e.g., www.docusign.com) of this Notice of Exercise or any document delivered pursuant thereto with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

Kindly confirm your acceptance of the above by signing and returning an executed copy of the Notice of Exercise at your earliest convenience to Ivanhoe and to Optionee's Counsels, but in any event for receipt no later than 5:00 pm on February 1, 2024.

IVANHOE CAMBRIDGE INC.

Per: Julie Bourgon (Jan 31, 2024 12:00 EST)

Name: Julie Bourgon
Title: Head of Retail

Per: Maria Concetta Giampa (Jan 31, 2024 11:58 EST)

Name: Maria Concetta Giampa
Title: Director,LegalAffairs, Investments

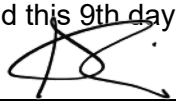
ACCEPTED AND AGREED by HBC on January 31, 2024.

HUDSON'S BAY COMPANY ULC

Per: 

Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investment

This is **Exhibit "P"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE OF RETAIL SPACE

BETWEEN:
(address)

CANAPEN (HALTON) LTD and IVANHOE CAMBRIDGE II INC.
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

(“**Landlord**”)

AND:
(address)

HUDSON’S BAY COMPANY ULC
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

(“**Tenant**”)

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LEASE OF RETAIL SPACE

DATE: **February 1, 2024**

BETWEEN:
(address)

CANAPEN (HALTON) LTD and IVANHOE CAMBRIDGE II INC.
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("**Landlord**")

AND:
(address)

HUDSON'S BAY COMPANY ULC
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

("**Tenant**")

FOR PREMISES IN: MAPLEVIEW CENTRE, BURLINGTON, ONTARIO

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice:***

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant: 401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

1.02 ***Location of Premises:*** Premises No. MAJOR1, MAJOR1A and Tenant Shop Unit F5

1.03 ***Shopping Centre:*** Mapleview Centre

1.04 ***Area:*** 129,066 square feet and 360 square feet for the Tenant Shop

1.05 ***Term:*** A period of ten (10) years, beginning on the 3rd day of February, 2024, and expiring on the 2nd day of February, 2034, unless (a) extended by the Landlord pursuant to Section 3.01 hereof; or (b) terminated earlier as provided in this Lease.

1.06 ***Intentionally deleted.***

1.07 ***Permitted Use of Premises:*** The Premises shall be used for the purposes of a department store operated in a manner consistent with the standards of other department stores operated by the Tenant that are located in the greater Toronto area and shall not be used for any other purpose whatsoever.

1.08 ***Tenant's Store Name:*** HUDSON'S BAY COMPANY, HUDSON'S BAY, THE BAY or any other trade name used by the Tenant in a majority of its department stores in the greater Toronto area. Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Minimum Rent:*** An annual amount equal to (i) $4.30 per square foot of the Area (less the Tenant Shop) per annum and (ii) $3.94 per square foot of the Tenant Shop per annum, payable pursuant to Article 4.00.

1.10 ***Intentionally deleted.***

1.11 ***Proportionate Share of Operating Costs:*** Tenant's Proportionate Share of Operating Costs shall for the 2024 Fiscal Year of the Term be (i) $1.98 per square foot of the Area (less the Tenant Shop) per annum and (ii) $2.62 per square foot of the Tenant Shop per annum. Said amount shall be payable and increased annually pursuant to Article 4.19.

1.11.1 ***Intentionally deleted.***

1.12 ***Promotion Charge:*** For each Fiscal Year of the Term, a charge of $NIL per square foot of the Area per annum.

1.13 ***Tenant's Share of Taxes:*** Tenant shall pay the Tenant's Taxes contribution to the Landlord as Additional Rent hereunder in an amount equal to the actual Taxes levied specifically against the Premises by the taxing Authority, as further detailed herein.

1.14 ***Demised Utilities:*** Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00.

1.15 ***HVAC Costs/Charge for the Tenant:*** For the 2024 Fiscal Year, an initial amount estimated to be $2.62 per square foot of the Tenant Shop per annum. Said amount shall be payable and may be increased by the Landlord pursuant to Articles 4.19 and 7.02.

1.16 ***Intentionally deleted.***

1.17 ***Intentionally deleted.***

1.18 ***Definitions:*** In this Lease:

1.18.1 "**Additional Rent**" means all amounts (other than Minimum Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted.***

1.18.3 "**Area**" means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. The parties acknowledge and agree that the Area of the Premises as of the date hereof is the Area set out in Article 1.04 hereof.

1.18.4 **"Architect"** means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.

1.18.5 **"Article"** means an article of this Lease.

1.18.6 **"Authority"** or **"Authorities"** means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted.***

1.18.8 **"Commencement Date"** means the first day of the Term (effective as of 12:00am).

1.18.9 **"Common Areas and Facilities"** means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 **"Consumer Price Index"** or **"C.P.I."** means the Consumer Price Index for all items in the City of Toronto as issued by Statistics Canada or its successor, provided that if such Consumer Price Index is not available from Statistics Canada or its successor, Landlord may utilize for the purposes of this Lease any reasonable measure of changes in consumer price levels.

1.18.11 **"Delivery Facilities"** means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted.***

1.18.13 **"Environmental Law"** means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment or to any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material 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 statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority.

1.18.14 **"Fiscal Year"** means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted.***

1.18.16 ***Intentionally deleted.***

1.18.17 **"Force Majeure"** means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes, walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted.***

1.18.19 **"Goods and Services Tax"** or **"GST"** means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST, QST or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 **"Gross Leasable Area"** means the total of all floor areas (measured in the manner stipulated in the definition of "Area") of all premises in the Shopping Centre intended for leasing from time to time, whether said premises directly access an enclosed mall or court or not, but excluding basement areas, mezzanines, storage areas, elevator and escalator shafts, areas of the Common Areas and Facilities leased or occupied on a temporary basis, areas not used for retail purposes such as, by way of example only, areas leased or occupied for non-retail purposes or promotional purposes and areas occupied by the Shopping Centre manager and any support staff.

1.18.21 ***Intentionally deleted.***

1.18.22 **"Hazardous Substance"** means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs), pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted.

1.18.23 **"HVAC Cost"** means all the costs, charges and expenses in any Fiscal Year for the operation, repair, replacement and maintenance of the systems for heating, ventilating, and air conditioning the Shopping Centre and/or premises including the Premises as established by Landlord, from time to time, on a fair and equitable basis which reflects load and hours of operation provided, however, where Tenant pays an HVAC Charge for the Premises, or where Tenant maintains, repairs and replaces HVAC for the Premises at its cost, HVAC costs shall exclude the Premises.

1.18.24 **"Interest Rate"** means the Prime Rate in force when an amount becomes due, plus three (3) percentage points.

1.18.25 **"Land"** means all of the lands described in Exhibit B.

1.18.26 **"Landlord"** means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted.***

1.18.28 "**Lease**" means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.56 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 **"Lease Year"** means a period of twelve (12) calendar months except the first Lease Year of the Term which will begin on the Commencement Date and end on the last day of the calendar month in which the first (1st) anniversary of the day immediately preceding the Commencement Date occurs and succeeding Lease Years will comprise successive periods of twelve (12) calendar months (and the last Lease Year in the Term may contain less than twelve (12) calendar months), but if Landlord deems it expedient, it may by written notice to Tenant specify an annual date upon which any Lease Year will terminate, in which event the appropriate adjustments will be made between the parties.

1.18.30 ***Intentionally deleted.***

1.18.31 ***Intentionally deleted.***

1.18.32 **"Management Company"** means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted.***

1.18.34 **"Minimum Rent"** means the amount payable by Tenant to Landlord pursuant to Article 1.09 in respect of each year of the Term under Article 4.01.

1.18.35 **"Mortgagee"** shall have the meaning given to the term in Article 17.03.

1.18.36 **"Operating Agreement(s)"** means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments

and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any).

1.18.37 **"Operating Costs"** means:

(a) all costs, expenses and charges which are attributable to the insuring, operation, repair, replacement, administration and maintenance of the Shopping Centre or incurred to reduce Operating Costs, including, without limiting the generality of the foregoing, any tax, rate, charge, levy, duty, fee, tariff or assessment however imposed, assessed or charged in relation to the consumption and/or emissions of any fuel of whatsoever nature for the Shopping Centre and/or the Premises or from any part of the foregoing, or levied or charged in lieu thereof, the costs to Landlord of purchasing in compliance with all applicable laws of any Authority tradable units of greenhouse producing gases including without limitation carbon dioxide, HVAC Cost, plus energy costs in relation thereto, depreciation or amortization allocable to the Fiscal Year on equipment and fixtures, energy conservation and security costs, cleaning, snow removal, landscaping, garbage collection and disposal, recycling, painting, decorations, parking lot repairs, maintenance, replacements and stripping, roof repairs, maintenance and replacements, utilities including water, gas, and electricity, security and security equipment and technology, energy efficiency, energy sub-metering and recycling technology and equipment, rental of equipment and hiring of services, remuneration of all or any on-site Shopping Centre staff and supervisory personnel, including but not limited to managers, supervisors and support staff, including wages, bonuses and benefits, employment related costs, including the foregoing costs of off-site personnel involved in the administration and management of Taxes and insurance for the Shopping Centre, general overhead expenses including office supplies and equipment, postage and courier costs, the fair market rentable value and any business taxes associated with any office space in the Shopping Centre used by Landlord or Management Company to operate and administer the Shopping Centre, interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the undepreciated or unamortized portion of the cost and expense of items being depreciated or amortized from time to time and capital replacement of the systems for heating, ventilating and air conditioning the Shopping Centre, and repairs and replacement of the roofs and parking facilities of the Shopping Centre;

(b) all expenses after the date any space in the Shopping Centre was first occupied by any tenant and properly allocable to the Fiscal Year for any capital improvement or structural repair to the Shopping Centre, or required by any change in the laws, rules, regulations, or orders of any governmental or quasi-governmental authority having jurisdiction, or incurred to reduce Operating Costs, which expenses will be amortized in accordance with reputable shopping centre management and operation practices, and interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the unamortized portion of the total costs of the foregoing;

(c) all costs, charges and expenses which are directly attributable to the operation, management, repair, replacement and maintenance of the Shopping Centre or incurred to reduce Operating Costs but which are not attributable solely to the operation, management, repair, replacement and maintenance of any leasable area of the Shopping Centre; and

(d) an administration fee equal to fifteen percent (15%) of the total of the items set out in Article 1.001.18.37(a), (b) and (c) above.

1.18.38 ***Intentionally deleted.***

1.18.38.1 **"Original Lease"** means that certain lease dated November 18, 1988 (as amended, supplemented, renewed and extended from time to time, including pursuant to the amending agreements dated March 15, 1995, September 10, 2007 and July 31, 2008 and the omnibus agreements dated November 17, 2015 and December 29, 2020, collectively, the "**Original Lease**"), entered into by Landlord and the Tenant (by them or which apply to them as successors to the original parties thereto) for the Premises which Original Lease has been surrendered immediately prior to the Commencement Date.

1.18.39 **"Owners"** means the owner or owners or co-owners from time to time (other than Landlord) of the freehold or leasehold title of the Shopping Centre.

1.18.40 **"Person"** where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.41 **"Premises"** means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A. If the Premises are entirely self-enclosed, the boundaries shall extend

to the exterior face of all exterior walls, doors and windows, or those separating the Premises from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the underside of the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical, electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.42 **"Prime Rate"** means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.43 **"Promotion Fund"** means the fund for promotion of the Shopping Centre, if any, described in Article 4.11.

1.18.44 **"Proportionate Share"** means, a fraction, the numerator of which is the Area, and the denominator of which is the Gross Leasable Area. **For certainty, the Tenant's Proportionate Share for the purposes of this Lease shall be determined in a manner consistent with the Tenant's Proportionate Share figure used by the parties under the Original Lease as at the Termination Date.**

1.18.45 **"Released Persons"** means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.46 **"Rent"** means the Minimum Rent and the Additional Rent.

1.18.47 **"Shopping Centre"** means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering or reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.48 **"Site"** means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.49 **"Taxes"** means the aggregate of all taxes, rates, charges (including local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.50 ***Intentionally deleted.***

1.18.51 **"Tenant"** means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.52 "**Tenant Shop**" means the area of 360 square feet located in the Premises that is currently known as the restaurant "Jimmy the Greek".

1.18.53 **"Tenant Security"** means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable, located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.54 ***Intentionally deleted.***

1.18.55 **"Term"** means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof.

1.18.56 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" INTENTIONALLY DELETED.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" INTENTIONALLY DELETED.

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 GRANT OF LEASE

2.01 ***Grant*** Landlord hereby demises and leases the Premises to Tenant, and Tenant hereby leases and accepts the Premises from Landlord, to have and to hold during the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 ***Landlord's Option to Renew.*** Landlord has, exercisable at its sole and entire and unfettered discretion by giving at least 12 months' prior written notice to the Tenant, the right to renew this Lease for an additional period of five (5) years (the **"Renewal Term"**) on the same terms and conditions as set out herein, save and except for the Minimum Rent, which shall be equal to the minimum/base rent that would have been payable under the Original Lease during this Renewal Term had the Original Lease not been terminated and continued during the period of this Renewal Term.

3.02 ***Intentionally deleted.***

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures, chattels or other personal property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any

other right to acquire any interest or real property right in all or any part of the Shopping Centre or the Premises.

3.04 ***Limitation on Length of Term*** This 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 are complied with relating to the severance of land or interests in land by conveyance or otherwise (as it may from time to time be amended). 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.

3.05 ***Termination of Original Lease*** Tenant and Landlord hereby agree that the Original Lease is surrendered and terminated effective on 11:59pm on the date immediately preceding the Commencement Date (the **"Termination Date"**). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date, be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the termination of the Original Lease as provided herein.

3.05(A) ***Reinstatement of Original Lease.***

Tenant and Landlord hereby agree that if at November 13, 2028 (the "Original Lease Reinstatement Date") no Event (as such term is hereinafter defined) has occurred or is continuing, and there is not then any default occurring of the Tenant's obligations under this Lease, failing which this provision shall not apply and be null and void (and this Lease shall remain in full force and effect without any obligation to enter into the Reinstated Original Lease), then the parties shall execute and deliver to one another the Reinstated Original Lease (as defined below) which shall provide and confirm that effective upon the Original Lease Reinstatement Date: (1) this Lease shall be resolved, cancelled, surrendered and rescinded; and (2) the termination of the Original Lease shall be deemed to have been revoked and, except as expressly modified pursuant to this provision, the Original Lease shall be reinstated in its entirety effective as of the Original Lease Reinstatement Date and shall again be in full force and effect as if the same had never been terminated. However, the respective rights and obligations of Landlord and Tenant as to the Premises under this Lease will be preserved and will survive the termination of this Lease on the Original Lease Reinstatement Date as to all matters arising or accruing prior to the Original Lease Reinstatement Date, but no such rights or obligations will arise or accrue to either of them with respect to this Lease on or after the Original Lease Reinstatement Date (given the Reinstated Original Lease will thereafter govern this tenancy). Any breach of this Lease which has not been cured will, after the Original Lease Reinstatement Date, be enforceable in accordance with all applicable provisions of this Lease.

"Event" means the occurrence of any of the following:

(1) Tenant (or any of its affiliates) defaulting under any of its monetary obligations (beyond any applicable cure period) under this Lease or any HBC IC Lease (as hereinafter defined); or

(2) Tenant (a) is insolvent, (b) has committed an act of bankruptcy, and/or (c) has become bankrupt.

"HBC IC Lease" means any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties:

(i) Galeries D'Anjou;

(ii) Metropolis at Metrotown;

(iii) Outlet Collection at Niagara on the Lake;

(iv) Southgate;

(v) Guildford;

(vi) Oshawa;

(vii) CrossIron Mills;

(viii) St. Foy;

(ix) Outlet collection Winnipeg; or

(x) Vaughan Mills.

"Reinstated Original Lease" means the Original Lease but reinstated and amended only to provide that the Term of the reinstated Original Lease shall commence on the Original Lease Reinstatement Date and end upon the expiry of the remaining unexpired Term of this Lease as at the Original Lease Reinstatement Date, Tenant, subject to the following sentence shall have the unexpired rights, if any, to renew or extend the said Term as set out in the Original Lease on the terms and conditions set out therein (inclusive of the calculation of minimum rent). Notwithstanding the foregoing, the expiry of the Term (taking into consideration all options to extend in favour of the Tenant) of the Reinstated Original Lease shall not exceed the date on which the Original Lease would have expired (taking into consideration all options to extend in favour of the Tenant thereunder). For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Original Lease was December 31, 2030, taking into consideration all options to extend in favour of the Tenant, and the Reinstated Original Lease was executed by the parties, the Term of the Reinstated Original Lease, taking into consideration all options to renew or extend in favour of the Tenant, shall not exceed December 31, 2030. Landlord shall prepare the form of Reinstated Original Lease and the parties shall forthwith thereafter execute and deliver same to the other, each at its sole expense. In addition, Tenant shall execute such other documents contemplated in Section 3.05 hereof for the discharge of any registered documents relating to this Lease for which Section 3.05 shall equally apply in this context, mutatis mutandis.

ARTICLE 4.00 RENT

4.01 ***Minimum Rent*** Tenant will pay to Landlord a Minimum Rent for the Premises described in Article 1.09 of this Lease, payable in advance in equal and consecutive monthly instalments and without notice on the Commencement Date and on the first day of each calendar month thereafter during the Term.

4.02 ***Intentionally deleted.***

4.03 ***Intentionally deleted.***

4.04 ***Intentionally deleted.***

4.05 ***Net Lease*** It is the stated purpose and intent of Landlord and Tenant that, **except as otherwise expressly provided herein,** this Lease will be fully net to Landlord. Tenant will pay to Landlord, at the times and in the manner provided in Articles 4.07 and 4.09, its Proportionate Share of Operating Costs and Taxes.

4.06 ***Calculation and Payment of Operating Costs***

(a) Tenant will pay the amounts stipulated in Article 1.11 to Landlord in monthly instalments one-twelfth of such estimate simultaneously with Tenant's payments of Minimum Rent during such Fiscal Year.

(b) If the Term commences after the beginning of or terminates before the end of a Fiscal Year, the amount of Operating Costs payable by Tenant for such Fiscal Year will be adjusted proportionately.

4.07 ***Intentionally deleted.***

4.08 ***Taxes Payable by Tenant*** The Tenant shall be responsible for the payment of all Taxes imposed from time to time during the Term in respect of the Premises, including in each case the value of any Common Areas and Facilities which is included by the assessing authorities in the value of the Premises and the business operated therefrom and all the improvements constructed thereon and all the fixtures and equipment constructed and used by Tenant and its assignees, sublicensees and concessionaires. For certainty, Tenant shall pay the Tenant's Taxes contribution to the Landlord as Additional Rent hereunder in an amount equal to the actual Taxes levied specifically against the Premises by the taxing Authority, provided that if the Premises are not taxed on a separate basis, then in an amount determined by the Landlord, acting reasonably and equitably, on the basis of the notes and working papers of the assessment Authority (or its successor) made readily available to the Landlord, and provided further that if such notes and working papers are not readily available to the Landlord or they do not contain sufficient information to determine the Taxes applicable specifically to the Premises, then Tenant shall pay its Proportionate Share of all Taxes payable in

respect of the Shopping Centre. The parties acknowledge and agree that as of the Commencement Date, the notes and working papers of the assessment authority are readily available to the Landlord and contain sufficient information to determine the Taxes applicable specifically to the Premises.

Tenant shall reimburse Landlord that part of any increase in Taxes for the Shopping Centre, which is reasonably attributable to any change, addition or improvement or special equipment identified by an assessment Authority made on or in the Premises by Tenant. In such event, Tenant shall pay to Landlord the total amount of said Tax increase attributable to Tenant within 30 days of receipt of an invoice from Landlord, said amount to be deemed Additional Rent.

For greater certainty, Tenant shall pay to Landlord an amount equal to any and all goods and services tax, value added tax, or any other similar tax (such as by way of example GST, HST or any other similar tax) (**"Value Added Taxes"**), it being the intention of the parties that Landlord shall collect from Tenant all Value Added Taxes collectable by Landlord on the Rent and any other amounts payable by Tenant under this Lease. The amount of such Value Added Taxes so payable by Tenant shall be calculated by Landlord in accordance with the applicable legislation and shall be paid to Landlord at the same time as the amount to which such Value Added Taxes apply are payable to Landlord under the terms of this Lease. The amount payable by Tenant under this provision shall be deemed not to be additional rent, but Landlord shall have all of the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Lease.

The Landlord may appeal any official assessment or the amount of any Taxes or business taxes (including other taxes capable of constituting a lien) relating to the Shopping Centre including the improvements (including fixtures and equipment) thereon, and the Tenant may appeal any official assessment or any Taxes or business taxes relating to the Premises including the improvements thereon or, where the Tenant's obligations are directly or indirectly affected thereby, relating to any other portion of the Shopping Centre including the Common Area and Facilities. Neither the Landlord nor the Tenant shall institute any appeal without notice to the other and, where their interests do not conflict and in particular where the appeal is being made in order to achieve a re-assessment which is consistent with the basis contemplated by this Lease, each shall extend its co-operation and assistance to the other in respect to such appeal.

4.09 ***Changes in Taxes*** If the system of real estate taxation is altered or varied from that in force on the Commencement Date and any new tax shall be levied or imposed on all or part of the Shopping Centre and/or the revenues therefrom and/or on Landlord in substitution for or in addition to previously existing Taxes by any taxing Authority, whether or not the taxing Authority has previously charged any Taxes, then any such new tax or levy shall be included in Taxes, or if by law, regulation or otherwise all or any part of any Taxes, is made payable by Landlord or if the mode of collecting such tax, assessment, local improvement, licence fee, excise or other charge is so altered so as to make Landlord liable in whole or in part therefor instead of Tenant or if all or any part of Tenant's Taxes under Article 8.01 is imposed, levied, assessed or charged upon or on account of the Shopping Centre, Tenant will pay to Landlord, from time to time, within 30 days after demand, the amount payable by Landlord, from time to time, as a result of such change as determined by Landlord in the same manner as the Proportionate Share of Taxes is payable under the terms of this Lease and Tenant will indemnify and save Landlord harmless from any cost or expense in respect thereof. For greater certainty, to the extent that the new tax or levy is fully recoverable by Tenant as an input tax credit or refund, such Tax shall be fully payable by Tenant notwithstanding the proportionate sharing of other Taxes hereunder.

4.10 ***Intentionally deleted.***

4.11 ~~***Promotion Fund***~~ ~~Landlord may establish and maintain a common Promotion Fund for the Shopping Centre or continue to maintain any Promotion Fund in existence as of the Commencement Date of this Lease. Landlord will use the Promotion Fund for the promotion or benefit of the Shopping Centre in such a manner and as Landlord may, from time to time, decide and, without limiting the generality of the foregoing, Landlord may utilize the Promotion Fund for payment of a full-time or part-time marketing director, the employment of other promotional staff and customer service, the purchase of advertising space and time, materials or equipment for decorating and promotional events and activities similar to those undertaken by other shopping centres. Any surplus in the Promotion Fund at the end of a Fiscal Year of the Promotion Fund will be carried forward for like purposes in the next year, without any reduction in the amount payable by Tenant pursuant to this Article 4.11. Landlord may, at its sole discretion, establish a Promotion Fund advisory committee comprised of representatives of the tenants of the Shopping Centre chosen by Landlord to advise Landlord on the application of the Promotion Fund contributions.~~

~~If there is a Promotion Fund for the Shopping Centre, Tenant will pay to Landlord in equal monthly instalments, the amount stipulated in Articles 1.12, towards the Promotion Fund, and may include the development of a mall video network, offering a program of information, entertainment and advertisements, and for the promotion of the Shopping Centre.~~

~~Landlord will have the right at its discretion to change the Fiscal Year of the Promotion Fund as it may deem appropriate, from time to time. In the event of any such change, Tenant's required contributions to the Promotion Fund for any fiscal year thereof, which is either greater or lesser than twelve (12) calendar months, will be adjusted by Landlord in a reasonable manner.~~

4.12 ***Intentionally deleted.***

4.13 ***Landlord's Promotions*** Landlord may promote and advertise the Shopping Centre in a manner and to the extent that would a diligent and prudent owner of a similar shopping centre, taking into account the nature, size, age, character and location of the Shopping Centre as well as the general image that Landlord is attempting to project for the Shopping Centre from time to time. Tenant agrees that Landlord will never be obliged to spend more than the total amount paid to the Promotion Fund described in Article 1.12 by the tenants of the Shopping Centre in any Fiscal Year in order to fulfill its obligations hereunder. Landlord shall alone administer the Promotion Fund.

Landlord's promotional activities may include, without limiting the generality of the foregoing, the production and distribution of written advertising or promotional materials and/or audio and/or audio visual promotions by the various media (radio and television) and/or internet and/or seasonal decorations and/or all other forms of promotion or publicity in relation to the Shopping Centre alone or on a joint basis with one or more other shopping centres or properties of which Landlord is owner or manager. Tenant agrees to give its complete support and cooperation to all of Landlord's promotional activities. Without limitation, Tenant will honour any discount coupons, gift certificates, gift cards, electronic gift cards or other incentives given to customers as part of any promotional activity.

Landlord may designate an agent to promote and/or advertise on its behalf, to enter into any agreements with third parties for promotion and/or advertising purposes, and may use all or any part of the Promotion Fund contributions to pay or remunerate its agent.

4.14 ***Intentionally deleted.***

4.15 ***Intentionally deleted.***

4.16 ***Tenant's Support t*** Tenant will support all promotional events, functions and activities sponsored or participated in by either the Promotion Fund, if any. In order to comply with this obligation, however, Tenant will not be required to make any additional financial contributions toward the promotion of the Shopping Centre other than those set out in Article 4.11.

4.17 ***Payment of Rent – General l*** During the Term of this Lease, Tenant shall pay Minimum Rent and Additional Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction or set-off, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.18 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.19 ***Charge Adjustment*** Wherever it is mentioned in this Lease that Landlord may increase any amount or charge, the following rules may apply if required by the Landlord: (a) each permitted increase of any such amount or charge shall come into force as of the date indicated in Landlord's notice and shall remain in effect until the subsequent increase comes into effect; (b) each permitted increase of any such amount or charge may, at Landlord's option, be charged retroactively; (c) each time any such amount or charge increases, the amount or charge shall be deemed to be replaced by

the increased amount or increased charge; (d) ~~any such amount or charge that may be payable during any Fiscal Year shall never be less than the amount or charge so payable during the immediately preceding Fiscal Year~~; (e) the fact that no annual increase was imposed for any preceding Fiscal Year or such other period, or the fact that an amount less than the full amount of any permitted increase was charged, shall not prevent Landlord, in any manner whatsoever, from imposing the full amount of any annual increase, or any part thereof, during any subsequent Fiscal Year; and (f) the annual amount that Landlord shall be permitted to charge for Operating Costs shall be increased or decreased by a percentage equal to the lesser of: (i) the actual percentage increase or decrease in Operating Costs during the immediately preceding fiscal year, and (ii) the percentage increase or decrease in the C.P.I. during such immediately preceding fiscal year.

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ARTICLE 5.00 USE OF PREMISES

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the greater Toronto area. Tenant shall abide by all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with this Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice, and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord unless guaranteed to the satisfaction of Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv) a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a

pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased. Notwithstanding the foregoing, within the last six (6) months of the Term, the Tenant shall have the right to conduct clearance and other sales promotions in the Premises and the Tenant shall be permitted to erect, install and maintain within the Premises during such period any clearance and/or store closing signage (or other signage of a similar nature), provided that (i) any such signage on the exterior of the Premises or which faces any Common Areas and Facilities, shall be subject to the Tenant obtaining all required municipal approvals as well as the Landlord's prior written approval for the nature, size, type and location thereof; and (ii) all clearance and other sales otherwise comply with the requirements of sub-paragraph (b) above and this Lease and are undertaken in a reputable and prudent manner that does not interfere with the typical use and operation of the Shopping Centre or the occupants thereof. Landlord's approval of such signage shall not be unreasonably withheld, conditioned or delayed provided it complies with this provision.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted.***

5.06 ***Display Windows*** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the Premises during the Term and Tenant's use thereof will be subject to such regulations as Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 ***Intentionally deleted.***

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the Delivery Facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the Delivery Facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

For certainty, the premises include the loading dock and unloading areas, which exclusively serve the Premises.

ARTICLE 6.00 SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b), Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises, and will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre (excluding the Premises), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles 7.02. 7.03 10.01, 16.01, 16.02, 16.03, or 16.04 and in no event shall Landlord be required to make any repairs or replacements which are necessary as a result of Tenant's default, negligence or willful misconduct..

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04 will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, or minimum stall number requirements, or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, easements, transfers, dedications, permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial

discharges of its notice of lease and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters.

6.05 ***Intentionally deleted.Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 DEMISED UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Demised Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

7.02 ***Demised Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, Tenant will at its sole cost and expense be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the **"Tenant HVAC System"**) installed for the Premises where such equipment is not part of a shared or central system.

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will at its sole cost and expense maintain the Premises and all improvements therein in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) intentionally deleted;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed all Tenant HVAC Systems, elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the rules and regulations of Landlord.

Notwithstanding any legislation to the contrary, the Tenant's repair obligations will include all those which are major as well as minor, or those which are customarily landlord's or tenant's, except as expressly provided otherwise in this Lease

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Personal Property*** Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and personal property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or personal property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by

Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted.***

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("Sign") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** Throughout the Term of this Lease, Landlord will carry the insurance for which Landlord is obligated under the Original Lease and such insurance provisions are deemed incorporated herein by reference. For certainty, during the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the insurance for which Tenant is obligated under the Original Lease and such provisions of the Original Lease are deemed incorporated herein by reference. For certainty, during the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective upon written notice to Tenant, or without terminating this Lease and after giving such notice, if

any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Mutual Indemnity.*** Except to the extent released in Sections 10.02 and 10.03 below, each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

10.02 ***Release of Landlord.*** n respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Premises, the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 TRANSFERS

11.01 ***Transfers*** Except to an Eligible Corporation (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a "Transfer"), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to mortgage or encumber all or any part pf the Tenant's rights resulting from this Lease or all or any part of the Premises. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, mortgagee, encumbrancer, user or occupant as the case may be (hereinafter the **"Transferee"**), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee

notwithstanding any rule of law or equity to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(b)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective control); (ii) details of the proposed Transferee's prior business experience (including experience in the enterprise for which the Premises are to be operated pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the Canada Business Corporations Act); or

(b) assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater Toronto area; and (iii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord:

(i) in a vacant, clean and broom-swept condition with all of Tenant's signage, inventory, trade fixtures, racking and personal property removed; and

(ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators) servicing the Premises in a working order, subject to reasonable wear and tear ;

but otherwise in an "as is, where is" condition and without any obligation to: (A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or (B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof. For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has registered a caveat, caution, memorandum notice or other instrument relating to this lease against title to the Land, it will cause the same to be released and discharged no later than 15 days following the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a release or discharge of a notice of this will be paid by Tenant.

12.02 ***Trade Fixtures, Personal Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy with Landlord Consent*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, notwithstanding any legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Tenancy at Sufferance*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy at sufferance may be immediately terminated by Landlord at any time by notice of termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy or tenancy at sufferance hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "Rules and Regulations") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the

proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than 60 days after the date (hereinafter "Date of Such Taking") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on the date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment, and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Limited Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, can be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord will immediately at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord or which have been installed by or on behalf of Tenant, which instead will be repaired immediately by Tenant at Tenant's own expense.

16.02 ***Major Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then Landlord, or in the event that there is less than two (2) years remaining in the Term, Tenant**,** may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than 20 days after receipt of the Architect's opinion, failing which Landlord will forthwith at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord or which have been installed by or on the behalf of Tenant, which instead will be repaired forthwith by Tenant at Tenant's own expense.

16.03 ***Abatement*** If Landlord is required to repair damage to all or part of the Premises under Article 16.01 or 16.02, provided such damage is caused by a peril Landlord is required to insure against pursuant to Article 9.01, the Rent payable by Tenant under this Lease will be proportionately reduced to the extent that the Premises are thereby rendered untenantable by Tenant in its business, from the date of such casualty until five (5) days after completion by Landlord of the repairs to the Premises (or the part thereof rendered untenantable) or until Tenant again uses the Premises (or the part thereof rendered untenantable) in its business, whichever first occurs.

16.04 ***Major Damage or Destruction of Shopping Centre*** Notwithstanding any contrary provision of this Lease and specifically, but without limitation, Article 16.01, if the Shopping Centre is totally or partially damaged or destroyed (whether the Premises are affected or not), and (i) in the Architect's opinion, the damaged or destroyed portions cannot reasonably be repaired, restored or rebuilt within one hundred and eighty (180) days following the occurrence of the damage or destruction (employing normal construction methods without overtime or other premium); or (ii) the cost as estimated by the Architect, of repairing, restoring or rebuilding the damaged or destroyed portions would exceed the proceeds of insurance available to Landlord for such purpose; or (iii)

the damage or destruction was caused by a peril for which Landlord was not insured and for which Landlord was not obliged to insure against; or (iv) intentionally deleted; ; or (v) less than two (2) years remains during the Term; or (vi) a Mortgagee will not consent to the use of insurance proceeds for repair or reconstruction; then in any of the above cases, Landlord may, at its option (to be exercised by written notice to Tenant within 30 days following any such occurrence) elect to terminate this Lease.

If Landlord elects to terminate this Lease, then the following provisions will apply:

(a) If the Premises become totally unfit for the use for which they were leased, the termination will take effect from the date of the damage or destruction and the Rent will cease to be payable and will be adjusted as of that date.

(b) If the Premises are partially damaged and Tenant has occupied any part of the Premises or any part of the Premises have been reasonably capable of being occupied from the date of the damage or destruction, this Lease will terminate ten (10) days from Landlord's notice stipulated in the first paragraph of this Article 16.04 and the Rent will cease to be paid by Tenant as of the date of termination, however, Minimum Rent and Additional Rent will abate from the date of the damage and destruction until the date of termination to the extent the Premises cannot reasonably be used for their intended purposes.

(c) If the Premises were not damaged, this Lease will terminate ten (10) days from Landlord's notice stipulated in Article 16.00 and the Rent will cease to be paid from such date of termination.

If the Shopping Centre is totally or partially damaged or destroyed and Landlord does not elect to terminate this Lease, subject to the following, Landlord shall commence and proceed diligently to reconstruct or repair those portions of the Shopping Centre which have been so damaged or destroyed to the extent only of Landlord's responsibilities pursuant to the terms of the various leases for premises in the Shopping Centre and exclusive of any tenants' responsibilities. Furthermore, if the Premises are being repaired or reconstructed, the provisions of Article 16.01 will apply.

If Landlord does any reconstruction or repairing of the Shopping Centre, Landlord may do any one or more of the following: (i) use plans, specifications and working drawings which differ from those applicable to the Shopping Centre existing prior to the damage or destruction provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; (ii) change the configuration, design and/or size of the Shopping Centre or any of its component parts including, without limitation, the location and size of any mall, court, entrance, parking facility or any of other Common Areas and Facilities provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; and (iii) redesign the tenant mix, both with respect to the kinds of uses which will be included in the tenant mix, as well as the physical location of the types of uses being operated prior to the damage or destruction. Tenant agrees that none of the foregoing shall constitute a default of Landlord's obligation to provide peaceable enjoyment of the Premises, nor shall it constitute a change of form or destination of the Shopping Centre, nor shall the validity or enforceability of this Lease be affected in any manner by any of the foregoing.

ARTICLE 17.00 TRANSFERS AND MORTGAGES BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of Landlord to sell, convey, assign, mortgage or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 ***Definition of Mortgage, Mortgagee and Mortgagee's Interest*** Each and every charge, mortgage, debenture or trust deed, now or hereafter registered against all or any part of the Shopping Centre is hereafter called a "Mortgage" which term includes all amounts advanced or to be advanced thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. "Mortgagee" means a chargee or mortgagee named in a Mortgage, or the holder of a debenture or

the trustee under a trust deed constituting a Mortgage, as the case may be; and "Mortgagee's Interest" means the estate or interest of the Mortgagee secured by a Mortgage.

17.04 ***Subordination of Mortgage to Lease*** If this Lease or the estate or interest of Tenant thereunder (the "Tenant's Leasehold Interest") is subordinate to a Mortgage or Mortgagee's Interest now or at any time hereafter, then on written request of the Mortgagee or of Landlord on Mortgagee's behalf, made concurrently with execution of this Lease or at any time thereafter, the Mortgage and the Mortgagee's Interest will be postponed and made subordinate to this Lease and the Tenant's Leasehold Interest as if such Mortgage had been executed, delivered, registered and fully advanced after the execution, delivery and registration of this Lease, by means of an instrument of postponement and subordination, which will be entered into between Tenant and the Mortgagee, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that it complies with the terms and conditions of the Lease. Such instrument will be in such form as the Mortgagee may reasonably require, consistent with this Article 17.04 and Article 17.07 and will be effective between the Mortgagee and Tenant when executed by them, without necessity for registration against title to the Shopping Centre; but if desired by the Mortgagee or Tenant, either of them may register such agreement or notice thereof and for that purpose the Mortgagee and Tenant will enter into any further document required to effect registration.

17.05 ***Attornment*** If this Lease and Tenant's Leasehold Interest now or at any time hereafter is subordinate to a Mortgage and Mortgagee's Interest and the Mortgagee does not require a postponement and subordination instrument under Article 17.04, Tenant will on request of such Mortgagee or of Landlord on behalf of the Mortgagee, made concurrently with execution of this Lease or at any time thereafter, enter into an attornment agreement with such Mortgagee in such form as the Mortgagee may reasonably require, whereby Tenant will agree that if default occurs under the Mortgage, and:

(a) the Mortgagee takes possession of the Premises, by obtaining and enforcing a court order to that effect or otherwise;

(b) the Mortgagee forecloses or otherwise acquires the interest of Landlord in the Premises, but does not foreclose the Tenant's Leasehold Interest; or

(c) the Mortgagee sells, conveys or assigns the Premises to another party (hereinafter a "Purchaser") pursuant to a power of sale or court order for sale which does not purport to sell the Premises free of the Tenant's Leasehold Interest,

Tenant will, on written demand of the Mortgagee or Purchaser as the case may be, attorn to and become the tenant of that person from and including the date the demand is received, for the balance of the term of this Lease (and with rights of renewal if any as provided in this Lease), at the rents and otherwise on the terms of this Lease, subject as hereinafter provided in Article 17.06, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that Tenant complies with, all the terms and conditions of the Lease.

17.06 ***Intentionally deleted.***

17.07 ***Effect of Subordination or Attornment*** No subordination effected under Article 17.04 and no attornment effected under Article 17.05 will render the Mortgagee or Purchaser, as the case may be:

(a) liable for any act or omission of Landlord or a predecessor in title of Landlord; or

(b) subject to any offsets or defenses which Tenant might have against Landlord or a predecessor in title of Landlord; or

(c) bound by any prepayment by Tenant of more than one month's instalment of Rent, or by any previous modification of this Lease, unless such prepayment or modification has been approved in writing by the Mortgagee or Purchaser or any predecessor in interest except Landlord.

Upon attornment occurring under Article 17.05, the relationship of landlord and tenant thereby created between the Mortgagee or Purchaser as the case may be, as Landlord, and Tenant as tenant, will supersede this Lease, but if the Mortgage is subsequently redeemed or put in good standing or the Mortgagee goes out of possession, the Mortgagee will be relieved of its obligations to Tenant as if a sale, conveyance or assignment had occurred to which Article 17.02 applied.

Any attornment by Tenant to a Mortgagee or Purchaser will be without prejudice to the right (when applicable) of any other mortgagee or purchaser that has priority to the Mortgagee or Purchaser to demand that Tenant attorn to the other mortgagee or purchaser pursuant to the rights if any, of the

other mortgagee or purchaser in that regard under Article 17.00. In case of such demand being lawfully made, and Tenant attorning to such other mortgagee or purchaser the attornment previously made to the Mortgagee or Purchaser will cease to be effective.

17.08 ***Tenant's Obligations May Be Assigned*** Tenant acknowledges that its covenants and obligations under Article 17.00 are intended in whole or in part to operate for the benefit of any and all Mortgagees and Purchasers and that in obtaining such covenants and obligations Landlord is acting not only for itself, but also as trustee or agent for all such persons. Without limiting the foregoing, Landlord may assign the benefit of such covenants and obligations to any and all Mortgagees or Purchasers who request same, as security or otherwise, and Tenant agrees that any such Mortgagee or Purchaser will be entitled on receiving such assignment and giving due notice thereof to Tenant, to enforce such covenant or obligation against Tenant to the same extent as if it were a party to this Lease directly entitled to the benefit of such covenants and obligations.

17.09 ***Execution of Instruments*** Except as otherwise provided in Article 17.00, the subordination and attornment provisions herein will be self-operating and no further instrument will be required. Nevertheless Tenant, on request by and without cost to Landlord, any Mortgagee, Purchaser or successor in interest, will execute and deliver any and all instruments further evidencing such subordination and/or attornment when applicable.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a notice, caveat or short form of this Lease (the "Registration Document") to give notice of Tenant's interest created by this Lease, provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, and any right of renewal. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will only indicate and be registered against title to that portion or those parcels of the Site or Shopping Centre as Landlord may designate in its sole discretion. Further, in the event any portion of the Land ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) in the event that, in order to effect registration, the Registration Document must be executed by any party other than Landlord and Tenant, Landlord will request such consent or execution of that party, but the sole cost of obtaining same will be borne by Tenant and Landlord will not be liable to Tenant in the event that such consent or execution is not obtained;

(e) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(f) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a surrender of this Lease or a discharge of caveat, caution or other document or instrument will be paid by Tenant.

17.13 ***Easements and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or

other creation of such licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.14 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article 6.04, Landlord will have the right from time to time to subdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery. Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) business days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord) designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues fifteen (15) days after notice by Landlord; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days notice by Landlord specifying with reasonable particularity the nature of such failure and

requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, chattels or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it** shall **provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior written notice of the Tenant signing of a forbearance agreement with one or more creditor(s);** or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, chattels or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease;

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "**Tenant Inducements**") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, personal property and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law or equity to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable.

19.04 ***Waiver of Exemption and Redemption*** Notwithstanding anything contained in any statute now or hereafter in force limiting or abrogating the right of distress, none of Tenant's goods, chattels or trade fixtures on the Premises at any time during the continuance of the Term will be exempt from levy by distress for Rent in arrears and upon any claim being made for such exemption by Tenant or on distress being made by Landlord this agreement may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying upon any such goods as are named as exempted in any such statute, Tenant hereby waiving all and every benefit that could or might have accrued to Tenant under and by virtue of any such statute but for this Lease. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any terms and conditions of this Lease or otherwise.

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages(subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing.

Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or

performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 ***Intentionally deleted.***

ARTICLE 21.00 **MISCELLANEOUS**

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venturer or a member of a joint or common enterprise with Tenant.

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular. If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be joint and several obligations of such executing parties. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease (together with any other agreement entered into by the Landlord, the Tenant and/or its or their affiliates in connection with this Lease) contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements, representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by

Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease. No agreement respecting the Premises will arise or exist between the parties hereto except through the due execution of this Lease by both Tenant and Landlord. Upon execution and delivery by Tenant to Landlord, this Lease will be irrevocable by Tenant and open for acceptance by Landlord until 5:00 P.M. on the 60th day thereafter, and if not accepted by Landlord by then, may be withdrawn by Tenant by notice to Landlord at any time prior to its later acceptance by Landlord.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

21.16 ***Counterpart Execution*** This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

ARTICLE 22.00 **INTENTIONALLY DELETED**

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD **CANAPEN (HALTON) LTD and IVANHOE CAMBRIDGE II INC.**
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

By: Julie Bourgon (Jan 31, 2024 11:23 EST)
Name: Julie Bourgon
Title: Head of Retail

By: Maria Concetta Giampa (Jan 31, 2024 11:01 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affiairs, Investments

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name:
Title:

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD **CANAPEN (HALTON) LTD and IVANHOE CAMBRIDGE II INC.**
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

By: _____
Name: ●
Title: ●

By: _____
Name: ●
Title: ●

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

EXHIBIT A
FLOOR PLAN

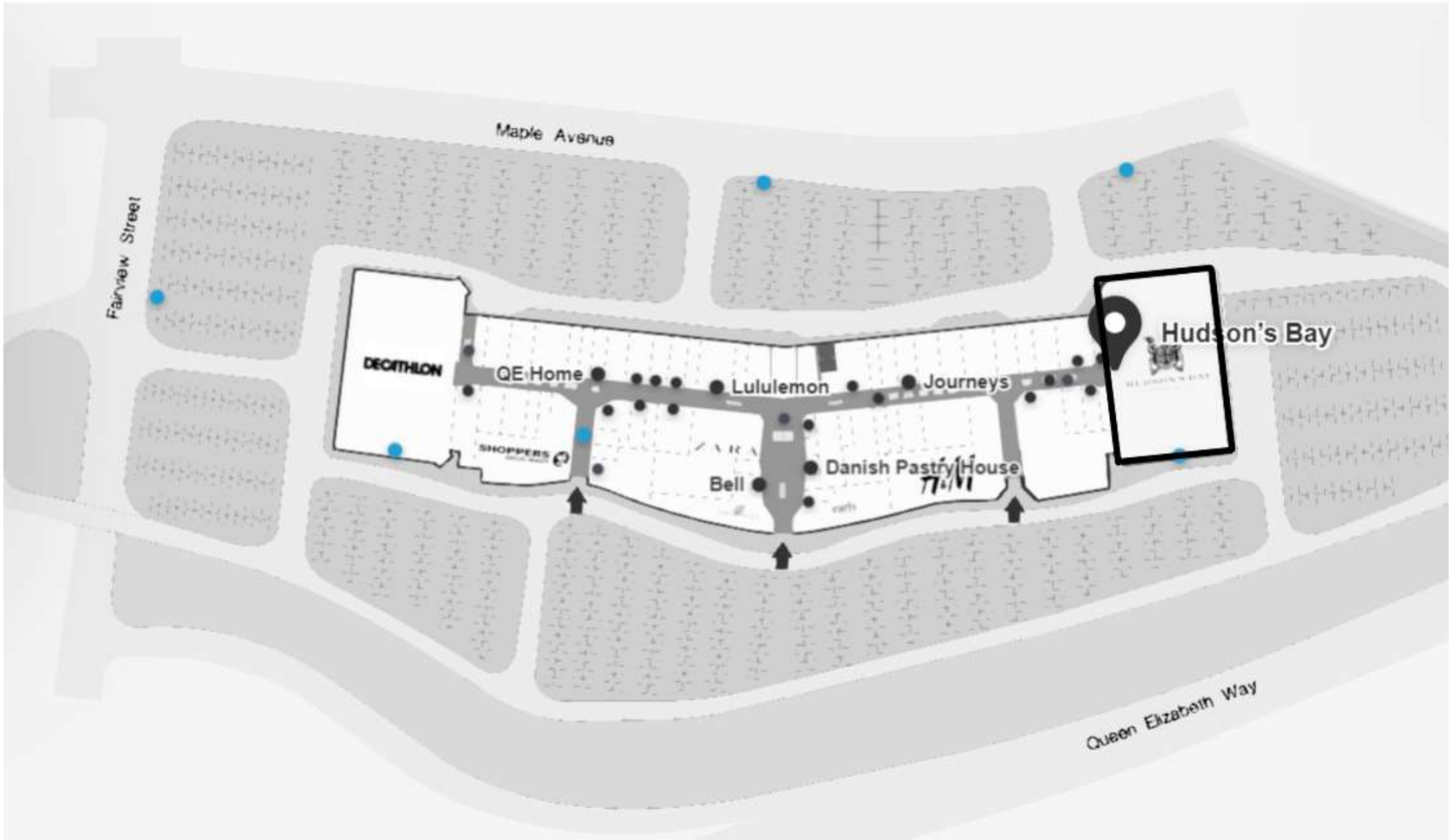


EXHIBIT B
LEGAL DESCRIPTION

PIN 07087-0082 (LT)

PCL BLOCK 7-1 , SEC 20M273 ; BLK 7, PL 20M273 ; PCL BLOCK 8-1 , SEC 20M273 ; BLK 8, PL 20M273 ; PCL 30-1 , SEC H99 ; PT LT 30 , RCP PL99 , PT 1, 20R5866 ; PCL 40-1 , SEC H99 ; PT MAPLE AV , RCP PL99 , CLOSED BY BYLAW 559766 ; PT LTS 40, 41 & 43 , RCP PL99 , PT 1, 20R9323 ; S/T H188475E,H421049,H520972 BURLINGTON

EXHIBIT C
INTENTIONALLY DELETED

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such Delivery Facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
INTENTIONALLY DELETED

EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

Minimum Rent is: $<>

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name: ●
Title: ●

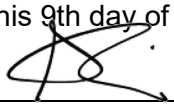
I have the authority to bind the company

By: _____
Name: ●
Title: ●

I have the authority to bind the company.

SPECIMEN

This is **Exhibit "Q"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE OF RETAIL SPACE

BETWEEN:
(address)

IVANHOE CAMBRIDGE II INC. and OPB (SOUTHGATE) INC.
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("**Landlord**")

AND:
(address)

HUDSON'S BAY COMPANY ULC
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

("**Tenant**")

CENTRE: SOUTHGATE CENTRE, EDMONTON, ALBERTA

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LEASE OF RETAIL SPACE

Date: **February 1, 2024**

BETWEEN:
(address)

IVANHOE CAMBRIDGE II INC. and OPB (SOUTHGATE) INC.
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("**Landlord**")

AND:
(address)

HUDSON'S BAY COMPANY ULC
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

("**Tenant**")

FOR PREMISES IN: SOUTHGATE CENTRE, EDMONTON, ALBERTA

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice:***

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant: 401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

1.02 ***Location of Premises:*** Premises No. Unit MAJ2/MAJ2/MAJOR2B

1.03 ***Shopping Centre:*** Southgate Centre

1.04 ***Area:*** 236,551 square feet

1.05 ***Term:*** A period of ten (10) years, beginning on the 3rd day of February, 2024, and expiring on the 2nd day of February, 2034, unless (a) extended by the Landlord pursuant to Section 3.01 hereof; or (b) terminated earlier as provided in this Lease.

1.06 ***Intentionally deleted.***

1.07 ***Permitted Use of Premises:*** The Premises shall be used for the purposes of a department store operated in a manner consistent with the standards of other department stores operated by the Tenant that are located in the province of Alberta and shall not be used for any other purpose whatsoever.

1.08 ***Tenant's Store Name:*** HUDSON'S BAY COMPANY, HUDSON'S BAY, THE BAY or any other trade name used by the Tenant in a majority of its department stores in the province of Alberta. Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Minimum Rent:*** An annual amount equal to $1.23 per square foot of the Area per annum, payable pursuant to Article 4.00.

1.10 ***Intentionally deleted.***

1.11 ***Proportionate Share of Operating Costs:*** Tenant's Proportionate Share of Operating Costs shall for the 2024 Fiscal Year of the Term be $7.52 per square foot of the Area per annum. Said amount shall be payable and increased annually pursuant to Article 4.19.

1.11.1 ***Intentionally deleted.***

1.12 ***Promotion Charge:*** For each Fiscal Year of the Term, a charge of $NIL per square foot of the Area per annum.

1.13 ***Tenant's Share of Taxes:*** Tenant shall pay the Tenant's Share of Taxes contribution to the Landlord as Additional Rent hereunder in an amount equal to the actual Taxes levied specifically against the Premises by the taxing Authority, as further detailed herein.

1.14 ***Demised Utilities:*** Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00.

1.15 ***HVAC Costs/Charge for the Tenant:*** Tenant shall pay, for the 2024 Fiscal Year, an initial amount estimated to be $1.63 per square foot of the Area per annum. Said amount shall be payable and may be adjusted by the Landlord pursuant to Articles 4.19 and 7.02.

1.16 ***Intentionally deleted.***

1.17 ***Intentionally deleted.***

1.18 ***Definitions:*** In this Lease:

1.18.1 "**Additional Rent**" means all amounts (other than Minimum Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted.***

1.18.3 "**Area**" means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. The parties acknowledge and agree that the Area of the Premises as of the date hereof is the Area set out in Article 1.04 hereof.

1.18.4 **"Architect"** means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.

1.18.5 **"Article"** means an article of this Lease.

1.18.6 **"Authority"** or **"Authorities"** means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted.***

1.18.8 **"Commencement Date"** means the first day of the Term (effective as of 12:00am).

1.18.9 **"Common Areas and Facilities"** means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 **"Consumer Price Index"** or **"C.P.I."** means the Consumer Price Index for all items excluding food in the Province of Alberta as issued by Statistics Canada or its successor, provided that if such Consumer Price Index is not available from Statistics Canada or its successor, Landlord may utilize for the purposes of this Lease any reasonable measure of changes in consumer price levels.

1.18.11 **"Delivery Facilities"** means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted.***

1.18.13 **"Environmental Law"** means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment or to any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material 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 statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority.

1.18.14 **"Fiscal Year"** means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted.***

1.18.16 ***Intentionally deleted.***

1.18.17 **"Force Majeure"** means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes, walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted.***

1.18.19 **"Goods and Services Tax"** or **"GST"** means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST, QST or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 **"Gross Leasable Area"** means the total of all floor areas (measured in the manner stipulated in the definition of "Area") of all premises in the Shopping Centre intended for leasing from

time to time, whether said premises directly access an enclosed mall or court or not, but excluding basement areas, mezzanines, storage areas, elevator and escalator shafts, areas of the Common Areas and Facilities leased or occupied on a temporary basis, areas not used for retail purposes such as, by way of example only, areas leased or occupied for non-retail purposes or promotional purposes and areas occupied by the Shopping Centre manager and any support staff.

1.18.21 ***Intentionally deleted.***

1.18.22 **"Hazardous Substance"** means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs), pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted.

1.18.23 **"HVAC Cost"** means all the costs, charges and expenses in any Fiscal Year for the operation, repair, replacement and maintenance of the systems for heating, ventilating, and air conditioning the Shopping Centre and/or premises including the Premises as established by Landlord, from time to time, on a fair and equitable basis which reflects load and hours of operation provided, however, where Tenant pays an HVAC Charge for the Premises, or where Tenant maintains, repairs and replaces HVAC for the Premises at its cost, HVAC costs shall exclude the Premises.

1.18.24 **"Interest Rate"** means the Prime Rate in force when an amount becomes due, plus three (3) percentage points.

1.18.25 **"Land"** means all of the lands described in Exhibit B.

1.18.26 **"Landlord"** means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted.***

1.18.28 "**Lease**" means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.55 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 **"Lease Year"** means a period of twelve (12) calendar months except the first Lease Year of the Term which will begin on the Commencement Date and end on the last day of the calendar month in which the first (1st) anniversary of the day immediately preceding the Commencement Date occurs and succeeding Lease Years will comprise successive periods of twelve (12) calendar months (and the last Lease Year in the Term may contain less than twelve (12) calendar months), but if Landlord deems it expedient, it may by written notice to Tenant specify an annual date upon which any Lease Year will terminate, in which event the appropriate adjustments will be made between the parties.

1.18.30 ***Intentionally deleted.***

1.18.31 ***Intentionally deleted.***

1.18.32 **"Management Company"** means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted.***

1.18.34 **"Minimum Rent"** means the amount payable by Tenant to Landlord pursuant to Article 1.09 in respect of each year of the Term under Article 4.01.

1.18.35 **"Mortgagee"** shall have the meaning given to the term in Article 17.03.

1.18.36 **"Operating Agreement(s)"** means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any).

1.18.37 **"Operating Costs"** means:

(a) all costs, expenses and charges which are attributable to the insuring, operation, repair, replacement, administration and maintenance of the Shopping Centre or incurred to reduce Operating Costs, including, without limiting the generality of the foregoing, any tax, rate, charge, levy, duty, fee, tariff or assessment however imposed, assessed or charged in relation to the consumption and/or emissions of any fuel of whatsoever nature for the Shopping Centre and/or the Premises or from any part of the foregoing, or levied or charged in lieu thereof, the costs to Landlord of purchasing in compliance with all applicable laws of any Authority tradable units of greenhouse producing gases including without limitation carbon dioxide, HVAC Cost, plus energy costs in relation thereto, depreciation or amortization allocable to the Fiscal Year on equipment and fixtures, energy conservation and security costs, cleaning, snow removal, landscaping, garbage collection and disposal, recycling, painting, decorations, parking lot repairs, maintenance, replacements and stripping, roof repairs, maintenance and replacements, utilities including water, gas, and electricity, security and security equipment and technology, energy efficiency, energy sub-metering and recycling technology and equipment, rental of equipment and hiring of services, remuneration of all or any on-site Shopping Centre staff and supervisory personnel, including but not limited to managers, supervisors and support staff, including wages, bonuses and benefits, employment related costs, including the foregoing costs of off-site personnel involved in the administration and management of Taxes and insurance for the Shopping Centre, general overhead expenses including office supplies and equipment, postage and courier costs, the fair market rentable value and any business taxes associated with any office space in the Shopping Centre used by Landlord or Management Company to operate and administer the Shopping Centre, interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the undepreciated or unamortized portion of the cost and expense of items being depreciated or amortized from time to time and capital replacement of the systems for heating, ventilating and air conditioning the Shopping Centre, and repairs and replacement of the roofs and parking facilities of the Shopping Centre;

(b) all expenses after the date any space in the Shopping Centre was first occupied by any tenant and properly allocable to the Fiscal Year for any capital improvement or structural repair to the Shopping Centre, or required by any change in the laws, rules, regulations, or orders of any governmental or quasi-governmental authority having jurisdiction, or incurred to reduce Operating Costs, which expenses will be amortized in accordance with reputable shopping centre management and operation practices, and interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the unamortized portion of the total costs of the foregoing;

(c) all costs, charges and expenses which are directly attributable to the operation, management, repair, replacement and maintenance of the Shopping Centre or incurred to reduce Operating Costs but which are not attributable solely to the operation, management, repair, replacement and maintenance of any leasable area of the Shopping Centre; and

(d) an administration fee equal to fifteen percent (15%) of the total of the items set out in Article 1.001.18.37(a), (b) and (c) above.

1.18.38 ***Intentionally deleted.***

1.18.38.1 **"Original Lease"** means that certain lease dated August 12, 1970 (as amended, supplemented, renewed and extended from time to time, including pursuant to the amending agreements dated October 15, 1981, April 1, 1984, August 21, 1985, October 10, 1989, June 10, 2004, September 24, 2004, October 27, 2004, November 10, 2006 and June 8, 2015 and the omnibus agreements dated November 17, 2015 and December 29, 2020, collectively, the **"Original Lease"**), entered into by Landlord and the Tenant (by them or which apply to them as successors to the original parties thereto) for the Premises which Original Lease has been surrendered immediately prior to the Commencement Date.

1.18.39 **"Owners"** means the owner or owners or co-owners from time to time (other than Landlord) of the freehold or leasehold title of the Shopping Centre.

1.18.40 **"Person"** where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.41 **"Premises"** means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A, which area includes the loading and unloading docks which exclusively serve the premises. If the Premises are entirely self-enclosed, the boundaries shall extend to the exterior face of all exterior walls, doors and windows, or those separating the Premises

from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the underside of the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical, electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.42 **"Prime Rate"** means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.43 **"Promotion Fund"** means the fund for promotion of the Shopping Centre, if any, described in Article 4.11.

1.18.44 **"Proportionate Share"** means, a fraction, the numerator of which is the Area, and the denominator of which is the Gross Leasable Area. Notwithstanding anything to the contrary, "**Proportionate Share" for the purposes of this Lease shall have the same meaning as is given to the term, the "Lessee's pro rata share" under Section 19(c) of the Original Lease as applied by the parties as at the Termination Date.**

1.18.45 **"Released Persons"** means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.46 **"Rent"** means the Minimum Rent and the Additional Rent.

1.18.47 **"Shopping Centre"** means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering or reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.48 **"Site"** means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.49 **"Taxes"** means the aggregate of all taxes, rates, charges (including local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.50 ***Intentionally deleted.***

1.18.51 **"Tenant"** means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.52 **"Tenant Security"** means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable, located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.53 ***Intentionally deleted.***

1.18.54 **"Term"** means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof.

1.18.55 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" INTENTIONALLY DELETED.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" INTENTIONALLY DELETED.

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 GRANT OF LEASE

2.01 ***Grant*** Landlord hereby demises and leases the Premises to Tenant, and Tenant hereby leases and accepts the Premises from Landlord, to have and to hold during the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 ***Landlord's Option to Renew.*** Landlord has, exercisable at its sole and entire and unfettered discretion by giving at least 12 months' prior written notice to the Tenant, the right to renew this Lease for an additional period of five (5) years (the **"Renewal Term"**) on the same terms and conditions as set out herein, save and except for the Minimum Rent, which shall be equal to the minimum/base rent that would have been payable under the Original Lease during this Renewal Term had the Original Lease not been terminated and continued during the period of this Renewal Term.

3.02 ***Intentionally deleted.***

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures, chattels or other personal property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any

other right to acquire any interest or real property right in all or any part of the Shopping Centre or the Premises.

3.04 ***Limitation on Length of Term*** This 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 are complied with relating to the severance of land or interests in land by conveyance or otherwise (as it may from time to time be amended). 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.

3.05 ***Termination of Original Lease*** Tenant and Landlord hereby agree that the Original Lease is surrendered and terminated effective on 11:59pm on the date immediately preceding the Commencement Date (the **"Termination Date"**). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date, be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the termination of the Original Lease as provided herein.

3.05(A) ***Reinstatement of Original Lease.***

Tenant and Landlord hereby agree that if at November 13, 2028 (the "Original Lease Reinstatement Date") no Event (as such term is hereinafter defined) has occurred or is continuing, and there is not then any monetary default occurring of the Tenant's obligations under this Lease, failing which this provision shall not apply and be null and void (and this Lease shall remain in full force and effect without any obligation to enter into the Reinstated Original Lease), then the parties shall execute and deliver to one another the Reinstated Original Lease (as defined below) which shall provide and confirm that effective upon the Original Lease Reinstatement Date: (1) this Lease shall be resolved, cancelled, surrendered and rescinded; and (2) the termination of the Original Lease shall be deemed to have been revoked and, except as expressly modified pursuant to this provision, the Original Lease shall be reinstated in its entirety effective as of the Original Lease Reinstatement Date and shall again be in full force and effect as if the same had never been terminated. However, the respective rights and obligations of Landlord and Tenant as to the Premises under this Lease will be preserved and will survive the termination of this Lease on the Original Lease Reinstatement Date as to all matters arising or accruing prior to the Original Lease Reinstatement Date, but no such rights or obligations will arise or accrue to either of them with respect to this Lease on or after the Original Lease Reinstatement Date (given the Reinstated Original Lease will thereafter govern this tenancy). Any breach of this Lease which has not been cured will, after the Original Lease Reinstatement Date, be enforceable in accordance with all applicable provisions of this Lease.

"Event" means the occurrence of any of the following:

(1) Tenant (or any of its affiliates) defaulting under any of its monetary obligations (beyond any applicable cure period) under this Lease or any HBC IC Lease (as hereinafter defined); or

(2) Tenant (a) is insolvent, (b) has committed an act of bankruptcy, including but not limited to as defined at Section 42(1) of the Bankruptcy and Insolvency Act, and/or (c) has become bankrupt.

"HBC IC Lease" means any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties:

(i) Galeries D'Anjou;

(ii) Metropolis at Metrotown;

(iii) Outlet Collection at Niagara on the Lake;

(iv) Mapleview;

(v) Guildford;

(vi) Oshawa;

(vii) CrossIron Mills;

(viii) St. Foy;

(ix) Outlet collection Winnipeg; or

(x) Vaughan Mills.

"Reinstated Original Lease" means the Original Lease but reinstated and amended only to provide that the Term of the reinstated Original Lease shall commence on the Original Lease Reinstatement Date and end upon February 2, 2034, provided, Tenant shall continue to have the right to renew of four (4) options of ten (10) years each and one (1) option of two (2) years, it being understood that the Term of this Lease cannot go beyond February 2, 2076, all on the terms and conditions set out therein (inclusive of the calculation of minimum rent).

Landlord shall prepare the form of Reinstated Original Lease and the parties shall forthwith thereafter execute and deliver same to the other, each at its sole expense. In addition, Tenant shall execute such other documents contemplated in Section 3.05 hereof for the discharge of any registered documents relating to this Lease for which Section 3.05 shall equally apply in this context, mutatis mutandis.

ARTICLE 4.00 RENT

4.01 ***Minimum Rent*** Tenant will pay to Landlord a Minimum Rent for the Premises described in Article 1.09 of this Lease, payable in advance in equal and consecutive monthly instalments and without notice on the Commencement Date and on the first day of each calendar month thereafter during the Term.

4.02 ***Intentionally deleted.***

4.03 ***Intentionally deleted.***

4.04 ***Intentionally deleted.***

4.05 ***Net Lease*** It is the stated purpose and intent of Landlord and Tenant that, **except as otherwise expressly provided herein,** this Lease will be fully net to Landlord. Tenant will pay to Landlord, at the times and in the manner provided in Articles 4.07 and 4.09, its Proportionate Share of Operating Costs and Taxes.

4.06 ***Calculation and Payment of Operating Costs***

(a) Tenant will pay the amounts stipulated in Article 1.11 to Landlord in monthly instalments equal to one-twelfth of such annual rate simultaneously with Tenant's payments of Minimum Rent during such Fiscal Year.

(b) If the Term commences after the beginning of or terminates before the end of a Fiscal Year, the amount of Operating Costs payable by Tenant for such Fiscal Year will be adjusted proportionately.

4.07 ***Intentionally deleted.***

4.08 ***Taxes Payable by Tenant*** The Tenant shall be responsible for the payment of all Taxes imposed from time to time during the Term in respect of the Premises, including in each case the value of any Common Areas and Facilities which is included by the assessing authorities in the value of the Premises and the business operated therefrom and all the improvements constructed thereon and all the fixtures and equipment constructed and used by Tenant and its assignees, sublicensees and concessionaires. For certainty, Tenant shall pay the Tenant's Share of Taxes contribution to the Landlord as Additional Rent hereunder in an amount equal to the actual Taxes levied specifically against the Premises by the taxing Authority, provided that if the Premises are not taxed on a separate basis, then in an amount determined by the Landlord, acting reasonably and equitably, on the basis of the notes and working papers of the assessment Authority (or its successor) made readily available to the Landlord, and provided further that if such notes and working papers are not readily available to the Landlord or they do not contain sufficient information to determine the Taxes applicable specifically to the Premises, then Tenant shall pay its Proportionate Share of all Taxes payable in respect of the Shopping Centre. The parties acknowledge and agree that as of the Commencement Date, the notes and working papers of the assessment authority are readily

available to the Landlord and contain sufficient information to determine the Taxes applicable specifically to the Premises.

Tenant shall reimburse Landlord that part of any increase in Taxes for the Shopping Centre, which is reasonably attributable to any change, addition or improvement or special equipment identified by an assessment Authority made on or in the Premises by Tenant. In such event, Tenant shall pay to Landlord the total amount of said Tax increase attributable to Tenant within 30 days of receipt of an invoice from Landlord, said amount to be deemed Additional Rent.

For greater certainty, Tenant shall pay to Landlord an amount equal to any and all goods and services tax, value added tax, or any other similar tax (such as by way of example GST, HST or any other similar tax) (**"Value Added Taxes"**), it being the intention of the parties that Landlord shall collect from Tenant all Value Added Taxes collectable by Landlord on the Rent and any other amounts payable by Tenant under this Lease. The amount of such Value Added Taxes so payable by Tenant shall be calculated by Landlord in accordance with the applicable legislation and shall be paid to Landlord at the same time as the amount to which such Value Added Taxes apply are payable to Landlord under the terms of this Lease. The amount payable by Tenant under this provision shall be deemed not to be additional rent, but Landlord shall have all of the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Lease.

The Landlord may appeal any official assessment or the amount of any Taxes or business taxes (including other taxes capable of constituting a lien) relating to the Shopping Centre including the improvements (including fixtures and equipment) thereon, and the Tenant may appeal any official assessment or any Taxes or business taxes relating to the Premises including the improvements thereon or, where the Tenant's obligations are directly or indirectly affected thereby, relating to any other portion of the Shopping Centre including the Common Area and Facilities. Neither the Landlord nor the Tenant shall institute any appeal without notice to the other and, where their interests do not conflict and in particular where the appeal is being made in order to achieve a re-assessment which is consistent with the basis contemplated by this Lease, each shall extend its co-operation and assistance to the other in respect to such appeal.

4.09 ***Changes in Taxes*** If the system of real estate taxation is altered or varied from that in force on the Commencement Date and any new tax shall be levied or imposed on all or part of the Shopping Centre and/or the revenues therefrom and/or on Landlord in substitution for or in addition to previously existing Taxes by any taxing Authority, whether or not the taxing Authority has previously charged any Taxes, then any such new tax or levy shall be included in Taxes, or if by law, regulation or otherwise all or any part of any Taxes, is made payable by Landlord or if the mode of collecting such tax, assessment, local improvement, licence fee, excise or other charge is so altered so as to make Landlord liable in whole or in part therefor instead of Tenant or if all or any part of Tenant's Taxes under Article 8.01 is imposed, levied, assessed or charged upon or on account of the Shopping Centre, Tenant will pay to Landlord, from time to time, within 30 days after demand, the amount payable by Landlord, from time to time, as a result of such change as determined by Landlord in the same manner as the Proportionate Share of Taxes is payable under the terms of this Lease and Tenant will indemnify and save Landlord harmless from any cost or expense in respect thereof. For greater certainty, to the extent that the new tax or levy is fully recoverable by Tenant as an input tax credit or refund, such Tax shall be fully payable by Tenant notwithstanding the proportionate sharing of other Taxes hereunder.

4.10 ***Intentionally deleted.***

4.11 ***Promotion Fund*** Landlord may establish and maintain a common Promotion Fund for the Shopping Centre or continue to maintain any Promotion Fund in existence as of the Commencement Date of this Lease. Landlord will use the Promotion Fund for the promotion or benefit of the Shopping Centre in such a manner and as Landlord may, from time to time, decide and, without limiting the generality of the foregoing, Landlord may utilize the Promotion Fund for payment of a full-time or part-time marketing director, the employment of other promotional staff and customer service, the purchase of advertising space and time, materials or equipment for decorating and promotional events and activities similar to those undertaken by other shopping centres. Any surplus in the Promotion Fund at the end of a Fiscal Year of the Promotion Fund will be carried forward for like purposes in the next year, without any reduction in the amount payable by Tenant pursuant to this Article 4.11. Landlord may, at its sole discretion, establish a Promotion Fund advisory committee comprised of representatives of the tenants of the Shopping Centre chosen by Landlord to advise Landlord on the application of the Promotion Fund contributions.

If there is a Promotion Fund for the Shopping Centre, Tenant will pay to Landlord in equal monthly instalments, the amount stipulated in Articles 1.12, towards the Promotion Fund, and may include the development of a mall video network, offering a program of information, entertainment and advertisements, and for the promotion of the Shopping Centre.

Landlord will have the right at its discretion to change the Fiscal Year of the Promotion Fund as it may deem appropriate, from time to time.

4.12 ***Intentionally deleted.***

4.13 ***Landlord's Promotions*** Landlord may promote and advertise the Shopping Centre in a manner and to the extent that would a diligent and prudent owner of a similar shopping centre, taking into account the nature, size, age, character and location of the Shopping Centre as well as the general image that Landlord is attempting to project for the Shopping Centre from time to time. Tenant agrees that Landlord will never be obliged to spend more than the total amount paid to the Promotion Fund described in Article 1.12 by the tenants of the Shopping Centre in any Fiscal Year in order to fulfill its obligations hereunder. Landlord shall alone administer the Promotion Fund.

Landlord's promotional activities may include, without limiting the generality of the foregoing, the production and distribution of written advertising or promotional materials and/or audio and/or audio visual promotions by the various media (radio and television) and/or internet and/or seasonal decorations and/or all other forms of promotion or publicity in relation to the Shopping Centre alone or on a joint basis with one or more other shopping centres or properties of which Landlord is owner or manager. Tenant agrees to give its complete support and cooperation to all of Landlord's promotional activities. Without limitation, Tenant will honour any discount coupons, gift certificates, gift cards, electronic gift cards or other incentives given to customers as part of any promotional activity.

Landlord may designate an agent to promote and/or advertise on its behalf, to enter into any agreements with third parties for promotion and/or advertising purposes, and may use all or any part of the Promotion Fund contributions to pay or remunerate its agent.

4.14 ***Intentionally deleted.***

4.15 ***Intentionally deleted.***

4.16 ***Tenant's Support t*** Tenant will support all promotional events, functions and activities sponsored or participated in by either the Promotion Fund, if any. In order to comply with this obligation, however, Tenant will not be required to make any additional financial contributions toward the promotion of the Shopping Centre other than those set out in Article 4.11.

4.17 ***Payment of Rent – General l*** During the Term of this Lease, Tenant shall pay Minimum Rent and Additional Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction or set-off, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.18 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.19 ***Charge Adjustment*** Wherever it is mentioned in this Lease that Landlord may increase any amount or charge, the following rules may apply if required by the Landlord: (a) each permitted increase of any such amount or charge shall come into force as of the date indicated in Landlord's notice and shall remain in effect until the subsequent increase comes into effect; (b) each permitted increase of any such amount or charge may, at Landlord's option, be charged retroactively; (c) each time any such amount or charge increases, the amount or charge shall be deemed to be replaced by the increased amount or increased charge; (d) any such amount or charge that may be payable during any Fiscal Year shall never be less than the amount or charge so payable during the

immediately preceding Fiscal Year; (e) the fact that no annual increase was imposed for any preceding Fiscal Year or such other period, or the fact that an amount less than the full amount of any permitted increase was charged, shall not prevent Landlord, in any manner whatsoever, from imposing the full amount of any annual increase, or any part thereof, during any subsequent Fiscal Year; and (f) the annual increase that Landlord shall be permitted to charge for Operating Costs shall be calculated by multiplying the amount or charge presently in force by a fraction, the numerator of which shall be the C.P.I. for the month of May of the current Fiscal Year in question and the denominator of which shall be the C.P.I. for the month of May for the immediately preceding Fiscal Year. For clarity Operating Costs are adjusted annually at the beginning of June.

ARTICLE 5.00 **USE OF PREMISES**

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the province of Alberta. Tenant shall abide by all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with the Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice, and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord unless guaranteed to the satisfaction of Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv) a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other

enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted.***

5.06 ***Display Windows*** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the Premises during the Term and Tenant's use thereof will be subject to such regulations as Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 ***Intentionally deleted.***

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and

handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the Delivery Facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the Delivery Facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

ARTICLE 6.00 SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b), Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises, and will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre (excluding the Premises), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles 7.02. 7.03 10.01, 16.01, **Erreur ! Source du renvoi introuvable.**, **Erreur ! Source du renvoi introuvable.**, or **Erreur ! Source du renvoi introuvable.** and in no event shall Landlord be required to make any repairs or replacements which are necessary as a result of Tenant's default, negligence or willful misconduct..

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04 will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, or minimum stall number requirements, or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, easements, transfers, dedications, permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial discharges of its caveat and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters.

6.05 ***Intentionally deleted.Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive,

policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 DEMISED UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Demised Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

7.02 ***Demised Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, including the Tenant's obligation to pay the HVAC Charge as set out in Articles 1.15 and 4.19, Tenant will at its sole cost and expense be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the **"Tenant HVAC System"**) installed for the Premises where such equipment is not part of a shared or central system.

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will at its sole cost and expense maintain the Premises and all improvements therein in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) intentionally deleted;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed all Tenant HVAC Systems, elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the rules and regulations of Landlord.

Notwithstanding any legislation to the contrary, the Tenant's repair obligations will include all those which are major as well as minor , or those which are customarily landlord's or tenant's, except as expressly provided otherwise in this Lease

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Personal Property*** Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and personal property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or personal property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted.***

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("Sign") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which

Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** Throughout the Term of this Lease, Landlord will carry the insurance for which Landlord is obligated under the Original Lease and such insurance provisions are deemed incorporated herein by reference. For certainty, during the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the insurance for which Tenant is obligated under the Original Lease and such provisions of the Original Lease are deemed incorporated herein by reference. For certainty, during the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective upon written notice to Tenant, or without terminating this Lease and after giving such notice, if any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Intentionally deleted.***

10.02 ***Release of Landlord.*** In respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the

Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Premises, the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 **TRANSFERS**

11.01 ***Transfers*** Except to an Eligible Corporation (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a "Transfer"), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to mortgage or encumber all or any part pf the Tenant's rights resulting from this Lease or all or any part of the Premises. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, mortgagee, encumbrancer, user or occupant as the case may be (hereinafter the **"Transferee"**), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee notwithstanding any rule of law or equity to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(b)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective control); (ii) details of the proposed Transferee's prior business

experience (including experience in the enterprise for which the Premises are to be operated pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the Canada Business Corporations Act); or

(b) assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the province of Alberta; and (iii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord:

(i) in a vacant, clean and broom-swept condition with all of Tenant's signage, inventory, trade fixtures, racking and personal property removed; and

(ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators) servicing the Premises in a working order, subject to reasonable wear and tear ;

but otherwise in an "as is, where is" condition and without any obligation to: (A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or (B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof. For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has registered a caveat, caution, memorandum notice or other instrument relating to this lease against title to the Land, it will cause the same to be released and discharged no later than 15 days following the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a release or discharge of a notice of this will be paid by Tenant.

12.02 ***Trade Fixtures, Personal Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy with Landlord Consent*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this

Lease, notwithstanding any legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Tenancy at Sufferance*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy at sufferance may be immediately terminated by Landlord at any time by notice of termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy or tenancy at sufferance hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "Rules and Regulations") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than 60 days after the date (hereinafter "Date of Such Taking") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on

the date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment, and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Damage or Destruction*** In the event of damage or destruction to or of the Premises by reason of fire or other risk against which the Landlord has insured, the Landlord shall subject as hereinafter provided immediately undertake the repair or reconstruction of the Premises and shall apply all proceeds of insurance to the cost of such repair or reconstruction;

(i)Provided that if any such event of damage or destruction shall occur during the last five (5) years of the Term or of the renewal term and of such damage being so substantial as to interfere to any material degree with the Tenant's use and enjoyment of the Premises, then the Landlord shall not be required to repair or reconstruct the Premises;

(ii) And further provided that in the event of any such damage or destruction occurring during the last two (2) years of the Term or the renewal term then the Tenant shall have the right forthwith to terminate this lease;

(iii) and further provided that in the event of any such damage or destruction occurring during the renewal term the Landlord shall have the right forthwith to terminate this lease.

In the event of any such damage or destruction to or of the Premises as contemplated in this Section occurring during the last years of the Term or the renewal term and of the Landlord electing to repair or reconstruct the Premises then the Rent payable by the Tenant for the remainder of the then current Term shall, subject to the provisions for abatement hereunder set forth, continue to be payable by the Tenant to the Landlord at the same rate and on the same terms as subsist immediately prior to the event of such damage or destruction, provided that if such damage or destruction be of such extent as to render the Premises unfit for the use and enjoyment of the Tenant or to the extent thereof as the case may be, the Rent payable hereunder during the period of repair or reconstruction shall abate or shall abate proportionately as the case may be.

The Tenant shall at all times during the term of this Lease keep in effect insurance on the buildings comprised in the Premises (excluding any fixtures, fittings, furnishings or equipment of the Lessee) to the full insurable replacement value thereof against loss or damage from fire, lightning, explosion, smoke, windstorm, hail, riot, malicious damage, sprinkler leakage (if applicable) and impact by aircraft or vehicles. All such insurance shall be carried in a reputable company or reputable companies which are of good financial standing.

The Tenant shall from time to time during the Term, pay to the Landlord on demand Tenant's share of insurance costs of Common and Areas and Facilities of the Shopping Centre.

ARTICLE 17.00 TRANSFERS AND MORTGAGES BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of Landlord to sell, convey, assign, mortgage or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 ***Definition of Mortgage, Mortgagee and Mortgagee's Interest*** Each and every charge, mortgage, debenture or trust deed, now or hereafter registered against all or any part of the Shopping Centre is hereafter called a "Mortgage" which term includes all amounts advanced or to be advanced thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. "Mortgagee" means a chargee or mortgagee named in a Mortgage, or the holder of a debenture or

the trustee under a trust deed constituting a Mortgage, as the case may be; and "Mortgagee's Interest" means the estate or interest of the Mortgagee secured by a Mortgage.

17.04 ***Subordination of Mortgage to Lease*** If this Lease or the estate or interest of Tenant thereunder (the "Tenant's Leasehold Interest") is subordinate to a Mortgage or Mortgagee's Interest now or at any time hereafter, then on written request of the Mortgagee or of Landlord on Mortgagee's behalf, made concurrently with execution of this Lease or at any time thereafter, the Mortgage and the Mortgagee's Interest will be postponed and made subordinate to this Lease and the Tenant's Leasehold Interest as if such Mortgage had been executed, delivered, registered and fully advanced after the execution, delivery and registration of this Lease, by means of an instrument of postponement and subordination, which will be entered into between Tenant and the Mortgagee, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that it complies with the terms and conditions of the Lease. Such instrument will be in such form as the Mortgagee may reasonably require, consistent with this Article 17.04 and Article 17.07 and will be effective between the Mortgagee and Tenant when executed by them, without necessity for registration against title to the Shopping Centre; but if desired by the Mortgagee or Tenant, either of them may register such agreement or notice thereof and for that purpose the Mortgagee and Tenant will enter into any further document required to effect registration.

17.05 ***Attornment*** If this Lease and Tenant's Leasehold Interest now or at any time hereafter is subordinate to a Mortgage and Mortgagee's Interest and the Mortgagee does not require a postponement and subordination instrument under Article 17.04, Tenant will on request of such Mortgagee or of Landlord on behalf of the Mortgagee, made concurrently with execution of this Lease or at any time thereafter, enter into an attornment agreement with such Mortgagee in such form as the Mortgagee may reasonably require, whereby Tenant will agree that if default occurs under the Mortgage, and:

(a) the Mortgagee takes possession of the Premises, by obtaining and enforcing a court order to that effect or otherwise;

(b) the Mortgagee forecloses or otherwise acquires the interest of Landlord in the Premises, but does not foreclose the Tenant's Leasehold Interest; or

(c) the Mortgagee sells, conveys or assigns the Premises to another party (hereinafter a "Purchaser") pursuant to a power of sale or court order for sale which does not purport to sell the Premises free of the Tenant's Leasehold Interest,

Tenant will, on written demand of the Mortgagee or Purchaser as the case may be, attorn to and become the tenant of that person from and including the date the demand is received, for the balance of the term of this Lease (and with rights of renewal if any as provided in this Lease), at the rents and otherwise on the terms of this Lease, subject as hereinafter provided in Article 17.06, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that Tenant complies with, all the terms and conditions of the Lease.

17.06 ***Intentionally deleted.***

17.07 ***Effect of Subordination or Attornment*** No subordination effected under Article 17.04 and no attornment effected under Article 17.05 will render the Mortgagee or Purchaser, as the case may be:

(a) liable for any act or omission of Landlord or a predecessor in title of Landlord; or

(b) subject to any offsets or defenses which Tenant might have against Landlord or a predecessor in title of Landlord; or

(c) bound by any prepayment by Tenant of more than one month's instalment of Rent, or by any previous modification of this Lease, unless such prepayment or modification has been approved in writing by the Mortgagee or Purchaser or any predecessor in interest except Landlord.

Upon attornment occurring under Article 17.05, the relationship of landlord and tenant thereby created between the Mortgagee or Purchaser as the case may be, as Landlord, and Tenant as tenant, will supersede this Lease, but if the Mortgage is subsequently redeemed or put in good standing or the Mortgagee goes out of possession, the Mortgagee will be relieved of its obligations to Tenant as if a sale, conveyance or assignment had occurred to which Article 17.02 applied.

Any attornment by Tenant to a Mortgagee or Purchaser will be without prejudice to the right (when applicable) of any other mortgagee or purchaser that has priority to the Mortgagee or Purchaser to demand that Tenant attorn to the other mortgagee or purchaser pursuant to the rights if any, of the

other mortgagee or purchaser in that regard under Article 17.00. In case of such demand being lawfully made, and Tenant attorning to such other mortgagee or purchaser the attornment previously made to the Mortgagee or Purchaser will cease to be effective.

17.08 ***Tenant's Obligations May Be Assigned*** Tenant acknowledges that its covenants and obligations under Article 17.00 are intended in whole or in part to operate for the benefit of any and all Mortgagees and Purchasers and that in obtaining such covenants and obligations Landlord is acting not only for itself, but also as trustee or agent for all such persons. Without limiting the foregoing, Landlord may assign the benefit of such covenants and obligations to any and all Mortgagees or Purchasers who request same, as security or otherwise, and Tenant agrees that any such Mortgagee or Purchaser will be entitled on receiving such assignment and giving due notice thereof to Tenant, to enforce such covenant or obligation against Tenant to the same extent as if it were a party to this Lease directly entitled to the benefit of such covenants and obligations.

17.09 ***Execution of Instruments*** Except as otherwise provided in Article 17.00, the subordination and attornment provisions herein will be self-operating and no further instrument will be required. Nevertheless Tenant, on request by and without cost to Landlord, any Mortgagee, Purchaser or successor in interest, will execute and deliver any and all instruments further evidencing such subordination and/or attornment when applicable.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a caveat or short form in respect of this Lease (the "**Registration Document**") to give notice of Tenant's interest created by this Lease, provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, and any right of renewal. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will only indicate and be registered against title to that portion or those parcels of the Site or Shopping Centre as Landlord may designate in its sole discretion. Further, in the event any portion of the Land ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) in the event that, in order to effect registration, the Registration Document must be executed by any party other than Landlord and Tenant, Landlord will request such consent or execution of that party, but the sole cost of obtaining same will be borne by Tenant and Landlord will not be liable to Tenant in the event that such consent or execution is not obtained;

(e) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(f) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a surrender of this Lease or a discharge of caveat, caution or other document or instrument will be paid by Tenant.

17.13 ***Easements and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or

other creation of such licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.14 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article 6.04, Landlord will have the right from time to time to subdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery. Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) business days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord) designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues fifteen (15) days after notice by Landlord; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days notice by Landlord specifying with reasonable particularity the nature of such failure and

requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, chattels or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it** shall **provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior written notice of the Tenant signing of a forbearance agreement with one or more creditor(s);** or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, chattels or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease;

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "**Tenant Inducements**") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, personal property and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law or equity to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable.

19.04 ***Waiver of Exemption and Redemption*** Notwithstanding anything contained in any statute now or hereafter in force limiting or abrogating the right of distress, none of Tenant's goods, chattels or trade fixtures on the Premises at any time during the continuance of the Term will be exempt from levy by distress for Rent in arrears and upon any claim being made for such exemption by Tenant or on distress being made by Landlord this agreement may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying upon any such goods as are named as exempted in any such statute, Tenant hereby waiving all and every benefit that could or might have accrued to Tenant under and by virtue of any such statute but for this Lease. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any terms and conditions of this Lease or otherwise.

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages (subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing.

Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or

performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 ***Intentionally deleted.***

ARTICLE 21.00 **MISCELLANEOUS**

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venturer or a member of a joint or common enterprise with Tenant.

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular. If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be joint and several obligations of such executing parties. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease (together with any other agreement entered into by the Landlord, the Tenant and/or its or their affiliates in connection with this Lease) contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements, representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by

Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

21.16 ***Counterpart Execution*** This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

ARTICLE 22.00 **INTENTIONALLY DELETED**

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD **IVANHOE CAMBRIDGE II INC.**
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

By: Julie Bourgon (Feb 1, 2024 10:08 EST)
Name: Julie Bourgon
Title: Head of Retail

By: Maria Concetta Giampa (Feb 1, 2024 10:05 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affairs, Investments

OPB (SOUTHGATE) INC. by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

By: Richard Varkey (Feb 1, 2024 16:14 EST)
Name: Richard Varkey
Title: Managing Director

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name:
Title:

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD **IVANHOE CAMBRIDGE II INC. and OPB (SOUTHGATE) INC.**
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

By: _____
Name: ●
Title: ●

By: _____
Name: ●
Title: ●

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

EXHIBIT A
FLOOR PLAN

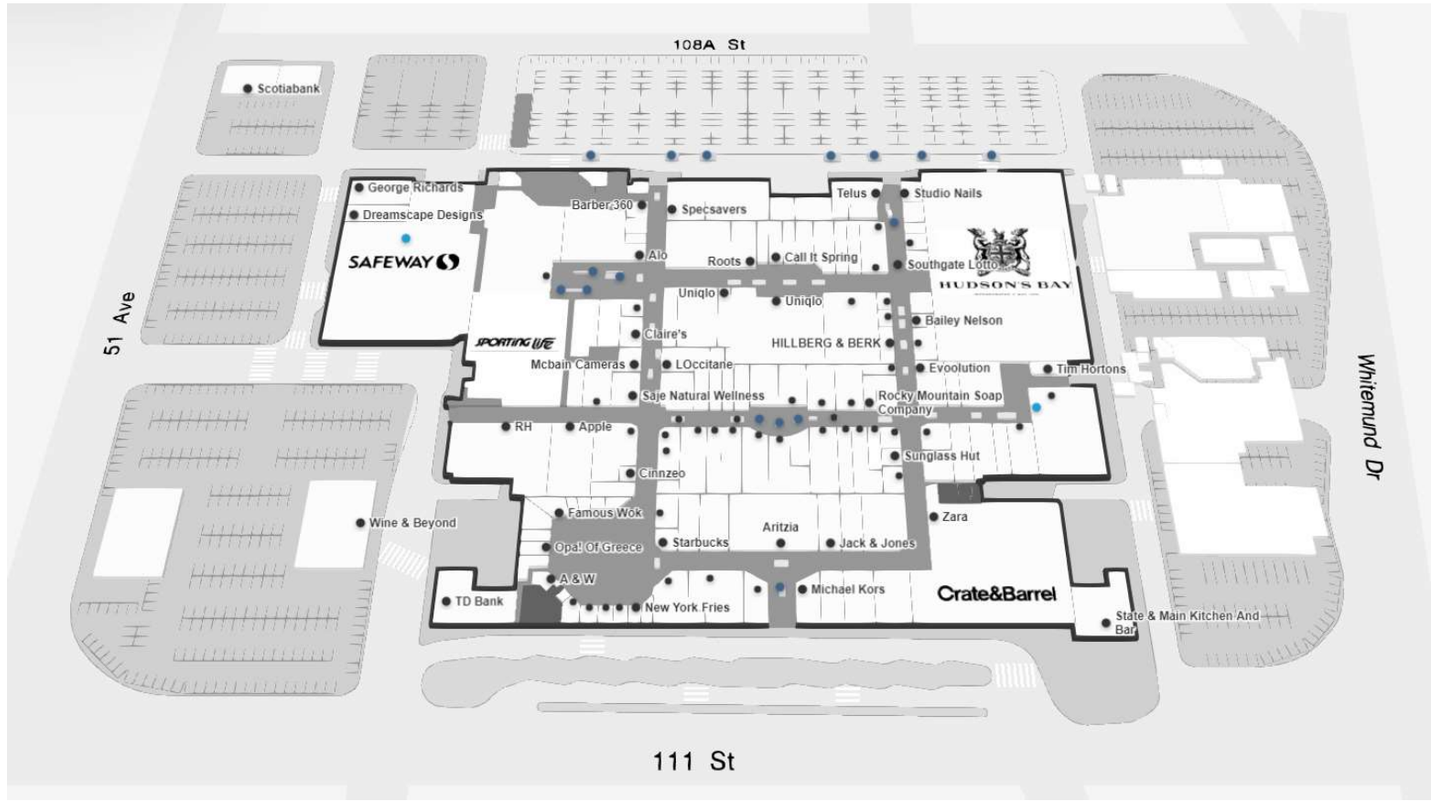


EXHIBIT B
LEGAL DESCRIPTION

DESCRIPTIVE PLAN 0725320
BLOCK D
LOT 4A
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 16 HECTARES (39.54 ACRES) MORE OR LESS

LEGAL DESCRIPTION
PLAN 8922780
BLOCK D
LOT 5
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 8922780
BLOCK D
LOT 6
EXCEPTING THEREOUT:

		HECTARES	(ACRES) MORE OR LESS
A) PLAN 0722275	ROAD	0.100	0.25

EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 8922780
BLOCK D
LOT 9
EXCEPTING THEREOUT:

		HECTARES	(ACRES) MORE OR LESS
A) PLAN 0722275	ROAD	0.051	0.13

EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 8922780
BLOCK D
LOT 10
EXCEPTING THEREOUT:

		HECTARES	(ACRES) MORE OR LESS
A) PLAN 0722275	ROAD	0.001	PART

EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 8922780
BLOCK D
LOT 11
EXCEPTING THEREOUT:

		HECTARES	(ACRES) MORE OR LESS
A) PLAN 0722275	ROAD	0.012	0.03

EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 8922780
BLOCK D
LOT 12
EXCEPTING THEREOUT ALL MINES AND MINERALS

EXHIBIT C
INTENTIONALLY DELETED

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such Delivery Facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
INTENTIONALLY DELETED

EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

Minimum Rent is: $<>

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name: ●
Title: ●

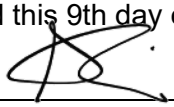
I have the authority to bind the company

By: _____
Name: ●
Title: ●

I have the authority to bind the company.

SPECIMEN

This is **Exhibit "R"** referred to in the Affidavit of **Charles Saint-Pierre** affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE OF RETAIL SPACE

BETWEEN:
(address)

GUILDFORD TOWN CENTRE LIMITED PARTNERSHIP AND LASALLE CANADA CORE REAL PROPERTY, L.P.
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("**Landlord**")

AND:
(address)

HUDSON'S BAY COMPANY ULC
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

("**Tenant**")

CENTRE: GUILDFORD TOWN CENTRE, SURREY, BRITISH COLUMBIA

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LEASE OF RETAIL SPACE

DATE: **February 1, 2024**

BETWEEN:
(address)

GUILDFORD TOWN CENTRE LIMITED PARTNERSHIP AND LASALLE CANADA CORE REAL PROPERTY, L.P.
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("**Landlord**")

AND:
(address)

HUDSON'S BAY COMPANY ULC
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

("**Tenant**")

FOR PREMISES IN: GUILDFORD TOWN CENTRE, SURREY, BRITISH COLUMBIA

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice:***

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant: 401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

1.02 ***Location of Premises:*** Premises No. Unit 1400 & 1400A

1.03 ***Shopping Centre:*** Guildford Town Centre

1.04 ***Area:*** 174,462 square feet.

1.05 ***Term:*** A period of ten (10) years, beginning on the 3rd day of February, 2024, and expiring on the 2nd day of February, 2034, unless (a) extended by the Landlord pursuant to Section 3.01 hereof; or (b) terminated earlier as provided in this Lease.

1.06 ***Intentionally deleted.***

1.07 ***Permitted Use of Premises:*** The Premises shall be used for the purposes of a department store operated in a manner consistent with the standards of other department stores operated by the Tenant that are located in the greater Vancouver area and shall not be used for any other purpose whatsoever.

1.08 ***Tenant's Store Name:*** HUDSON'S BAY COMPANY, HUDSON'S BAY, THE BAY or any other trade name used by the Tenant in a majority of its department stores in the greater Vancouver area. Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Minimum Rent:*** An annual amount equal to $7.50 per square foot of the Area per annum, payable pursuant to Article 4.00.

1.10 ***Intentionally deleted.***

1.11 ***Proportionate Share of Operating Costs:*** The parties hereto hereby acknowledge and agree that at no time during the Term of this Lease shall the Tenant be required to pay to the Landlord any contribution towards the costs, charges and expenses incurred by the Landlord for or attributable to the supervision, operation, insurance, maintenance, repair or replacement of the Common Areas and Facilities of the Shopping Centre (including, without limitation, any Taxes assessed against or attributable to all or any portion of the Common Areas and Facilities and all costs incurred by the Landlord to meet its obligations under clause 6 hereof).

1.11.1 ***Intentionally deleted.***

1.12 ***Promotion Charge:*** For each Fiscal Year of the Term, a charge of **$NIL** per square foot of the Area per annum.

1.13 ***Tenant's Share of Taxes:*** . Tenant shall pay the Tenant's Taxes contribution to the Landlord as Additional Rent hereunder in an amount equal to the actual Taxes levied specifically against the Premises by the taxing Authority, as further detailed herein.

1.14 ***Demised Utilities:*** Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00. **In addition, Tenant shall pay (i) a yearly amount of $3,400.00 on account of water charges for the 2024 Fiscal Year, and (ii) an initial amount of $0.57 per square foot of the Area per annum on account for electric charges. Said amounts shall be increased annually per Article 7.01.**

1.15 ***HVAC Costs/Charge for the Tenant:*** For the 2024 Fiscal Year, an initial amount estimated to be **$NIL** per square foot of the Area per annum.

1.16 ***Intentionally deleted.***

1.17 ***Intentionally deleted.***

1.18 ***Definitions:*** In this Lease:

1.18.1 "**Additional Rent**" means all amounts (other than Minimum Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted.***

1.18.3 "**Area**" means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or

protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. The parties acknowledge and agree that the Area of the Premises as of the date hereof is the Area set out in Article 1.04 hereof.

1.18.4 **"Architect"** means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.

1.18.5 **"Article"** means an article of this Lease.

1.18.6 **"Authority"** or **"Authorities"** means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted.***

1.18.8 **"Commencement Date"** means the first day of the Term (effective as of 12:00am).

1.18.9 **"Common Areas and Facilities"** means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 **"Consumer Price Index"** or **"C.P.I."** means the Consumer Price Index for all items in the City of Vancouver as issued by Statistics Canada or its successor, provided that if such Consumer Price Index is not available from Statistics Canada or its successor, Landlord may utilize for the purposes of this Lease any reasonable measure of changes in consumer price levels.

1.18.11 **"Delivery Facilities"** means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted.***

1.18.13 **"Environmental Law"** means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment or to any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material 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 statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority.

1.18.14 **"Fiscal Year"** means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted.***

1.18.16 ***Intentionally deleted.***

1.18.17 **"Force Majeure"** means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes,

walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted.***

1.18.19 **"Goods and Services Tax"** or **"GST"** means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST, QST or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 **"Gross Leasable Area"** means the total of all floor areas (measured in the manner stipulated in the definition of "Area") of all premises in the Shopping Centre intended for leasing from time to time, whether said premises directly access an enclosed mall or court or not, but excluding basement areas, mezzanines, storage areas, elevator and escalator shafts, areas of the Common Areas and Facilities leased or occupied on a temporary basis, areas not used for retail purposes such as, by way of example only, areas leased or occupied for non-retail purposes or promotional purposes and areas occupied by the Shopping Centre manager and any support staff.

1.18.21 ***Intentionally deleted.***

1.18.22 **"Hazardous Substance"** means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs), pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted.

1.18.23 **"HVAC Cost"** means all the costs, charges and expenses in any Fiscal Year for the operation, repair, replacement and maintenance of the systems for heating, ventilating, and air conditioning the Shopping Centre and/or premises including the Premises as established by Landlord, from time to time, on a fair and equitable basis which reflects load and hours of operation provided, however, where Tenant pays an HVAC Charge for the Premises, or where Tenant maintains, repairs and replaces HVAC for the Premises at its cost, HVAC costs shall exclude the Premises.

1.18.24 **"Interest Rate"** means the Prime Rate in force when an amount becomes due, plus three (3) percentage points.

1.18.25 **"Land"** means all of the lands described in Exhibit B.

1.18.26 **"Landlord"** means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted.***

1.18.28 "**Lease**" means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.55 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 **"Lease Year"** means a period of twelve (12) calendar months except the first Lease Year of the Term which will begin on the Commencement Date and end on the last day of the calendar month in which the first (1st) anniversary of the day immediately preceding the Commencement Date occurs and succeeding Lease Years will comprise successive periods of twelve (12) calendar months (and the last Lease Year in the Term may contain less than twelve (12) calendar months), but if Landlord deems it expedient, it may by written notice to Tenant specify an annual date upon which any Lease Year will terminate, in which event the appropriate adjustments will be made between the parties.

1.18.30 ***Intentionally deleted.***

1.18.31 ***Intentionally deleted.***

1.18.32 **"Management Company"** means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted.***

1.18.34 **"Minimum Rent"** means the amount payable by Tenant to Landlord pursuant to Article 1.09 in respect of each year of the Term under Article 4.01.

1.18.35 **"Mortgagee"** shall have the meaning given to the term in Article 17.03.

1.18.36 **"Operating Agreement(s)"** means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any).

1.18.37 **"Operating Costs"** means:

(a) all costs, expenses and charges which are attributable to the insuring, operation, repair, replacement, administration and maintenance of the Shopping Centre or incurred to reduce Operating Costs, including, without limiting the generality of the foregoing, any tax, rate, charge, levy, duty, fee, tariff or assessment however imposed, assessed or charged in relation to the consumption and/or emissions of any fuel of whatsoever nature for the Shopping Centre and/or the Premises or from any part of the foregoing, or levied or charged in lieu thereof, the costs to Landlord of purchasing in compliance with all applicable laws of any Authority tradable units of greenhouse producing gases including without limitation carbon dioxide, HVAC Cost, plus energy costs in relation thereto, depreciation or amortization allocable to the Fiscal Year on equipment and fixtures, energy conservation and security costs, cleaning, snow removal, landscaping, garbage collection and disposal, recycling, painting, decorations, parking lot repairs, maintenance, replacements and stripping, roof repairs, maintenance and replacements, utilities including water, gas, and electricity, security and security equipment and technology, energy efficiency, energy sub-metering and recycling technology and equipment, rental of equipment and hiring of services, remuneration of all or any on-site Shopping Centre staff and supervisory personnel, including but not limited to managers, supervisors and support staff, including wages, bonuses and benefits, employment related costs, including the foregoing costs of off-site personnel involved in the administration and management of Taxes and insurance for the Shopping Centre, general overhead expenses including office supplies and equipment, postage and courier costs, the fair market rentable value and any business taxes associated with any office space in the Shopping Centre used by Landlord or Management Company to operate and administer the Shopping Centre, interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the undepreciated or unamortized portion of the cost and expense of items being depreciated or amortized from time to time and capital replacement of the systems for heating, ventilating and air conditioning the Shopping Centre, and repairs and replacement of the roofs and parking facilities of the Shopping Centre;

(b) all expenses after the date any space in the Shopping Centre was first occupied by any tenant and properly allocable to the Fiscal Year for any capital improvement or structural repair to the Shopping Centre, or required by any change in the laws, rules, regulations, or orders of any governmental or quasi-governmental authority having jurisdiction, or incurred to reduce Operating Costs, which expenses will be amortized in accordance with reputable shopping centre management and operation practices, and interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the unamortized portion of the total costs of the foregoing;

(c) all costs, charges and expenses which are directly attributable to the operation, management, repair, replacement and maintenance of the Shopping Centre or incurred to reduce Operating Costs but which are not attributable solely to the operation, management, repair, replacement and maintenance of any leasable area of the Shopping Centre; and

(d) an administration fee equal to fifteen percent (15%) of the total of the items set out in Article 1.001.18.37(a), (b) and (c) above.

1.18.38 ***Intentionally deleted.***

1.18.38.1 **"Original Lease"** means that certain lease dated June 9, 1993 (as amended, supplemented, renewed and extended from time to time, including pursuant to the amending agreements dated August 15, 2001, May 20, 2004, June 10, 2004, September 24, 2004 and October 27, 2004 and the omnibus agreements dated November 17, 2015 and December 29, 2020, collectively, the **"Original Lease"**), entered into by Landlord and the Tenant (by them or which apply to them as successors to the original parties thereto) for the Premises which Original Lease has been surrendered immediately prior to the Commencement Date.

1.18.39 **"Owners"** means the owner or owners or co-owners from time to time (other than Landlord) of the freehold or leasehold title of the Shopping Centre.

1.18.40 **"Person"** where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.41 **"Premises"** means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A. If the Premises are entirely self-enclosed, the boundaries shall extend to the exterior face of all exterior walls, doors and windows, or those separating the Premises from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the underside of the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical, electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.42 **"Prime Rate"** means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.43 **"Promotion Fund"** means the fund for promotion of the Shopping Centre, if any, described in Article 4.11.

1.18.44 **"Proportionate Share"** means, a fraction, the numerator of which is the Area, and the denominator of which is the Gross Leasable Area. **For certainty, the Tenant's Proportionate Share for the purposes of this Lease shall be determined in a manner consistent with the Tenant's Proportionate Share figure used by the parties under the Original Lease as at the Termination Date.**

1.18.45 **"Released Persons"** means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.46 **"Rent"** means the Minimum Rent and the Additional Rent.

1.18.47 **"Shopping Centre"** means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering or reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.48 **"Site"** means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.49 **"Taxes"** means the aggregate of all taxes, rates, charges (including local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and

assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.50 ***Intentionally deleted.***

1.18.51 **"Tenant"** means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.52 **"Tenant Security"** means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable, located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.53 ***Intentionally deleted.***

1.18.54 **"Term"** means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof.

1.18.55 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" INTENTIONALLY DELETED.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" INTENTIONALLY DELETED.

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 GRANT OF LEASE

2.01 ***Grant*** Landlord hereby demises and leases the Premises to Tenant, and Tenant hereby leases and accepts the Premises from Landlord, to have and to hold during the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 ***Landlord's Option to Renew.*** Landlord has, exercisable at its sole and entire and unfettered discretion by giving at least 12 months' prior written notice to the Tenant, the right to renew this Lease for an additional period of five (5) years (the **"Renewal Term"**) on the same terms and conditions as set out herein, save and except for the Minimum Rent, which shall be equal to the minimum/base rent that would have been payable under the Original Lease during this Renewal

Term had the Original Lease not been terminated and continued during the period of this Renewal Term.

3.02 ***Intentionally deleted.***

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures, chattels or other personal property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any other right to acquire any interest or real property right in all or any part of the Shopping Centre or the Premises.

3.04 ***Limitation on Length of Term*** This 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 are complied with relating to the severance of land or interests in land by conveyance or otherwise (as it may from time to time be amended). 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.

3.05 ***Termination of Original Lease*** Tenant and Landlord hereby agree that the Original Lease is surrendered and terminated effective on 11:59pm on the date immediately preceding the Commencement Date (the **"Termination Date"**). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date, be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the termination of the Original Lease as provided herein.

3.05(A) ***Reinstatement of Original Lease.***

Tenant and Landlord hereby agree that if at November 13, 2028 (the "Original Lease Reinstatement Date") no Event (as such term is hereinafter defined) has occurred or is continuing, and there is not then any default occurring of the Tenant's obligations under this Lease, failing which this provision shall not apply and be null and void (and this Lease shall remain in full force and effect without any obligation to enter into the Reinstated Original Lease), then the parties shall execute and deliver to one another the Reinstated Original Lease (as defined below) which shall provide and confirm that effective upon the Original Lease Reinstatement Date: (1) this Lease shall be resolved, cancelled, surrendered and rescinded; and (2) the termination of the Original Lease shall be deemed to have been revoked and, except as expressly modified pursuant to this provision, the Original Lease shall be reinstated in its entirety effective as of the Original Lease Reinstatement Date and shall again be in full force and effect as if the same had never been terminated. However, the respective rights and obligations of Landlord and Tenant as to the Premises under this Lease will be preserved and will survive the termination of this Lease on the Original Lease Reinstatement Date as to all matters arising or accruing prior to the Original Lease Reinstatement Date, but no such rights or obligations will arise or accrue to either of them with respect to this Lease on or after the Original Lease Reinstatement Date (given the Reinstated Original Lease will thereafter govern this tenancy). Any breach of this Lease which has not been cured will, after the Original Lease Reinstatement Date, be enforceable in accordance with all applicable provisions of this Lease.

"Event" means the occurrence of any of the following:

(1) Tenant (or any of its affiliates) defaulting under any of its monetary obligations (beyond any applicable cure period) under this Lease or any HBC IC Lease (as hereinafter defined); or

(2) Tenant (a) is insolvent, (b) has committed an act of bankruptcy, and/or (c) has become bankrupt.

"HBC IC Lease" means any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties:

(i) Galeries D'Anjou;

(ii) Metropolis at Metrotown;

(iii) Outlet Collection at Niagara on the Lake;

(iv) Southgate;

(v) Mapleview;

(vi) Oshawa;

(vii) CrossIron Mills;

(viii) St. Foy;

(ix) Outlet collection Winnipeg; or

(x) Vaughan Mills.

"Reinstated Original Lease" means the Original Lease but reinstated and amended only to provide that the Term of the reinstated Original Lease shall commence on the Original Lease Reinstatement Date and end upon the expiry of the remaining unexpired Term of this Lease as at the Original Lease Reinstatement Date, Tenant, subject to the following sentence shall have the unexpired rights, if any, to renew or extend the said Term as set out in the Original Lease on the terms and conditions set out therein (inclusive of the calculation of minimum rent). Notwithstanding the foregoing, the expiry of the Term (taking into consideration all options to extend in favour of the Tenant) of the Reinstated Original Lease shall not exceed the date on which the Original Lease would have expired (taking into consideration all options to extend in favour of the Tenant thereunder). For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Original Lease was December 31, 2030, taking into consideration all options to extend in favour of the Tenant, and the Reinstated Original Lease was executed by the parties, the Term of the Reinstated Original Lease, taking into consideration all options to renew or extend in favour of the Tenant, shall not exceed December 31, 2030. Landlord shall prepare the form of Reinstated Original Lease and the parties shall forthwith thereafter execute and deliver same to the other, each at its sole expense. In addition, Tenant shall execute such other documents contemplated in Section 3.05 hereof for the discharge of any registered documents relating to this Lease for which Section 3.05 shall equally apply in this context, mutatis mutandis.

ARTICLE 4.00 RENT

4.01 ***Minimum Rent*** Tenant will pay to Landlord a Minimum Rent for the Premises described in Article 1.09 of this Lease, payable in advance in equal and consecutive monthly instalments and without notice on the Commencement Date and on the first day of each calendar month thereafter during the Term, subject to the adjustment of Minimum Rent provided in this Article 4.00.

Commencing at the commencement of the fourth year of the Term and at the commencement of every third year thereafter, the following calculation shall be made and, to the extent that the calculation results in a positive amount, such amount shall also be payable as Minimum Rent by the Tenant, per square foot of Area, for the year in which the calculation is to be made and for each of the subsequent two years:

$$\frac{\$1.25 \times CPI_2 - CPI_1}{CPI_1}$$

Where CPI_1 is the C.P.I. as of June 9, 1993 and CPI_2 is the C.P.I. as of the date on which the adjustment is to be made. Such annual amount per square foot of the Area is hereby defined as the "Adjustment" for the purposes of Clause 6.00 of the Original Lease.

For the sake of clarity, the parties hereto hereby acknowledge and agree that the last such adjustment occurred on June 9, 2023. On or before thirty (30) days after each succeeding three-year anniversary date of June 9, 2023 throughout the Term, the Landlord shall advise

the Tenant in writing of the actual adjustment to be made hereunder, using the formula hereinbefore set out.

In addition to the Minimum Rent, all sums of money required to be paid by the Tenant to the Landlord under this Lease and whether or not such sums of money are expressed or referred to as being rent, shall, when in default, be deemed to be additional rent and payable and recoverable as rent.

4.02 ***Intentionally deleted.***

4.03 ***Intentionally deleted.***

4.04 ***Intentionally deleted.***

4.05 ***Net Lease*** It is the stated purpose and intent of Landlord and Tenant that, **except as otherwise expressly provided herein,** this Lease will be fully net to Landlord. Tenant will pay to Landlord, at the times and in the manner provided in Articles 4.07 and 4.09, its Proportionate Share of Taxes.

4.06 ***Intentionally deleted.***

4.07 ***Intentionally deleted.***

4.08 ***Taxes Payable by Tenant*** The Tenant shall be responsible for the payment of all Taxes imposed from time to time during the Term in respect of the Premises, including in each case the value of any Common Areas and Facilities which is included by the assessing authorities in the value of the Premises and the business operated therefrom and all the improvements constructed thereon and all the fixtures and equipment constructed and used by Tenant and its assignees, sublicensees and concessionaires. For certainty, Tenant shall pay the Tenant's Taxes contribution to the Landlord as Additional Rent hereunder in an amount equal to the actual Taxes levied specifically against the Premises by the taxing Authority, provided that if the Premises are not taxed on a separate basis, then in an amount determined by the Landlord, acting reasonably and equitably, on the basis of the notes and working papers of the assessment Authority (or its successor) made readily available to the Landlord, and provided further that if such notes and working papers are not readily available to the Landlord or they do not contain sufficient information to determine the Taxes applicable specifically to the Premises, then Tenant shall pay its Proportionate Share of all Taxes payable in respect of the Shopping Centre. **The parties acknowledge and agree that as of the Commencement Date, the notes and working papers of the assessment authority are readily available to the Landlord and contain sufficient information to determine the Taxes applicable specifically to the Premises.**

Tenant shall reimburse Landlord that part of any increase in Taxes for the Shopping Centre, which is reasonably attributable to any change, addition or improvement or special equipment identified by an assessment Authority made on or in the Premises by Tenant. In such event, Tenant shall pay to Landlord the total amount of said Tax increase attributable to Tenant within 30 days of receipt of an invoice from Landlord, said amount to be deemed Additional Rent.

For greater certainty, Tenant shall pay to Landlord an amount equal to any and all goods and services tax, value added tax, or any other similar tax (such as by way of example GST, HST or any other similar tax) (**"Value Added Taxes"**), it being the intention of the parties that Landlord shall collect from Tenant all Value Added Taxes collectable by Landlord on the Rent and any other amounts payable by Tenant under this Lease. The amount of such Value Added Taxes so payable by Tenant shall be calculated by Landlord in accordance with the applicable legislation and shall be paid to Landlord at the same time as the amount to which such Value Added Taxes apply are payable to Landlord under the terms of this Lease. The amount payable by Tenant under this provision shall be deemed not to be additional rent, but Landlord shall have all of the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Lease

The Landlord may appeal any official assessment or the amount of any Taxes or business taxes (including other taxes capable of constituting a lien) relating to the Shopping Centre including the improvements (including fixtures and equipment) thereon, and the Tenant may appeal any official assessment or any Taxes or business taxes relating to the Premises including the improvements thereon or, where the Tenant's obligations are directly or indirectly affected thereby, relating to any other portion of the Shopping Centre including the Common Area and Facilities. Neither the Landlord nor the Tenant shall institute any appeal without notice to the other and, where their interests do not conflict and in particular where the appeal is being made in order to achieve a re-assessment which is consistent with the basis contemplated by this Lease, each shall extend its co-operation and assistance to the other in respect to such appeal.

4.09 ***Changes in Taxes*** If the system of real estate taxation is altered or varied from that in force on the Commencement Date and any new tax shall be levied or imposed on all or part of the Shopping

Centre and/or the revenues therefrom and/or on Landlord in substitution for or in addition to previously existing Taxes by any taxing Authority, whether or not the taxing Authority has previously charged any Taxes, then any such new tax or levy shall be included in Taxes, or if by law, regulation or otherwise all or any part of any Taxes, is made payable by Landlord or if the mode of collecting such tax, assessment, local improvement, licence fee, excise or other charge is so altered so as to make Landlord liable in whole or in part therefor instead of Tenant or if all or any part of Tenant's Taxes under Article 8.01 is imposed, levied, assessed or charged upon or on account of the Shopping Centre, Tenant will pay to Landlord, from time to time, within 30 days after demand, the amount payable by Landlord, from time to time, as a result of such change as determined by Landlord in the same manner as the Proportionate Share of Taxes is payable under the terms of this Lease and Tenant will indemnify and save Landlord harmless from any cost or expense in respect thereof. For greater certainty, to the extent that the new tax or levy is fully recoverable by Tenant as an input tax credit or refund, such Tax shall be fully payable by Tenant notwithstanding the proportionate sharing of other Taxes hereunder.

4.10 ***Intentionally deleted.***

4.11 ~~***Promotion Fund***~~ ~~Landlord may establish and maintain a common Promotion Fund for the Shopping Centre or continue to maintain any Promotion Fund in existence as of the Commencement Date of this Lease. Landlord will use the Promotion Fund for the promotion or benefit of the Shopping Centre in such a manner and as Landlord may, from time to time, decide and, without limiting the generality of the foregoing, Landlord may utilize the Promotion Fund for payment of a full-time or part-time marketing director, the employment of other promotional staff and customer service, the purchase of advertising space and time, materials or equipment for decorating and promotional events and activities similar to those undertaken by other shopping centres. Any surplus in the Promotion Fund at the end of a Fiscal Year of the Promotion Fund will be carried forward for like purposes in the next year, without any reduction in the amount payable by Tenant pursuant to this Article 4.11. Landlord may, at its sole discretion, establish a Promotion Fund advisory committee comprised of representatives of the tenants of the Shopping Centre chosen by Landlord to advise Landlord on the application of the Promotion Fund contributions.~~

~~If there is a Promotion Fund for the Shopping Centre, Tenant will pay to Landlord in equal monthly instalments, the amount stipulated in Articles 1.12, towards the Promotion Fund, and may include the development of a mall video network, offering a program of information, entertainment and advertisements, and for the promotion of the Shopping Centre.~~

~~Landlord will have the right at its discretion to change the Fiscal Year of the Promotion Fund as it may deem appropriate, from time to time. In the event of any such change, Tenant's required contributions to the Promotion Fund for any fiscal year thereof, which is either greater or lesser than twelve (12) calendar months, will be adjusted by Landlord in a reasonable manner.~~

4.12 ***Intentionally deleted.***

4.13 ***Landlord's Promotions*** Landlord may promote and advertise the Shopping Centre in a manner and to the extent that would a diligent and prudent owner of a similar shopping centre, taking into account the nature, size, age, character and location of the Shopping Centre as well as the general image that Landlord is attempting to project for the Shopping Centre from time to time. Tenant agrees that Landlord will never be obliged to spend more than the total amount paid to the Promotion Fund described in Article 1.12 by the tenants of the Shopping Centre in any Fiscal Year in order to fulfill its obligations hereunder. Landlord shall alone administer the Promotion Fund.

Landlord's promotional activities may include, without limiting the generality of the foregoing, the production and distribution of written advertising or promotional materials and/or audio and/or audio visual promotions by the various media (radio and television) and/or internet and/or seasonal decorations and/or all other forms of promotion or publicity in relation to the Shopping Centre alone or on a joint basis with one or more other shopping centres or properties of which Landlord is owner or manager. Tenant agrees to give its complete support and cooperation to all of Landlord's promotional activities. Without limitation, Tenant will honour any discount coupons, gift certificates, gift cards, electronic gift cards or other incentives given to customers as part of any promotional activity.

Landlord may designate an agent to promote and/or advertise on its behalf, to enter into any agreements with third parties for promotion and/or advertising purposes, and may use all or any part of the Promotion Fund contributions to pay or remunerate its agent.

4.14 ***Intentionally deleted.***

4.15 ***Intentionally deleted.***

4.16 ***Tenant's Support t*** Tenant will support all promotional events, functions and activities sponsored or participated in by either the Promotion Fund, if any. In order to comply with this obligation, however, Tenant will not be required to make any additional financial contributions toward the promotion of the Shopping Centre other than those set out in Article 4.11.

4.17 ***Payment of Rent – General l*** During the Term of this Lease, Tenant shall pay Minimum Rent and Additional Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction or set-off, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.18 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.19 ***Charge Adjustment*** Wherever it is mentioned in this Lease that Landlord may increase any amount or charge, the following rules may apply if required by the Landlord: (a) each permitted increase of any such amount or charge shall come into force as of the date indicated in Landlord's notice and shall remain in effect until the subsequent increase comes into effect; (b) each permitted increase of any such amount or charge may, at Landlord's option, be charged retroactively; (c) each time any such amount or charge increases, the amount or charge shall be deemed to be replaced by the increased amount or increased charge; (d) any such amount or charge that may be payable during any Fiscal Year shall never be less than the amount or charge so payable during the immediately preceding Fiscal Year; (e) the fact that no annual increase was imposed for any preceding Fiscal Year or such other period, or the fact that an amount less than the full amount of any permitted increase was charged, shall not prevent Landlord, in any manner whatsoever, from imposing the full amount of any annual increase, or any part thereof, during any subsequent Fiscal Year; and (f) the annual increase that Landlord shall be permitted to charge shall be calculated by multiplying the amount or charge presently in force by a fraction, the numerator of which shall be the C.P.I. for the month of June of the current Fiscal Year in question and the denominator of which shall be the C.P.I. for the month of June for the immediately preceding Fiscal Year.

ARTICLE 5.00 USE OF PREMISES

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the greater Vancouver area. Tenant shall abide by

all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with this Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice, and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord unless guaranteed to the satisfaction of Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv) a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased. Notwithstanding the foregoing, within the last six (6) months of the Term, the Tenant shall have the right to conduct clearance and other sales promotions in the Premises and the Tenant shall be permitted to erect, install and maintain within the Premises during such period any clearance and/or store closing signage (or other signage of a similar nature), provided that (i) any such signage on the exterior of the Premises or which faces any Common Areas and Facilities, shall be subject to the Tenant obtaining all required municipal approvals as well as the Landlord's prior written approval for the nature, size, type and location thereof; and (ii) all clearance and other sales otherwise comply with the requirements of sub-paragraph (b) above and this Lease and are undertaken in a reputable and prudent manner that does not interfere with the typical use and operation of the Shopping Centre or the occupants thereof. Landlord's approval of such signage shall not be unreasonably withheld, conditioned or delayed provided it complies with this provision.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted.***

5.06 ***Display Windows*** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the Premises during the Term and Tenant's use thereof will be subject to such regulations as Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 ***Intentionally deleted.***

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the Delivery Facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the Delivery Facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

For certainty, the premises include the loading dock and unloading areas, which exclusively serve the Premises.

ARTICLE 6.00 **SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD**

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b), Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises, and will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre (excluding the Premises), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles 7.02. 7.03 10.01, 16.01, 16.02, 16.03, or 16.04 and in no event shall Landlord be required to make any repairs or replacements which are necessary as a result of Tenant's default, negligence or willful misconduct..

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations

by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04 will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, or minimum stall number requirements, or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, easements, transfers, dedications, permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial discharges of its notice of lease and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters.

6.05 ***Intentionally deleted.Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 DEMISED UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Demised Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

7.02 ***Demised Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, Tenant will at its sole cost and expense be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the **"Tenant HVAC System"**) installed for the Premises where such equipment is not part of a shared or central system.

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and

cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will at its sole cost and expense maintain the Premises and all improvements therein in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) intentionally deleted;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed all Tenant HVAC Systems, elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the rules and regulations of Landlord.

Notwithstanding any legislation to the contrary, the Tenant's repair obligations will include all those which are major as well as minor, or those which are customarily landlord's or tenant's, except as expressly provided otherwise in this Lease

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written

approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Personal Property*** Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and personal property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or personal property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted.***

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("Sign") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection

with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** Throughout the Term of this Lease, Landlord will carry the insurance for which Landlord is obligated under the Original Lease and such insurance provisions are deemed incorporated herein by reference. For certainty, during the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the insurance for which Tenant is obligated under the Original Lease and such provisions of the Original Lease are deemed incorporated herein by reference. For certainty, during the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective upon written notice to Tenant, or without terminating this Lease and after giving such notice, if any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Mutual Indemnity.*** Except to the extent released in Sections 10.02 and 10.03 below, each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

10.02 ***Release of Landlord.*** n respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents

of the Premises, the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 TRANSFERS

11.01 ***Transfers*** Except to an Eligible Corporation (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a "Transfer"), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to mortgage or encumber all or any part pf the Tenant's rights resulting from this Lease or all or any part of the Premises. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, mortgagee, encumbrancer, user or occupant as the case may be (hereinafter the **"Transferee"**), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee notwithstanding any rule of law or equity to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(b)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective control); (ii) details of the proposed Transferee's prior business experience (including experience in the enterprise for which the Premises are to be operated pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries

regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the Canada Business Corporations Act); or

(b) assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater Vancouver area; and (iii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord:

(i) in a vacant, clean and broom-swept condition with all of Tenant's signage, inventory, trade fixtures, racking and personal property removed; and

(ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators) servicing the Premises in a working order, subject to reasonable wear and tear ;

but otherwise in an "as is, where is" condition and without any obligation to: (A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or (B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof. For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has registered a caveat, caution, memorandum notice or other instrument relating to this lease against title to the Land, it will cause the same to be released and discharged no later than 15 days following the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a release or discharge of a notice of this will be paid by Tenant.

12.02 ***Trade Fixtures, Personal Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy with Landlord Consent*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, notwithstanding any legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Tenancy at Sufferance*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy at sufferance may be immediately terminated by Landlord at any time by notice of

termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy or tenancy at sufferance hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "Rules and Regulations") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than 60 days after the date (hereinafter "Date of Such Taking") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on the date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment,

and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Limited Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, can be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord will immediately at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord or which have been installed by or on behalf of Tenant, which instead will be repaired immediately by Tenant at Tenant's own expense.

16.02 ***Major Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then Landlord, or in the event that there is less than two (2) years remaining in the Term, Tenant**,** may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than 20 days after receipt of the Architect's opinion, failing which Landlord will forthwith at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord or which have been installed by or on the behalf of Tenant, which instead will be repaired forthwith by Tenant at Tenant's own expense.

16.03 ***Abatement*** If Landlord is required to repair damage to all or part of the Premises under Article 16.01 or 16.02, provided such damage is caused by a peril Landlord is required to insure against pursuant to Article 9.01, the Rent payable by Tenant under this Lease will be proportionately reduced to the extent that the Premises are thereby rendered untenantable by Tenant in its business, from the date of such casualty until five (5) days after completion by Landlord of the repairs to the Premises (or the part thereof rendered untenantable) or until Tenant again uses the Premises (or the part thereof rendered untenantable) in its business, whichever first occurs.

16.04 ***Major Damage or Destruction of Shopping Centre*** Notwithstanding any contrary provision of this Lease and specifically, but without limitation, Article 16.01, if the Shopping Centre is totally or partially damaged or destroyed (whether the Premises are affected or not), and (i) in the Architect's opinion, the damaged or destroyed portions cannot reasonably be repaired, restored or rebuilt within one hundred and eighty (180) days following the occurrence of the damage or destruction (employing normal construction methods without overtime or other premium); or (ii) the cost as estimated by the Architect, of repairing, restoring or rebuilding the damaged or destroyed portions would exceed the proceeds of insurance available to Landlord for such purpose; or (iii) the damage or destruction was caused by a peril for which Landlord was not insured and for which Landlord was not obliged to insure against; or (iv)intentionally deleted; ; or (v) less than two (2) years remains during the Term; or (vi) a Mortgagee will not consent to the use of insurance proceeds for repair or reconstruction; then in any of the above cases, Landlord may, at its option (to be exercised by written notice to Tenant within 30 days following any such occurrence) elect to terminate this Lease.

If Landlord elects to terminate this Lease, then the following provisions will apply:

(a) If the Premises become totally unfit for the use for which they were leased, the termination will take effect from the date of the damage or destruction and the Rent will cease to be payable and will be adjusted as of that date.

(b) If the Premises are partially damaged and Tenant has occupied any part of the Premises or any part of the Premises have been reasonably capable of being occupied from the date of the damage or destruction, this Lease will terminate ten (10) days from Landlord's notice stipulated in the first paragraph of this Article 16.04 and the Rent will cease to be paid by Tenant as of the date of termination, however, Minimum Rent and Additional Rent will abate from the date of the damage and destruction until the date of termination to the extent the Premises cannot reasonably be used for their intended purposes.

(c) If the Premises were not damaged, this Lease will terminate ten (10) days from Landlord's notice stipulated in Article 16.00 and the Rent will cease to be paid from such date of termination.

If the Shopping Centre is totally or partially damaged or destroyed and Landlord does not elect to terminate this Lease, subject to the following, Landlord shall commence and proceed diligently to reconstruct or repair those portions of the Shopping Centre which have been so damaged or

destroyed to the extent only of Landlord's responsibilities pursuant to the terms of the various leases for premises in the Shopping Centre and exclusive of any tenants' responsibilities. Furthermore, if the Premises are being repaired or reconstructed, the provisions of Article 16.01 will apply.

If Landlord does any reconstruction or repairing of the Shopping Centre, Landlord may do any one or more of the following: (i) use plans, specifications and working drawings which differ from those applicable to the Shopping Centre existing prior to the damage or destruction provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; (ii) change the configuration, design and/or size of the Shopping Centre or any of its component parts including, without limitation, the location and size of any mall, court, entrance, parking facility or any of other Common Areas and Facilities provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; and (iii) redesign the tenant mix, both with respect to the kinds of uses which will be included in the tenant mix, as well as the physical location of the types of uses being operated prior to the damage or destruction. Tenant agrees that none of the foregoing shall constitute a default of Landlord's obligation to provide peaceable enjoyment of the Premises, nor shall it constitute a change of form or destination of the Shopping Centre, nor shall the validity or enforceability of this Lease be affected in any manner by any of the foregoing.

ARTICLE 17.00 TRANSFERS AND MORTGAGES BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of Landlord to sell, convey, assign, mortgage or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 ***Definition of Mortgage, Mortgagee and Mortgagee's Interest*** Each and every charge, mortgage, debenture or trust deed, now or hereafter registered against all or any part of the Shopping Centre is hereafter called a "Mortgage" which term includes all amounts advanced or to be advanced thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. "Mortgagee" means a chargee or mortgagee named in a Mortgage, or the holder of a debenture or the trustee under a trust deed constituting a Mortgage, as the case may be; and "Mortgagee's Interest" means the estate or interest of the Mortgagee secured by a Mortgage.

17.04 ***Subordination of Mortgage to Lease*** If this Lease or the estate or interest of Tenant thereunder (the "Tenant's Leasehold Interest") is subordinate to a Mortgage or Mortgagee's Interest now or at any time hereafter, then on written request of the Mortgagee or of Landlord on Mortgagee's behalf, made concurrently with execution of this Lease or at any time thereafter, the Mortgage and the Mortgagee's Interest will be postponed and made subordinate to this Lease and the Tenant's Leasehold Interest as if such Mortgage had been executed, delivered, registered and fully advanced after the execution, delivery and registration of this Lease, by means of an instrument of postponement and subordination, which will be entered into between Tenant and the Mortgagee, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that it complies with the terms and conditions of the Lease. Such instrument will be in such form as the Mortgagee may reasonably require, consistent with this Article 17.04 and Article 17.07 and will be effective between the Mortgagee and Tenant when executed by them, without necessity for registration against title to the Shopping Centre; but if desired by the Mortgagee or Tenant, either of them may register such agreement or notice thereof and for that purpose the Mortgagee and Tenant will enter into any further document required to effect registration.

17.05 ***Attornment*** If this Lease and Tenant's Leasehold Interest now or at any time hereafter is subordinate to a Mortgage and Mortgagee's Interest and the Mortgagee does not require a postponement and subordination instrument under Article 17.04, Tenant will on request of such Mortgagee or of Landlord on behalf of the Mortgagee, made concurrently with execution of this Lease or at any time thereafter, enter into an attornment agreement with such Mortgagee in such form as the Mortgagee may reasonably require, whereby Tenant will agree that if default occurs under the Mortgage, and:

(a) the Mortgagee takes possession of the Premises, by obtaining and enforcing a court order to that effect or otherwise;

(b) the Mortgagee forecloses or otherwise acquires the interest of Landlord in the Premises, but does not foreclose the Tenant's Leasehold Interest; or

(c) the Mortgagee sells, conveys or assigns the Premises to another party (hereinafter a "Purchaser") pursuant to a power of sale or court order for sale which does not purport to sell the Premises free of the Tenant's Leasehold Interest,

Tenant will, on written demand of the Mortgagee or Purchaser as the case may be, attorn to and become the tenant of that person from and including the date the demand is received, for the balance of the term of this Lease (and with rights of renewal if any as provided in this Lease), at the rents and otherwise on the terms of this Lease, subject as hereinafter provided in Article 17.06, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that Tenant complies with, all the terms and conditions of the Lease.

17.06 ***Intentionally deleted.***

17.07 ***Effect of Subordination or Attornment*** No subordination effected under Article 17.04 and no attornment effected under Article 17.05 will render the Mortgagee or Purchaser, as the case may be:

(a) liable for any act or omission of Landlord or a predecessor in title of Landlord; or

(b) subject to any offsets or defenses which Tenant might have against Landlord or a predecessor in title of Landlord; or

(c) bound by any prepayment by Tenant of more than one month's instalment of Rent, or by any previous modification of this Lease, unless such prepayment or modification has been approved in writing by the Mortgagee or Purchaser or any predecessor in interest except Landlord.

Upon attornment occurring under Article 17.05, the relationship of landlord and tenant thereby created between the Mortgagee or Purchaser as the case may be, as Landlord, and Tenant as tenant, will supersede this Lease, but if the Mortgage is subsequently redeemed or put in good standing or the Mortgagee goes out of possession, the Mortgagee will be relieved of its obligations to Tenant as if a sale, conveyance or assignment had occurred to which Article 17.02 applied.

Any attornment by Tenant to a Mortgagee or Purchaser will be without prejudice to the right (when applicable) of any other mortgagee or purchaser that has priority to the Mortgagee or Purchaser to demand that Tenant attorn to the other mortgagee or purchaser pursuant to the rights if any, of the other mortgagee or purchaser in that regard under Article 17.00. In case of such demand being lawfully made, and Tenant attorning to such other mortgagee or purchaser the attornment previously made to the Mortgagee or Purchaser will cease to be effective.

17.08 ***Tenant's Obligations May Be Assigned*** Tenant acknowledges that its covenants and obligations under Article 17.00 are intended in whole or in part to operate for the benefit of any and all Mortgagees and Purchasers and that in obtaining such covenants and obligations Landlord is acting not only for itself, but also as trustee or agent for all such persons. Without limiting the foregoing, Landlord may assign the benefit of such covenants and obligations to any and all Mortgagees or Purchasers who request same, as security or otherwise, and Tenant agrees that any such Mortgagee or Purchaser will be entitled on receiving such assignment and giving due notice thereof to Tenant, to enforce such covenant or obligation against Tenant to the same extent as if it were a party to this Lease directly entitled to the benefit of such covenants and obligations.

17.09 ***Execution of Instruments*** Except as otherwise provided in Article 17.00, the subordination and attornment provisions herein will be self-operating and no further instrument will be required. Nevertheless Tenant, on request by and without cost to Landlord, any Mortgagee, Purchaser or successor in interest, will execute and deliver any and all instruments further evidencing such subordination and/or attornment when applicable.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a notice, caveat

or short form of this Lease (the "Registration Document") to give notice of Tenant's interest created by this Lease, provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, and any right of renewal. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will only indicate and be registered against title to that portion or those parcels of the Site or Shopping Centre as Landlord may designate in its sole discretion. Further, in the event any portion of the Land ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) in the event that, in order to effect registration, the Registration Document must be executed by any party other than Landlord and Tenant, Landlord will request such consent or execution of that party, but the sole cost of obtaining same will be borne by Tenant and Landlord will not be liable to Tenant in the event that such consent or execution is not obtained;

(e) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(f) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a surrender of this Lease or a discharge of caveat, caution or other document or instrument will be paid by Tenant.

17.13 ***Easements and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or other creation of such licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.14 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article 6.04, Landlord will have the right from time to time to subdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery. Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) business days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord)

designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues fifteen (15) days after notice by Landlord; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days notice by Landlord specifying with reasonable particularity the nature of such failure and requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, chattels or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it shall provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior written notice of the Tenant signing of a forbearance agreement with one or more creditor(s);** or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, chattels or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease; or

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "**Tenant Inducements**") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, personal property and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law or equity to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable.

19.04 ***Waiver of Exemption and Redemption*** Notwithstanding anything contained in any statute now or hereafter in force limiting or abrogating the right of distress, none of Tenant's goods, chattels or trade fixtures on the Premises at any time during the continuance of the Term will be exempt from levy by distress for Rent in arrears and upon any claim being made for such exemption by Tenant or on distress being made by Landlord this agreement may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying upon any such goods as are named as exempted in any such statute, Tenant hereby waiving all and every benefit that could or might have accrued to Tenant under and by virtue of any such statute but for this Lease. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any terms and conditions of this Lease or otherwise.

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages(subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right

to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing.

Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 ***Intentionally deleted.***

ARTICLE 21.00 **MISCELLANEOUS**

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venturer or a member of a joint or common enterprise with Tenant.

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular. If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be joint and several obligations of such executing parties. Time is of the essence of this Lease and each of its

provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease (together with any other agreement entered into by the Landlord, the Tenant and/or its or their affiliates in connection with this Lease) contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements, representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without

the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease. No agreement respecting the Premises will arise or exist between the parties hereto except through the due execution of this Lease by both Tenant and Landlord. Upon execution and delivery by Tenant to Landlord, this Lease will be irrevocable by Tenant and open for acceptance by Landlord until 5:00 P.M. on the 60th day thereafter, and if not accepted by Landlord by then, may be withdrawn by Tenant by notice to Landlord at any time prior to its later acceptance by Landlord.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

21.16 ***Counterpart Execution*** This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

ARTICLE 22.00 **INTENTIONALLY DELETED**

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD **GUILDFORD TOWN CENTRE LIMITED PARTNERSHIP AND LASALLE CANADA CORE REAL PROPERTY, L.P. by its Manager, Jones Lang LaSalle Real Estate Services, Inc.**

By: Julie Bourgon (Jan 31, 2024 11:23 EST)
Name: Julie Bourgon
Title: Head of Retail

By: Maria Concetta Giampa (Jan 31, 2024 11:01 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affiairs, Investments

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name:
Title:

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD **GUILDFORD TOWN CENTRE LIMITED PARTNERSHIP AND LASALLE CANADA CORE REAL PROPERTY, L.P. by its Manager, Jones Lang LaSalle Real Estate Services, Inc.**

By: _____
Name: ●
Title: ●

By: _____
Name: ●
Title: ●

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

EXHIBIT A
FLOOR PLAN

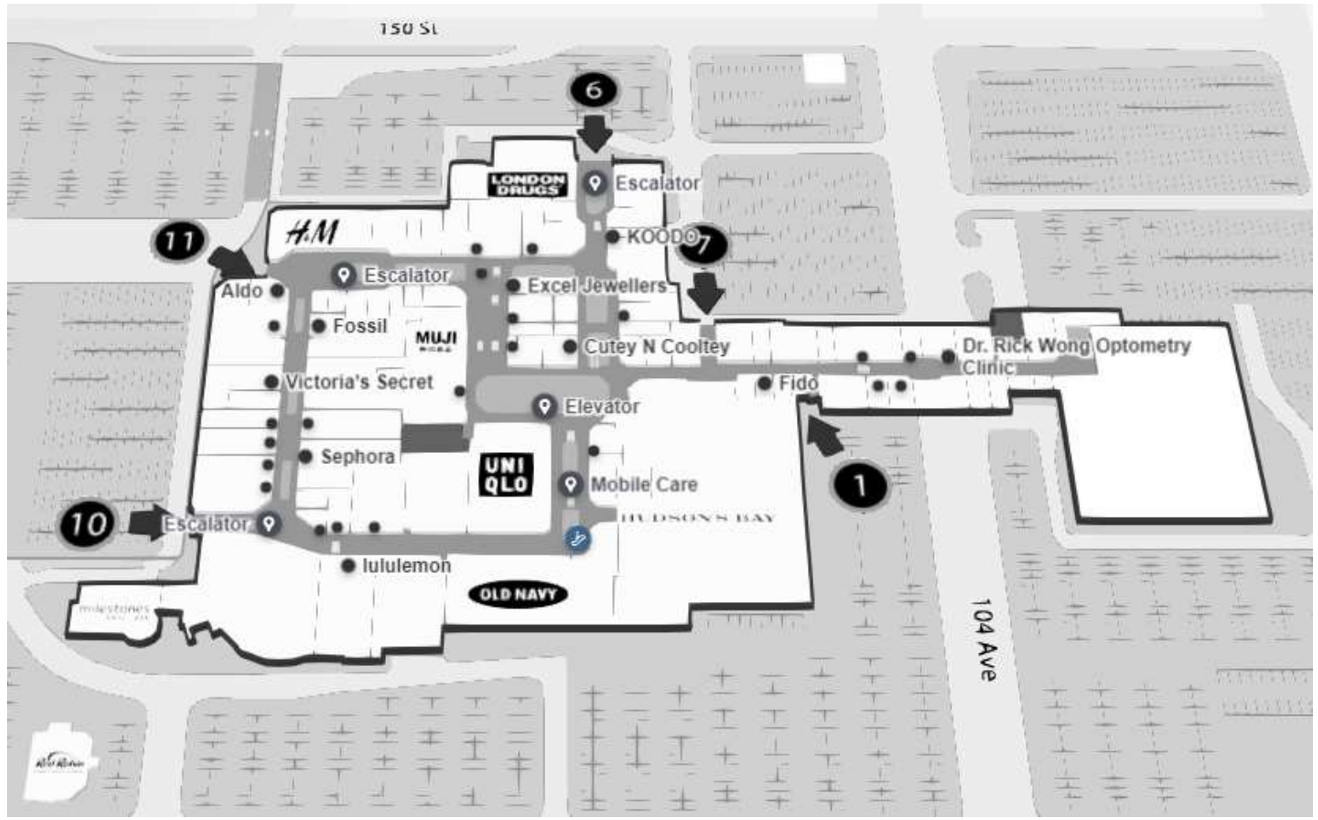


EXHIBIT B
LEGAL DESCRIPTION

No.	Municipal Address	PID	Legal Description
1.	1250 Guilford Town Centre	006-599-761	LOT 54 SECTION 20 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN 31513 EXCEPT PLAN EPP23346
2.	1250 Guilford Town Centre	006-750-796	LOT 48 SECTION 20 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN 30380 EXCEPT PLANS 42258 AND BCP49413
3.	10433 152 Street & 10455 152 Street & 1250 Guilford Town Centre	006-370-802	LOT 65 SECTION 20 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN 42258 EXCEPT PLAN BCP49413
4.	1250 Guilford Town Centre	025-002-228	LOT 2 SECTION 20 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN LMP49621 EXCEPT PLAN BCP49413
5.	1250 Guilford Town Centre	009-604-073	LOT 1 SECTION 29 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN 75756
6.	1250 Guilford Town Centre	009-604-103	LOT 2 SECTION 29 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN 75756
7.	1250 Guilford Town Centre	009-068-899	LOT 73 SECTION 29 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN 29202
8.	10355 152 Street & 1250 Guilford Town Centre	009-068-872	LOT 71 SECTION 29 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN 29202
9.	1250 Guilford Town Centre	028-382-609	LOT 1 SECTION 29 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN BCP45069 EXCEPT PLAN BCP45070
10.	15051 101 Ave	024-244-589	LOT B SECTION 29 BLOCK 5 NORTH RANGE 1 WEST NEW WESTMINSTER DISTRICT PLAN LMP39024

EXHIBIT C
INTENTIONALLY DELETED

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such Delivery Facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
INTENTIONALLY DELETED

EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

Minimum Rent is: $<>

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name: ●
Title: ●

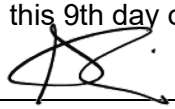
I have the authority to bind the company

By: _____
Name: ●
Title: ●

I have the authority to bind the company.

SPECIMEN

This is **Exhibit "S"** referred to in the Affidavit of **Charles Saint-Pierre** affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE OF RETAIL SPACE

BETWEEN:
(address)

IVANHOE CAMBRIDGE II INC. and 7503067 CANADA INC.
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("**Landlord**")

AND:
(address)

HUDSON'S BAY COMPANY ULC
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H 2Y4

("**Tenant**")

CENTRE: OSHAWA CENTRE, OSHAWA, ONTARIO

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS 1
1.01 Addresses for Purposes of Notice: 1
1.02 Location of Premises: 1
1.03 Shopping Centre: 1
1.04 Area: 1
1.05 Term: 1
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LEASE OF RETAIL SPACE

BETWEEN:
(address)

UIVANHOE CAMBRIDGE II INC. and 7503067 CANADA INC.
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("**Landlord**")

AND:
(address)

UUUUHUDSON'S BAY COMPANY ULC
U401 Bay Street, Suite 2302 (Attention: Real Estate Department)
UToronto, Ontario
UM5H 2Y4

("**Tenant**")

FOR PREMISES IN: OSHAWA CENTRE, OSHAWA, ONTARIO

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice:***

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant: UU401 Bay Street, Suite 2302 (Attention: Real Estate Department)
UUToronto, Ontario
UUM5H 2Y4

1.02 ***Location of Premises:*** Premises No. Department Store Maj2&Maj2A and Kiosk Unit Unique Shoe

1.03 ***Shopping Centre:*** Oshawa Centre

1.04 ***Area:*** 122,624 square feet (including 220 square feet for the Kiosk)

1.05 ***Term:*** A period of ten (10) years, beginning on the 3rd day of February, 2024, and expiring on the 2nd day of February, 2034, unless (a) extended by the Landlord pursuant to Section 3.01 hereof; or (b) terminated earlier as provided in this Lease.

1.06 ***Intentionally deleted.***

1.07 ***Permitted Use of Premises:*** The Premises shall be used for the purposes of a department store operated in a manner consistent with the standards of other department stores operated by the

Tenant that are located in the greater Toronto area and shall not be used for any other purpose whatsoever.

1.08 ***Tenant's Store Name:*** HUDSON'S BAY COMPANY, HUDSON'S BAY, THE BAY or any other trade name used by the Tenant in a majority of its department stores in the greater Toronto area. Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Minimum Rent:*** An annual amount equal to $2.32 per square foot of the Area per annum, payable pursuant to Article 4.00.

1.10 ***Intentionally deleted.***

1.11 ***Proportionate Share of Operating Costs:*** Tenant's Proportionate Share of Operating Costs shall for the 2024 Fiscal Year of the Term be $3.90 per square foot of the Area for the Department Store per annum. Said amount shall be payable and increased annually pursuant to Article 4.19. No Operating Costs are payable on the Kiosk.

1.11.1 ***Intentionally deleted.***

1.12 ***Promotion Charge:*** For each Fiscal Year of the Term, a charge of **$NIL** per square foot of the Area per annum.

1.13 ***Tenant's Share of Taxes:*** Tenant shall pay the Tenant's Taxes contribution to the Landlord as Additional Rent hereunder in an amount equal to the actual Taxes levied specifically against the Premises by the taxing Authority, as further detailed herein.

1.14 ***Demised Utilities:*** Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00.

1.15 ***HVAC Costs/Charge for the Tenant*** For the 2024 Fiscal Year, an initial amount estimated to be $NIL per square foot of the Area per annum.

1.16 ***Intentionally deleted.***

1.17 ***Intentionally deleted.***

1.18 ***Definitions:*** In this Lease:

1.18.1 "**Additional Rent**" means all amounts (other than Minimum Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted.***

1.18.3 "**Area**" means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. The parties acknowledge and agree that the Area of the Premises as of the date hereof is the Area set out in Article 1.04 hereof.

1.18.4 **"Architect"** means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.

1.18.5 **"Article"** means an article of this Lease.

1.18.6 **"Authority"** or **"Authorities"** means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted.***

1.18.8 **"Commencement Date"** means the first day of the Term (effective as of 12:00am).

1.18.9 **"Common Areas and Facilities"** means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 **"Consumer Price Index"** or **"C.P.I."** means the Consumer Price Index for all items in the Province of Ontario All Items Excluding Food as issued by Statistics Canada or its successor, provided that if such Consumer Price Index is not available from Statistics Canada or its successor, Landlord may utilize for the purposes of this Lease any reasonable measure of changes in consumer price levels.

1.18.11 **"Delivery Facilities"** means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted.***

1.18.13 **"Environmental Law"** means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment or to any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material 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 statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority.

1.18.14 **"Fiscal Year"** means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted.***

1.18.16 ***Intentionally deleted.***

1.18.17 **"Force Majeure"** means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes, walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted.***

1.18.19 **"Goods and Services Tax"** or **"GST"** means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST, QST or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 **"Gross Leasable Area"** means the total of all floor areas (measured in the manner stipulated in the definition of "Area") of all premises in the Shopping Centre intended for leasing from time to time, whether said premises directly access an enclosed mall or court or not, but excluding basement areas, mezzanines, storage areas, elevator and escalator shafts, areas of

the Common Areas and Facilities leased or occupied on a temporary basis, areas not used for retail purposes such as, by way of example only, areas leased or occupied for non-retail purposes or promotional purposes and areas occupied by the Shopping Centre manager and any support staff.

1.18.21 ***Intentionally deleted.***

1.18.22 **"Hazardous Substance"** means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs), pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted.

1.18.23 **"HVAC Cost"** means all the costs, charges and expenses in any Fiscal Year for the operation, repair, replacement and maintenance of the systems for heating, ventilating, and air conditioning the Shopping Centre and/or premises including the Premises as established by Landlord, from time to time, on a fair and equitable basis which reflects load and hours of operation provided, however, where Tenant pays an HVAC Charge for the Premises, or where Tenant maintains, repairs and replaces HVAC for the Premises at its cost, HVAC costs shall exclude the Premises.

1.18.24 **"Interest Rate"** means the Prime Rate in force when an amount becomes due, plus three (3) percentage points.

1.18.25 **"Land"** means all of the lands described in Exhibit B.

1.18.26 **"Landlord"** means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted.***

1.18.28 "**Lease**" means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.55 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 **"Lease Year"** means a period of twelve (12) calendar months except the first Lease Year of the Term which will begin on the Commencement Date and end on the last day of the calendar month in which the first (1st) anniversary of the day immediately preceding the Commencement Date occurs and succeeding Lease Years will comprise successive periods of twelve (12) calendar months (and the last Lease Year in the Term may contain less than twelve (12) calendar months), but if Landlord deems it expedient, it may by written notice to Tenant specify an annual date upon which any Lease Year will terminate, in which event the appropriate adjustments will be made between the parties.

1.18.30 ***Intentionally deleted.***

1.18.31 ***Intentionally deleted.***

1.18.32 **"Management Company"** means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted.***

1.18.34 **"Minimum Rent"** means the amount payable by Tenant to Landlord pursuant to Article 1.09 in respect of each year of the Term under Article 4.01.

1.18.35 **"Mortgagee"** shall have the meaning given to the term in Article 17.03.

1.18.36 **"Operating Agreement(s)"** means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any).

1.18.37 **"Operating Costs"** means:

(a) all costs, expenses and charges which are attributable to the insuring, operation, repair, replacement, administration and maintenance of the Shopping Centre or incurred to reduce Operating Costs, including, without limiting the generality of the foregoing, any tax, rate, charge, levy, duty, fee, tariff or assessment however imposed, assessed or charged in relation to the consumption and/or emissions of any fuel of whatsoever nature for the Shopping Centre and/or the Premises or from any part of the foregoing, or levied or charged in lieu thereof, the costs to Landlord of purchasing in compliance with all applicable laws of any Authority tradable units of greenhouse producing gases including without limitation carbon dioxide, HVAC Cost, plus energy costs in relation thereto, depreciation or amortization allocable to the Fiscal Year on equipment and fixtures, energy conservation and security costs, cleaning, snow removal, landscaping, garbage collection and disposal, recycling, painting, decorations, parking lot repairs, maintenance, replacements and stripping, roof repairs, maintenance and replacements, utilities including water, gas, and electricity, security and security equipment and technology, energy efficiency, energy sub-metering and recycling technology and equipment, rental of equipment and hiring of services, remuneration of all or any on-site Shopping Centre staff and supervisory personnel, including but not limited to managers, supervisors and support staff, including wages, bonuses and benefits, employment related costs, including the foregoing costs of off-site personnel involved in the administration and management of Taxes and insurance for the Shopping Centre, general overhead expenses including office supplies and equipment, postage and courier costs, the fair market rentable value and any business taxes associated with any office space in the Shopping Centre used by Landlord or Management Company to operate and administer the Shopping Centre, interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the undepreciated or unamortized portion of the cost and expense of items being depreciated or amortized from time to time and capital replacement of the systems for heating, ventilating and air conditioning the Shopping Centre, and repairs and replacement of the roofs and parking facilities of the Shopping Centre;

(b) all expenses after the date any space in the Shopping Centre was first occupied by any tenant and properly allocable to the Fiscal Year for any capital improvement or structural repair to the Shopping Centre, or required by any change in the laws, rules, regulations, or orders of any governmental or quasi-governmental authority having jurisdiction, or incurred to reduce Operating Costs, which expenses will be amortized in accordance with reputable shopping centre management and operation practices, and interest calculated at the rate of two percent (2%) per annum in excess of the Prime Rate upon the unamortized portion of the total costs of the foregoing;

(c) all costs, charges and expenses which are directly attributable to the operation, management, repair, replacement and maintenance of the Shopping Centre or incurred to reduce Operating Costs but which are not attributable solely to the operation, management, repair, replacement and maintenance of any leasable area of the Shopping Centre; and

(d) an administration fee equal to fifteen percent (15%) of the total of the items set out in Article 1.18.37(a), (b) and (c) above.

1.18.38 ***Intentionally deleted.***

1.18.38.1 **"Original Lease"** means that certain lease dated August 9, 1978 (as amended, supplemented, renewed and extended from time to time, including, without limitation, pursuant to a rent agreement dated August 9, 1978, amending agreements and letter agreements dated September 26, 1988, July 16, 2001, June 10, 2004, September 24, 2004, October 27, 2004, and September 6, 2006, and June 8, 2015, a settlement agreement dated June 8, 2015, and omnibus agreements dated November 17, 2015 and December 29, 2020 collectively, the **"Original Lease"**), entered into by Landlord and the Tenant (by them or which apply to them as successors to the original parties thereto) for the Premises which Original Lease has been surrendered immediately prior to the Commencement Date.

1.18.39 **"Owners"** means the owner or owners or co-owners from time to time (other than Landlord) of the freehold or leasehold title of the Shopping Centre.

1.18.40 **"Person"** where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.41 **"Premises"** means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A. If the Premises are entirely self-enclosed, the boundaries shall extend to the exterior face of all exterior walls, doors and windows, or those separating the Premises from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the

underside of the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical, electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.42 **"Prime Rate"** means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.43 **"Promotion Fund"** means the fund for promotion of the Shopping Centre, if any, described in Article 4.11.

1.18.44 **"Proportionate Share"** means, a fraction, the numerator of which is the Area, and the denominator of which is the Gross Leasable Area. **For certainty, the Tenant's Proportionate Share for the purposes of this Lease shall be determined in a manner consistent with the Tenant's Proportionate Share figure used by the parties under the Original Lease as at the Termination Date.**

1.18.45 **"Released Persons"** means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.46 **"Rent"** means the Minimum Rent and the Additional Rent.

1.18.47 **"Shopping Centre"** means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering or reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.48 **"Site"** means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.49 **"Taxes"** means the aggregate of all taxes, rates, charges (including local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.50 ***Intentionally deleted.***

1.18.51 **"Tenant"** means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.52 **"Tenant Security"** means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable,

located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.53 ***Intentionally deleted.***

1.18.54 **"Term"** means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof.

1.18.55 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" INTENTIONALLY DELETED.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" INTENTIONALLY DELETED.

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 GRANT OF LEASE

2.01 ***Grant*** Landlord hereby demises and leases the Premises to Tenant, and Tenant hereby leases and accepts the Premises from Landlord, to have and to hold during the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 ***Landlord's Option to Renew.*** Landlord has, exercisable at its sole and entire and unfettered discretion by giving at least 12 months' prior written notice to the Tenant, the right to renew this Lease for an additional period of five (5) years (the **"Renewal Term"**) on the same terms and conditions as set out herein, save and except for the Minimum Rent, which shall be equal to the minimum/base rent that would have been payable under the Original Lease during this Renewal Term had the Original Lease not been terminated and continued during the period of this Renewal Term.

3.02 ***Intentionally deleted.***

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures, chattels or other personal property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any other right to acquire any interest or real property right in all or any part of the Shopping Centre or the Premises.

3.04 ***Limitation on Length of Term*** This 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 are complied with relating to the severance of land or interests in land by conveyance or otherwise (as it may

from time to time be amended). 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.

3.05 ***Termination of Original Lease*** Tenant and Landlord hereby agree that the Original Lease is surrendered and terminated effective on 11:59pm on the date immediately preceding the Commencement Date (the **"Termination Date"**). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date, be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the termination of the Original Lease as provided herein.

3.05(A) ***Reinstatement of Original Lease.***

Tenant and Landlord hereby agree that if at November 13, 2028 (the "Original Lease Reinstatement Date") no Event (as such term is hereinafter defined) has occurred or is continuing, and there is not then any default occurring of the Tenant's obligations under this Lease, failing which this provision shall not apply and be null and void (and this Lease shall remain in full force and effect without any obligation to enter into the Reinstated Original Lease), then the parties shall execute and deliver to one another the Reinstated Original Lease (as defined below) which shall provide and confirm that effective upon the Original Lease Reinstatement Date: (1) this Lease shall be resolved, cancelled, surrendered and rescinded; and (2) the termination of the Original Lease shall be deemed to have been revoked and, except as expressly modified pursuant to this provision, the Original Lease shall be reinstated in its entirety effective as of the Original Lease Reinstatement Date and shall again be in full force and effect as if the same had never been terminated. However, the respective rights and obligations of Landlord and Tenant as to the Premises under this Lease will be preserved and will survive the termination of this Lease on the Original Lease Reinstatement Date as to all matters arising or accruing prior to the Original Lease Reinstatement Date, but no such rights or obligations will arise or accrue to either of them with respect to this Lease on or after the Original Lease Reinstatement Date (given the Reinstated Original Lease will thereafter govern this tenancy). Any breach of this Lease which has not been cured will, after the Original Lease Reinstatement Date, be enforceable in accordance with all applicable provisions of this Lease.

"Event" means the occurrence of any of the following:

(1) Tenant (or any of its affiliates) defaulting under any of its monetary obligations (beyond any applicable cure period) under this Lease or any HBC IC Lease (as hereinafter defined); or

(2) Tenant (a) is insolvent, (b) has committed an act of bankruptcy, and/or (c) has become bankrupt.

"HBC IC Lease" means any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties:

(i) Galeries D'Anjou;

(ii) Metropolis at Metrotown;

(iii) Outlet Collection at Niagara on the Lake;

(iv) Southgate;

(v) Guildford;

(vi) Mapleview;

(vii) CrossIron Mills;

(viii) St. Foy;

(ix) Outlet collection Winnipeg; or

(x) Vaughan Mills.

"Reinstated Original Lease" means the Original Lease but reinstated and amended only to provide that the Term of the reinstated Original Lease shall commence on the Original Lease Reinstatement Date and end upon the expiry of the remaining unexpired Term of this Lease as at the Original Lease Reinstatement Date, Tenant, subject to the following sentence shall have the unexpired rights, if any, to renew or extend the said Term as set out in the Original Lease on the terms and conditions set out therein (inclusive of the calculation of minimum rent). Notwithstanding the foregoing, the expiry of the Term (taking into consideration all options to extend in favour of the Tenant) of the Reinstated Original Lease shall not exceed the date on which the Original Lease would have expired (taking into consideration all options to extend in favour of the Tenant thereunder). For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Original Lease was December 31, 2030, taking into consideration all options to extend in favour of the Tenant, and the Reinstated Original Lease was executed by the parties, the Term of the Reinstated Original Lease, taking into consideration all options to renew or extend in favour of the Tenant, shall not exceed December 31, 2030. Landlord shall prepare the form of Reinstated Original Lease and the parties shall forthwith thereafter execute and deliver same to the other, each at its sole expense. In addition, Tenant shall execute such other documents contemplated in Section 3.05 hereof for the discharge of any registered documents relating to this Lease for which Section 3.05 shall equally apply in this context, mutatis mutandis.

ARTICLE 4.00 RENT

4.01 ***Minimum Rent*** Tenant will pay to Landlord a Minimum Rent for the Premises described in Article 1.09 of this Lease, payable in advance in equal and consecutive monthly instalments and without notice on the Commencement Date and on the first day of each calendar month thereafter during the Term.

4.02 ***Intentionally deleted.***

4.03 ***Intentionally deleted.***

4.04 ***Intentionally deleted.***

4.05 ***Net Lease*** It is the stated purpose and intent of Landlord and Tenant that, **except as otherwise expressly provided herein,** this Lease will be fully net to Landlord. Tenant will pay to Landlord, at the times and in the manner provided in Articles 4.07 and 4.09, its Proportionate Share of Operating Costs and Taxes.

4.06 ***Calculation and Payment of Operating Costs***

(a) Tenant will pay the amounts stipulated in Article 1.11 to Landlord in monthly instalments one-twelfth of such estimate simultaneously with Tenant's payments of Minimum Rent during such Fiscal Year.

(b) If the Term commences after the beginning of or terminates before the end of a Fiscal Year, the amount of Operating Costs payable by Tenant for such Fiscal Year will be adjusted proportionately.

4.07 ***Intentionally deleted.***

4.08 ***Taxes Payable by Tenant*** The Tenant shall be responsible for the payment of all Taxes imposed from time to time during the Term in respect of the Premises, including in each case the value of any Common Areas and Facilities which is included by the assessing authorities in the value of the Premises and the business operated therefrom and all the improvements constructed thereon and all the fixtures and equipment constructed and used by Tenant and its assignees, sublicensees and concessionaires. For certainty, Tenant shall pay the Tenant's Taxes contribution to the Landlord as Additional Rent hereunder in an amount equal to the actual Taxes levied specifically against the Premises by the taxing Authority, provided that if the Premises are not taxed on a separate basis, then in an amount determined by the Landlord, acting reasonably and equitably, on the basis of the notes and working papers of the assessment Authority (or its successor) made readily available to the Landlord, and provided further that if such notes and working papers are not readily available to the Landlord or they do not contain sufficient information to determine the Taxes applicable specifically to the Premises, then Tenant shall pay its Proportionate Share of all Taxes payable in respect of the Shopping Centre. The parties acknowledge and agree that as of the Commencement Date, the notes and working papers of the assessment authority are readily available to the Landlord and contain sufficient information to determine the Taxes applicable specifically to the Premises.

Tenant shall reimburse Landlord that part of any increase in Taxes for the Shopping Centre, which is reasonably attributable to any change, addition or improvement or special equipment identified

by an assessment Authority made on or in the Premises by Tenant. In such event, Tenant shall pay to Landlord the total amount of said Tax increase attributable to Tenant within 30 days of receipt of an invoice from Landlord, said amount to be deemed Additional Rent.

For greater certainty, Tenant shall pay to Landlord an amount equal to any and all goods and services tax, value added tax, or any other similar tax (such as by way of example GST, HST or any other similar tax) (**"Value Added Taxes"**), it being the intention of the parties that Landlord shall collect from Tenant all Value Added Taxes collectable by Landlord on the Rent and any other amounts payable by Tenant under this Lease. The amount of such Value Added Taxes so payable by Tenant shall be calculated by Landlord in accordance with the applicable legislation and shall be paid to Landlord at the same time as the amount to which such Value Added Taxes apply are payable to Landlord under the terms of this Lease. The amount payable by Tenant under this provision shall be deemed not to be additional rent, but Landlord shall have all of the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Lease.

The Landlord may appeal any official assessment or the amount of any Taxes or business taxes (including other taxes capable of constituting a lien) relating to the Shopping Centre including the improvements (including fixtures and equipment) thereon, and the Tenant may appeal any official assessment or any Taxes or business taxes relating to the Premises including the improvements thereon or, where the Tenant's obligations are directly or indirectly affected thereby, relating to any other portion of the Shopping Centre including the Common Area and Facilities. Neither the Landlord nor the Tenant shall institute any appeal without notice to the other and, where their interests do not conflict and in particular where the appeal is being made in order to achieve a re-assessment which is consistent with the basis contemplated by this Lease, each shall extend its co-operation and assistance to the other in respect to such appeal.

4.09 ***Changes in Taxes*** If the system of real estate taxation is altered or varied from that in force on the Commencement Date and any new tax shall be levied or imposed on all or part of the Shopping Centre and/or the revenues therefrom and/or on Landlord in substitution for or in addition to previously existing Taxes by any taxing Authority, whether or not the taxing Authority has previously charged any Taxes, then any such new tax or levy shall be included in Taxes, or if by law, regulation or otherwise all or any part of any Taxes, is made payable by Landlord or if the mode of collecting such tax, assessment, local improvement, licence fee, excise or other charge is so altered so as to make Landlord liable in whole or in part therefor instead of Tenant or if all or any part of Tenant's Taxes under Article 8.01 is imposed, levied, assessed or charged upon or on account of the Shopping Centre, Tenant will pay to Landlord, from time to time, within 30 days after demand, the amount payable by Landlord, from time to time, as a result of such change as determined by Landlord in the same manner as the Proportionate Share of Taxes is payable under the terms of this Lease and Tenant will indemnify and save Landlord harmless from any cost or expense in respect thereof. For greater certainty, to the extent that the new tax or levy is fully recoverable by Tenant as an input tax credit or refund, such Tax shall be fully payable by Tenant notwithstanding the proportionate sharing of other Taxes hereunder.

4.10 ***Intentionally deleted.***

4.11 ***Promotion Fund / Merchant's Association*** Landlord may establish and maintain a common Promotion Fund for the Shopping Centre or continue to maintain any Promotion Fund in existence as of the Commencement Date of this Lease. Landlord will use the Promotion Fund for the promotion or benefit of the Shopping Centre in such a manner and as Landlord may, from time to time, decide and, without limiting the generality of the foregoing, Landlord may utilize the Promotion Fund for payment of a full-time or part-time marketing director, the employment of other promotional staff and customer service, the purchase of advertising space and time, materials or equipment for decorating and promotional events and activities similar to those undertaken by other shopping centres. Any surplus in the Promotion Fund at the end of a Fiscal Year of the Promotion Fund will be carried forward for like purposes in the next year, without any reduction in the amount payable by Tenant pursuant to this Article 4.11. Landlord may, at its sole discretion, establish a Promotion Fund advisory committee comprised of representatives of the tenants of the Shopping Centre chosen by Landlord to advise Landlord on the application of the Promotion Fund contributions.

If there is a Promotion Fund for the Shopping Centre, Tenant will pay to Landlord in equal monthly instalments, the amount stipulated in Articles 1.12, towards the Promotion Fund, and may include the development of a mall video network, offering a program of information, entertainment and advertisements, and for the promotion of the Shopping Centre.

Landlord will have the right at its discretion to change the Fiscal Year of the Promotion Fund as it may deem appropriate, from time to time.

4.12 ***Intentionally deleted.***

4.13 ***Landlord's Promotions*** Landlord may promote and advertise the Shopping Centre in a manner and to the extent that would a diligent and prudent owner of a similar shopping centre, taking into account the nature, size, age, character and location of the Shopping Centre as well as the general image that Landlord is attempting to project for the Shopping Centre from time to time. Tenant agrees that Landlord will never be obliged to spend more than the total amount paid to the Promotion Fund described in Article 1.12 by the tenants of the Shopping Centre in any Fiscal Year in order to fulfill its obligations hereunder. Landlord shall alone administer the Promotion Fund.

Landlord's promotional activities may include, without limiting the generality of the foregoing, the production and distribution of written advertising or promotional materials and/or audio and/or audio visual promotions by the various media (radio and television) and/or internet and/or seasonal decorations and/or all other forms of promotion or publicity in relation to the Shopping Centre alone or on a joint basis with one or more other shopping centres or properties of which Landlord is owner or manager. Tenant agrees to give its complete support and cooperation to all of Landlord's promotional activities. Without limitation, Tenant will honour any discount coupons, gift certificates, gift cards, electronic gift cards or other incentives given to customers as part of any promotional activity.

Landlord may designate an agent to promote and/or advertise on its behalf, to enter into any agreements with third parties for promotion and/or advertising purposes, and may use all or any part of the Promotion Fund contributions to pay or remunerate its agent.

4.14 ***Intentionally deleted.***

4.15 ***Intentionally deleted.***

4.16 ***Tenant's Support t*** Tenant will support all promotional events, functions and activities sponsored or participated in by either the Promotion Fund, if any. In order to comply with this obligation, however, Tenant will not be required to make any additional financial contributions toward the promotion of the Shopping Centre other than those set out in Article 4.11.

4.17 ***Payment of Rent – General l*** During the Term of this Lease, Tenant shall pay Minimum Rent and Additional Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction or set-off, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.18 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.19 ***Charge Adjustment*** Wherever it is mentioned in this Lease that Landlord may increase any amount or charge, the following rules may apply if required by the Landlord: (a) each permitted increase of any such amount or charge shall come into force as of the date indicated in Landlord's notice and shall remain in effect until the subsequent increase comes into effect; (b) each permitted increase of any such amount or charge may, at Landlord's option, be charged retroactively; (c) each time any such amount or charge increases, the amount or charge shall be deemed to be replaced by the increased amount or increased charge; (d) any such amount or charge that may be payable during any Fiscal Year shall never be less than the amount or charge so payable during the immediately preceding Fiscal Year; (e) the fact that no annual increase was imposed for any preceding Fiscal Year or such other period, or the fact that an amount less than the full amount of

any permitted increase was charged, shall not prevent Landlord, in any manner whatsoever, from imposing the full amount of any annual increase, or any part thereof, during any subsequent Fiscal Year; and (f) the annual increase that Landlord shall be permitted to charge shall be calculated by multiplying the amount or charge presently in force by a fraction, the numerator of which shall be the C.P.I. for the month of December of the year prior to the commencement of the increase in question and the denominator of which shall be the C.P.I. for the month of December for the immediately preceding year. For clarity, the Operating Costs are increased commencing January of each year.

ARTICLE 5.00 USE OF PREMISES

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the greater Toronto area. Tenant shall abide by all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with this Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice, and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord unless guaranteed to the satisfaction of Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv) a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other enterprise, activity or practice which because of the merchandise likely to be sold or the

merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased. Notwithstanding the foregoing, within the last six (6) months of the Term, the Tenant shall have the right to conduct clearance and other sales promotions in the Premises and the Tenant shall be permitted to erect, install and maintain within the Premises during such period any clearance and/or store closing signage (or other signage of a similar nature), provided that (i) any such signage on the exterior of the Premises or which faces any Common Areas and Facilities, shall be subject to the Tenant obtaining all required municipal approvals as well as the Landlord's prior written approval for the nature, size, type and location thereof; and (ii) all clearance and other sales otherwise comply with the requirements of sub-paragraph (b) above and this Lease and are undertaken in a reputable and prudent manner that does not interfere with the typical use and operation of the Shopping Centre or the occupants thereof. Landlord's approval of such signage shall not be unreasonably withheld, conditioned or delayed provided it complies with this provision.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted.***

5.06 ***Display Windows*** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the Premises during the Term and Tenant's use thereof will be subject to such regulations as

Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 ***Intentionally deleted.***

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the Delivery Facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the Delivery Facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

For certainty, the premises include the loading dock and unloading areas, which exclusively serve the Premises.

ARTICLE 6.00 SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b), Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises, and will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre (excluding the Premises), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles 7.02. 7.03 10.01, 16.01, 16.02, 16.03, or 16.04 and in no event shall Landlord be required to make any repairs or replacements which are necessary as a result of Tenant's default, negligence or willful misconduct..

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04 will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, or minimum stall number requirements, or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, easements, transfers, dedications, permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial discharges of its notice of lease and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters.

6.05 ***Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal business hours, and during normal business hours where such will not

unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 DEMISED UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Demised Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

7.02 ***Demised Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, Tenant will at its sole cost and expense be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the **"Tenant HVAC System"**) installed for the Premises where such equipment is not part of a shared or central system.

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will at its sole cost and expense maintain the Premises and all improvements therein in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) *intentionally deleted*;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed all Tenant HVAC Systems, elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the rules and regulations of Landlord.

Notwithstanding any legislation to the contrary, the Tenant's repair obligations will include all those which are major as well as minor, or those which are customarily landlord's or tenant's, except as expressly provided otherwise in this Lease

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public

liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Personal Property*** Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and personal property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or personal property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by

Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted.***

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("Sign") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** Throughout the Term of this Lease, Landlord will carry the insurance for which Landlord is obligated under the Original Lease and such insurance provisions are deemed incorporated herein by reference. For certainty, during the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the insurance for which Tenant is obligated under the Original Lease and such provisions of the Original Lease are deemed incorporated herein by reference. For certainty, during the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective

upon written notice to Tenant, or without terminating this Lease and after giving such notice, if any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Mutual Indemnity.*** Except to the extent released in Sections 10.02 and 10.03 below, each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

10.02 ***Release of Landlord.*** n respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Premises, the Landlord, the mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 TRANSFERS

11.01 ***Transfers*** Except to an Eligible Corporation (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a "Transfer"), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to mortgage or encumber all or any part pf the Tenant's rights resulting from this Lease or all or any part of the Premises. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, mortgagee, encumbrancer, user or occupant as the case may be (hereinafter the **"Transferee"**), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without

Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee notwithstanding any rule of law or equity to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(b)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective control); (ii) details of the proposed Transferee's prior business experience (including experience in the enterprise for which the Premises are to be operated pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the Canada Business Corporations Act); or

(b) assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater Toronto area; and (iii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord:

(i) in a vacant, clean and broom-swept condition with all of Tenant's signage, inventory, trade fixtures, racking and personal property removed; and

(ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators) servicing the Premises in a working order, subject to reasonable wear and tear ;

but otherwise in an "as is, where is" condition and without any obligation to: (A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or (B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof. For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has registered a caveat, caution, memorandum notice or other instrument relating to this lease against title to the Land, it will cause the same to be released and discharged no later than 15 days following the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a release or discharge of a notice of this will be paid by Tenant.

12.02 ***Trade Fixtures, Personal Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy with Landlord Consent*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, notwithstanding any legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Tenancy at Sufferance*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy at sufferance may be immediately terminated by Landlord at any time by notice of termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy or tenancy at sufferance hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "Rules and Regulations") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the

proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than 60 days after the date (hereinafter "Date of Such Taking") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on the date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment, and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Limited Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, can be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord will immediately at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord or which have been installed by or on behalf of Tenant, which instead will be repaired immediately by Tenant at Tenant's own expense.

16.02 ***Major Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then Landlord, or in the event that there is less than two (2) years remaining in the Term, Tenant**,** may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than 20 days after receipt of the Architect's opinion, failing which Landlord will forthwith at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord or which have been installed by or on the behalf of Tenant, which instead will be repaired forthwith by Tenant at Tenant's own expense.

16.03 ***Abatement*** If Landlord is required to repair damage to all or part of the Premises under Article 16.01 or 16.02, provided such damage is caused by a peril Landlord is required to insure against pursuant to Article 9.01, the Rent payable by Tenant under this Lease will be proportionately reduced to the extent that the Premises are thereby rendered untenantable by Tenant in its business, from the date of such casualty until five (5) days after completion by Landlord of the repairs to the Premises (or the part thereof rendered untenantable) or until Tenant again uses the Premises (or the part thereof rendered untenantable) in its business, whichever first occurs.

16.04 ***Major Damage or Destruction of Shopping Centre*** Notwithstanding any contrary provision of this Lease and specifically, but without limitation, Article 16.01, if the Shopping Centre is totally or partially damaged or destroyed (whether the Premises are affected or not), and (i) in the Architect's opinion, the damaged or destroyed portions cannot reasonably be repaired, restored or rebuilt within one hundred and eighty (180) days following the occurrence of the damage or destruction (employing normal construction methods without overtime or other premium); or (ii) the cost as estimated by the Architect, of repairing, restoring or rebuilding the damaged or destroyed portions would exceed the proceeds of insurance available to Landlord for such purpose; or (iii)

the damage or destruction was caused by a peril for which Landlord was not insured and for which Landlord was not obliged to insure against; or (iv)intentionally deleted; ; or (v) less than two (2) years remains during the Term; or (vi) a Mortgagee will not consent to the use of insurance proceeds for repair or reconstruction; then in any of the above cases, Landlord may, at its option (to be exercised by written notice to Tenant within 30 days following any such occurrence) elect to terminate this Lease.

If Landlord elects to terminate this Lease, then the following provisions will apply:

(a) If the Premises become totally unfit for the use for which they were leased, the termination will take effect from the date of the damage or destruction and the Rent will cease to be payable and will be adjusted as of that date.

(b) If the Premises are partially damaged and Tenant has occupied any part of the Premises or any part of the Premises have been reasonably capable of being occupied from the date of the damage or destruction, this Lease will terminate ten (10) days from Landlord's notice stipulated in the first paragraph of this Article 16.04 and the Rent will cease to be paid by Tenant as of the date of termination, however, Minimum Rent and Additional Rent will abate from the date of the damage and destruction until the date of termination to the extent the Premises cannot reasonably be used for their intended purposes.

(c) If the Premises were not damaged, this Lease will terminate ten (10) days from Landlord's notice stipulated in Article 16.00 and the Rent will cease to be paid from such date of termination.

If the Shopping Centre is totally or partially damaged or destroyed and Landlord does not elect to terminate this Lease, subject to the following, Landlord shall commence and proceed diligently to reconstruct or repair those portions of the Shopping Centre which have been so damaged or destroyed to the extent only of Landlord's responsibilities pursuant to the terms of the various leases for premises in the Shopping Centre and exclusive of any tenants' responsibilities. Furthermore, if the Premises are being repaired or reconstructed, the provisions of Article 16.01 will apply.

If Landlord does any reconstruction or repairing of the Shopping Centre, Landlord may do any one or more of the following: (i) use plans, specifications and working drawings which differ from those applicable to the Shopping Centre existing prior to the damage or destruction provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; (ii) change the configuration, design and/or size of the Shopping Centre or any of its component parts including, without limitation, the location and size of any mall, court, entrance, parking facility or any of other Common Areas and Facilities provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; and (iii) redesign the tenant mix, both with respect to the kinds of uses which will be included in the tenant mix, as well as the physical location of the types of uses being operated prior to the damage or destruction. Tenant agrees that none of the foregoing shall constitute a default of Landlord's obligation to provide peaceable enjoyment of the Premises, nor shall it constitute a change of form or destination of the Shopping Centre, nor shall the validity or enforceability of this Lease be affected in any manner by any of the foregoing.

ARTICLE 17.00 TRANSFERS AND MORTGAGES BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of Landlord to sell, convey, assign, mortgage or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 ***Definition of Mortgage, Mortgagee and Mortgagee's Interest*** Each and every charge, mortgage, debenture or trust deed, now or hereafter registered against all or any part of the Shopping Centre is hereafter called a "Mortgage" which term includes all amounts advanced or to be advanced thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. "Mortgagee" means a chargee or mortgagee named in a Mortgage, or the holder of a debenture or

the trustee under a trust deed constituting a Mortgage, as the case may be; and "Mortgagee's Interest" means the estate or interest of the Mortgagee secured by a Mortgage.

17.04 ***Subordination of Mortgage to Lease*** If this Lease or the estate or interest of Tenant thereunder (the "Tenant's Leasehold Interest") is subordinate to a Mortgage or Mortgagee's Interest now or at any time hereafter, then on written request of the Mortgagee or of Landlord on Mortgagee's behalf, made concurrently with execution of this Lease or at any time thereafter, the Mortgage and the Mortgagee's Interest will be postponed and made subordinate to this Lease and the Tenant's Leasehold Interest as if such Mortgage had been executed, delivered, registered and fully advanced after the execution, delivery and registration of this Lease, by means of an instrument of postponement and subordination, which will be entered into between Tenant and the Mortgagee, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that it complies with the terms and conditions of the Lease. Such instrument will be in such form as the Mortgagee may reasonably require, consistent with this Article 17.04 and Article 17.07 and will be effective between the Mortgagee and Tenant when executed by them, without necessity for registration against title to the Shopping Centre; but if desired by the Mortgagee or Tenant, either of them may register such agreement or notice thereof and for that purpose the Mortgagee and Tenant will enter into any further document required to effect registration.

17.05 ***Attornment*** If this Lease and Tenant's Leasehold Interest now or at any time hereafter is subordinate to a Mortgage and Mortgagee's Interest and the Mortgagee does not require a postponement and subordination instrument under Article 17.04, Tenant will on request of such Mortgagee or of Landlord on behalf of the Mortgagee, made concurrently with execution of this Lease or at any time thereafter, enter into an attornment agreement with such Mortgagee in such form as the Mortgagee may reasonably require, whereby Tenant will agree that if default occurs under the Mortgage, and:

(a) the Mortgagee takes possession of the Premises, by obtaining and enforcing a court order to that effect or otherwise;

(b) the Mortgagee forecloses or otherwise acquires the interest of Landlord in the Premises, but does not foreclose the Tenant's Leasehold Interest; or

(c) the Mortgagee sells, conveys or assigns the Premises to another party (hereinafter a "Purchaser") pursuant to a power of sale or court order for sale which does not purport to sell the Premises free of the Tenant's Leasehold Interest,

Tenant will, on written demand of the Mortgagee or Purchaser as the case may be, attorn to and become the tenant of that person from and including the date the demand is received, for the balance of the term of this Lease (and with rights of renewal if any as provided in this Lease), at the rents and otherwise on the terms of this Lease, subject as hereinafter provided in Article 17.06, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that Tenant complies with, all the terms and conditions of the Lease.

17.06 ***Intentionally deleted.***

17.07 ***Effect of Subordination or Attornment*** No subordination effected under Article 17.04 and no attornment effected under Article 17.05 will render the Mortgagee or Purchaser, as the case may be:

(a) liable for any act or omission of Landlord or a predecessor in title of Landlord; or

(b) subject to any offsets or defenses which Tenant might have against Landlord or a predecessor in title of Landlord; or

(c) bound by any prepayment by Tenant of more than one month's instalment of Rent, or by any previous modification of this Lease, unless such prepayment or modification has been approved in writing by the Mortgagee or Purchaser or any predecessor in interest except Landlord.

Upon attornment occurring under Article 17.05, the relationship of landlord and tenant thereby created between the Mortgagee or Purchaser as the case may be, as Landlord, and Tenant as tenant, will supersede this Lease, but if the Mortgage is subsequently redeemed or put in good standing or the Mortgagee goes out of possession, the Mortgagee will be relieved of its obligations to Tenant as if a sale, conveyance or assignment had occurred to which Article 17.02 applied.

Any attornment by Tenant to a Mortgagee or Purchaser will be without prejudice to the right (when applicable) of any other mortgagee or purchaser that has priority to the Mortgagee or Purchaser to demand that Tenant attorn to the other mortgagee or purchaser pursuant to the rights if any, of the

other mortgagee or purchaser in that regard under Article 17.00. In case of such demand being lawfully made, and Tenant attorning to such other mortgagee or purchaser the attornment previously made to the Mortgagee or Purchaser will cease to be effective.

17.08 ***Tenant's Obligations May Be Assigned*** Tenant acknowledges that its covenants and obligations under Article 17.00 are intended in whole or in part to operate for the benefit of any and all Mortgagees and Purchasers and that in obtaining such covenants and obligations Landlord is acting not only for itself, but also as trustee or agent for all such persons. Without limiting the foregoing, Landlord may assign the benefit of such covenants and obligations to any and all Mortgagees or Purchasers who request same, as security or otherwise, and Tenant agrees that any such Mortgagee or Purchaser will be entitled on receiving such assignment and giving due notice thereof to Tenant, to enforce such covenant or obligation against Tenant to the same extent as if it were a party to this Lease directly entitled to the benefit of such covenants and obligations.

17.09 ***Execution of Instruments*** Except as otherwise provided in Article 17.00, the subordination and attornment provisions herein will be self-operating and no further instrument will be required. Nevertheless Tenant, on request by and without cost to Landlord, any Mortgagee, Purchaser or successor in interest, will execute and deliver any and all instruments further evidencing such subordination and/or attornment when applicable.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a notice, caveat or short form of this Lease (the "Registration Document") to give notice of Tenant's interest created by this Lease, provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, and any right of renewal. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will only indicate and be registered against title to that portion or those parcels of the Site or Shopping Centre as Landlord may designate in its sole discretion. Further, in the event any portion of the Land ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) in the event that, in order to effect registration, the Registration Document must be executed by any party other than Landlord and Tenant, Landlord will request such consent or execution of that party, but the sole cost of obtaining same will be borne by Tenant and Landlord will not be liable to Tenant in the event that such consent or execution is not obtained;

(e) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(f) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a surrender of this Lease or a discharge of caveat, caution or other document or instrument will be paid by Tenant.

17.13 ***Easements and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or

other creation of such licence(s), easement(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.14 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article 6.04, Landlord will have the right from time to time to subdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery. Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) business days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord) designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues fifteen (15) days after notice by Landlord; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days notice by Landlord specifying with reasonable particularity the nature of such failure and

requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, chattels or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it** shall **provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior written notice of the Tenant signing of a forbearance agreement with one or more creditor(s);** or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, chattels or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease;

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "**Tenant Inducements**") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, personal property and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law or equity to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable

19.04 ***Waiver of Exemption and Redemption*** Notwithstanding anything contained in any statute now or hereafter in force limiting or abrogating the right of distress, none of Tenant's goods, chattels or trade fixtures on the Premises at any time during the continuance of the Term will be exempt from levy by distress for Rent in arrears and upon any claim being made for such exemption by Tenant or on distress being made by Landlord this agreement may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying upon any such goods as are named as exempted in any such statute, Tenant hereby waiving all and every benefit that could or might have accrued to Tenant under and by virtue of any such statute but for this Lease. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any terms and conditions of this Lease or otherwise.

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages(subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing.

Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or

performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 ***Intentionally deleted.***

ARTICLE 21.00 **MISCELLANEOUS**

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venturer or a member of a joint or common enterprise with Tenant.

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular. If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be joint and several obligations of such executing parties. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease (together with any other agreement entered into by the Landlord, the Tenant and/or its or their affiliates in connection with this Lease) contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements, representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by

Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease. No agreement respecting the Premises will arise or exist between the parties hereto except through the due execution of this Lease by both Tenant and Landlord. Upon execution and delivery by Tenant to Landlord, this Lease will be irrevocable by Tenant and open for acceptance by Landlord until 5:00 P.M. on the 60th day thereafter, and if not accepted by Landlord by then, may be withdrawn by Tenant by notice to Landlord at any time prior to its later acceptance by Landlord.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

21.16 ***Counterpart Execution*** This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

ARTICLE 22.00 **INTENTIONALLY DELETED**

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD **IVANHOE CAMBRIDGE II INC. and 7503067 CANADA INC.**
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

By: Julie Bourgon (Jan 31, 2024 11:23 EST)
Name: Julie Bourgon
Title: Head of Retail

By: Maria Concetta Giampa (Jan 31, 2024 11:01 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affiairs, Investments

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name:
Title:

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD **IVANHOE CAMBRIDGE II INC. and 7503067 CANADA INC.**
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

By: _____
Name: ●
Title: ●

By: _____
Name: ●
Title: ●

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

By: _____
Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

EXHIBIT A
FLOOR PLAN

`

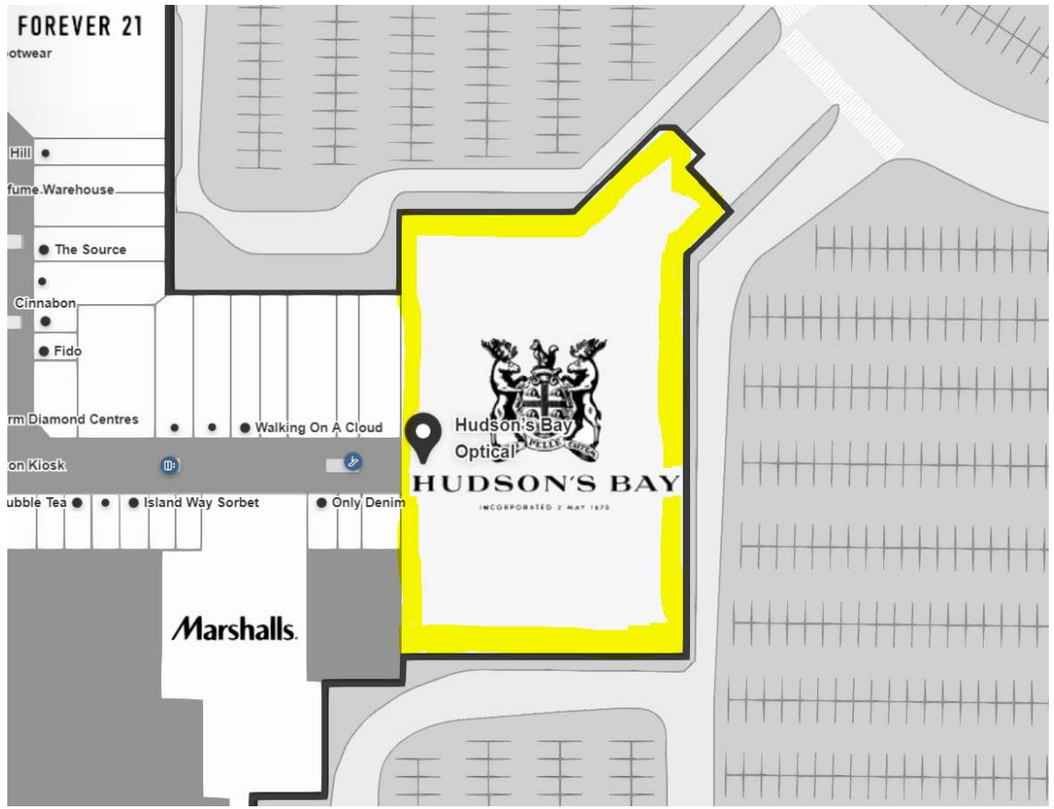


EXHIBIT B
LEGAL DESCRIPTION

PIN 16357-0001 (LT)

PT LT 14 CON 1 EAST WHITBY PTS 1, 2, 8, 9 & 10 40R11724 T/W D304666; S/T D532267, OS126782; CITY OF OSHAWA

EXHIBIT C
INTENTIONALLY DELETED

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such Delivery Facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
INTENTIONALLY DELETED

EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

Minimum Rent is: $<>

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT **UUUHUDSON'S BAY COMPANY ULC**

By: _____
Name: ●
Title: ●

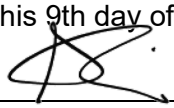
I have the authority to bind the company

By: _____
Name: ●
Title: ●

I have the authority to bind the company.

SPECIMEN

This is **Exhibit "T"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE OF RETAIL SPACE

BETWEEN:
(address) **CROSSIRON MILLS HOLDINGS INC.**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

CENTRE: **CROSSIRON MILLS, CALGARY, ALBERTA, CANADA**

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LEASE OF RETAIL SPACE

DATE: **February 1, 2024**

BETWEEN:
(address) **CROSSIRON MILLS HOLDINGS INC.**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("Landlord")

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

("Tenant")

FOR PREMISES IN: CROSSIRON MILLS, CALGARY, ALBERTA

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice***:

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant: **401 Bay Street, Suite 2302 (Attention: Real Estate Department)**
Toronto, Ontario
M5H2Y4

1.02 ***Location of Premises***: **Unit D**

1.03 ***Shopping Centre***: **CrossIron Mills, Calgary, Alberta**

1.04 ***Area***: [*SqFtArea] **30,009** square feet.

1.05 ***Term***: A period of **ten (10)** years, beginning on the 3rd day of **February**, **2024**, and expiring on the 2nd day of **February**, **2034**, unless terminated earlier as provided in this Lease. **The options in favor of Tenant in the Original Lease to renew or extend the term thereof shall equally apply in respect of this Term on the same terms as the renewal or extension options set out in the Original Lease, save and except that (a) in no event shall the final expiry date of this Term (as may be so renewed or extended) be later than what would have been the final expiry date of the term of the Original Lease after the exercise of all renewal or extension options had it not been terminated and replaced by this Lease; and (b) the Tenant shall continue to have the obligation to pay the Incremental Rent throughout this Term (as may be further renewed**

or extended including during any renewal or extension of the Term pursuant to the renewal/extension options incorporated in this Lease from the Original Lease), as set out in Section 1.09 of this Lease.

1.06 ***Intentionally deleted***.

1.07 ***Permitted Use of Premises***:

The Premises shall be used for the purposes of the operation of an off-price retail store selling better quality apparel, accessories, shoes, handbags, jewellery and other better quality merchandise as is typically sold from time to time in Tenant's similar off-price retail stores in Canada operating under the name "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th", "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off-price retail stores operated by Tenant in Canada) and in other similar off-price retail stores selling better quality merchandise currently operating in North America, such as, by way of example only and without limitation, those off-price retail stores operating under the names "Nordstrom Rack", "Holt Renfrew's HR2", and "Nieman Marcus Last Call". Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Premises as an off-price retail store in a first class manner in keeping with the said standards of the shopping centre industry.

Tenant will carry on its business in the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease.

Subject to the provisions of Article 11.00 of this Lease, Tenant may operate, or cause to be operated, the department or departments within the Premises, in whole or in part, by licensees, sub-tenants and/or concessionaires, provided that the Premises continue to be carried on, and retain the appearance to the public of being carried on, as an integrated, and not a multiple tenant, off-price retail store. Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease.

Notwithstanding any other provision herein, Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any call centre operation (iii) a store conducted principally for the sale of war surplus articles, insurance salvage stock, or fire sale stock; (iv) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire; (y) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (vi) an auction sale; (vii) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or the pricing methods likely to be used would tend to lower the character of the Shopping Centre; and (viii) any of the Restricted Uses (as hereinafter defined).

At the time of entering into the Original Lease, Landlord had granted certain restrictive covenants and/or exclusive rights of use to or in favor certain other tenants of the Shopping Centre, including those set out in any notices of leases or other instruments registered on title to the Lands on or prior to the date of the Original Lease and including those set out in Schedule C hereto (the "**Restricted Uses**"). For greater certainty, Tenant hereby acknowledges and agrees that, if and for so long as each of the Restricted Uses granted by Landlord to the respective persons (including their respective successors and assigns) remains unamended and in full legal force and effect, Tenant shall not use the Premises or permit the Premises to be used for the operation of any business or the sale of any merchandise or services that would cause Landlord to be in default of any such Restricted Uses.

If at any time during the Term less than the whole or substantially the whole of the Premises is occupied and open to the public for business for a period exceeding two (2) months for any reason other than Force Majeure (as that term is hereinafter defined), damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, Landlord shall thereafter have the right to terminate this Lease while such cessation of operation continues by giving Tenant no less than thirty (30) days prior written notice thereof, provided that Tenant may nullify such notice of termination and this Lease shall not be terminated if Tenant reopens the whole or substantially the whole of the Premises to the public for business prior to the termination date specified in Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Premises open for business for at least twelve (12) consecutive months (failing which Landlord's termination of the Lease shall be effective immediately upon Tenant ceasing to operate during the aforementioned 12-month period). In the event that Tenant nullifies Landlord's notice of termination as aforesaid, the provisions of this Article 1.07 shall continue to apply throughout the balance of the Term.

1.08 ***Tenant's Store Name***: "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th", "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off-price retail stores operated by Tenant in Canada). Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Gross Rent***: Throughout the Term (inclusive of all renewals or extensions thereof), an annual aggregate amount equal to: (A) **3.5%** of Gross Sales (as hereinafter defined) made from the Premises during each Percentage Rent Lease Year (as hereinafter defined), payable pursuant to Article 4.00; and (B) the Incremental Rent (the "**Gross Rent**"). The Landlord shall have the right, at any time and from time to time, at its entire discretion, upon written notice to the Tenant, to re-allocate the amount of the Incremental Rent allocated to this Lease and to any one or more of the Other Saks Leases and in this regard the Tenant shall have the obligation to enter into and execute all documents reasonably necessary as requested by the Landlord to implement such reallocation of Incremental Rent.

1.10 ***Intentionally deleted***.

1.11 ***Intentionally deleted***.

1.11.1 ***Intentionally deleted***.

1.12 ***Intentionally deleted***.

1.13 ***Intentionally deleted***.

1.14 ***Utilities***: Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00.

1.15 ***Intentionally deleted***.

1.16 ***Intentionally deleted***.

1.17 ***Intentionally deleted.***

1.18 ***Definitions***: In this Lease:

1.18.1 "**Additional Rent**" means all amounts (other than Gross Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted***

1.18.3 "**Area**" means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. The parties acknowledge and agree that the Area of the Premises is that set out in Article 1.04 hereof.

1.18.4 "**Architect**" means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.

1.18.5 "**Article**" means an article of this Lease.

1.18.6 "**Authority**" or "**Authorities**" means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted***.

1.18.8 "**Commencement Date**" means the first day of the Term (effective as of 12:00am).

1.18.9 "**Common Areas and Facilities**" means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking

areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 ***Intentionally deleted***.

1.18.11 "**Delivery Facilities**" means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted***.

1.18.13 "**Environmental Law**" means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment or to any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material 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 statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority.

1.18.14 "**Fiscal Year**" means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted***.

1.18.16 ***Intentionally deleted***.

1.18.17 "**Force Majeure**" means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes, walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted***.

1.18.19 "**Goods and Services Tax**" or "**GST**" means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 "**Gross Rent**" has the meaning given to it in Section 1.09 hereof.

1.18.21 "**Hazardous Substance**" means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs), pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted.

1.18.22 "**Incremental Rent**" means the amount of **$976,666.66 annually**, as such amount may be adjusted by the Landlord from time to pursuant to Article 1.09 hereof.

1.18.23 "**Interest Rate**" means the Prime Rate (as defined below) in force when an amount becomes due, plus three (3) percentage points. "Prime Rate" means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.24 ***Intentionally deleted***.

1.18.25 "**Land**" means all of the lands described in Exhibit B.

1.18.26 "**Landlord**" means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted***.

1.18.28 "**Lease**" means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.54 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 ***Intentionally deleted.***

1.18.30 ***Intentionally deleted***.

1.18.31 ***Intentionally deleted***.

1.18.32 "**Management Company**" means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted***.

1.18.34 ***Intentionally deleted***.

1.18.35 "**Mortgagee**" has the meaning given to it in Article 17.

1.18.36 "**Operating Agreement(s)**" means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any).

1.18.37 ***Intentionally deleted.***

1.18.38 "**Original Lease**" means that certain lease for the Premises dated as of July 22, 2015 between Ivanhoé Cambridge Inc., as landlord, and the Tenant d/b/a Saks Fifth Avenue Off Fifth, as tenant, a caveat for which was registered at the applicable land registry office as Instrument Number 161 271 072. and as otherwise amended and supplemented from time to time, which Original Lease was terminated and surrendered immediately prior to the Commencement Date.

1.18.39 "**Other Saks Leases**" has the meaning given to it in Article 19.03(h) hereof.

1.18.40 "**Owners**" means all of the prior owners of the Shopping Centre other than the Landlord.

1.18.41 "**Person**" where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.42 "**Percentage Rent Lease Year**" has the meaning given to it in Article 4.01.

1.18.43 "**Premises**" means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A. If the Premises are entirely self-enclosed, the boundaries shall extend to the exterior face of all exterior walls, doors and windows, or those separating the Premises from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the underside of the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical,

electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.44 ***Intentionally deleted***.

1.18.45 ***Intentionally deleted.***

1.18.46 "**Released Persons**" means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.47 "**Rent**" means the Gross Rent and the Additional Rent.

1.18.48 "**Shopping Centre**" means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering o reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.49 "**Site**" means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.50 "**Taxes**" means the aggregate of all taxes, rates, charges (including school and local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.51 ***Intentionally deleted***.

1.18.52 "**Tenant**" means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.53 "**Tenant Security**" means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable, located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.54 ***Intentionally deleted***.

1.18.55 "**Term**" means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof, if any.

1.18.56 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" means the Restricted Uses attached as Exhibit C.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" means the plan showing the location of the Restricted Uses premises attached hereto as Exhibit E.

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 LEASE

2.01 ***Lease*** Landlord hereby leases the Premises to Tenant for the Term, and Tenant hereby leases the Premises from Landlord for the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 **Intentionally deleted**.

3.02 **Intentionally deleted**.

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures or other personal property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any other right to acquire any interest or real right in all or any part of the Shopping Centre or the Premises.

3.04 ***Landlord's Option to Renew*** Landlord has, exercisable at its sole and entire and unfettered discretion by giving at least 12 months' prior written notice to the Tenant, the right to renew this Lease for an additional period of five (5) years on the same terms and conditions as set out herein (inclusive of the calculation and payment of Rent (inclusive, for certainty, of Incremental Rent)).

3.05 ***Termination of Original Lease*** Tenant and Landlord hereby agree that the Original Lease is surrendered and terminated effective on 11:59 pm on the date immediately preceding the Commencement Date (the **"Termination Date"**). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date, be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the surrender and termination of the Original Lease as provided herein.

ARTICLE 4.00 RENT

4.01 ***Gross Rent*** Tenant will pay to Landlord a Gross Rent for the Premises described in Article 1.09 of this Lease, payable monthly in arrears within twenty (20) days following the end of each calendar month during the Term. **The Incremental Rent component of the Gross Rent will be payable in equal monthly installments at the same time that the balance of the Gross Rent is due pursuant to the preceding sentence.** Along with the monthly payment of Gross Rent, Tenant shall furnish Landlord a statement, which need not be certified, of the Gross Sales derived from the Premises for the prior month, which statement shall be in accordance with generally accepted accounting principles, consistently applied. Within sixty (60) says after the end of each Percentage Rent Lease Year and within sixty (60) days after the end of the calculating period with respect to

the first full Percentage Rent Lease Year, Tenant shall furnish Landlord a statement certified by an officer of Tenant showing the Gross Sales derived from the Premises during such Percentage Rent Lease Year and the amounts, if any, of Rent required to be paid by Tenant or credited to Tenant for any overpayment or underpayment of Rent for the Percentage Rent Lease Year, which statement shall be in accordance with generally accepted accounting principles, consistently applied.

For purposes of calculating Rent under this Lease, the term **"Percentage Rent Lease Year"** as used in this Lease refers to the period from February 1 to the following January 31 of each year during the term of this Lease, provided that, if the Commencement Date is not February 1, then the first Percentage Rent Lease Year shall be for a period of less than twelve (12) consecutive months, commencing on the Commencement Date and expiring on the following January 31, and further provided that any period of less than twelve (12) full calendar months occurring from and after February 1 at the expiry or earlier termination of the term shall be deemed to be a Percentage Rent Lease Year. The computation of Rent shall be made separately with regard to each Percentage Rent Lease Year or partial Percentage Rent Lease Year, as the case may be, it being understood and agreed that Gross Sales per any Percentage Rent Lease Year and Rent due thereon shall have no bearing on Gross Sales of any other Percentage Rent Lease Year.

Full true and accurate records from which Gross Sales in any Percentage Rent Lease Year may be readily and correctly determined will be kept by Tenant, including, without limiting the generality of the foregoing, the requirement to retain all sources of primary sales records (that is, cash register tapes, pre-numbered sales tickets, daily sales reports, etc.) and otherwise in accordance with generally accepted accounting principles until at least the fifth (5th) anniversary of the end of such Percentage Rent Lease Year. Landlord or any person designated by Landlord will have access to such records at any and all times during business hours for the purpose of examining and reviewing all the accounting records and procedures adopted by Tenant for the purpose of recording and control of all transactions affecting the determination of Gross Sales. For the sake of greater clarification, the parties hereto acknowledge that, in the event Landlord determines that Tenant has failed to report Gross Sales in accordance with its obligations contained herein, such failure shall constitute a default under this Lease and Landlord shall have the right to exercise its remedies under this Lease. Landlord will not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Shopping Centre.

Landlord shall be entitled to characterize the Rent, and to allocate the payment thereof to costs, expenses, taxes etc. incurred by or for which Landlord is responsible, in each case as Landlord may determine in its sole discretion.

4.02 ***Gross Sales*** The term "Gross Sales" as used in this Lease means the actual sale price of goods, wares and merchandise sold in, upon or from any part of the Premises, including actual receipts from services rendered by Tenant as well as the total actual sales and services rendered by any licensee, subtenant or concessionaire occupying any portion of the Premises, including, without limitation, such sales, income, receipts, revenues and services which Tenant, any licensee, subtenant or concessionaire occupying any portion of the Premises (collectively, "**Other Occupants**") in the normal and customary course of business would credit or attribute to its business upon the Premises or any part or parts thereof, provided, however, that the term "Gross Sales" shall not be deemed to mean and there shall be excluded from "Gross Sales" amounts representing: (i) amounts credited by Tenant or Other Occupants for returned or defective merchandise; (ii) amount of discount on sales to bona fide employees of Tenant and bona fide employees of any affiliates of Tenant; (iii) allowances granted to customers for damaged or defective merchandise; (iv) trade and other discounts; (v) GST and all other sales, excise and similar taxes levied upon sales made at the Premises; (vi) workroom charges for alterations, repairs or installation of merchandise sold, or similar services rendered in connection with merchandise sold; (vii) charges for services rendered primarily to accommodate customers or employees; (viii) charges for making deliveries, shipments or transfers of merchandise in the regular course of business; (ix) carrying charges on time sales; (x) fees and charges paid by Tenant or Other Occupants to issuers of third-party credit cards; (xi) charges for inter-store transfers of merchandise; (xii) sales of merchandise in bulk to non -retail customers; and (xiii) the proceeds of sales of trade fixtures, operating equipment or other property used by Tenant or Other Occupants in the operation of its business and not acquired by it for the purpose of sale. All exclusions from Gross Sales permitted herein must be documented to the reasonable satisfaction of Landlord to allow for complete and detailed verification of the validity of such exclusions. Any instalment or credit (which, without limiting the generality of the foregoing, includes lay-away sales, sales from coupons or gift cards, electronic or otherwise and certificates, or any other sale made where deposits

are received by Tenant) will be included and treated as a sale for the full price in the month in which such sale is made regardless of whether or when Tenant receives payment in full.

4.03 ***Intentionally deleted***.

4.04 ***Intentionally deleted***.

4.05 ***Intentionally deleted***.

4.06 ***Intentionally deleted***.

4.07 ***Intentionally deleted***.

4.08 ***Intentionally deleted***.

4.09 ***Taxes Payable by Landlord***

Landlord shall pay before the date due any and all Taxes levied, assessed or otherwise imposed upon the Premises and/or the remainder of the Shopping Centre throughout the Term. Tenant shall have no obligation to contribute to the payment of such Taxes as such Taxes are intentionally provided for in the Gross Rent provided for herein.

4.10 ***Intentionally deleted***.

4.11 ***Intentionally deleted***.

4.12 ***Intentionally deleted***.

4.13 ***Intentionally deleted***.

4.14 ***Intentionally deleted***.

4.15 ***Intentionally deleted***.

4.16 ***Intentionally deleted***.

4.17 ***Intentionally deleted***.

4.18 ***Payment of Rent – General*** During the Term of this Lease, Tenant shall pay Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction, set-off or compensation, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.19 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that

proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.20 ***Intentionally deleted***.

4.21 ***Intentionally deleted***.

ARTICLE 5.00 USE OF PREMISES

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the Greater Calgary Area. Tenant shall abide by all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with this Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv) a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other enterprise, activity or practice which because of the merchandise likely to be sold or the

merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased. Notwithstanding the foregoing, within the last six (6) months of the Term, the Tenant shall have the right to conduct clearance and other sales promotions in the Premises and the Tenant shall be permitted to erect, install and maintain within the Premises during such period any clearance and/or store closing signage (or other signage of a similar nature), provided that (i) any such signage on the exterior of the Premises or which faces any Common Areas and Facilities, shall be subject to the Tenant obtaining all required municipal approvals as well as the Landlord's prior written approval for the nature, size, type and location thereof; and (ii) all clearance and other sales otherwise comply with the requirements of sub-paragraph (b) above and this Lease and are undertaken in a reputable and prudent manner that does not interfere with the typical use and operation of the Shopping Centre or the occupants thereof. Landlord's approval of such signage shall not be unreasonably withheld, conditioned or delayed provided it complies with this provision.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted***.

5.06 **Display Windows** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the

Premises during the Term and Tenant's use thereof will be subject to such regulations as Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 ***Intentionally deleted***.

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the Delivery Facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the Delivery Facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

For certainty, the Premises include the loading dock and unloading areas which serve such space as shown outlined in GREEN in the plan attached as Exhibit B to the Original Lease (a copy of which is attached as Exhibit A hereto).

ARTICLE 6.00 SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b) and Tenant's obligations under this Lease in respect of the Premises, Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 (except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises; and furthermore, will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre (inclusive of downspouts, gutters, canopies and exterior walls), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles 7.02, 7.03, 10.01, 16.01, 16.02, 16.03, or 16.04 and in no event shall Landlord be required to make any repairs or replacements which are necessary as a result of Tenant's default, negligence or willful misconduct.

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04 will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, or, minimum stall number requirements, or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, easements, transfers, dedications, permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial

discharges of its notice of lease and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters.

6.05 ***Intentionally deleted***

6.06 ***Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

(h) During any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, Landlord shall keep all Common Areas and Facilities lighted and opened to the public. Landlord agrees that it shall keep all Common Areas and Facilities lighted for security purposes seven (7) days each week during the hours of darkness such lighting is necessary for such purpose. Landlord shall pay for all costs of electricity for lighting the Common Areas and Facilities (i) during any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, but not later than 11:00 p.m., MST, (ii) during any other period, in addition to the period described in the immediately preceding clause (i), when both the Premises and at least fifty percent (50%) of the remainder of the floor area in the Shopping Centre are open for business and (iii) during the times and to the extent such lighting is required under the second sentence of this subsection (h).

(i) The cost of electricity for lighting the Common Areas and Facilities at times or to the extent such cost is not considered part of Landlord's costs in accordance with the preceding paragraph shall be paid as follows:

(i) If the Premises are open for business, then Tenant shall pay its proportionate share (based on the square footage of the Premises compared to the square footage of the premises of all occupants that are open for business) of the cost of electricity to light the Common Areas and Facilities; and

(ii) If the Premises are not open for business as permitted by this Lease, Landlord shall pay the cost of electricity to light the Common Areas and Facilities.

7.02 ***Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, Tenant will at its sole cost and expense be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the **"Tenant HVAC System"**) installed for the Premises where such equipment is not part of a shared or central system. **The parties acknowledge that the Tenant HVAC System independently serves the Premises.**

However and notwithstanding the foregoing, in the event one or more of the "HVAC" units (as defined in the Original Lease) serving the Premises requires replacement (or any major component of such unit(s) requires replacement), Landlord and Tenant acknowledge and agree that the provisions of Section 7.1 of the Original Lease and defined terms used therein are incorporated into this Section 7.02 by reference and shall apply in respect of such replacement, inclusive of Tenant's obligation to pay as part of Rent the "HVAC Rent Adjustment".

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and

cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will maintain the Premises and all improvements therein at its sole cost and expense in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) intentionally deleted;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed all elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the rules and regulations of Landlord.

Notwithstanding any legislation to the contrary, the Tenant's repair obligations will include all those which are major as well as minor, or those which are customarily landlord's or tenant's, except as expressly provided otherwise in this Lease.

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written

approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Personal Property*** Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and personal property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or personal property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted***.

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("**Sign**") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section. The Landlord also confirms that the Tenant's existing pylon signage, if any, is compliant with this Section and that the Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with such pylon signage.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage

removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** Throughout the Term of this Lease, Landlord, at no cost to Tenant, will carry the insurance for which Landlord is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference. For certainty, during the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the insurance for which Tenant is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference. For certainty, during the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective upon written notice to Tenant, or without terminating this Lease and after giving such notice, if any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Mutual Indemnity.*** Except to the extent released in Sections 10.02 and 10.03 below, each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

10.02 ***Release of Landlord.*** In respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition

thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the Mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Premises, the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 TRANSFERS

11.01 ***Transfers*** Except to an "**Eligible Corporation**" (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a "**Transfer**"), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to mortgage or encumber all or any part of the Tenant's rights resulting from this Lease or all or any part of the Premises. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, mortgagee, encumbrancer, user or occupant as the case may be (hereinafter the **"Transferee"**), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee notwithstanding any rule of law or equity to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(b)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective control); (ii) details of the proposed Transferee's prior business experience (including experience in the enterprise for which the Premises are to be operated pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and

documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the *Canada Business Corporations Act*); or

(b) assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater Calgary area; and (iii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord:

(i) in a vacant, clean and broom-swept condition with all of Tenant's signage, Signs, inventory, trade fixtures, racking and personal property removed; and (ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators) servicing the Premises in a working order, subject to reasonable wear and tear; but otherwise in an "as is, where is" condition and without any obligation to:

(A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or

(B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof.

For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has registered a caveat, caution, memorandum, notice or other instrument relating to this lease against title to the Site, it will cause the same to be released and discharged no later than 15 days following the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a release or discharge or a notice of this will be paid by Tenant.

12.02 ***Trade Fixtures, Personal Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy with Landlord Consent*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, notwithstanding any legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by

Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Month-to-Month Tenancy without Landlord Consent*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy at sufferance may be immediately terminated by Landlord at any time by notice of termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy or tenancy at sufferance hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "**Rules and Regulations**") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than 60 days after the date (hereinafter "**Date of Such Taking**") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on the

date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment, and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Limited Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, can be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord will immediately at its own expense repair such damage other than damage to improvements, furniture, personal property or trade fixtures which do not belong to Landlord or which have been installed by or on behalf of Tenant, which instead will be repaired immediately by Tenant at Tenant's own expense.

16.02 ***Major Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then Landlord, or in the event that there is less than two (2) years remaining in the Term, Tenant, may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than 20 days after receipt of the Architect's opinion, failing which Landlord will forthwith at its own expense repair such damage other than damage to improvements, furniture, personal property or trade fixtures which do not belong to Landlord or which have been installed by or on the behalf of Tenant, which instead will be repaired forthwith by Tenant at Tenant's own expense.

16.03 ***Abatement*** If Landlord is required to repair damage to all or part of the Premises under Article 16.01 or 16.02, provided such damage is caused by a peril Landlord is required to insure against pursuant to Article 9.01, the Rent payable by Tenant under this Lease will be proportionately reduced to the extent that the Premises are thereby rendered untenantable by Tenant in its business, from the date of such casualty until five (5) days after completion by Landlord of the repairs to the Premises (or the part thereof rendered untenantable) or until Tenant again uses the Premises (or the part thereof rendered untenantable) in its business, whichever first occurs.

16.04 ***Major Damage or Destruction of Shopping Centre***

Notwithstanding any contrary provision of this Lease and specifically, but without limitation, Article 16.01, if the Shopping Centre is totally or partially damaged or destroyed (whether the Premises are affected or not), and (i) in the Architect's opinion, the damaged or destroyed portions cannot reasonably be repaired, restored or rebuilt within one hundred and eighty (180) days following the occurrence of the damage or destruction (employing normal construction methods without overtime or other premium); or (ii) the cost as estimated by the Architect, of repairing, restoring or rebuilding the damaged or destroyed portions would exceed the proceeds of insurance available to Landlord for such purpose; or (iii) the damage or destruction was caused by a peril for which Landlord was not insured and for which Landlord was not obliged to insure against; or (iv)intentionally deleted; ; or (v) less than two (2) years remains during the Term; or (vi) a Mortgagee will not consent to the use of insurance proceeds for repair or reconstruction; then in any of the above cases, Landlord may, at its option (to be exercised by written notice to Tenant within 30 days following any such occurrence) elect to terminate this Lease.

If Landlord elects to terminate this Lease, then the following provisions will apply:

(a) If the Premises become totally unfit for the use for which they were leased, the termination will take effect from the date of the damage or destruction and the Rent will cease to be payable and will be adjusted as of that date.

(b) If the Premises are partially damaged and Tenant has occupied any part of the Premises or any part of the Premises have been reasonably capable of being occupied from the date of the damage or destruction, this Lease will terminate ten (10) days from Landlord's notice stipulated in the first paragraph of this Article 16.04 and the Rent will cease to be paid by Tenant as of the date of termination, however, Rent will abate from the date of the damage

and destruction until the date of termination to the extent the Premises cannot reasonably be used for their intended purposes.

(c) If the Premises were not damaged, this Lease will terminate ten (10) days from Landlord's notice stipulated in Article 16.00 and the Rent will cease to be paid from such date of termination.

If the Shopping Centre is totally or partially damaged or destroyed and Landlord does not elect to terminate this Lease, subject to the following, Landlord shall commence and proceed diligently to reconstruct or repair those portions of the Shopping Centre which have been so damaged or destroyed to the extent only of Landlord's responsibilities pursuant to the terms of the various leases for premises in the Shopping Centre and exclusive of any tenants' responsibilities. Furthermore, if the Premises are being repaired or reconstructed, the provisions of Article 16.01 will apply.

If Landlord does any reconstruction or repairing of the Shopping Centre, Landlord may do any one or more of the following: (i) use plans, specifications and working drawings which differ from those applicable to the Shopping Centre existing prior to the damage or destruction provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; (ii) change the configuration, design and/or size of the Shopping Centre or any of its component parts including, without limitation, the location and size of any mall, court, entrance, parking facility or any of other Common Areas and Facilities provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; and (iii) redesign the tenant mix, both with respect to the kinds of uses which will be included in the tenant mix, as well as the physical location of the types of uses being operated prior to the damage or destruction. Tenant agrees that none of the foregoing shall constitute a default of Landlord's obligation to provide peaceable enjoyment of the Premises, nor shall it constitute a change of form or destination of the Shopping Centre, nor shall the validity or enforceability of this Lease be affected in any manner by any of the foregoing.

ARTICLE 17.00 TRANSFERS AND MORTGAGES BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of Landlord to sell, convey, assign, mortgage or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 **Definition of Mortgage, Mortgagee and Mortgagee's Interest**. Each and every charge, mortgage, debenture or trust deed, now or hereafter registered against all or any part of the Shopping Centre is hereafter called a **"Mortgage"** which term includes all amounts advanced or to be advanced thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. **"Mortgagee"** means a chargee or mortgagee named in a Mortgage, or the holder of a debenture or the trustee under a trust deed constituting a Mortgage, as the case may be; and **"Mortgagee's Interest"** means the estate or interest of the Mortgagee secured by a Mortgage.

17.04 **Subordination of Mortgage to Lease.** If this Lease or the estate or interest of Tenant thereunder (the **"Tenant's Leasehold Interest"**) is subordinate to a Mortgage or Mortgagee's Interest now or at any time hereafter, then on written request of the Mortgagee or of Landlord on Mortgagee's behalf, made concurrently with execution of this Lease or at any time thereafter, the Mortgage and the Mortgagee's Interest will be postponed and made subordinate to this Lease and the Tenant's Leasehold Interest as if such Mortgage had been executed, delivered, registered and fully advanced after the execution, delivery and registration of this Lease, by means of an instrument of postponement and subordination, which will be entered into between Tenant and the Mortgagee, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that it complies with the terms and conditions of the Lease. Such instrument will be in such form as the Mortgagee may reasonably require, consistent with this Article 17.04 and Article 17.07 and will be effective between the Mortgagee and Tenant when executed by them, without necessity for registration against title to the Shopping Centre; but if desired by the Mortgagee or Tenant, either of them may register such agreement or notice thereof

and for that purpose the Mortgagee and Tenant will enter into any further document required to effect registration.

17.05 **Attornment**. If this Lease and Tenant's Leasehold Interest now or at any time hereafter is subordinate to a Mortgage and Mortgagee's Interest and the Mortgagee does not require a postponement and subordination instrument under Article 17.04, Tenant will on request of such Mortgagee or of Landlord on behalf of the Mortgagee, made concurrently with execution of this Lease or at any time thereafter, enter into an attornment agreement with such Mortgagee in such form as the Mortgagee may reasonably require, whereby Tenant will agree that if default occurs under the Mortgage, and:

(a) the Mortgagee takes possession of the Premises, by obtaining and enforcing a court order to that effect or otherwise;

(b) the Mortgagee forecloses or otherwise acquires the interest of Landlord in the Premises, but does not foreclose the Tenant's Leasehold Interest; or

(c) the Mortgagee sells, conveys or assigns the Premises to another party (hereinafter a **"Purchaser"**) pursuant to a power of sale or court order for sale which does not purport to sell the Premises free of the Tenant's Leasehold Interest,

Tenant will, on written demand of the Mortgagee or Purchaser as the case may be, attorn to and become the tenant of that person from and including the date the demand is received, for the balance of the term of this Lease (and with rights of renewal if any as provided in this Lease), at the rents and otherwise on the terms of this Lease, subject as hereinafter provided in Article 17.06, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that Tenant complies with, all the terms and conditions of the Lease.

17.06 Intentionally deleted.

17.07 **Effect of Subordination or Attornment**. No subordination effected under Article 17.04 and no attornment effected under Article 17.05 will render the Mortgagee or Purchaser, as the case may be:

(a) liable for any act or omission of Landlord or a predecessor in title of Landlord; or

(b) subject to any offsets or defenses which Tenant might have against Landlord or a predecessor in title of Landlord; or

(c) bound by any prepayment by Tenant of more than one month's instalment of Rent, or by any previous modification of this Lease, unless such prepayment or modification has been approved in writing by the Mortgagee or Purchaser or any predecessor in interest except Landlord.

Upon attornment occurring under Article 17.05, the relationship of landlord and tenant thereby created between the Mortgagee or Purchaser as the case may be, as Landlord, and Tenant as tenant, will supersede this Lease, but if the Mortgage is subsequently redeemed or put in good standing or the Mortgagee goes out of possession, the Mortgagee will be relieved of its obligations to Tenant as if a sale, conveyance or assignment had occurred to which Article 17.02 applied. Any attornment by Tenant to a Mortgagee or Purchaser will be without prejudice to the right (when applicable) of any other mortgagee or purchaser that has priority to the Mortgagee or Purchaser to demand that Tenant attorn to the other mortgagee or purchaser pursuant to the rights if any, of the other mortgagee or purchaser in that regard under Article 17.00. In case of such demand being lawfully made, and Tenant attorning to such other mortgagee or purchaser the attornment previously made to the Mortgagee or Purchaser will cease to be effective.

17.08 **Tenant's Obligations May Be Assigned.** Tenant acknowledges that its covenants and obligations under Article 17.00 are intended in whole or in part to operate for the benefit of any and all Mortgagees and Purchasers and that in obtaining such covenants and obligations Landlord is acting not only for itself, but also as trustee or agent for all such persons. Without limiting the foregoing, Landlord may assign the benefit of such covenants and obligations to any and all Mortgagees or Purchasers who request same, as security or otherwise, and Tenant agrees that any such Mortgagee or Purchaser will be entitled on receiving such assignment and giving due notice thereof to Tenant, to enforce such covenant or obligation against Tenant to the same extent as if it were a party to this Lease directly entitled to the benefit of such covenants and obligations.

17.09 **Execution of Instruments.** Except as otherwise provided in Article 17.00, the subordination and attornment provisions herein will be self-operating and no further instrument will be required. Nevertheless Tenant, on request by and without cost to Landlord, any Mortgagee, Purchaser or

successor in interest, will execute and deliver any and all instruments further evidencing such subordination and/or attornment when applicable.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer duties and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a notice of this Lease (the "**Registration Document**"), provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, and any right of renewal. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will be registered against that part of the Lands designated by the Landlord in its sole discretion. In the event any portion of the Land ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(e) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a discharge of any Registration Document will be paid by Tenant.

17.13 ***Easements and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), easements(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or other creation of such licence(s), easements(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.14 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article 6.04, Landlord will have the right from time to time to subdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery.

Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord) designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) Part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues after five (5) business days' notice by Landlord, provided that if Tenant is no longer obligated to pay Incremental Rent, the aforesaid five (5) business day period shall be deemed extended to fifteen (days) after notice by Landlord; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days' notice by Landlord specifying with reasonable particularity the nature of such failure and requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, chattels or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it shall provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior**

written notice of the Tenant signing of a forbearance agreement with one or more creditor(s); or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, chattels or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease; or

(h) a default of the monetary obligations of the tenant (which is not remedied within the cure period provided for in such new lease) occurs under any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties, where such default would constitute a "cross default" event as set out in such new lease or any other agreement entered into by and between Tenant and Landlord (and/or its or their affiliates):

(i) Metropolis at Metrotown;

(ii) Mapleview;

(iii) Southgate;

(iv) Guilford;

(v) Oshawa;

(vi) Galeries d'Anjou;

(vii) Outlet collection at Niagara-on-the-lake;

(viii) St. Foy in Québec City;

(ix) Outlet collection Winnipeg; or

(x) Vaughan Mills (such lease at Vaughan Mills, together with the aforesaid leases at Outlet collection at Niagara-on-the-lake, St. Foy and Outlet Collection Winnipeg being collectively, the "**Other Saks Leases**"),

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "Tenant Inducements") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, personal property and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law or equity to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable.

19.04 **Waiver of Exemption and Redemption.** Notwithstanding anything contained in any statute now or hereafter in force limiting or abrogating the right of distress, none of Tenant's goods, chattels or trade fixtures on the Premises at any time during the continuance of the Term will be exempt from levy by distress for Rent in arrears and upon any claim being made for such exemption by Tenant or on distress being made by Landlord this agreement may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying upon any such goods as are named as exempted in any such statute, Tenant hereby waiving all and every benefit that could or might have accrued to Tenant under and by virtue of any such statute but for this Lease. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any terms and conditions of this Lease or otherwise.

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages (subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver

against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing. Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 ARTICLE 1.00 *INTENTIONALLY DELETED.*

ARTICLE 21.00 MISCELLANEOUS

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venturer or a member of a joint or common enterprise with Tenant.

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be joint and several obligations of such executing parties. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease (together with any other agreement entered into by the Landlord, the Tenant and/or its or their affiliates as a pre-condition to the execution of this Lease), contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements,

representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease. No agreement respecting the Premises will arise or exist between the parties hereto except through the due execution of this Lease by both Tenant and Landlord. Upon execution and delivery by Tenant to Landlord, this Lease will be irrevocable by Tenant and open for acceptance by Landlord until 5:00 P.M. on the 60th day thereafter, and if not accepted by Landlord by then,

may be withdrawn by Tenant by notice to Landlord at any time prior to its later acceptance by Landlord.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

21.16 ***Counterpart Execution*** This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

ARTICLE 22.00 TENANT ALLOWANCE

Landlord shall pay to Tenant a payment (the **"Tenant Allowance"**) in an amount equal to CDN$10,000,000 plus applicable GST upon (a) mutual execution of this Lease; (b) satisfaction of all other pre-conditions to such payment as set out in any other agreement by and between Landlord and Tenant; and (c) issuance by Tenant of an invoice to Landlord containing all prescribed information required by Landlord to validly support its claims for input tax credits.

[Signatures on the following page.]

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

CROSSIRON MILLS HOLDINGS INC.
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

by Julie Bourgon (Jan 31, 2024 11:23 EST)
Name: Julie Bourgon
Title: Head of Retail

by: Maria Concetta Giampa (Jan 31, 2024 11:01 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affiairs, Investments

We have the authority to bind the company.

TENANT

HUDSON'S BAY COMPANY ULC

by: _____
Name:
Title:

I have the authority to bind the company.

by: _____
Name:
Title:

I have the authority to bind the company.

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

CROSSIRON MILLS HOLDINGS INC.
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

by _____
Name:
Title:

by: _____
Name:
Title:

We have the authority to bind the company.

TENANT

HUDSON'S BAY COMPANY ULC

by: _____
Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments
I have the authority to bind the company.

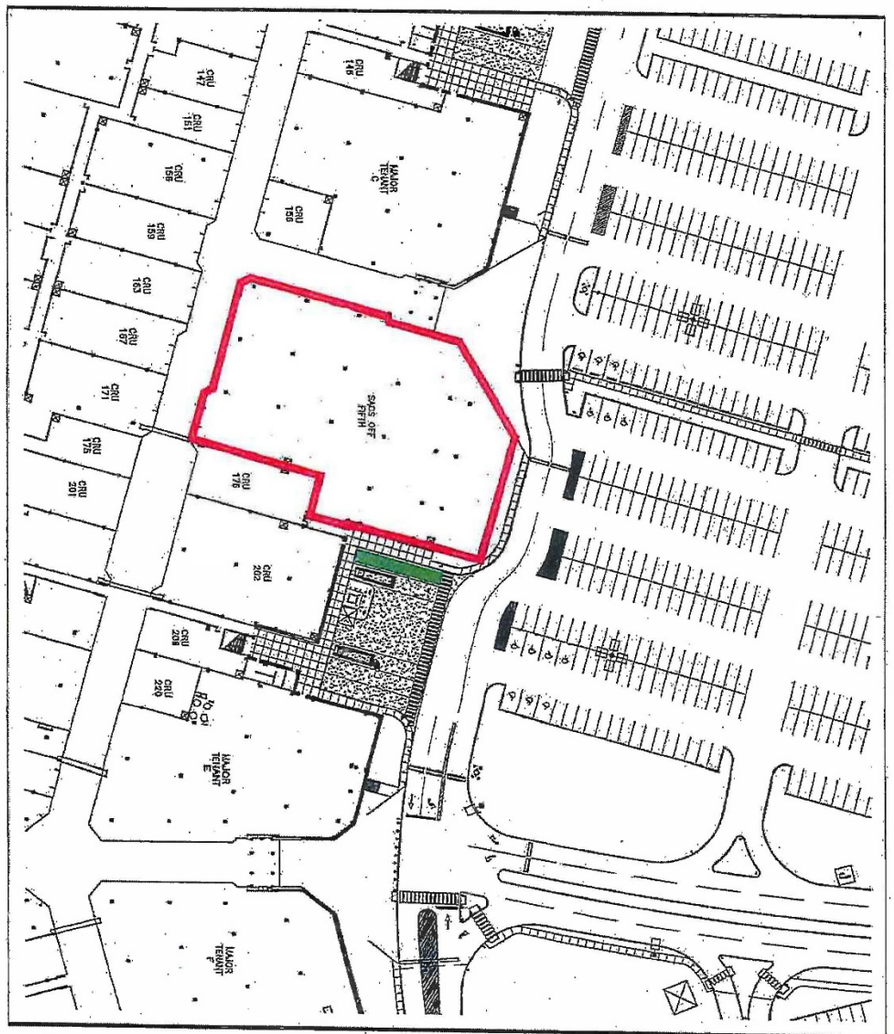
by: _____
Name:
Title:

I have the authority to bind the company.

EXHIBIT A
FLOOR PLAN OF PREMISES
OUTLINED IN RED (MAIN PREMISES) AND GREEN (LOADING DOCK AND UNLOADING AREAS)

Ivanhoé Cambridge
Caisse de dépôt et placement du Québec

EXHIBIT B



READ IN CONJUNCTION WITH DRAWING:

DIALOG

PROJECT TITLE: CROSSIRON MILLS
PROJECT #: 02599C039
DRAWING TITLE: OVERALL SITE PLAN

DRAWING #: SP01-SK2
DRAWN BY: MA
CHECKED BY: DM
DATE: 2015-02-03

EXHIBIT B
LEGAL DESCRIPTION

The Land is comprised of and legally described as:

Plan 0716136
Block 1
Lot 3
Excepting Thereout all Mines and Minerals
Area: 44.655 Hectares (110.34 Acres) More or Less.

EXHIBIT C
RESTRICTED USES

(a) Under the existing lease of those premises at the Shopping Centre that are shown outlined in YELLOW on the plan of the Shopping Centre attached hereto as Exhibit E currently being operated under the name "Bass Pro Shops Outdoor World", Landlord has granted the tenant the exclusive right to use its premises for the sale and display of boats, recreational vehicles, off-road vehicles or all-terrain vehicles at the Shopping Centre and has further covenanted not to permit any other tenants of the Shopping Centre to use their respective premises for the sale of hunting, fishing. or camping products or services unless the sale of such products or services is incidental to such tenants' use of their respective premises. Notwithstanding the aforementioned, Landlord shall be permitted the following uses in the Shopping Centre: (i) a specialty good store selling golf equipment and related accessories provided that it is located over 100 feet from the premises outlined in YELLOW; (ii) a specialty sporting goods store selling hockey equipment and related accessories; (iii) a specialty sporting goods store selling ski and snowboard equipment arid related accessories; (iv) a "Sports Chek:' store· or a store of similar concept; or (v) one full line sporting goods store.

(b) Under the existing lease of those premises at the Shopping Centre that are shown outlined in GREEN on the plan of the Shopping Centre attached hereto as Exhibit E and are currently being operated as a cinema under the name "Cineplex", Landlord has covenanted not to permit any other tenants of the Shopping Centre to use their respective premises for or with respect to or in connection with, in whole or in part, the can-ying on of the business of or the operation of a motion picture theatre or the exhibition of motion pictures.

(c) Under the existing lease of those premises at the Shopping Centre that are shown outlined in ORANGE on the plan of the Shopping Centre attached hereto as Exhibit E and are currently being operated under the name "Toys R Us", Landlord has covenanted not to permit any other tenants of the Shopping Centre to use their respective premises for the purpose of carrying on as their principal business the sale of (a) toys and/or (b) children's educational toys and/or (c) babies' and infants' "hard goods" and baby gear (excluding babies' and infants' clothing), such as, by way of example and without limitation, car seats, booster seats, cradles, cribs, carriages, strollers, playpens, play-yards, high chairs, swings, exercisers, case goods, mattresses and gliders and babies' and infants' "soft goods" (excluding babies' and infants' clothing) such as by way of example and without limitation, bedding and room decor and/or babies' and infants' care products, such as, by way of example and without limitation, diapers, wipes, formula, HBA, breast feeding, bottle feeding, baths, monitors, diaper pails and safety products.

(d) Under the existing lease of those premises at the Shopping Centre that are shown outlined in BROWN on the plan of the Shopping Centre attached hereto as Exhibit E and are currently being operated under the name "Bed Bath & Beyond", Landlord has covenanted, *inter alia*, not to lease any premises in the Shopping Centre to any tenant for the operation of a store operating under the name "Home Outfitters" or under the name "Linens N Things";

(e) Under the existing lease of those premises at the Shopping Centre that are shown hatched in BLACK on the plan of the Shopping Centre attached hereto as Exhibit E and are currently being operated under the name "Indigo Books & Music", Landlord has covenanted not to allow any other tenant or other occupant of premises in the Shopping Centre to operate their respective premises for the principal use of selling books, magazines, educational materials and information and entertainment related products, such as, by way of example, those stores currently operating under the name "Archambault", "McNally", "Robinson", "Renaud Bray", "Page-Turner", "Barnes & Noble" and "Borders".

(f) Under the existing lease of those premises at the Shopping Centre that are shown cross-hatched in BLACK on the plan of the Shopping Centre attached hereto as Exhibit E and are currently being operated under the name "Pro Hockey Life", Landlord has covenanted not to permit any other tenants of the Shopping Centre to use their respective premises for the operation of a business having as its primary use the retail sale of hockey equipment, including but not limited to hockey sticks, hockey helmets, hockey pads, hockey skates and hockey jerseys (collectively, "**Hockey Products**") nor to permit any other tenant in the Shopping Centre to use more than 20% of its premises' selling area (where such premises rentable area does not exceed 10,000 square feet) or to use more than 10% of its premises' selling area (where such premises rentable area exceeds 10,000 square feet) for the sale of Hockey Products, provided further that the foregoing restrictive covenants shall not apply to any deals Landlord has conducted with Champs, Footlocker, Jersey City, Nike, Reebok and Adidas.

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

    Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

    Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

    Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

    Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

    Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

    If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

    In addition to the requirements set out under Article 20.05 of the Lease, Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

    Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
LOCATION OF RESTRICTED USES PREMISES

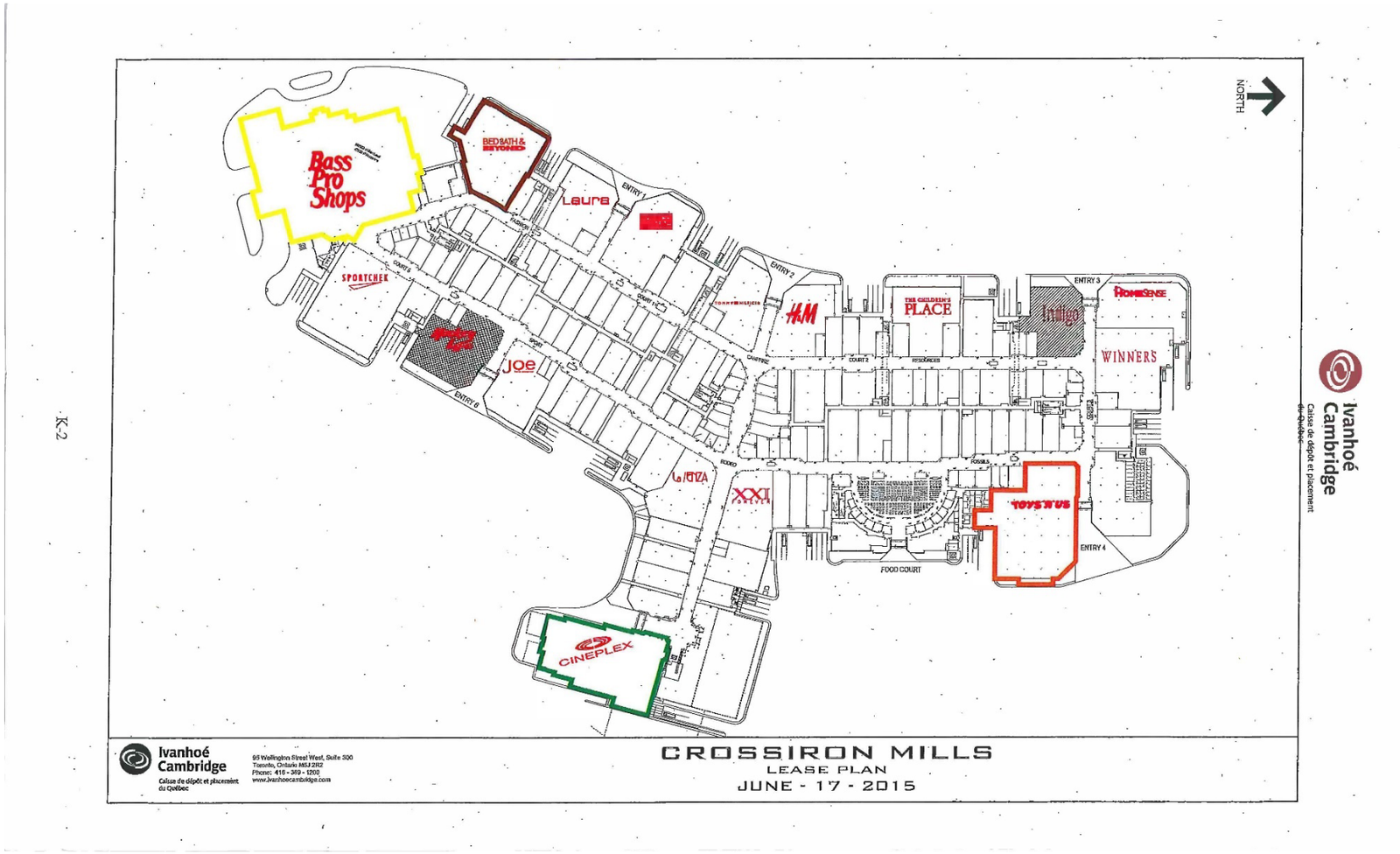


EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

- Rent is: $<>

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT

HUDSON'S BAY COMPANY ULC

by_____
Name:
Title:

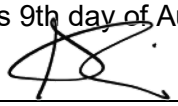
I have the authority to bind the company.

by_____
Name:
Title:

I have the authority to bind the company.

SPECIMEN

This is **Exhibit "U"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE OF RETAIL SPACE

BETWEEN:
(address) **THE OUTLET COLLECTION (NIAGARA) LIMITED**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

CENTRE: **OUTLET COLLECTION AT NIAGARA-ON-THE-LAKE, ONTARIO, CANADA**

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LEASE OF RETAIL SPACE

DATE: **February 1, 2024**

BETWEEN:
(address) **THE OUTLET COLLECTION (NIAGARA) LIMITED**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("Landlord")

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

("Tenant")

FOR PREMISES IN: OUTLET COLLECTION AT NIAGARA-ON-THE-LAKE, ONTARIO

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice***:

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant: **401 Bay Street, Suite 2302 (Attention: Real Estate Department)**
Toronto, Ontario
M5H2Y4

1.02 ***Location of Premises***: **Unit #A-7**

1.03 ***Shopping Centre***: **The Outlet Collection at Niagara-On-the-Lake, Ontario**

1.04 ***Area***: [*SqFtArea] **32,387** square feet

1.05 ***Term***: A period of **ten (10)** years, beginning on the 3rd day of **February**, **2024**, and expiring on the 2nd day of **February**, **2034**, unless terminated earlier or renewed as provided in this Lease. **The options in favor of Tenant in the Original Lease to renew or extend the term thereof shall equally apply in respect of this Term on the same terms as the renewal or extension options set out in the Original Lease, save and except that (a) in no event shall the final expiry date of this Term (as may be so renewed or extended) be later than what would have been the final expiry date of the term of the Original Lease after the exercise of all renewal or extension options had it not been terminated and replaced by this Lease; and (b) the Tenant shall continue to have the obligation to pay the Incremental Rent throughout this Term (as may be further renewed including during any renewal of the Term pursuant to the renewal or**

extension options incorporated in this Lease from the Original Lease), as set out in Section 1.09 of this Lease.

1.06 ***Intentionally deleted***.

1.07 ***Permitted Use of Premises***:

The Premises shall be used for the purposes of the operation of an off -price retail store selling better quality apparel, accessories, shoes, handbags, jewellery and other better quality merchandise as is typically sold from time to time in Tenant's similar off -price retail stores in Canada operating under the name "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th", "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off -price retail stores operated by Tenant in Canada) and in other similar off -price retail stores selling better quality merchandise currently operating in North America, such as, by way of example only and without limitation, those off -price retail stores operating under the names "Nordstrom Rack", "Holt Renfrew's HR2", and "Nieman Marcus Last Call". Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Premises as an off-price retail store in a first class manner in keeping with the said standards of the shopping centre industry.

Notwithstanding any other provision herein, the Tenant shall not use the Premises for the purpose of selling hunting, fishing or camping products or services and/or the sale or display of boats, recreational vehicles, off-road vehicles or all-terrain vehicles if and for so long as the existing lease of those premises that are operated as of January 1, 2015 under the name "Bass Pro Shops Outpost" and are shown outlined in thick black on Exhibit E hereto (the "Bass Pro Shop Premises") continues to grant the tenant thereunder the exclusive right to sell or display the aforementioned items of merchandise (the "Bass Pro Restriction"). Tenant will carry on its business in the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease.

Subject to the provisions of Article 11.00 of this Lease, Tenant may operate, or cause to be operated, the department or departments within the Premises, in whole or in part, by licensees, sub-tenants and/or concessionaires, provided that the Premises continue to be carried on, and retain the appearance to the public of being carried on, as an integrated, and not a multiple tenant, off -price retail store. Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease.

Notwithstanding any other provision herein, Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any call centre operation (iii) a store conducted principally for the sale of war surplus articles, insurance salvage stock, or fire sale stock; (iv) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire; (y) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (vi) an auction sale; (vii) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or the pricing methods likely to be used would tend to lower the character of the Shopping Centre; and (viii) any of the Restricted Uses (as hereinafter defined), inclusive of any uses that would be contrary to the Bass Pro Restriction.

At the time of entering into the Original Lease, Landlord had granted certain restrictive covenants and/or exclusive rights of use to or in favor certain other tenants of the Shopping Centre, including those set out in any notices of leases or other instruments registered on title to the Lands on or prior to the date of the Original Lease (the **"Restricted Uses"**). For greater certainty, Tenant hereby acknowledges and agrees that, if and for so long as each of the Restricted Uses granted by Landlord to the respective persons (including their respective successors and assigns) remains unamended and in full legal force and effect, Tenant shall not use the Premises or permit the Premises to be used for the operation of any business or the sale of any merchandise or services that would cause Landlord to be in default of any such Restricted Uses.

If at any time during the Term less than the whole or substantially the whole of the Premises is occupied and open to the public for business for a period exceeding two (2) months for any reason other than Force Majeure (as that term is hereinafter defined), damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, Landlord shall thereafter have the right to terminate this Lease while such cessation of operation continues by giving Tenant no less than thirty (30) days prior written notice thereof, provided that Tenant may nullify such notice of termination and this Lease shall not be terminated if Tenant reopens the whole or substantially the whole of the Premises to the public for business prior to the termination date specified in Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Premises open for business for at least twelve (12)

consecutive months (failing which Landlord's termination of the Lease shall be effective immediately upon Tenant ceasing to operate during the aforementioned 12-month period). In the event that Tenant nullifies Landlord's notice of termination as aforesaid, the provisions of this 1.07 shall continue to apply throughout the balance of the Term.

1.08 ***Tenant's Store Name***: "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th", "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off -price retail stores operated by Tenant in Canada). Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Gross Rent***: Throughout the Term (inclusive of all renewals or extensions thereof), an annual aggregate amount equal to: (A) **3.5%** of Gross Sales (as hereinafter defined) made from the Premises during each Percentage Rent Lease Year (as hereinafter defined), payable pursuant to Article 4.00; and (B) the Incremental Rent (the **"Gross Rent"**). The Landlord shall have the right, at any time and from time to time, at its entire discretion, upon written notice to the Tenant, to re-allocate the amount of the Incremental Rent allocated to this Lease and to any one or more of the Other Saks Leases and in this regard the Tenant shall have the obligation to enter into and execute all documents reasonably necessary as requested by the Landlord to implement such reallocation of Incremental Rent.

1.10 ***Intentionally deleted***.

1.11 ***Intentionally deleted***.

1.11.1 ***Intentionally deleted***.

1.12 ***Intentionally deleted***.

1.13 ***Intentionally deleted***.

1.14 ***Utilities***: Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00.

1.15 ***Intentionally deleted***.

1.16 ***Intentionally deleted***.

1.17 ***Intentionally deleted.***

1.18 ***Definitions***: In this Lease:

1.18.1 "**Additional Rent**" means all amounts (other than Gross Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted***

1.18.3 "**Area**" means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. The parties acknowledge and agree that the Area of the Premises is that set out in Article 1.04 hereof.

1.18.4 "**Architect**" *means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.*

1.18.5 "**Article**" *means an article of this Lease.*

1.18.6 "**Authority**" or "**Authorities**" means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted***.

1.18.8 "**Commencement Date**" means the first day of the Term (effective as of 12:00am).

1.18.9 "**Common Areas and Facilities**" means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 ***Intentionally deleted***.

1.18.11 **"Delivery Facilities"** means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted***.

1.18.13 "**Environmental Law**" means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment or to any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material 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 statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority.

1.18.14 "**Fiscal Year**" means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted***.

1.18.16 ***Intentionally deleted***.

1.18.17 "**Force Majeure**" means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes, walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted***.

1.18.19 "**Goods and Services Tax**" or "**GST**" means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 **"Gross Rent"** has the meaning given to it in Section 1.09 hereof.

1.18.21 **Hazardous Substance**" means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs), pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or

petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted

1.18.22 "**Incremental Rent"** means **$976,666.66 annually,** as such amount may be adjusted by the Landlord from time to pursuant to Article 1.09 hereof.

1.18.23 "**Interest Rate**" means the Prime Rate (as defined below) in force when an amount becomes due, plus three (3) percentage points. "Prime Rate" means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.24 ***Intentionally deleted***.

1.18.25 "**Land**" means all of the lands described in Exhibit B.

1.18.26 "**Landlord**" means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted***.

1.18.28 "**Lease**" means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.54 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 ***Intentionally deleted.***

1.18.30 ***Intentionally deleted***.

1.18.31 ***Intentionally deleted***.

1.18.32 "**Management Company**" means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted***.

1.18.34 ***Intentionally deleted***.

1.18.35 "**Mortgagee**" has the meaning given to it in Article 17.

1.18.36 "**Operating Agreement(s)**" means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any).

1.18.37 ***Intentionally deleted.***

1.18.38 "**Original Lease**" means that certain lease for the Premises dated as of November 11, 2015 between The Outlet Collection (Niagara) Limited., as landlord, and the Tenant d/b/a Saks Fifth Avenue Off Fifth, as tenant, a notice of which was registered at the applicable land registry office as Instrument No. NR409280 and as otherwise amended and supplemented from time to time, which Original Lease was terminated and surrendered immediately prior to the Commencement Date.

1.18.39 **"Other Saks Leases"** has the meaning given to it in Article 19.03(h) hereof.

1.18.40 "**Owners**" means all of the prior owners of the Shopping Centre other than the Landlord.

1.18.41 "**Person**" where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.42 "**Percentage Rent Lease Year**" has the meaning given to it in Article 4.01.

1.18.43 "**Premises**" means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A. If the Premises are entirely self-enclosed, the boundaries shall extend to the exterior face of all exterior walls, doors and windows, or those separating the Premises from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the underside of the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the

top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical, electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.44 ***Intentionally deleted***.

1.18.45 ***Intentionally deleted.***

1.18.46 "**Released Persons**" means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.47 "**Rent**" means the Gross Rent and the Additional Rent.

1.18.48 "**Shopping Centre**" means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering or reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.49 "**Site**" means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.50 "**Taxes**" means the aggregate of all taxes, rates, charges (including school and local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.51 ***Intentionally deleted***.

1.18.52 "**Tenant**" means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.53 "**Tenant Security**" means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable, located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.54 ***Intentionally deleted***.

1.18.55 "**Term**" means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof, if any.

1.18.56 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" intentionally deleted.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" means the plan showing the location of the Bass Pro premises attached hereto as Exhibit E

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 LEASE

2.01 ***Lease*** Landlord hereby leases the Premises to Tenant for the Term, and Tenant hereby leases the Premises from Landlord for the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 **Intentionally deleted**.

3.02 **Intentionally deleted**.

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures or other personal property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any other right to acquire any interest or real right in all or any part of the Shopping Centre or the Premises.

3.04 ***Landlord's Option to Renew*** Landlord has, exercisable at its sole and entire and unfettered discretion by giving at least 12 months' prior written notice to the Tenant, the right to renew this Lease for an additional period of five (5) years on the same terms and conditions as set out herein (inclusive of the calculation and payment of Rent (inclusive, for certainty, of Incremental Rent)).

3.05 ***Termination of Original Lease***
Tenant and Landlord hereby agree that the Original Lease is surrendered and terminated effective on 11:59 pm on the date immediately preceding the Commencement Date (the **"Termination Date"**). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date, be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the surrender and termination of the Original Lease as provided herein.

3.05(A) ***Reinstatement of Original Lease.***

Tenant and Landlord hereby agree that if at November 13, 2028 (the "Original Lease Reinstatement Date") no Event (as such term is hereinafter defined) has occurred or is continuing, and there is not then any default occurring of the Tenant's obligations under this Lease, failing which this provision shall not apply, then the parties shall execute and deliver to one another the Reinstated Original Lease (as defined below) which shall provide and confirm that effective upon the Original Lease Reinstatement Date: (1) this Lease shall be resolved, cancelled, surrendered and rescinded; and (2) the termination of the Original Lease shall be deemed to have been revoked and, except as expressly modified pursuant to this

provision, the Original Lease shall be reinstated in its entirety effective as of the Original Lease Reinstatement Date and shall again be in full force and effect as if the same had never been terminated. However, the respective rights and obligations of Landlord and Tenant as to the Premises under this Lease will be preserved and will survive the termination of this Lease on the Original Lease Reinstatement Date as to all matters arising or accruing prior to the Original Lease Reinstatement Date, but no such rights or obligations will arise or accrue to either of them with respect to this Lease on or after the Original Lease Reinstatement Date (given the Reinstated Original Lease will thereafter govern this tenancy). Any breach of this Lease which has not been cured will, after the Original Lease Reinstatement Date, be enforceable in accordance with all applicable provisions of this Lease.

"Event" means the occurrence of any of the following:

(1) Tenant (or any of its affiliates) defaulting under any of its monetary obligations (beyond any applicable cure period) under this Lease or any HBC IC Lease (as hereinafter defined); or

(2) Tenant (a) is insolvent, (b) has committed an act of bankruptcy, and/or (c) has become bankrupt.

"HBC IC Lease" means any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties:

(i) Galeries D'Anjou

(ii) Metropolis at Metrotown;

(iii) Mapleview;

(iv) Southgate;

(v) Guilford;

(vi) Oshawa;

(vii) CrossIron Mills

(viii) St. Foy;

(ix) Outlet collection Winnipeg; or

(x) Vaughan Mills.

"Reinstated Original Lease" means the Original Lease but reinstated and amended only to: incorporate Sections 1.05 and 1.09 hereof (and the corresponding definitions) such that (i) the Term thereof is the same as the Term in this Lease; (ii) the Tenant shall have the obligation to pay Incremental Rent during the remainder of the Term; (iii) any renewal or extension right shall include the obligation to pay Incremental Rent during each such renewal or extension period and (iv) to amend/delete all provisions of the Original Lease that are inconsistent with the aforesaid said Sections. Landlord shall prepare the form of Reinstated Original Lease and the parties shall forthwith thereafter execute and deliver same to the other, each at its sole expense. In addition, Tenant shall execute such other documents contemplated in Section 3.05 hereof for the discharge of any registered documents relating to this Lease which Section 3.05 shall equally apply in this context, mutatis mutandis.

3.06 ***Limitation on Length of Term.*** This 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 are complied with relating to the severance of land or interests in land by conveyance or otherwise (as it may from time to time be amended). 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.

ARTICLE 4.00 RENT

4.01 ***Gross Rent*** Tenant will pay to Landlord a Gross Rent for the Premises described in Article 1.09 of this Lease, payable monthly in arrears within twenty (20) days following the end of each calendar month during the Term. **The Incremental Rent component of the Gross Rent will be payable in equal monthly installments at the same time that the balance of the Gross Rent is due pursuant to the preceding sentence.** Along with the monthly payment of Gross Rent, Tenant shall furnish Landlord a statement, which need not be certified, of the Gross Sales derived from the Premises for the prior month, which statement shall be in accordance with generally accepted accounting principles, consistently applied. Within sixty (60) says after the end of each Percentage Rent Lease Year and within sixty (60) days after the end of the calculating period with respect to the first full Percentage Rent Lease Year, Tenant shall furnish Landlord a statement certified by an officer of Tenant showing the Gross Sales derived from the Premises during such Percentage Rent Lease Year and the amounts, if any, of Rent required to be paid by Tenant or credited to Tenant for any overpayment or underpayment of Rent for the Percentage Rent Lease Year, which statement shall be in accordance with generally accepted accounting principles, consistently applied.

For purposes of calculating Rent under this Lease, the term **"Percentage Rent Lease Year"** as used in this Lease refers to the period from February 1 to the following January 31 of each year during the term of this Lease, provided that, if the Commencement Date is not February 1, then the first Percentage Rent Lease Year shall be for a period of less than twelve (12) consecutive months, commencing on the Commencement Date and expiring on the following January 31, and further provided that any period of less than twelve (12) full calendar months occurring from and after February 1 at the expiry or earlier termination of the term shall be deemed to be a Percentage Rent Lease Year. The computation of Rent shall be made separately with regard to each Percentage Rent Lease Year or partial Percentage Rent Lease Year, as the case may be, it being understood and agreed that Gross Sales per any Percentage Rent Lease Year and Rent due thereon shall have no bearing on Gross Sales of any other Percentage Rent Lease Year.

Full true and accurate records from which Gross Sales in any Percentage Rent Lease Year may be readily and correctly determined will be kept by Tenant, including, without limiting the generality of the foregoing, the requirement to retain all sources of primary sales records (that is, cash register tapes, pre-numbered sales tickets, daily sales reports, etc.) and otherwise in accordance with generally accepted accounting principles until at least the fifth (5th) anniversary of the end of such Percentage Rent Lease Year. Landlord or any person designated by Landlord will have access to such records at any and all times during business hours for the purpose of examining and reviewing all the accounting records and procedures adopted by Tenant for the purpose of recording and control of all transactions affecting the determination of Gross Sales. For the sake of greater clarification, the parties hereto acknowledge that, in the event Landlord determines that Tenant has failed to report Gross Sales in accordance with its obligations contained herein, such failure shall constitute a default under this Lease and Landlord shall have the right to exercise its remedies under this Lease. Landlord will not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Shopping Centre.

Landlord shall be entitled to characterize the Rent, and to allocate the payment thereof to costs, expenses, taxes etc. incurred by or for which Landlord is responsible, in each case as Landlord may determine in its sole discretion.

4.02 ***Gross Sales*** The term "Gross Sales" as used in this Lease means the actual sale price of goods, wares and merchandise sold in, upon or from any part of the Premises, including actual receipts from services rendered by Tenant as well as the total actual sales and services rendered by any licensee, subtenant or concessionaire occupying any portion of the Premises, including, without limitation, such sales, income, receipts, revenues and services which Tenant, any licensee, subtenant or concessionaire occupying any portion of the Premises (collectively, "Other Occupants") in the normal and customary course of business would credit or attribute to its business upon the Premises or any part or parts thereof, provided, however, that the term "Gross Sales" shall not be deemed to mean and there shall be excluded from "Gross Sales" amounts representing: (i) amounts credited by Tenant or Other Occupants for returned or defective merchandise; (ii) amount of discount on sales to bona fide employees of Tenant and bona fide employees of any affiliates of Tenant; (iii) allowances granted to customers for damaged or defective merchandise; (iv) trade and other discounts; (v) GST and all other sales, excise and similar taxes levied upon sales made at the Premises; (vi) workroom charges for alterations, repairs or installation of merchandise sold, or similar services rendered in connection with merchandise sold; (vii) charges for services rendered primarily to accommodate customers or employees; (viii) charges for making deliveries, shipments or transfers of merchandise in the regular course of business; (ix) carrying charges on time sales; (x) fees and charges paid by Tenant or Other Occupants to issuers of third-party credit cards; (xi) charges for inter-store transfers of merchandise; (xii) sales of merchandise in bulk to non -retail customers; and (xiii) the proceeds of sales of trade fixtures, operating equipment or other property used by Tenant or Other Occupants in the operation of its business and not acquired by it for the

purpose of sale. All exclusions from Gross Sales permitted herein must be documented to the reasonable satisfaction of Landlord to allow for complete and detailed verification of the validity of such exclusions. Any instalment or credit (which, without limiting the generality of the foregoing, includes lay-away sales, sales from coupons or gift cards, electronic or otherwise and certificates, or any other sale made where deposits are received by Tenant) will be included and treated as a sale for the full price in the month in which such sale is made regardless of whether or when Tenant receives payment in full.

4.03 ***Intentionally deleted***.

4.04 ***Intentionally deleted***.

4.05 ***Intentionally deleted***.

4.06 ***Intentionally deleted***.

4.07 ***Intentionally deleted***.

4.08 ***Intentionally deleted***.

4.09 ***Taxes Payable by Landlord***

Landlord shall pay before the date due any and all Taxes levied, assessed or otherwise imposed upon the Premises and/or the remainder of the Shopping Centre throughout the Term. Tenant shall have no obligation to contribute to the payment of such Taxes as such Taxes are intentionally provided for in the Gross Rent provided for herein.

4.10 ***Intentionally deleted***.

4.11 ***Intentionally deleted***.

4.12 ***Intentionally deleted***.

4.13 ***Intentionally deleted***.

4.14 ***Intentionally deleted***.

4.15 ***Intentionally deleted***.

4.16 ***Intentionally deleted***.

4.17 ***Intentionally deleted***.

4.18 ***Payment of Rent – General*** During the Term of this Lease, Tenant shall pay Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction, set-off or compensation, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.19 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that

proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.20 ***Intentionally deleted***.

4.21 ***Intentionally deleted***.

ARTICLE 5.00 USE OF PREMISES

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the Greater Toronto Area. Tenant shall abide by all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with this Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv) a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased. Notwithstanding the foregoing, within the last six (6) months of the Term, the Tenant shall have the right to conduct clearance and other sales promotions in the Premises and the Tenant shall be permitted to erect, install and maintain within the Premises during such period any clearance and/or store closing signage (or other signage of a similar nature), provided that (i) any such signage on the exterior of the Premises or which faces any Common Areas and Facilities, shall be subject to the Tenant obtaining all required municipal approvals as well as the Landlord's prior written approval for the nature, size, type and location thereof; and (ii) all clearance and other sales otherwise comply with the requirements of sub-paragraph (b) above and this Lease and are undertaken in a reputable and prudent manner that does not interfere with the typical use and operation of the Shopping Centre or the occupants thereof. Landlord's approval of such signage shall not be unreasonably withheld, conditioned or delayed provided it complies with this provision.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted***.

5.06 **Display Windows** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the Premises during the Term and Tenant's use thereof will be subject to such regulations as Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and

abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 ***Intentionally deleted***.

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the Delivery Facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the Delivery Facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

For certainty, the Premises include the loading dock and unloading areas which serve such space as shown on Exhibit B to the Original Lease.

ARTICLE 6.00 SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b) and Tenant's obligations under this Lease in respect of the Premises, Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 (except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises; and furthermore, will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre (inclusive of downspouts, gutters, canopies and exterior walls), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles 7.02, 7.03, 10.01, 16.01, 16.02, 16.03, or 16.04 and in no event shall Landlord be required to make any repairs or replacements which are necessary as a result of Tenant's default, negligence or willful misconduct.

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04 will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, or, minimum stall number requirements, or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, easements, transfers, dedications, permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial discharges of its notice of lease and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters.

6.05 ***Intentionally deleted***

6.06 ***Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements,

changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

(h) During any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, Landlord shall keep all Common Areas and Facilities lighted and opened to the public. Landlord agrees that it shall keep all Common Areas and Facilities lighted for security purposes seven (7) days each week during the hours of darkness such lighting is necessary for such purpose. Landlord shall pay for all costs of electricity for lighting the Common Areas and Facilities (i) during any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, but not later than 11:00 p.m., EST, (ii) during any other period, in addition to the period described in the immediately preceding clause (i), when both the Premises and at least fifty percent (50%) of the remainder of the floor area in the Shopping Centre are open for business and (iii) during the times and to the extent such lighting is required under the second sentence of this subsection (h).

(i) The cost of electricity for lighting the Common Area at times or to the extent such cost is not considered part of Landlord's costs in accordance with the preceding paragraph shall be paid as follows:

(i) If the Demised Premises are open for business, then Tenant shall pay its proportionate share (based on the square footage of the Premises compared to the square footage of the premises of all occupants that are open for business) of the cost of electricity to light the Common Areas and Facilities; and

(ii) If the Premises are not open for business as permitted by this Lease, Landlord shall pay the cost of electricity to light the Common Area.

7.02 ***Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, Tenant will at its sole cost and expense be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the **"Tenant HVAC System"**) installed for the Premises where such equipment is not part of a shared or central system. **The parties acknowledge that the Tenant HVAC System independently serves the Premises.**

However and notwithstanding the foregoing, in the event one or more of the HVAC units (as defined in the Original Lease) serving the Premises requires replacement (or any major component of such unit(s) requires replacement), Landlord and Tenant acknowledge and agree that the provisions of Section 7.1 of the Original Lease and defined terms used therein are incorporated into this Section 7.02 by reference and shall apply in respect of such replacement, inclusive of Tenant's obligation to pay as part of Rent the "HVAC Rent Adjustment".

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will maintain the Premises and all improvements therein at its sole cost and expense in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) intentionally deleted;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed all elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the rules and regulations of Landlord.

Notwithstanding any legislation to the contrary, the Tenant's repair obligations will include all those which are major as well as minor , or those which are customarily landlord's or tenant's, except as expressly provided otherwise in this Lease

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Personal Property*** Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and personal

property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or personal property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted***.

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("Sign") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section. The Landlord also confirms that the Tenant's existing pylon signage, if any, is compliant with this Section and that the Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with such pylon signage.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other

amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** Throughout the Term of this Lease, Landlord, at no cost to Tenant, will carry the insurance for which Landlord is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference. For certainty, during the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the insurance for which Tenant is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference.For certainty, during the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective upon written notice to Tenant, or without terminating this Lease and after giving such notice, if any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Mutual Indemnity.*** Except to the extent released in Sections 10.02 and 10.03 below, each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

10.02 ***Release of Landlord.*** In respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the Mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Premises, the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord

fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 TRANSFERS

11.01 ***Transfers*** Except to an Eligible Corporation (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a "Transfer"), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to mortgage or encumber all or any part of the Tenant's rights resulting from this Lease or all or any part of the Premises. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, mortgagee, encumbrancer, user or occupant as the case may be (hereinafter the **"Transferee"**), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee notwithstanding any rule of law or equity to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(b)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective control); (ii) details of the proposed Transferee's prior business experience (including experience in the enterprise for which the Premises are to be operated pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which

controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the Canada Business Corporations Act); or

(b) assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater Toronto area; and (iii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord: (i) in a vacant, clean and broom-swept condition with all of Tenant's signage, inventory, trade fixtures, racking and personal property removed; and (ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators) servicing the Premises in a working order, subject to reasonable wear and tear; but otherwise in an "as is, where is" condition and without any obligation to:

(A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or

(B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof.

For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has registered a caveat, caution, memorandum notice or other instrument relating to this lease against title to the Land, it will cause the same to be released and discharged no later than 15 days following

the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a release or discharge of a notice of this will be paid by Tenant.

12.02 ***Trade Fixtures, Personal Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy with Landlord Consent*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, notwithstanding any legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Month-to-Month Tenancy without Landlord Consent*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy at sufferance may be immediately terminated by Landlord at any time by notice of termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy or tenancy at sufferance hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and

nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "Rules and Regulations") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than 60 days after the date (hereinafter "Date of Such Taking") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on the date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment, and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Limited Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, can be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord

will immediately at its own expense repair such damage other than damage to improvements, furniture, personal property or trade fixtures which do not belong to Landlord or which have been installed by or on behalf of Tenant, which instead will be repaired immediately by Tenant at Tenant's own expense.

16.02 ***Major Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then Landlord, or in the event that there is less than two (2) years remaining in the Term, Tenant, may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than 20 days after receipt of the Architect's opinion, failing which Landlord will forthwith at its own expense repair such damage other than damage to improvements, furniture, personal property or trade fixtures which do not belong to Landlord or which have been installed by or on the behalf of Tenant, which instead will be repaired forthwith by Tenant at Tenant's own expense.

16.03 ***Abatement*** If Landlord is required to repair damage to all or part of the Premises under Article 16.01 or 16.02, provided such damage is caused by a peril Landlord is required to insure against pursuant to Article 9.01, the Rent payable by Tenant under this Lease will be proportionately reduced to the extent that the Premises are thereby rendered untenantable by Tenant in its business, from the date of such casualty until five (5) days after completion by Landlord of the repairs to the Premises (or the part thereof rendered untenantable) or until Tenant again uses the Premises (or the part thereof rendered untenantable) in its business, whichever first occurs.

16.04 ***Major Damage or Destruction of Shopping Centre***

Notwithstanding any contrary provision of this Lease and specifically, but without limitation, Article 16.01, if the Shopping Centre is totally or partially damaged or destroyed (whether the Premises are affected or not), and (i) in the Architect's opinion, the damaged or destroyed portions cannot reasonably be repaired, restored or rebuilt within one hundred and eighty (180) days following the occurrence of the damage or destruction (employing normal construction methods without overtime or other premium); or (ii) the cost as estimated by the Architect, of repairing, restoring or rebuilding the damaged or destroyed portions would exceed the proceeds of insurance available to Landlord for such purpose; or (iii) the damage or destruction was caused by a peril for which Landlord was not insured and for which Landlord was not obliged to insure against; or (iv)intentionally deleted; ; or (v) less than two (2) years remains during the Term; or (vi) a Mortgagee will not consent to the use of insurance proceeds for repair or reconstruction; then in any of the above cases, Landlord may, at its option (to be exercised by written notice to Tenant within 30 days following any such occurrence) elect to terminate this Lease.

If Landlord elects to terminate this Lease, then the following provisions will apply:

(a) If the Premises become totally unfit for the use for which they were leased, the termination will take effect from the date of the damage or destruction and the Rent will cease to be payable and will be adjusted as of that date.

(b) If the Premises are partially damaged and Tenant has occupied any part of the Premises or any part of the Premises have been reasonably capable of being occupied from the date of the damage or destruction, this Lease will terminate ten (10) days from Landlord's notice stipulated in the first paragraph of this Article 16.04 and the Rent will cease to be paid by Tenant as of the date of termination, however, Rent will abate from the date of the damage and destruction until the date of termination to the extent the Premises cannot reasonably be used for their intended purposes.

(c) If the Premises were not damaged, this Lease will terminate ten (10) days from Landlord's notice stipulated in Article 16.00 and the Rent will cease to be paid from such date of termination.

If the Shopping Centre is totally or partially damaged or destroyed and Landlord does not elect to terminate this Lease, subject to the following, Landlord shall commence and proceed diligently to reconstruct or repair those portions of the Shopping Centre which have been so damaged or destroyed to the extent only of Landlord's responsibilities pursuant to the terms of the various leases for premises in the Shopping Centre and exclusive of any tenants' responsibilities. Furthermore, if the Premises are being repaired or reconstructed, the provisions of Article 16.01 will apply.

If Landlord does any reconstruction or repairing of the Shopping Centre, Landlord may do any one or more of the following: (i) use plans, specifications and working drawings which differ from those applicable to the Shopping Centre existing prior to the damage or destruction provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; (ii) change the configuration, design and/or size of the

Shopping Centre or any of its component parts including, without limitation, the location and size of any mall, court, entrance, parking facility or any of other Common Areas and Facilities provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; and (iii) redesign the tenant mix, both with respect to the kinds of uses which will be included in the tenant mix, as well as the physical location of the types of uses being operated prior to the damage or destruction. Tenant agrees that none of the foregoing shall constitute a default of Landlord's obligation to provide peaceable enjoyment of the Premises, nor shall it constitute a change of form or destination of the Shopping Centre, nor shall the validity or enforceability of this Lease be affected in any manner by any of the foregoing.

ARTICLE 17.00 TRANSFERS AND MORTGAGES BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of Landlord to sell, convey, assign, mortgage or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 **Definition of Mortgage, Mortgagee and Mortgagee's Interest**. Each and every charge, mortgage, debenture or trust deed, now or hereafter registered against all or any part of the Shopping Centre is hereafter called a **"Mortgage"** which term includes all amounts advanced or to be advanced thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. **"Mortgagee"** means a chargee or mortgagee named in a Mortgage, or the holder of a debenture or the trustee under a trust deed constituting a Mortgage, as the case may be; and **"Mortgagee's Interest"** means the estate or interest of the Mortgagee secured by a Mortgage.

17.04 **Subordination of Mortgage to Lease**. If this Lease or the estate or interest of Tenant thereunder (the **"Tenant's Leasehold Interest"**) is subordinate to a Mortgage or Mortgagee's Interest now or at any time hereafter, then on written request of the Mortgagee or of Landlord on Mortgagee's behalf, made concurrently with execution of this Lease or at any time thereafter, the Mortgage and the Mortgagee's Interest will be postponed and made subordinate to this Lease and the Tenant's Leasehold Interest as if such Mortgage had been executed, delivered, registered and fully advanced after the execution, delivery and registration of this Lease, by means of an instrument of postponement and subordination, which will be entered into between Tenant and the Mortgagee, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that it complies with the terms and conditions of the Lease. Such instrument will be in such form as the Mortgagee may reasonably require, consistent with this Article 17.04 and Article 17.07 and will be effective between the Mortgagee and Tenant when executed by them, without necessity for registration against title to the Shopping Centre; but if desired by the Mortgagee or Tenant, either of them may register such agreement or notice thereof and for that purpose the Mortgagee and Tenant will enter into any further document required to effect registration.

17.05 **Attornment**. If this Lease and Tenant's Leasehold Interest now or at any time hereafter is subordinate to a Mortgage and Mortgagee's Interest and the Mortgagee does not require a postponement and subordination instrument under Article 17.04, Tenant will on request of such Mortgagee or of Landlord on behalf of the Mortgagee, made concurrently with execution of this Lease or at any time thereafter, enter into an attornment agreement with such Mortgagee in such form as the Mortgagee may reasonably require, whereby Tenant will agree that if default occurs under the Mortgage, and:

(a) the Mortgagee takes possession of the Premises, by obtaining and enforcing a court order to that effect or otherwise;

(b) the Mortgagee forecloses or otherwise acquires the interest of Landlord in the Premises, but does not foreclose the Tenant's Leasehold Interest; or

(c) the Mortgagee sells, conveys or assigns the Premises to another party (hereinafter a **"Purchaser"**) pursuant to a power of sale or court order for sale which does not purport to sell the Premises free of the Tenant's Leasehold Interest,

Tenant will, on written demand of the Mortgagee or Purchaser as the case may be, attorn to and become the tenant of that person from and including the date the demand is received, for the balance of the term of this Lease (and with rights of renewal if any as provided in this Lease), at the rents

and otherwise on the terms of this Lease, subject as hereinafter provided in Article 17.06, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that Tenant complies with, all the terms and conditions of the Lease.

17.06 ***Intentionally deleted.***

17.07 **Effect of Subordination or Attornment**. No subordination effected under Article 17.04 and no attornment effected under Article 17.05 will render the Mortgagee or Purchaser, as the case may be:

(a) liable for any act or omission of Landlord or a predecessor in title of Landlord; or

(b) subject to any offsets or defenses which Tenant might have against Landlord or a predecessor in title of Landlord; or

(c) bound by any prepayment by Tenant of more than one month's instalment of Rent, or by any previous modification of this Lease, unless such prepayment or modification has been approved in writing by the Mortgagee or Purchaser or any predecessor in interest except Landlord.

Upon attornment occurring under Article 17.05, the relationship of landlord and tenant thereby created between the Mortgagee or Purchaser as the case may be, as Landlord, and Tenant as tenant, will supersede this Lease, but if the Mortgage is subsequently redeemed or put in good standing or the Mortgagee goes out of possession, the Mortgagee will be relieved of its obligations to Tenant as if a sale, conveyance or assignment had occurred to which Article 17.02 applied. Any attornment by Tenant to a Mortgagee or Purchaser will be without prejudice to the right (when applicable) of any other mortgagee or purchaser that has priority to the Mortgagee or Purchaser to demand that Tenant attorn to the other mortgagee or purchaser pursuant to the rights if any, of the other mortgagee or purchaser in that regard under Article 17.00. In case of such demand being lawfully made, and Tenant attorning to such other mortgagee or purchaser the attornment previously made to the Mortgagee or Purchaser will cease to be effective.

17.08 **Tenant's Obligations May Be Assigned.** Tenant acknowledges that its covenants and obligations under Article 17.00 are intended in whole or in part to operate for the benefit of any and all Mortgagees and Purchasers and that in obtaining such covenants and obligations Landlord is acting not only for itself, but also as trustee or agent for all such persons. Without limiting the foregoing, Landlord may assign the benefit of such covenants and obligations to any and all Mortgagees or Purchasers who request same, as security or otherwise, and Tenant agrees that any such Mortgagee or Purchaser will be entitled on receiving such assignment and giving due notice thereof to Tenant, to enforce such covenant or obligation against Tenant to the same extent as if it were a party to this Lease directly entitled to the benefit of such covenants and obligations.

17.09 **Execution of Instruments.** Except as otherwise provided in Article 17.00, the subordination and attornment provisions herein will be self-operating and no further instrument will be required. Nevertheless Tenant, on request by and without cost to Landlord, any Mortgagee, Purchaser or successor in interest, will execute and deliver any and all instruments further evidencing such subordination and/or attornment when applicable.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer duties and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a notice of this Lease (the "Registration Document"), provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, and any right of renewal. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will be registered againstthat part of the Lands designated by the Landlord in its sole discretion. . In the event any portion of the Land ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(e) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a discharge of any Registration Document will be paid by Tenant.

17.13 ***Easements and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), easements(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or other creation of such licence(s), easements(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.14 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article 6.04, Landlord will have the right from time to time to subdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery. Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord) designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or

releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) Part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues after five (5) business days' notice by Landlord, provided that if Tenant is no longer obligated to pay Incremental Rent, the aforesaid five (5) business day period shall be deemed extended to fifteen (days) after notice by Landlord; ; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days' notice by Landlord specifying with reasonable particularity the nature of such failure and requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, chattels or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it shall provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior written notice of the Tenant signing of a forbearance agreement with one or more creditor(s);** or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, chattels or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease; or

(h) a default of the monetary obligations of the tenant (which is not remedied within the cure period provided for in such new lease) occurs under any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties, where such default would constitute a "cross default" event as set out in such new lease or any other agreement entered into by and between Tenant and Landlord (and/or its or their affiliates):

(i) Metropolis at Metrotown;

(ii) Mapleview;

(iii) Southgate;

(iv) Guilford;

(v) Oshawa;

(vi) Galeries d'Anjou;

(vii) CrossIron Mills

(viii) St. Foy;

(ix) Outlet collection Winnipeg; or

(x) Vaughan Mills (such lease at Vaughan Mills, together with the aforesaid leases at CrossIron Mills, St. Foy and Outlet Collection Winnipeg being collectively, the **"Other Saks Leases"**),

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "Tenant Inducements") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, personal property and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law or equity to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable.

19.04 **Waiver of Exemption and Redemption.** Notwithstanding anything contained in any statute now or hereafter in force limiting or abrogating the right of distress, none of Tenant's goods, chattels or trade fixtures on the Premises at any time during the continuance of the Term will be exempt from levy by distress for Rent in arrears and upon any claim being made for such exemption by Tenant or on distress being made by Landlord this agreement may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying upon any such goods as are named as exempted in any such statute, Tenant hereby waiving all and every benefit that could or might have accrued to Tenant under and by virtue of any such statute but for this Lease. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any terms and conditions of this Lease or otherwise.

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages (subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of

each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing. Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or

performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 ARTICLE 1.00 *INTENTIONALLY DELETED.*

ARTICLE 21.00 MISCELLANEOUS

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venturer or a member of a joint or common enterprise with Tenant.

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular. If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be joint and several obligations of such executing parties. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease (together with any other agreement entered into by the Landlord, the Tenant and/or its or their affiliates as a pre-condition to the execution of this Lease), contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements, representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by

Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease. No agreement respecting the Premises will arise or exist between the parties hereto except through the due execution of this Lease by both Tenant and Landlord. Upon execution and delivery by Tenant to Landlord, this Lease will be irrevocable by Tenant and open for acceptance by Landlord until 5:00 P.M. on the 60th day thereafter, and if not accepted by Landlord by then, may be withdrawn by Tenant by notice to Landlord at any time prior to its later acceptance by Landlord.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

Counterpart Execution This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

ARTICLE 22.00 TENANT ALLOWANCE

Landlord shall pay to Tenant a payment (the "Tenant Allowance") in an amount equal to CDN$10,000,000 plus applicable GST upon (a) mutual execution of this Lease; (b) satisfaction of all other pre-conditions to such payment as set out in any other agreement by and between Landlord and Tenant; and (c) issuance by Tenant of an invoice to Landlord containing all prescribed information required by Landlord to validly support its claims for input tax credits.

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

THE OUTLET COLLECTION (NIAGARA) LIMITED
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

by Julie Bourgon (Jan 31, 2024 11:23 EST)
Name: Julie Bourgon
Title: Head of Retail

by: Maria Concetta Giampa (Jan 31, 2024 11:01 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affiairs, Investments

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

by: _____
Name:
Title:

I have the authority to bind the company.

by: _____
Name:
Title:

I have the authority to bind the company.

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

THE OUTLET COLLECTION (NIAGARA) LIMITED
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

by _____
Name:
Title:

by: _____
Name:
Title:

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

by: _____
Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments
I have the authority to bind the company.

by: _____
Name:
Title:

I have the authority to bind the company.

EXHIBIT A
FLOOR PLAN OF PREMISES

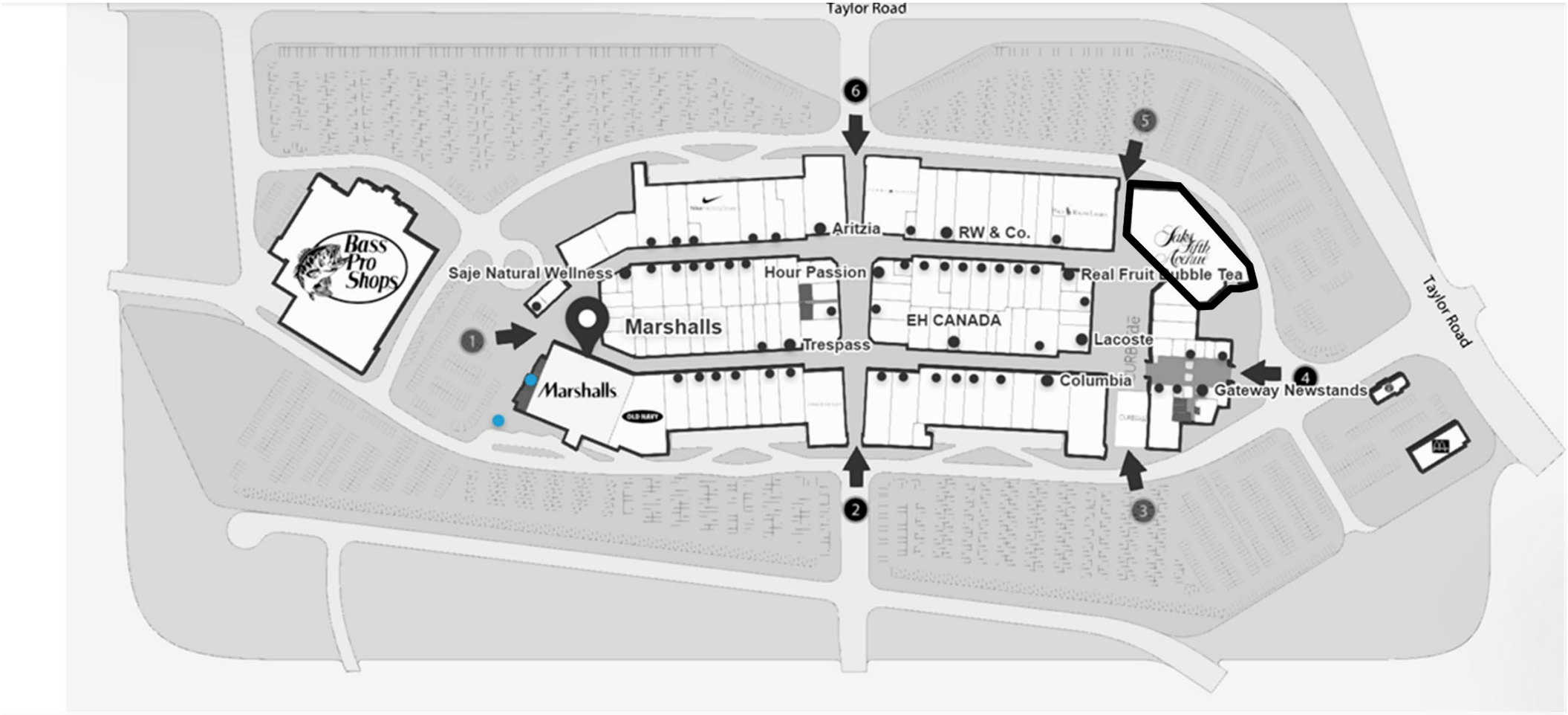


EXHIBIT B
LEGAL DESCRIPTION

Firstly

PIN 4358-0043(LT)
Part Lot 4 Concession S Grantham, Part 4, Plan 30R-1 1062 and Part Road Allowance between Concession 8 and Concession 9 Grantham (closed by R0757127) Part 3, Plan 30R-1'1062 except Part 15, Plan 30R-14148; together with an easement over Part Lots 3 and 4 Concession 9, Part 1, PIan 30R-14073 as in NR32041 1; subject to an easement in favour of Part Lots 3 and 4 Concession 9, Part 1, Plan 30R-14073 as in NR320411; subject to an easement as in NR337742; Town of Niagara-on-the-Lake.

Secondly
PIN 46356-0046(LT)
Part Lot4 Concession 9 Grantham, Part 2, Plan 30R-14146; subject to an easement as in NR337742; Town Of Niagara-On-The-Lake

Thirdly
PIN 46356-0055(LT)

Part Road Allowance between Concession 8 and Concession 9 Grantham closed by R0757127, being Part 8, Plan 30R14073;

subject to an easement over Part Road allowance between Concession 8 and Concession 9 Grantham being Part 8, Plan 30R14073 in favour of Pert Lots 3 and 4 Concession 9 being Part 1, Plan 30 R-1 4073 as in NR32041 1;

together with an easement over Part Lots 3 and 4 Concession 9, Part 1, Plan 30R-14073 as in NR32041 1;

subject to an easement in gross over Part Road Allowance between Concessions S and 9 Grantham being Part 1, Plan 30R-14085 as in NR332465;

subject to an easement in gross over Part Road Allowance between Concessions 8 and 9 Grantham being Part 1, Plan 30R-14085 as in NR332466;

subject to an easement as as NR337742; Town Of Niagara-On-The-Lake;

Fourthly
PIN 46356-0057(LT)

Part Lots 3 and 4 Concession 9 Grantham, Part 1, PIan 30R-8858, except Parts 3 and 14, Plan 30R-9998, except Parts ito 5, Plan 30R-1 4073, except Parts Ito 7, Pian 30R-14148 and except Parts 1 and 2, Pian 30R-14184;

together with an easement over Part of Lots 3 and 4 Concession 9 Grantham, Part 1, Plan 30R-14073 as in NR320411;

subject to an easement ¡n favour of Part of Lots 3 and 4 Concession 9 Grantham, Part 1, Plan 30R-14073 as in NR320411;

subject to an easement in gross over Part 15, Plan 30R-9998 as ¡n LT1 90843;

subject to an easement ¡n gross over Parts 2, 3 and 4, Plan 30R-14085 as in NR332465;

subject to an easement ¡n gross over Part 2, Plan 30R-14085 as in NR332466;

subject to an easement as in NR337742;

subject to an easement in gross over Parts 8, 9, 10, 11, 12, 13 and 14, Plan 30R-14148 except Part 2, Plan 30R-14184 as in NR363286; Town of Niagara-On-The-Lake.

Fifthly

PIN 4636-0058(LT)

Part Lots 3 and 4, Concession 9, Grantham, Parts 2, 3 and 4, Plan 30R-14073; subejct to an easement ¡n gross over Part 6, Plan 30R-14085 as in NR332467; subject to an easement in gross over Parts 5 and 6, Plan 30R-14085 as in NR363284; Town of Niagara-on-the-Lake.
.

EXHIBIT C
INTENTIONALLY DELETED

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

    Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

    Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

    Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

    Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

    Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

    If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

    In addition to the requirements set out under Article 20.05 of the Lease, Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

    Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
LOCATION OF BASS PRO PREMISES

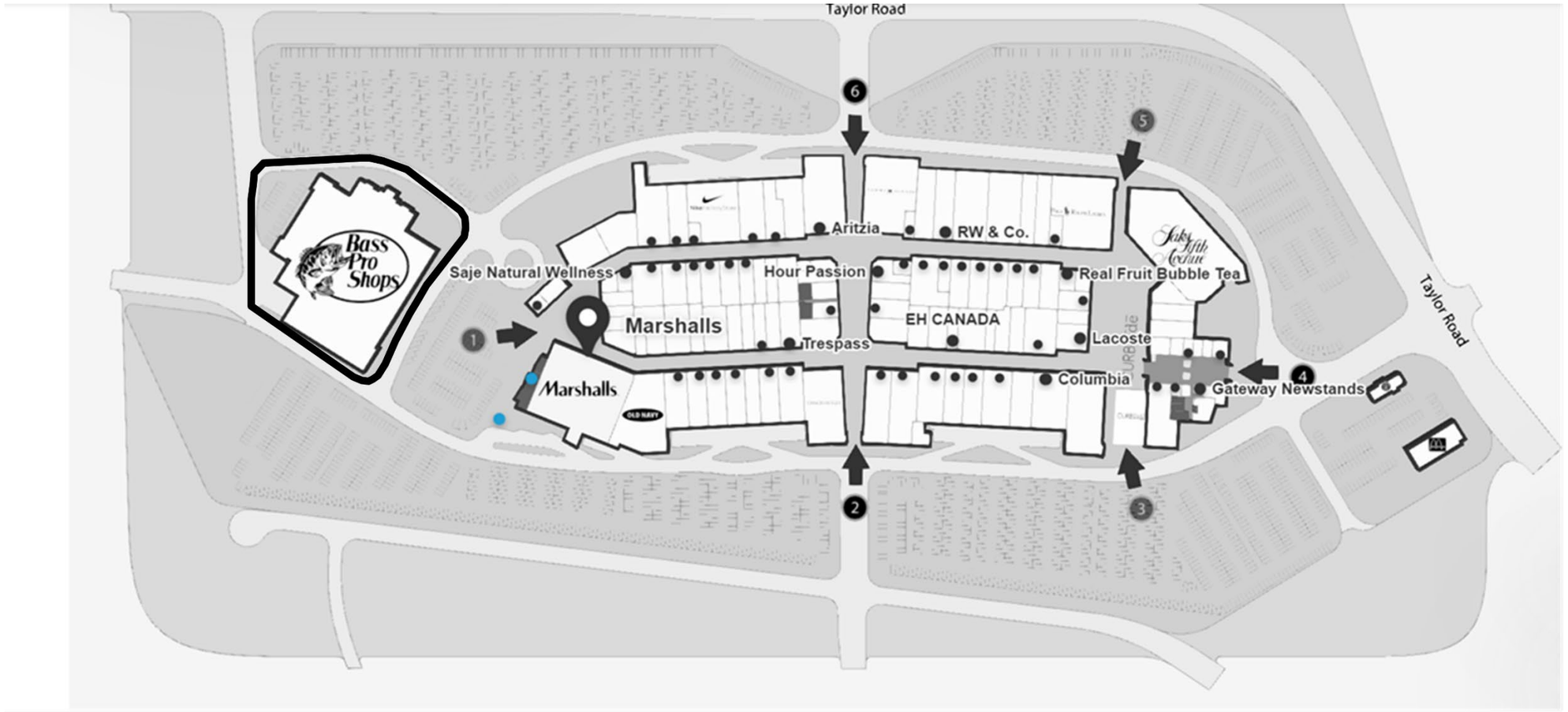


EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

- Rent is: $<>

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT **HUDSON'S BAY COMPANY ULC**

by_____
Name:
Title:

I have the authority to bind the company.

by_____
Name:
Title:

I have the authority to bind the company.

SPECIMEN

This is **Exhibit "V"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025

Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE OF RETAIL SPACE

BETWEEN:
(address) **IVANHOÉ STE-FOY INC.**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

CENTRE: **PLACE STE-FOY, QUÉBEC, QUÉBEC**

LEASE OF RETAIL SPACE

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LEASE OF RETAIL SPACE

DATE: **February 1, 2024**

BETWEEN:
(address) **IVANHOÉ STE-FOY INC.**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

("Landlord")

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

("Tenant")

FOR PREMISES IN: **PLACE STE-FOY**
QUÉBEC, QUÉBEC

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice***:

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant: **401 Bay Street, Suite 2302 (Attention: Real Estate Department)**
Toronto, Ontario
M5H2Y4

1.02 ***Location of Premises:*** Units **#168A and #168ZA**, 2450 Boulevard Laurier, Québec, Québec, G1V 2L1

1.03 ***Shopping Centre:*** **Place Ste-Foy**

1.04 ***Area:*** [*SqFtArea] **33,254** square feet.

1.05 ***Term:*** A period of **ten (10)** years, beginning on the 3rd day of **February**, **2024**, and expiring on the **2nd** day of **February**, **2034**, unless terminated earlier or renewed as provided in this Lease. **The options in favor of Tenant in the Original Lease to renew or extend the term thereof shall equally apply in respect of this Term on the same terms as the renewal or extension options set out in the Original Lease, save and except that (a) in no event shall the final**

expiry date of this Term (as may be so renewed or extended) be later than what would have been the final expiry date of the term of the Original Lease after the exercise of all renewal or extension options had it not been terminated and replaced by this Lease; and (b) the Tenant shall continue to have the obligation to pay the Incremental Rent throughout this Term (as may be further renewed including during any renewal of the Term pursuant to the renewal or extension options incorporated in this Lease from the Original Lease), as set out in Section 1.09 of this Lease.

1.06 ***Intentionally deleted.***

1.07 ***Permitted Use of Premises:*** The Premises shall be used for the purposes of the operation of an off -price retail store selling better quality apparel, accessories, shoes, handbags, jewellery and other better quality merchandise as is typically sold from time to time in Tenant's similar off -price retail stores in Canada operating under the name "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th»", "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off -price retail stores operated by Tenant in Canada) and in other similar off -price retail stores selling better quality merchandise currently operating in North America, such as, by way of example only and without limitation, those off -price retail stores operating under the names "Nordstrom Rack", "Holt Renfrew's HR2", and "Nieman Marcus Last Call". Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Premises as an off-price retail store in a first class manner in keeping with the said standards of the shopping centre industry.

Tenant will carry on its business in the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease.

Subject to the provisions of Article 11.00 of this Lease, Tenant may operate, or cause to be operated, the department or departments within the Premises, in whole or in part, by licensees, sub-tenants and/or concessionaires, provided that the Premises continue to be carried on, and retain the appearance to the public of being carried on, as an integrated, and not a multiple tenant, off -price retail store. Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease.

Notwithstanding any stipulation in this Lease to the contrary, Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any call centre operation (iii) a store conducted principally for the sale of war surplus articles, insurance salvage stock, or fire sale stock; (iv) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire; (v) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (vi) an auction sale; and (vii) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre. Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Premises as an off-price retail store or other permitted use hereunder in a first-class manner in keeping with the said standards of the shopping centre industry.

Landlord hereby warrants and represents to Tenant that, as of the date of the Original Lease, Landlord has granted the restrictive covenants and/or exclusive rights of use set out in Schedule C hereto to or in favor certain other tenants of the Shopping Centre or in favor of other third parties as referenced in said Schedule C (the "**Restricted Uses**"). For greater certainty, Tenant hereby acknowledges and agrees that, if and for so long as each of the Restricted Uses granted by Landlord to the respective persons (including their respective successors and assigns) remains unamended and in full legal force and effect, Tenant shall not use the Premises or permit the Premises to be used for the operation of any business or the sale of any merchandise or services that would cause Landlord to be in default of any such Restricted Uses.

If at any time during the Term less than the whole or substantially the whole of the Premises is

occupied and open to the public for business for a period exceeding two (2) months for any reason other than Force Majeure (as that term is hereinafter defined), damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, Landlord shall thereafter have the right to terminate this Lease while such cessation of operation continues by giving Tenant no less than thirty (30) days prior written notice thereof, provided that Tenant may nullify such notice of termination and this Lease shall not be terminated if Tenant reopens the whole or substantially the whole of the Premises to the public for business prior to the termination date specified in Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Premises open for business for at least twelve (12) consecutive months (failing which Landlord's termination of the Lease shall be effective immediately upon Tenant ceasing to operate during the aforementioned 12-month period). In the event that Tenant nullifies Landlord's notice of termination as aforesaid, the provisions of this 1.07 shall continue to apply throughout the balance of the Term.

1.08 ***Tenant's Store Name:*** "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th», "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off -price retail stores operated by Tenant in Canada). Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Gross Rent:*** Throughout the Term (inclusive of all renewals or extensions thereof), an annual aggregate amount equal to: (A) **3.5%** of Gross Sales (as hereinafter defined) made from the Premises during each Percentage Rent Lease Year (as hereinafter defined), payable pursuant to Article 4.00; and (B) the Incremental Rent (the "**Gross Rent**"). The Landlord shall have the right, at any time and from time to time, at its entire discretion, upon written notice to the Tenant, to re-allocate the amount of the Incremental Rent allocated to this Lease and to any one or more of the Other Saks Leases and in this regard the Tenant shall have the obligation to enter into and execute all documents reasonably necessary as requested by the Landlord to implement such reallocation of Incremental Rent**.**

1.10 ***Intentionally deleted.***

1.11 ***Intentionally deleted.***

1.11.1 ***Intentionally deleted.***

1.12 ***Intentionally deleted.***

1.13 ***Intentionally deleted.***

1.14 ***Utilities:*** Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00.

1.15 ***Intentionally deleted.***

1.16 ***Intentionally deleted.***

1.17 ***Intentionally deleted.***

1.18 ***Definitions:*** In this Lease:

1.18.1 **"Additional Rent"** means all amounts (other than Gross Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted***

1.18.3 **"Area"** means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. The parties acknowledge and agree that the Area of the Premises is that set out in Article 1.04 hereof.

1.18.4 **"Architect"** means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.

1.18.5 **"Article"** means an article of this Lease.

1.18.6 **"Authority"** or **"Authorities"** means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted.***

1.18.8 **"Commencement Date"** means the first day of the Term (effective as of 12:00am).

1.18.9 **"Common Areas and Facilities"** means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 ***Intentionally deleted.***

1.18.11 **"Delivery Facilities"** means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted.***

1.18.13 **"Environmental Law"** means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment or to any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material 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 statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority.

1.18.14 **"Fiscal Year"** means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted.***

1.18.16 ***Intentionally deleted.***

1.18.17 **"Force Majeure"** means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes, walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted.***

1.18.19 **"Goods and Services Tax"** or **"GST"** means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST, Quebec Sales Tax or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 "**Gross Rent**" has the meaning given to it in Section 1.09 hereof.

1.18.21 **"Hazardous Substance"** means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs), pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted.

1.18.22 "**Incremental Rent**" means **$976,666.66 annually**, as such amount may be adjusted by the Landlord from time to pursuant to Article 1.09 hereof.

1.18.23 "**Interest Rate**" means the Prime Rate (as defined below) in force when an amount becomes due, plus three (3) percentage points. "Prime Rate" means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.24 ***Intentionally deleted.***

1.18.25 **"Land"** means all of the lands described in Exhibit B.

1.18.26 **"Landlord"** means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted.***

1.18.28 **"Lease"** means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.54 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 ***Intentionally deleted.***

1.18.30 ***Intentionally deleted.***

1.18.31 ***Intentionally deleted.***

1.18.32 **"Management Company"** means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted.***

1.18.34 ***Intentionally deleted.***

1.18.35 **"Mortgagee"** means any Person holding a hypothec on any part of the Site, from time to time.

1.18.36 **"Operating Agreement(s)"** means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any).

1.18.37 ***Intentionally deleted.***

1.18.38 **"Original Lease"** means that certain lease for the Premises dated as of November 11, 2015 between Ivanhoe Cambridge Inc., as landlord, and the Tenant d/b/a Saks Fifth Avenue Off Fifth, as tenant, a notice of which was registered at the registry office for the Registration Division of Québec under number 23 120 822 as amended by letter dated June 22, 2016 and as otherwise amended supplemented from time to time, which Original Lease was resiliated immediately prior

to the Commencement Date.

1.18.39 **"Other Saks Leases"** has the meaning given to it in Article 19.03(h) hereof.

1.18.40 **"Owners"** means all of the prior owners of the Shopping Centre other than the Landlord.

1.18.41 **"Person"** where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.42 **"Percentage Rent Lease Year"** has the meaning given to it in Article 4.01.

1.18.43 **"Premises"** means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A. If the Premises are entirely self-enclosed, the boundaries shall extend to the exterior face of all exterior walls, doors and windows, or those separating the Premises from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the underside of the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical, electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.44 **"Released Persons"** means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.45 **"Rent"** means the Gross Rent and the Additional Rent.

1.18.46 **"Shopping Centre"** means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering o reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.47 **"Site"** means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.48 **"Taxes"** means the aggregate of all taxes, rates, charges (including school and local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.49 ***Intentionally deleted.***

1.18.50 **"Tenant"** means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.51 **"Tenant Security"** means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable, located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.52 ***Intentionally deleted.***

1.18.53 **"Term"** means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof, if any.

1.18.54 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" means the Restricted Uses attached as Exhibit C.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" INTENTIONALLY DELETED.

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 LEASE

2.01 ***Lease*** Landlord hereby leases the Premises to Tenant for the Term, and Tenant hereby leases the Premises from Landlord for the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 **Intentionally deleted.**

3.02 **Intentionally deleted.**

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures or other movable property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any other right to acquire any interest or immovable real right in all or any part of the Shopping Centre or the Premises.

3.04 ***Landlord's Option to Renew*** Landlord has, exercisable at its sole and entire and unfettered discretion by giving at least 12 months' prior written notice to the Tenant, the right to renew this Lease for an additional period of five (5) years on the same terms and conditions as set out herein (inclusive of the calculation and payment of Rent (inclusive, for certainty, of Incremental Rent)).

3.05 ***Resiliation of Original Lease*** Tenant and Landlord hereby agree that the Original Lease is resiliated effective on 11:59 pm on the date immediately preceding the Commencement Date (the "**Termination Date**"). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date, be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the resiliation of the Original Lease as provided herein.

3.05(A) ***Reinstatement of Original Lease.***

Tenant and Landlord hereby agree that if at November 13, 2028 (the "Original Lease Reinstatement Date") no Event (as such term is hereinafter defined) has occurred or is continuing, and there is not then any default occurring of the Tenant's obligations under this Lease, failing which this provision shall not apply, then the parties shall execute and deliver to one another the Reinstated Original Lease (as defined below) which shall provide and confirm that effective upon the Original Lease Reinstatement Date: (1) this Lease shall be resolved, cancelled, surrendered and rescinded; and (2) the termination of the Original Lease shall be deemed to have been revoked and, except as expressly modified pursuant to this provision, the Original Lease shall be reinstated in its entirety effective as of the Original Lease Reinstatement Date and shall again be in full force and effect as if the same had never been terminated. However, the respective rights and obligations of Landlord and Tenant as to the Premises under this Lease will be preserved and will survive the termination of this Lease on the Original Lease Reinstatement Date as to all matters arising or accruing prior to the Original Lease Reinstatement Date, but no such rights or obligations will arise or accrue to either of them with respect to this Lease on or after the Original Lease Reinstatement Date (given the Reinstated Original Lease will thereafter govern this tenancy). Any breach of this Lease which has not been cured will, after the Original Lease Reinstatement Date, be enforceable in accordance with all applicable provisions of this Lease.

"Event" means the occurrence of any of the following:

(1) Tenant (or any of its affiliates) defaulting under any of its monetary obligations (beyond any applicable cure period) under this Lease or any HBC IC Lease (as hereinafter defined); or

(2) Tenant (a) is insolvent, (b) has committed an act of bankruptcy, and/or (c) has

become bankrupt.

"HBC IC Lease" means any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties:

(i) Galeries D'Anjou

(ii) Metropolis at Metrotown;

(iii) Mapleview;

(iv) Southgate;

(v) Guilford;

(vi) Oshawa;

(vii) CrossIron Mills

(viii) Outlet collection at Niagara-on-the-lake;

(ix) Outlet collection Winnipeg; or

(x) Vaughan Mills.

"Reinstated Original Lease" means the Original Lease but reinstated and amended only to: incorporate Sections 1.05 and 1.09 hereof (and the corresponding definitions) such that (i) the Term thereof is the same as the Term in this Lease; (ii) the Tenant shall have the obligation to pay Incremental Rent during the remainder of the Term; (iii) any renewal or extension right shall include the obligation to pay Incremental Rent during each such renewal period and (iv) to amend/delete all provisions of the Original Lease that are inconsistent with the aforesaid said Sections. Landlord shall prepare the form of Reinstated Original Lease and the parties shall forthwith thereafter execute and deliver same to the other, each at its sole expense. In addition, Tenant shall execute such other documents contemplated in Section 3.05 hereof for the discharge of any registered documents relating to this Lease which Section 3.05 shall equally apply in this context, *mutatis mutandis*.

3.06 ***Limitation on Length of Term.*** This 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 are complied with relating to the severance of land or interests in land by conveyance or otherwise (as it may from time to time be amended). 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.

ARTICLE 4.00 RENT

4.01 ***Gross Rent*** Tenant will pay to Landlord a Gross Rent for the Premises described in Article 1.09 of this Lease, payable monthly in arrears within twenty (20) days following the end of each calendar month during the Term. **The Incremental Rent component of the Gross Rent will be payable in equal monthly installments at the same time that the balance of the Gross Rent is due pursuant to the preceding sentence.** Along with the monthly payment of Gross Rent, Tenant shall furnish Landlord a statement, which need not be certified, of the Gross Sales derived from the Premises for the prior month, which statement shall be in accordance with generally accepted accounting principles, consistently applied. Within sixty (60) says after the end of each Percentage Rent Lease Year and within sixty (60) days after the end of the calculating period with respect to the first full Percentage Rent Lease Year, Tenant shall furnish Landlord a statement certified by an officer of Tenant showing the Gross Sales derived from the Premises during such Percentage Rent Lease Year and the amounts, if any, of Rent required to be paid by Tenant or credited to Tenant for any overpayment or underpayment of Rent for the Percentage Rent Lease Year, which statement shall be in accordance with generally accepted accounting principles, consistently applied.

For purposes of calculating Rent under this Lease, the term «Percentage Rent Lease Year» as

used in this Lease refers to the period from February 1 to the following January 31 of each year during the term of this Lease, provided that, if the Commencement Date is not February 1, then the first Percentage Rent Lease Year shall be for a period of less than twelve (12) consecutive months, commencing on the Rent Commencement Date and expiring on the following January 31, and further provided that any period of less than twelve (12) full calendar months occurring from and after February 1 at the expiry or earlier termination of the term shall be deemed to be a Percentage Rent Lease Year. The computation of Rent shall be made separately with regard to each Percentage Rent Lease Year or partial Percentage Rent Lease Year, as the case may be, it being understood and agreed that Gross Sales per any Percentage Rent Lease Year and Rent due thereon shall have no bearing on Gross Sales of any other Percentage Rent Lease Year.

Full true and accurate records from which Gross Sales in any Percentage Rent Lease Year may be readily and correctly determined will be kept by Tenant, including, without limiting the generality of the foregoing, the requirement to retain all sources of primary sales records (that is, cash register tapes, pre-numbered sales tickets, daily sales reports, etc.) and otherwise in accordance with generally accepted accounting principles until at least the fifth (5th) anniversary of the end of such Percentage Rent Lease Year. Landlord or any person designated by Landlord will have access to such records at any and all times during business hours for the purpose of examining and reviewing all the accounting records and procedures adopted by Tenant for the purpose of recording and control of all transactions affecting the determination of Gross Sales. For the sake of greater clarification, the parties hereto acknowledge that, in the event Landlord determines that Tenant has failed to report Gross Sales in accordance with its obligations contained herein, such failure shall constitute a default under this Lease and Landlord shall have the right to exercise its remedies under this Lease. Landlord will not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Shopping Centre.

Landlord shall be entitled to characterize the Rent, and to allocate the payment thereof to costs, expenses, taxes etc. incurred by or for which Landlord is responsible, in each case as Landlord may determine in its sole discretion.

4.02 ***Gross Sales*** The term "Gross Sales" as used in this Lease means the actual sale price of goods, wares and merchandise sold in, upon or from any part of the Premises, including actual receipts from services rendered by Tenant as well as the total actual sales and services rendered by any licensee, subtenant or concessionaire occupying any portion of the Premises, including, without limitation, such sales, income, receipts, revenues and services which Tenant, any licensee, subtenant or concessionaire occupying any portion of the Premises (collectively, "Other Occupants") in the normal and customary course of business would credit or attribute to its business upon the Premises or any part or parts thereof, provided, however, that the term "Gross Sales" shall not be deemed to mean and there shall be excluded from "Gross Sales" amounts representing: (i) amounts credited by Tenant or Other Occupants for returned or defective merchandise; (ii) amount of discount on sales to bona fide employees of Tenant and bona fide employees of any affiliates of Tenant; (iii) allowances granted to customers for damaged or defective merchandise; (iv) trade and other discounts; (v) GST and all other sales, excise and similar taxes levied upon sales made at the Premises; (vi) workroom charges for alterations, repairs or installation of merchandise sold, or similar services rendered in connection with merchandise sold; (vii) charges for services rendered primarily to accommodate customers or employees; (viii) charges for making deliveries, shipments or transfers of merchandise in the regular course of business; (ix) carrying charges on time sales; (x) fees and charges paid by Tenant or Other Occupants to issuers of third-party credit cards; (xi) charges for inter-store transfers of merchandise; (xii) sales of merchandise in bulk to non -retail customers; and (xiii) the proceeds of sales of trade fixtures, operating equipment or other property used by Tenant or Other Occupants in the operation of its business and not acquired by it for the purpose of sale. All exclusions from Gross Sales permitted herein must be documented to the reasonable satisfaction of Landlord to allow for complete and detailed verification of the validity of such exclusions. Any instalment or credit (which, without limiting the generality of the foregoing, includes lay-away sales, sales from coupons or gift cards, electronic or otherwise and certificates, or any other sale made where deposits are received by Tenant) will be included and treated as a sale for the full price in the month in which such sale is made regardless of whether or when Tenant receives payment in full.

4.03 ***Intentionally deleted.***

4.04 ***Intentionally deleted.***

4.06 ***Intentionally deleted.***

4.07 ***Intentionally deleted.***

4.08 ***Intentionally deleted.***

4.09 ***Taxes Payable by Landlord***

Landlord shall pay before the date due any and all Taxes levied, assessed or otherwise imposed upon the Premises and/or the remainder of the Shopping Centre throughout the Term. Tenant shall have no obligation to contribute to the payment of such Taxes as such Taxes are intentionally provided for in the Gross Rent provided for herein.

4.10 ***Intentionally deleted.***

4.11 ***Intentionally deleted.***

4.12 ***Intentionally deleted.***

4.13 ***Intentionally deleted.***

4.14 ***Intentionally deleted.***

4.15 ***Intentionally deleted.***

4.16 ***Intentionally deleted.***

4.17 ***Intentionally deleted.***

4.18 ***Payment of Rent – General*** During the Term of this Lease, Tenant shall pay Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction, set-off or compensation, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.19 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.20 ***Intentionally deleted.***

4.11 ***Intentionally deleted***.

ARTICLE 5.00 USE OF PREMISES

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord

unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the Greater Québec City Area. Tenant shall abide by all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with this Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv) a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased. Notwithstanding the foregoing, within the last six (6) months of the Term, the Tenant shall have the right to conduct clearance and other sales promotions in the Premises and the Tenant shall be permitted to erect, install and maintain within the Premises during such period any clearance and/or store closing signage (or other signage of a similar nature), provided that (i) any such signage on the exterior of the Premises or which faces any Common Areas and Facilities, shall be subject to the Tenant obtaining all required municipal approvals as well as the Landlord's prior written approval for the

nature, size, type and location thereof; and (ii) all clearance and other sales otherwise comply with the requirements of sub-paragraph (b) above and this Lease and are undertaken in a reputable and prudent manner that does not interfere with the typical use and operation of the Shopping Centre or the occupants thereof. Landlord's approval of such signage shall not be unreasonably withheld, conditioned or delayed provided it complies with this provision.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted.***

5.06 ***Display Windows*** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the Premises during the Term and Tenant's use thereof will be subject to such regulations as Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 **Intentionally deleted.**

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of

the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the Delivery Facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the Delivery Facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

For certainty, the Premises include the loading dock and unloading areas which serve such space as shown outlined in GREEN in the plan attached as Exhibit B-1 to the Original Lease (a copy of which is attached as part of Exhibit A hereto).

ARTICLE 6.00 SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b) and Tenant's obligations under this Lease in respect of the Premises, Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 (except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises; and furthermore, will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre (inclusive of downspouts, gutters, canopies and exterior walls), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles 7.02, 7.03, 10.01,

16.01, 16.02, 16.03, or 16.04 and in no event shall Landlord be required to make any repairs or replacements which are necessary as a result of Tenant's default, negligence or willful misconduct.

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04 will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, or, minimum stall number requirements, or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, servitudes dedications, permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial discharges of its notice of lease and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters. The Tenant hereby irrevocably appoints the Landlord as mandatory of the Tenant to execute and deliver the foregoing instruments and/or other documents referred to above by or on behalf of the Tenant. The Landlord will promptly provide the Tenant with a copy of any such instrument or document executed as mandarary as aforesaid.

6.05 ***Intentionally deleted***

6.06 ***Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal

business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

(h) During any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, Landlord shall keep all Common Areas and Facilities lighted and opened to the public. Landlord agrees that it shall keep all Common Areas and Facilities lighted for security purposes seven (7) days each week during the hours of darkness such lighting is necessary for such purpose. Landlord shall pay for all costs of electricity for lighting the Common Areas and Facilities (i) during any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, but not later than 11:00 p.m., EST, (ii) during any other period, in addition to the period described in the immediately preceding clause (i), when both the Premises and at least fifty percent (50%) of the remainder of the floor area in the Shopping Centre are open for business and (iii) during the times and to the extent such lighting is required under the second sentence of this subsection (h).

(i) The cost of electricity for lighting the Common Area at times or to the extent such cost is not considered part of Landlord's costs in accordance with the preceding paragraph shall be paid as follows:

(i) If the Premises are open for business, then Tenant shall pay its proportionate share (based on the square footage of the Premises compared to the square footage of the premises of all occupants that are open for business) of the cost of electricity to light the Common Areas and Facilities; and

(ii) If the Premises are not open for business as permitted by this Lease, Landlord shall pay the cost of electricity to light the Common Areas and Facilities.

7.02 ***Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, Tenant will at its sole cost and expense be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the "Tenant HVAC System") installed for the Premises where such equipment is not part of a shared or central system. **The parties acknowledge that the Tenant HVAC System independently serves the Premises.**

However and notwithstanding the foregoing, in the event one or more of the HVAC units (as defined in the Original Lease) serving the Premises requires replacement (or any major component of such unit(s) requires replacement), Landlord and Tenant acknowledge and agree that the provisions of Section 7.1 of the Original Lease and defined terms used therein are incorporated into this Section 7.02 by reference and shall apply in respect of such replacement, inclusive of Tenant's obligation to pay as part of Rent the "HVAC Rent Adjustment".

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior

of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will maintain the Premises and all improvements therein at its sole cost and expense in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) ***intentionally deleted***;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed all elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the rules and regulations of Landlord.

Notwithstanding the *Civil Code of Quebec* or any other legislation to the contrary, the Tenant's repair obligations will include all those which are major as well as minor (including, but not limited to *grosses réparations*), or those which are customarily landlord's or tenant's, except as expressly provided otherwise in this Lease

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining

Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Movable Property*** Tenant may install in the Premises its usual trade fixtures and movable property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and movable property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or movable property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted.***

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("Sign") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section. The Landlord also confirms that the existing pylon signage is compliant with this Section and that the Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with such pylon signage.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** Throughout the Term of this Lease, Landlord, at no cost to Tenant, will carry the insurance for which Landlord is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference. For certainty, during the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the insurance for which Tenant is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference.For certainty, during the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective upon written notice to Tenant, or without terminating this Lease and after giving such notice, if any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Mutual Indemnity.*** Except to the extent released in Sections 10.02 and 10.03 below, each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

10.02 ***Release of Landlord.*** In respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are

recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the Mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Premises, the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 TRANSFERS

11.01 ***Transfers*** Except to an Eligible Corporation (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a "Transfer"), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to hypothecate or encumber the Tenant's rights resulting from this Lease. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, user or occupant as the case may be (hereinafter the "Transferee"), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee notwithstanding any rule of law to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(g)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would

subsequently acquire effective control); (ii) details of the proposed Transferee's prior business experience (including experience in the enterprise for which the Premises are to be operated pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the Canada Business Corporations Act); or

(b) assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater Québec City area; and (iii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord:

(i) in a vacant, clean and broom-swept condition with all of Tenant's signage, inventory, trade fixtures, racking and personal property removed; and

(ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators) servicing the Premises in a working order, subject to reasonable wear and tear;

but otherwise in an "as is, where is" condition and without any obligation to: (A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or (B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof. For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has registered a notice of this lease against title to the Land, it will cause the same to be discharged no later than 15 days following the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its mandatary with respect to executing such documents. The costs of preparing and/or registering a discharge of a notice of this will be paid by Tenant.

12.02 ***Trade Fixtures, Movable Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective

any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy with Landlord Consent*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, notwithstanding Article 1879 of the *Civil Code of Quebec* or any other legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Month-to-Month Tenancy without Landlord Consent*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, notwithstanding Article 1879 of the *Civil Code of Quebec* or any other legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy may be immediately terminated by Landlord at any time by notice of termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "Rules and Regulations") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than 60 days after the date (hereinafter "Date of Such Taking") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on the date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment, and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Limited Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, can be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord will immediately at its own expense repair such damage other than damage to improvements, furniture, movable property or trade fixtures which do not belong to Landlord or which have been installed by or on behalf of Tenant, which instead will be repaired immediately by Tenant at Tenant's own expense.

16.02 ***Major Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then Landlord, or in the event that there is less than two (2) years remaining in the Term, Tenant, may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than 20 days after receipt of the Architect's opinion, failing which Landlord will forthwith at its own expense repair such damage other than damage to improvements, furniture, movable property or trade fixtures which do not belong to Landlord or which have been installed by or on the behalf of Tenant, which instead will be repaired forthwith by Tenant at Tenant's own expense.

16.03 ***Abatement*** If Landlord is required to repair damage to all or part of the Premises under Article 16.01 or 16.02, provided such damage is caused by a peril Landlord is required to insure against pursuant to Article 9.01, the Rent payable by Tenant under this Lease will be proportionately reduced to the extent that the Premises are thereby rendered untenantable by Tenant in its business, from the date of such casualty until five (5) days after completion by Landlord of the repairs to the Premises (or the part thereof rendered untenantable) or until Tenant again uses the Premises (or the part thereof rendered untenantable) in its business, whichever first occurs.

16.04 ***Major Damage or Destruction of Shopping Centre*** Notwithstanding any contrary provision of this Lease and specifically, but without limitation, Article 16.01, if the Shopping Centre is totally or partially damaged or destroyed (whether the Premises are affected or not), and (i) in the Architect's opinion, the damaged or destroyed portions cannot reasonably be repaired, restored or rebuilt within one hundred and eighty (180) days following the occurrence of the damage or destruction (employing normal construction methods without overtime or other premium); or (ii) the cost as estimated by the Architect, of repairing, restoring or rebuilding the damaged or destroyed portions would exceed the proceeds of insurance available to Landlord for such purpose; or (iii) the damage or destruction was caused by a peril for which Landlord was not insured and for which Landlord was not obliged to insure against; or (iv)intentionally deleted; ; or (v) less than two (2) years remains during the Term; or (vi) a Mortgagee will not consent to the use of insurance proceeds for repair or reconstruction; then in any of the above cases, Landlord may, at its option (to be exercised by written notice to Tenant within 30 days following any such occurrence) elect to terminate this Lease.

If Landlord elects to terminate this Lease, then the following provisions will apply:

(a) If the Premises become totally unfit for the use for which they were leased, the termination will take effect from the date of the damage or destruction and the Rent will cease to be payable and will be adjusted as of that date.

(b) If the Premises are partially damaged and Tenant has occupied any part of the Premises or any part of the Premises have been reasonably capable of being occupied from the date of the damage or destruction, this Lease will terminate ten (10) days from Landlord's notice stipulated in the first paragraph of this Article 16.04 and the Rent will cease to be paid by Tenant as of the date of termination, however, Rent will abate from the date of the damage and destruction until the date of termination to the extent the Premises cannot reasonably be used for their intended purposes.

(c) If the Premises were not damaged, this Lease will terminate ten (10) days from Landlord's notice stipulated in Article 16.00 and the Rent will cease to be paid from such date of termination.

If the Shopping Centre is totally or partially damaged or destroyed and Landlord does not elect to terminate this Lease, subject to the following, Landlord shall commence and proceed diligently to reconstruct or repair those portions of the Shopping Centre which have been so damaged or destroyed to the extent only of Landlord's responsibilities pursuant to the terms of the various leases for premises in the Shopping Centre and exclusive of any tenants' responsibilities. Furthermore, if the Premises are being repaired or reconstructed, the provisions of Article 16.01 will apply.

If Landlord does any reconstruction or repairing of the Shopping Centre, Landlord may do any one or more of the following: (i) use plans, specifications and working drawings which differ from those applicable to the Shopping Centre existing prior to the damage or destruction provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; (ii) change the configuration, design and/or size of the Shopping Centre or any of its component parts including, without limitation, the location and size of any mall, court, entrance, parking facility or any of other Common Areas and Facilities provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; and (iii) redesign the tenant mix, both with respect to the kinds of uses which will be included in the tenant mix, as well as the physical location of the types of uses being operated prior to the damage or destruction. Tenant agrees that none of the foregoing shall constitute a default of Landlord's obligation to provide peaceable enjoyment of the Premises, nor shall it constitute a change of form or destination of the Shopping Centre, nor shall the validity or enforceability of this Lease be affected in any manner by any of the foregoing.

ARTICLE 17.00 TRANSFERS AND HYPOTHECS BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of Landlord to sell, convey, assign, hypothecate or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 ***Intentionally deleted***.

17.04 ***Intentionally deleted***.

17.05 ***Intentionally deleted***

17.06 ***Intentionally deleted.***

17.07 ***Intentionally deleted.***

17.08 ***Intentionally deleted.***

17.09 ***Intentionally deleted***.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer duties and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a notice of this Lease in accordance with article 2999.1 of the *Civil Code of Quebec* (the "Registration Document"), provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, any right of renewal and any other information that is required by article 2999.1 of the *Civil Code of Quebec*. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will be registered against lot number 6 358 100 of the Cadastre of Quebec, Registration Division of Québec. In the event any portion of such lot ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(f) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its mandatary with respect to executing such documents. The costs of preparing and/or registering a discharge of any Registration Document will be paid by Tenant.

Tenant hereby irrevocably appoints Landlord as mandatary of Tenant to execute and deliver the any discharges, directors, instruments and/or other documents by or behalf of Tenant to discharge

any notice, document or instrument pertaining to the Original Lease from title to the Shopping Centre and any other lands. Landlord will provide Tenant with a copy of any such instrument or document executed as mandatary as aforesaid.

17.14 ***Servitudes and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), servitudes(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or other creation of such licence(s), servitudes(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.15 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article 6.04, Landlord will have the right from time to time to effect cadastral operations, to subbdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery. Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord) designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) Part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues after five (5) business days' notice by Landlord, provided that if Tenant is no longer obligated to pay Incremental Rent, the aforesaid five (5) business day period shall be deemed extended to fifteen (days) after notice by Landlord; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days' notice by Landlord specifying with reasonable particularity the nature of such failure and requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, movable property or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it shall provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior written notice of the Tenant signing of a forbearance agreement with one or more creditor(s);** or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, movable property or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease; or

(h) a default of the monetary obligations of the tenant (which is not remedied within the cure period provided for in such new lease) occurs under any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties, where such default would constitute a "cross default" event as set out in such new lease or any other agreement entered into by and between Tenant and Landlord (and/or its or their affiliates):

(i) Metropolis at Metrotown;

(ii) Mapleview;

(iii) Southgate;

(iv) Guilford;

(v) Oshawa;

(vi) Galeries d'Anjou;

(vii) CrossIron Mills

(viii) Outlet collection at Niagara

(ix) Outlet collection Winnipeg; or

(x) Vaughan Mills (such lease at Vaughan Mills, together with the aforesaid leases at CrossIron Mills, Outlet collection at Niagara and Outlet collection Winnipeg being collectively, the "**Other Saks Leases**"),

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "Tenant Inducements") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, movable property and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable.

19.04 ***Intentionally deleted.***

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages (subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present

worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing.

Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 ***Intentionally deleted.***

ARTICLE 21.00 MISCELLANEOUS

21.01 ***Waiver by Tenant*** The Tenant hereby waives any right which it might have or enjoy at any time pursuant to Article 1854 (second paragraph), 1859, 1861, 1863 (second paragraph), 1867, 1868 (second paragraph) and 1881 of the *Civil Code of Quebec* or any replacement legislation.

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that

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

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular. If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be solidary obligations of such executing parties. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease (together with any other agreement entered into by the Landlord, the Tenant and/or its or their affiliates as a pre-condition to the execution of this Lease) contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements, representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to

Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease. No agreement respecting the Premises will arise or exist between the parties hereto except through the due execution of this Lease by both Tenant and Landlord. Upon execution and delivery by Tenant to Landlord, this Lease will be irrevocable by Tenant and open for acceptance by Landlord until 5:00 P.M. on the 60th day thereafter, and if not accepted by Landlord by then, may be withdrawn by Tenant by notice to Landlord at any time prior to its later acceptance by Landlord.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

21.16 ***Counterpart Execution*** This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

ARTICLE 22.00 TENANT ALLOWANCE

Landlord shall pay to Tenant a payment (the "Tenant Allowance") in an amount equal to CDN$10,000,000 plus applicable GST and QST upon (a) mutual execution of this Lease; (b) satisfaction of all other pre-conditions to such payment as set out in any other agreement by and between Landlord and Tenant; and (c) issuance by Tenant of an invoice to Landlord containing all prescribed information required by Landlord to validly support its claims for input tax credits.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

IVANHOÉ STE-FOY INC.
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

by Julie Bourgon (Jan 31, 2024 11:23 EST)
Name: Julie Bourgon
Title: Head of Retail

by: Maria Concetta Giampa (Jan 31, 2024 11:01 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affiairs, Investments

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

by: _____
Name:
Title:

I have the authority to bind the company.

by: _____
Name:
Title:

I have the authority to bind the company.

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

IVANHOÉ STE-FOY INC.
by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

by _____
Name:
Title:

by: _____
Name:
Title:

We have the authority to bind the company.

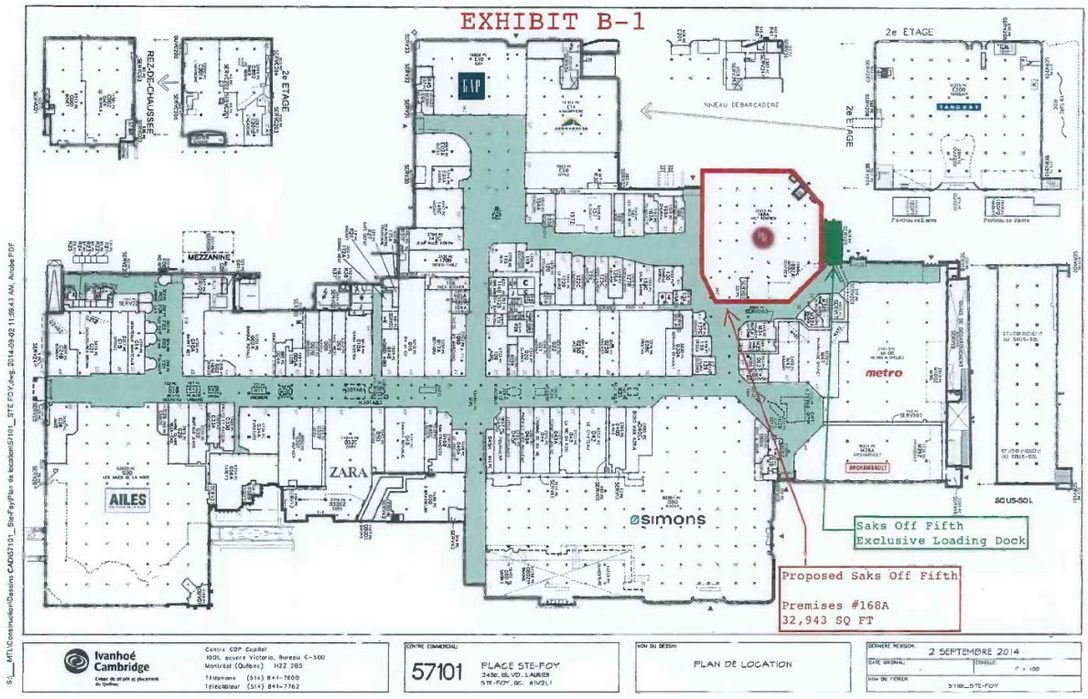
TENANT **HUDSON'S BAY COMPANY ULC**

by: _____
Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments
I have the authority to bind the company.

by: _____
Name:
Title:

I have the authority to bind the company.

EXHIBIT A
FLOOR PLAN



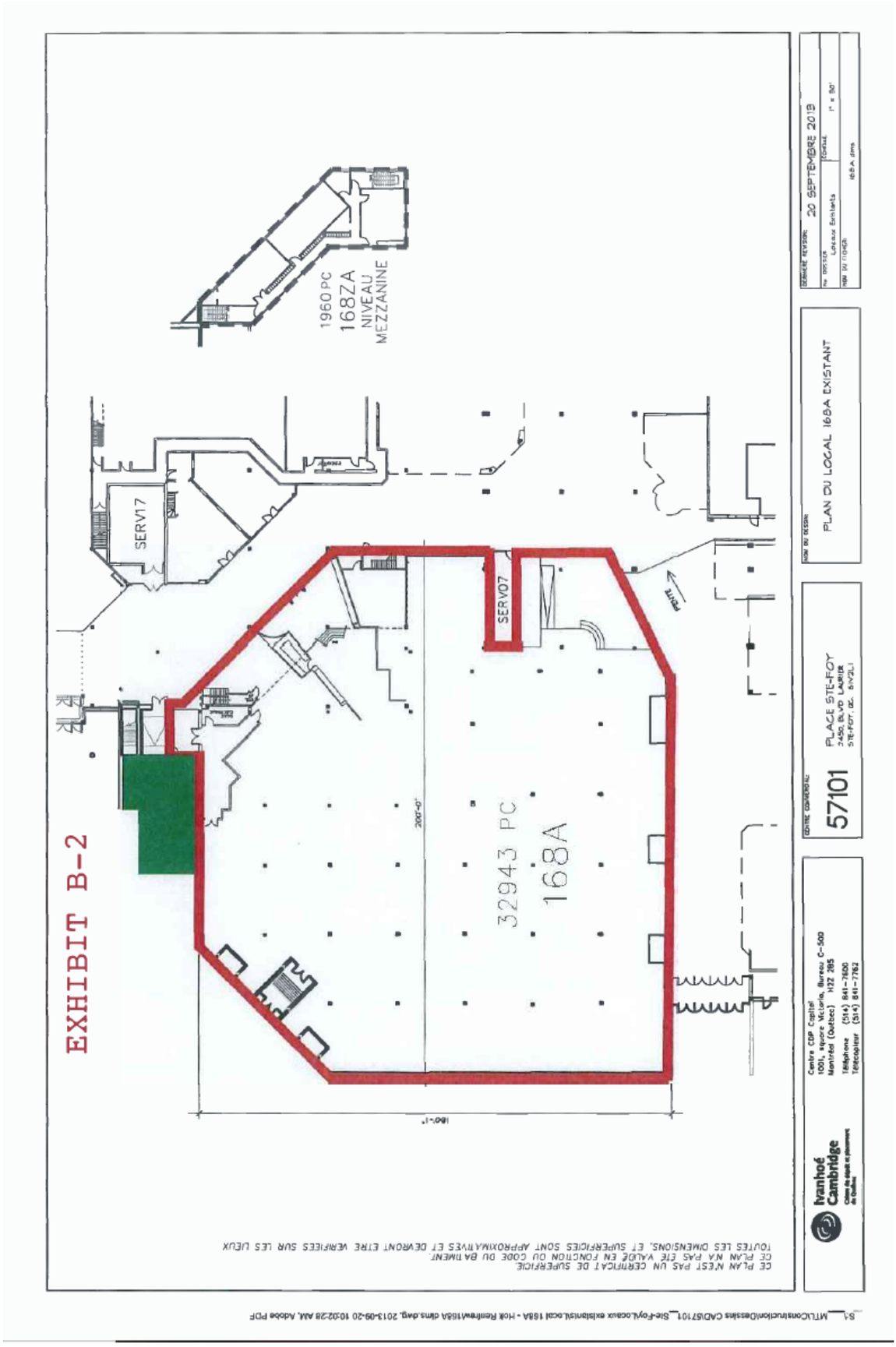

EXHIBIT B-2
1960 PC
168ZA
NIVEAU
MEZZANINE
SERV17
SERV07
32943 PC
168A
200'-0"
160'-1"
PLAN DU LOCAL 168A EXISTANT
57101
PLACE STE-FOY
2450, BLVD LAURIER
STE-FOY, QC, G1V2L1
20 SEPTEMBRE 2013
Ivanhoé Cambridge
Centre CDP Capital
1001, square Victoria, Bureau C-500
Montréal (Québec) H2Z 2B5
Téléphone (514) 841-7600
Télécopieur (514) 841-7762
CE PLAN N'EST PAS UN CERTIFICAT DE SUPERFICIE
CE PLAN N'A PAS ÉTÉ VALIDÉ EN FONCTION DU CODE DU BÂTIMENT
TOUTES LES DIMENSIONS, ET SUPERFICIES SONT APPROXIMATIVES ET DEVRONT ÊTRE VÉRIFIÉES SUR LES LIEUX

EXHIBIT B
LEGAL DESCRIPTION

An emplacement situated in the City of Québec (Borough of Sainte-Foy-Sillery-Cap-Rouge), Province of Québec, known and designated as being lot number SIX MILLION THREE HUNDRED AND FIFTY-EIGHT THOUSAND ONE HUNDRED (6 358 100) of the Cadastre of Quebec, Registration Division of Quebec.

With all improvements thereon erected including without limitation the buildings known under the name "Place Ste-Foy" bearing civic number 2450 Laurier Boulevard, in the City of Québec (Borough of Sainte-Foy-Sillery-Cap-Rouge), Province of Québec.

EXHIBIT C
RESTRICTED USES

ATMOSPHÈRE

« 20.4 Exclusivité

Sujet aux dispositions du paragraphe 20.2, et pourvu que le Locataire ne soit pas en défaut de ses obligations en vertu du Bail, le Locateur s'engage à ne louer aucun autre lieu dans le Centre Commercial à un locataire dont l'usage sera la vente d'équipements de sport de nature « hard goods » (comme par exemple et non limitativement, canots, tentes, skis, raquettes, équipement de hockey et vélos). Il est entendu que la présente exclusivité n'aura aucune application à (i) la vente de chaussures et de vêtements; (ii) un magasin de sport spécialisé dans le golf ~~dont la superficie sera de deux mille (2,000) pieds carrés ou moins~~ et (iii) la vente et la location d'équipement d'exercice et de musculation. Nonobstant ce qui précède, le Locateur aura le droit de permettre la vente de produits de sports de nature « hard goods » à titre d'usage secondaire pourvu que la superficie affectée à cet usage n'excède pas dix pour cent (10%) de la superficie locative des lieux d'un tel locataire.

Nonobstant ce qui précède, cette exclusivité ne s'applique pas à tous les locataires existants dans le Centre Commercial à la date de l'acceptation des présentes par le Locateur et à tous futurs magasins de rayons ayant une superficie de quarante mille (40,000) pieds carrés ou plus, non plus qu'à tout sous-locataire, cessionnaire ou ayants droits des locataires existants et/ou des magasins à rayons ci-haut mentionnés ».

ROYAL BANK OF CANADA

27.11 The Landlord agrees not to lease space in the Shopping Centre or any extensions thereto to any other bank, financial, loan or deposit gathering institute (save and except for this bank and one Finance Company, and one other Canadian Chartered Bank), for the term of the Lease and its options. This clause will also cover the installation of automatic cash dispensing units but specifically excepting any credit services provided by any department store and any other store in the Shopping Centre.

BIZOU L'ACCESSOIRIE

20.1 Droit de premier refus pour kiosque temporaire

Pourvu que le Locataire ne soit pas en défaut de son Bail, il est entendu par la présente que si en tout temps, durant le Terme le Locateur entreprend de louer certains lieux dans le Centre Commercial Place Ste-Foy pour fins d'exploitation d'un kiosque temporaire principalement pour la vente au détail d'accessoires d'hiver pour hommes, femmes et enfants (selon le concept « L'Accessoire sous zéro ») tel qu'exploité au Faubourg de l'Île

à Pincourt et aux Galeries Rive Nord à Repentigny, lesquels superficie et emplacement à être déterminés par le Locateur, alors le Locataire aura, à chaque année, l'option de louer un kiosque temporaire pour l'usage mentionné au présent paragraphe 20.1 dans ledit Centre Commercial, sur réception d'un avis écrit du Locateur au Locataire, le tout pour un loyer mensuel de deux mille quatre cents dollars (2 400,00$) par mois et pour une période maximale de cinq (5) mois par année, laquelle période débutera au plus tôt le 15 septembre et au plus tard le 15 octobre de chaque année. Le Locataire aura un délai maximum de quinze (15) jours après réception de cet avis écrit du Locateur pour aviser le Locateur de son intention d'accepter ou de rejeter ladite offre, à défaut de quoi, la présente option de droit de premier refus sera nulle et sans effet pour toutes fins. Tous les termes et conditions du présent Bail s'appliqueront audit kiosque temporaire, sauf tels qu'amendés par ledit article 20.1.

20.2 Exclusivité sur kiosque temporaire

Durant la période de la location du kiosque temporaire du Locataire et pourvu que le Locataire ne soit pas en défaut du Bail, le Locateur ne louera pas d'espace à un autre kiosque temporaire dans le Centre Commercial pour la vente au détail principalement d'accessoires d'hiver pour hommes, femmes et enfants (selon le concept « L'Accessoire sous zéro » tel qu'exploité au Faubourg de l'Île et les Galeries Rive Nord).

La présente exclusivité, en faveur du Locataire, ne s'appliquera pas aux lieux déjà loués ni aux kiosques permanents dans le Centre Commercial. De plus, la présente exclusivité ne s'appliquera pas aux locataires existants du Centre Commercial, leurs ayants droits, leurs cessionnaires et/ou sous-locataires.

J. M. CLÉMENT

1.7 Utilisation permise des Lieux : les Lieux ne seront utilisés que principalement aux fins de la vente au détail de vêtements pour enfants et secondairement pour la vente au détail d'accessoires tels que chapeaux, gants, foulards ainsi que la vente de chaussures coordonnées pourvu que ledit usage secondaire n'excède pas 10% (en pieds carrés, pieds cubes, nombre et importance de l'étalage) de la Superficie des Lieux et troisièmement pour la vente au détail de meubles et accessoires pour enfants, et ne devront pas être utilisés à quelque autre fin que ce soit. Il est entendu entre les parties que le Locateur ne pourra augmenter le nombre de pieds carrés calculé au 5 septembre 1996 dans le Centre Commercial reliées à la spécialité de vêtements pour enfants (en usage principal seulement) sauf dans le cas d'un agrandissement du Centre Commercial et sauf pour tout locataire existant ou cessionnaire, sous-locataire de ce locataire existant. De plus, l'ancien local ne pourra pas être loué à un spécialiste du vêtement pour enfant.

MÉTRO

12. (1) L'une des conditions essentielles du présent bail est que, pendant toute la Durée du bail, le Bailleur n'utilisera pas ni ne permettra l'utilisation de toute partie du Centre commercial comme établissement des types décrits ci-dessous ou comme stationnement pour tout établissement de ce genre, et ce directement ou indirectement :

(a) tout établissement qui ne serait pas exploité comme faisant partie du Centre commercial en conformité avec le présent bail;

(b) tout magasin exploité principalement ou en partie pour la vente de marchandises d'occasion (sauf la revente de marchandises retournées), d'articles de surplus d'armée, d'articles récupérés par les assurances ou pour la vente après incendie ou encore la vente de marchandises endommagées par l'incendie, sauf si l'incendie a eu lieu dans le magasin en cause et uniquement les marchandises endommagées par cet incendie et ce, dans la période de trente (30) jours suivant immédiatement la date à laquelle le magasin a rouvert à la suite de cet incendie;

(c) tout commerce dans l'exploitation duquel le locataire utilise une publicité ou des techniques de vente frauduleuses ou mensongères;

(d) la vente aux enchères, sauf dans le cas d'œuvres d'art ou d'antiquités;

(e) toute boutique de prêteurs sur gage, salle de bingo, de quilles ou de banquet; ou

(f) tout autre commerce qui, en raison des marchandises vendues ou des méthodes de commercialisation susceptibles d'être utilisées, aurait tendance à dégrader le caractère du Centre commercial.

Les dispositions précédentes du présent paragraphe constituent des engagements restrictifs qui s'appliquent à l'ensemble du Centre commercial, à l'exclusion des Locaux loués, et qui ont été incluses pour le bénéfice des Locaux loués.

RESTRICTIONS PARTICULIÈRES

12. (2) L'une des conditions essentielles du présent bail est que, pendant toute la Durée du bail, le Bailleur s'abstienne d'utiliser ou de permettre l'utilisation de toute partie du Centre Commercial, à l'exclusion des Locaux loués, pour la vente ou la distribution d'aliments ou de produits alimentaires, ou comme stationnement pour tout établissement de ce genre; toutefois, le présent paragraphe 12(2) ne s'applique pas :

(a) à la vente à titre accessoire d'aliments ou de produits alimentaires dans le cadre de l'exploitation d'un commerce qui n'est pas spécifiquement interdit dans le présent paragraphe 12(2); pourvu que :

(i) la vente de ces aliments ou produits alimentaires fasse normalement partie de l'exploitation de ce type de commerce;

(ii) la portion de ces locaux affectée à l'entreposage, l'étalage et la vente de ces aliments ou produits alimentaires n'excède pas 2% des premiers 5 000 pieds carrés de superficie locative brute de ces locaux et 1% du reste de la superficie locative brute de ces locaux; et

(iii) aucune disposition du présent paragraphe 12(2)(a) ne soit interprétée comme permettant la vente d'articles d'épicerie, de fruits, légumes, produits laitiers, viandes, volailles, poissons ou produits de boulangerie ou de pâtisserie; ni

(b) à la vente d'aliments ou de produits alimentaires destinés à la consommation immédiate; ni

(c) à la vente d'aliments ou de produits alimentaires dans les locaux d'une pharmacie ou d'un Grand magasin, pourvu que, dans chaque cas, la portion de ces locaux affectée à l'entreposage, l'étalage et la vente d'aliments et de produits alimentaires n'excède pas 6% de la superficie locative brute de ces locaux; ni

(d) à la vente d'aliments ou de produits alimentaires dans des locaux (autres que les locaux visés par le paragraphe 12(2)(b)) ayant une superficie locative brute n'excédant pas au total 10% de la différence entre la superficie locative brute totale des Locaux loués, du Grand magasin, des bureaux et des locaux ayant une superficie locative brute supérieure à 30 000 pieds carrés; toutefois :

(i) aucun de ces locaux ne doit avoir une superficie locative brute supérieur à 1 600 pieds carrés; et

(ii) la vente de viandes fraîches, de poissons frais et de produits de boulangerie ou de pâtisserie est interdite dans les locaux; toutefois, si les locaux sont ceux d'une charcuterie, la vente de viandes fraîches y sera permise ou, si le Locataire n'a pas de boulangerie dans les Locaux loués, la vente de produits de pâtisserie ou de boulangerie faits sur place sera permise dans ces locaux;

toutefois, aucun établissement visé par ces exceptions ne peut être installé dans des locaux situés à l'intérieur d'un rayon de 25 pieds de l'Immeuble ou dans les locaux adjacents à ceux d'un autre établissement visé par ces exceptions.

Les dispositions précédentes du présent paragraphe constituent des engagements restrictifs qui s'appliquent à l'ensemble du Centre commercial, à l'exclusion des Locaux loués, et qui ont été incluses pour le bénéfice des Locaux loués.

RESTRICTION CONCERNANT LES PRODUITS PHARMACEUTIQUES

12. (3) L'une des conditions essentielles du présent bail, est que, si les Locaux loués ont une superficie locative brute supérieure à 45 000 pieds carrés, le Bailleur doit pendant toute la Durée du bail s'abstenir d'utiliser ou de permettre l'utilisation de toute partie du Centre commercial, à l'exclusion des Locaux loués, pour la vente ou la distribution de médicaments ou de produits pharmaceutiques, ou comme stationnement pour tout établissement de ce genre; toutefois, le présent paragraphe 12(3) ne s'applique pas :

(a) à la vente accessoire, dans le cadre de l'exploitation d'un commerce, de médicaments ou de produits pharmaceutiques ne requérant pas les services d'un pharmacien;

(b) à la vente de médicaments ou de produits pharmaceutiques dans un Grand magasin.

Les dispositions précédentes du présent paragraphe constituent des engagements restrictifs qui s'appliquent à l'ensemble du Centre commercial, à l'exclusion des Locaux loués, et qui ont été incluses pour le bénéfice des Locaux loués.

PHARMACIE BRUNET

20.3 Pourvu que le Locataire n'ait pas été et ne soit pas en défaut de ses obligations en vertu du présent Bail et que le Locataire n'ait pas cédé le Bail, ni sous-loué les Lieux à moins d'avoir obtenu l'acceptation préalable du Locateur ou que la cession ou la sous-location ait été effectuée suivant l'Article 13.1.1, le Locateur s'engage à ne louer aucun autre lieu dans le Centre Commercial à un locataire dont l'usage principal ou secondaire est la vente de médicaments sur ordonnances médicales.

Nonobstant ce qui précède, cette limitation de droit de location ne s'applique pas à tous les Locataires Majeurs existants, lesquels ont une superficie de 50 000 p.c. ou plus, dans le Centre Commercial à la date de l'acceptation des présentes par le Locateur soit : Les Ailes et Simons non plus qu'à tout sous-locataire ou cessionnaire de ces locataires majeurs.

Le Locataire déclare par la présente qu'il a spécifiquement exigé la limitation du droit de location ci-inclus, et qu'il consent à indemniser et garantir le Locateur à l'encontre de toute perte, sanction et/ou dommages subis par le Locateur qui découle de la stipulation et/ou application de cette limitation.

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to

Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

In addition to the requirements set out under Article 20.05 of the Lease, Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
INTENTIONALLY DELETED

EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

SPECIMEN

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

- Rent is: **$<>**

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT **HUDSON'S BAY COMPANY ULC**

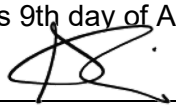
by_____
Name:
Title:

I have the authority to bind the company.

by_____
Name:
Title:

I have the authority to bind the company.

This is **Exhibit "W"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE OF RETAIL SPACE

BETWEEN:
(address) **IVANHOE CAMBRIDGE II INC. & TRE2 NON-US – BIGFOOT CORP.**

c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

CENTRE: **VAUGHAN MILLS, VAUGHAN, ONTARIO, CANADA**

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LEASE OF RETAIL SPACE

DATE: **February 1, 2024**

BETWEEN:
(address) **IVANHOE CAMBRIDGE II INC. & TRE2 NON-US – BIGFOOT CORP.**

c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

(collectively, the "Landlord")

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

("Tenant")

FOR PREMISES IN: VAUGHAN MILLS, VAUGHAN, ONTARIO

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice***:

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant: **401 Bay Street, Suite 2302 (Attention: Real Estate Department)**
Toronto, Ontario
M5H2Y4

1.02 ***Location of Premises***: **Unit #A2A**

1.03 ***Shopping Centre***: **Vaughan Mills,Vaughan, Ontario**

1.04 ***Area***: [*SqFtArea] **34,992 square feet.**

1.05 ***Term***: A period of **ten (10)** years, beginning on the 3rd day of **February**, **2024**, and expiring on the 2nd day of **February**, **2034**, unless terminated earlier or renewed as provided in this Lease. **The options in favor of Tenant in the Original Lease to renew or extend the term thereof shall equally apply in respect of this Term on the same terms as the renewal or extension options set out in the Original Lease, save and except that (a) in no event shall the final expiry date of this Term (as may be so renewed) be later than what would have been the final expiry date of the term of the Original Lease after the exercise of all renewal/extension options had it not been terminated and replaced by this Lease; and (b) the Tenant shall continue to have the**

obligation to pay the Incremental Rent throughout this Term (as may be further renewed/extended including during any renewal/extension of the Term pursuant to the renewal/extension options incorporated in this Lease from the Original Lease), as set out in Section 1.09 of this Lease.

1.06 ***Intentionally deleted***.

1.07 ***Permitted Use of Premises***:

The Premises shall be used for the purposes of the operation of an off-price retail store selling better quality apparel, accessories, shoes, handbags, jewellery and other better quality merchandise as is typically sold from time to time in Tenant's similar off-price retail stores in Canada operating under the name "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th", "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off-price retail stores operated by Tenant in Canada) and in other similar off-price retail stores selling better quality merchandise currently operating in North America, such as, by way of example only and without limitation, those off-price retail stores operating under the names "Nordstrom Rack", "Holt Renfrew's HR2", and "Nieman Marcus Last Call".Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Premises as an off-price retail store in a first class manner in keeping with the said standards of the shopping centre industry.

Tenant will carry on its business in the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease.

Subject to the provisions of Article 11.00 of this Lease, Tenant may operate, or cause to be operated, the department or departments within the Premises, in whole or in part, by licensees, sub-tenants and/or concessionaires, provided that the Premises continue to be carried on, and retain the appearance to the public of being carried on, as an integrated, and not a multiple tenant, off-price retail store. Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease.

Notwithstanding any other provision herein, Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any call centre operation (iii) a store conducted principally for the sale of war surplus articles, insurance salvage stock, or fire sale stock; (iv) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire; (y) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (vi) an auction sale; (vii) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or the pricing methods likely to be used would tend to lower the character of the Shopping Centre; and (viii) any of the Restricted Uses (as hereinafter defined).

At the time of entering into the Original Lease, Landlord had granted certain restrictive covenants and/or exclusive rights of use to or in favor certain other tenants of the Shopping Centre, including those set out in any notices of leases or other instruments registered on title to the Lands on or prior to the date of the Original Lease (the "Restricted Uses"). For greater certainty, Tenant hereby acknowledges and agrees that, if and for so long as each of the Restricted Uses granted by Landlord to the respective persons (including their respective successors and assigns) remains unamended and in full legal force and effect, Tenant shall not use the Premises or permit the Premises to be used for the operation of any business or the sale of any merchandise or services that would cause Landlord to be in default of any such Restricted Uses.

If at any time during the Term less than the whole or substantially the whole of the Premises is occupied and open to the public for business for a period exceeding two (2) months for any reason other than Force Majeure (as that term is hereinafter defined), damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, Landlord shall thereafter have the right to terminate this Lease while such cessation of operation continues by giving Tenant no less than thirty (30) days prior written notice thereof, provided that Tenant may nullify such notice of termination and this Lease shall not be terminated if Tenant reopens the whole or substantially the whole of the Premises to the public for business prior to the termination date specified in Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Premises open for business for at least twelve (12) consecutive months (failing which Landlord's termination of the Lease shall be effective immediately upon Tenant ceasing to operate during the aforementioned 12-month period). In the event that Tenant nullifies Landlord's notice of termination as aforesaid, the provisions of this Article 1.07 shall continue to apply throughout the balance of the Term.

1.08 ***Tenant's Store Name***: "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th", "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off-price retail stores operated by Tenant in Canada). Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Gross Rent***: Throughout the Term (inclusive of all renewals or extensions thereof), an annual aggregate amount equal to: (A) **4.5%** of the first Eighteen Million Dollars ($18,000,000) of Gross Sales (as hereinafter defined) made from the Premises during each Percentage Rent Lease Year (as hereinafter defined), payable pursuant to Article 4.00; (B) **3.5%** of Gross Sales made from the Premises in excess of Eighteen Million Dollars ($18,000,000) during each Percentage Rent Lease Year (as hereinafter defined), payable pursuant to Article 4.00; and (C) the Incremental Rent (collectively, the **"Gross Rent"**). The Landlord shall have the right, at any time and from time to time, at its entire discretion, upon written notice to the Tenant, to re-allocate the amount of the Incremental Rent allocated to this Lease and to any one or more of the Other Saks Leases and in this regard the Tenant shall have the obligation to enter into and execute all documents reasonably necessary as requested by the Landlord to implement such reallocation of Incremental Rent.

1.10 ***Intentionally deleted***.

1.11 ***Intentionally deleted***.

1.11.1 ***Intentionally deleted***.

1.12 ***Intentionally deleted***.

1.13 ***Intentionally deleted***.

1.14 ***Utilities***: Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00.

1.15 ***Intentionally deleted***.

1.16 ***Intentionally deleted***.

1.17 ***Intentionally deleted.***

1.18 ***Definitions***: In this Lease:

1.18.1 "**Additional Rent**" means all amounts (other than Gross Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted***

1.18.3 "**Area**" means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. The parties acknowledge and agree that the Area of the Premises is that set out in Article 1.04 hereof.

1.18.4 "**Architect**" *means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.*

1.18.5 "**Article**" *means an article of this Lease.*

1.18.6 "**Authority**" or "**Authorities**" means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted***.

1.18.8 "**Commencement Date**" means the first day of the Term (effective as of 12:00am).

1.18.9 "**Common Areas and Facilities**" means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-

leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 ***Intentionally deleted***.

1.18.11 "Delivery Facilities" means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted***.

1.18.13 "**Environmental Law**" means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment or to any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material 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 statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority.

1.18.14 "**Fiscal Year**" means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted***.

1.18.16 ***Intentionally deleted***.

1.18.17 "**Force Majeure**" means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes, walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted***.

1.18.19 "**Goods and Services Tax**" or "**GST**" means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 "**Gross Rent**" has the meaning given to it in Section 1.09 hereof.

1.18.21 "**Hazardous Substance**" means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs), pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted.

1.18.22 **"Incremental Rent"** means **$35,000 annually,** as such amount may be adjusted by the Landlord from time to pursuant to Article 1.09 hereof.

1.18.23 "**Interest Rate**" means the Prime Rate (as defined below) in force when an amount becomes due, plus three (3) percentage points. "Prime Rate" means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.24 ***Intentionally deleted***.

1.18.25 "**Land**" means all of the lands described in Exhibit B.

1.18.26 "**Landlord**" means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted***.

1.18.28 "**Lease**" means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.54 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 ***Intentionally deleted.***

1.18.30 ***Intentionally deleted***.

1.18.31 ***Intentionally deleted***.

1.18.32 "**Management Company**" means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted***.

1.18.34 ***Intentionally deleted***.

1.18.35 "**Mortgagee**" has the meaning given to it in Article 17.

1.18.36 "**Operating Agreement(s)**" means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any).

1.18.37 ***Intentionally deleted***.

1.18.38 "**Original Lease**" means that certain lease for the Premises dated as of February 23, 2009 between Ivanhoé Cambridge II Inc., as landlord, and the Tenant d/b/a Saks Fifth Avenue Off Fifth, as tenant, as amended on October 31, 2014, a notice of which was registered at the applicable land registry office as Instrument No. YR1320066 and as otherwise amended and supplemented from time to time, which Original Lease was terminated and surrendered immediately prior to the Commencement Date.

1.18.39 "**Other Saks Lease**s" has the meaning given to it in Article 19.03(h) hereof.

1.18.40 "**Owners**" means all of the prior owners of the Shopping Centre other than the Landlord.

1.18.41 "**Person**" where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.42 "**Percentage Rent Lease Year**" has the meaning given to it in Article 4.01.

1.18.43 "**Premises**" means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A. If the Premises are entirely self-enclosed, the boundaries shall extend to the exterior face of all exterior walls, doors and windows, or those separating the Premises from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the underside of the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on

the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical, electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.44 ***Intentionally deleted***.

1.18.45 ***Intentionally deleted.***

1.18.46 "**Released Persons**" means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.47 "**Rent**" means the Gross Rent and the Additional Rent.

1.18.48 "**Shopping Centre**" means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering or reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.49 "**Site**" means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.50 "**Taxes**" means the aggregate of all taxes, rates, charges (including school and local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.51 ***Intentionally deleted***.

1.18.52 "**Tenant**" means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.53 "**Tenant Security**" means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable, located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.54 ***Intentionally deleted***.

1.18.55 "**Term**" means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof, if any.

1.18.56 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" intentionally deleted.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" intentionally deleted

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 LEASE

2.01 ***Lease*** Landlord hereby leases the Premises to Tenant for the Term, and Tenant hereby leases the Premises from Landlord for the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 **Intentionally deleted**.

3.02 **Intentionally deleted**.

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures or other personal property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any other right to acquire any interest or real right in all or any part of the Shopping Centre or the Premises.

3.04 ***Landlord's Option to Renew*** Landlord has, exercisable at its sole and entire and unfettered discretion by giving at least 12 months' prior written notice to the Tenant, the right to renew this Lease for an additional period of five (5) years on the same terms and conditions as set out herein (inclusive of the calculation and payment of Rent (inclusive, for certainty, of Incremental Rent)).

3.05 ***Termination of Original Lease*** Tenant and Landlord hereby agree that the Original Lease is surrendered and terminated effective on 11:59 pm on the date immediately preceding the Commencement Date (the **"Termination Date"**). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date, be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the surrender and termination of the Original Lease as provided herein.

3.05(A) ***Reinstatement of Original Lease.***

Tenant and Landlord hereby agree that if at November 13, 2028 (the "Original Lease Reinstatement Date") no Event (as such term is hereinafter defined) has occurred or is continuing, and there is not then any default occurring of the Tenant's obligations under this Lease, failing which this provision shall not apply, then the parties shall execute and deliver to one another the Reinstated Original Lease (as defined below) which shall provide and confirm that effective upon the Original Lease Reinstatement Date: (1) this Lease shall be resolved, cancelled, surrendered and rescinded; and (2) the termination of the Original Lease shall be deemed to have been revoked and, except as expressly modified pursuant to this provision, the Original Lease shall be reinstated in its entirety effective as of the Original Lease Reinstatement Date and shall again be in full force and effect as if the same had never been terminated. However, the respective rights and obligations of Landlord and Tenant as

to the Premises under this Lease will be preserved and will survive the termination of this Lease on the Original Lease Reinstatement Date as to all matters arising or accruing prior to the Original Lease Reinstatement Date, but no such rights or obligations will arise or accrue to either of them with respect to this Lease on or after the Original Lease Reinstatement Date (given the Reinstated Original Lease will thereafter govern this tenancy). Any breach of this Lease which has not been cured will, after the Original Lease Reinstatement Date, be enforceable in accordance with all applicable provisions of this Lease.

"Event" means the occurrence of any of the following:

(1) Tenant (or any of its affiliates) defaulting under any of its monetary obligations (beyond any applicable cure period) under this Lease or any HBC IC Lease (as hereinafter defined); or

(2) Tenant (a) is insolvent, (b) has committed an act of bankruptcy, and/or (c) has become bankrupt.

"HBC IC Lease" means any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties:

(i) Galeries D'Anjou

(ii) Metropolis at Metrotown;

(iii) Mapleview;

(iv) Southgate;

(v) Guilford;

(vi) Oshawa;

(vii) CrossIron Mills

(viii) St. Foy;

(xi) Outlet Collection Winnipeg; or

(x) Outlet Collection Niagara.

"Reinstated Original Lease" means the Original Lease but reinstated and amended only to: incorporate Sections 1.05 and 1.09 hereof (and the corresponding definitions) such that (i) the Term thereof is the same as the Term in this Lease; (ii) the Tenant shall have the obligation to pay Incremental Rent during the remainder of the Term; (iii) any renewal or extension right shall include the obligation to pay Incremental Rent during each such renewal or extension period and (iv) to amend/delete all provisions of the Original Lease that are inconsistent with the aforesaid said Sections. Landlord shall prepare the form of Reinstated Original Lease and the parties shall forthwith thereafter execute and deliver same to the other, each at its sole expense. In addition, Tenant shall execute such other documents contemplated in Section 3.05 hereof for the discharge of any registered documents relating to this Lease which Section 3.05 shall equally apply in this context, mutatis mutandis.

3.06 ***Limitation on Length of Term.*** This 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 are complied with relating to the severance of land or interests in land by conveyance or otherwise (as it may from time to time be amended). 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.

ARTICLE 4.00 RENT

4.01 ***Gross Rent*** Tenant will pay to Landlord a Gross Rent for the Premises described in Article 1.09 of this Lease, payable monthly in arrears within twenty (20) days following the end of each calendar month during the Term. **The Incremental Rent component of the Gross Rent will be payable in equal monthly installments at the same time that the balance of the Gross Rent is due**

pursuant to the preceding sentence. Along with the monthly payment of Gross Rent, Tenant shall furnish Landlord a statement, which need not be certified, of the Gross Sales derived from the Premises for the prior month, which statement shall be in accordance with generally accepted accounting principles, consistently applied. Within sixty (60) says after the end of each Percentage Rent Lease Year and within sixty (60) days after the end of the calculating period with respect to the first full Percentage Rent Lease Year, Tenant shall furnish Landlord a statement certified by an officer of Tenant showing the Gross Sales derived from the Premises during such Percentage Rent Lease Year and the amounts, if any, of Rent required to be paid by Tenant or credited to Tenant for any overpayment or underpayment of Rent for the Percentage Rent Lease Year, which statement shall be in accordance with generally accepted accounting principles, consistently applied.

For purposes of calculating Rent under this Lease, the term **"Percentage Rent Lease Year"** as used in this Lease refers to the period from February 1 to the following January 31 of each year during the term of this Lease, provided that, if the Commencement Date is not February 1, then the first Percentage Rent Lease Year shall be for a period of less than twelve (12) consecutive months, commencing on the Commencement Date and expiring on the following January 31, and further provided that any period of less than twelve (12) full calendar months occurring from and after February 1 at the expiry or earlier termination of the term shall be deemed to be a Percentage Rent Lease Year. The computation of Rent shall be made separately with regard to each Percentage Rent Lease Year or partial Percentage Rent Lease Year, as the case may be, it being understood and agreed that Gross Sales per any Percentage Rent Lease Year and Rent due thereon shall have no bearing on Gross Sales of any other Percentage Rent Lease Year.

Full true and accurate records from which Gross Sales in any Percentage Rent Lease Year may be readily and correctly determined will be kept by Tenant, including, without limiting the generality of the foregoing, the requirement to retain all sources of primary sales records (that is, cash register tapes, pre-numbered sales tickets, daily sales reports, etc.) and otherwise in accordance with generally accepted accounting principles until at least the fifth (5th) anniversary of the end of such Percentage Rent Lease Year. Landlord or any person designated by Landlord will have access to such records at any and all times during business hours for the purpose of examining and reviewing all the accounting records and procedures adopted by Tenant for the purpose of recording and control of all transactions affecting the determination of Gross Sales. For the sake of greater clarification, the parties hereto acknowledge that, in the event Landlord determines that Tenant has failed to report Gross Sales in accordance with its obligations contained herein, such failure shall constitute a default under this Lease and Landlord shall have the right to exercise its remedies under this Lease. Landlord will not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Shopping Centre.

Landlord shall be entitled to characterize the Rent, and to allocate the payment thereof to costs, expenses, taxes etc. incurred by or for which Landlord is responsible, in each case as Landlord may determine in its sole discretion.

4.02 ***Gross Sales*** The term "Gross Sales" as used in this Lease means the actual sale price of goods, wares and merchandise sold in, upon or from any part of the Premises, including actual receipts from services rendered by Tenant as well as the total actual sales and services rendered by any licensee, subtenant or concessionaire occupying any portion of the Premises, including, without limitation, such sales, income, receipts, revenues and services which Tenant, any licensee, subtenant or concessionaire occupying any portion of the Premises (collectively, "Other Occupants") in the normal and customary course of business would credit or attribute to its business upon the Premises or any part or parts thereof, provided, however, that the term "Gross Sales" shall not be deemed to mean and there shall be excluded from "Gross Sales" amounts representing: (i) amounts credited by Tenant or Other Occupants for returned or defective merchandise; (ii) amount of discount on sales to bona fide employees of Tenant and bona fide employees of any affiliates of Tenant but only to the extent such discounts do not, in the aggregate, exceed two percent (2%) of the total Gross Sales in each Percentage Rent Lease Year and the full selling price of all such goods sold by Tenant to such employees is included and reported as Gross Sales; (iii) allowances granted to customers for damaged or defective merchandise; (iv) trade and other discounts; (v) GST and all other sales, excise and similar taxes levied upon sales made at the Premises; (vi) workroom charges for alterations, repairs or installation of merchandise sold, or similar services rendered in connection with merchandise sold; (vii) charges for services rendered primarily to accommodate customers or employees; (viii) charges for making deliveries, shipments or transfers of merchandise in the regular course of business; (ix) carrying charges on time sales; (x) fees and charges paid by Tenant or Other Occupants to issuers of third-party credit cards; (xi) charges for inter-store transfers of merchandise; (xii) sales of merchandise in bulk to non -retail customers; and (xiii) the proceeds of sales of trade fixtures, operating equipment or other property used by Tenant or Other Occupants in the operation of its business and not acquired by it for the purpose of sale. All exclusions from Gross Sales permitted herein must be documented to the reasonable satisfaction of Landlord to allow for complete and detailed verification of the validity of such exclusions. Any instalment or

credit (which, without limiting the generality of the foregoing, includes lay-away sales, sales from coupons or gift cards, electronic or otherwise and certificates, or any other sale made where deposits are received by Tenant) will be included and treated as a sale for the full price in the month in which such sale is made regardless of whether or when Tenant receives payment in full. The provisions of Article 4.00B(e) of the Original Lease continue to apply and are incorporated herein by reference.

4.03 ***Intentionally deleted***.

4.04 ***Intentionally deleted***.

4.05 ***Intentionally deleted***.

4.06 ***Intentionally deleted***.

4.07 ***Intentionally deleted***.

4.08 ***Intentionally deleted***.

4.09 ***Taxes Payable by Landlord***

Landlord shall pay before the date due any and all Taxes levied, assessed or otherwise imposed upon the Premises and/or the remainder of the Shopping Centre throughout the Term. Tenant shall have no obligation to contribute to the payment of such Taxes as such Taxes are intentionally provided for in the Gross Rent provided for herein.

4.10 ***Intentionally deleted***.

4.11 ***Intentionally deleted***.

4.12 ***Intentionally deleted***.

4.13 ***Intentionally deleted***.

4.14 ***Intentionally deleted***.

4.15 ***Intentionally deleted***.

4.16 ***Intentionally deleted***.

4.17 ***Intentionally deleted***.

4.18 ***Payment of Rent – General*** During the Term of this Lease, Tenant shall pay Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction, set-off or compensation, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.19 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that

proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.20 ***Intentionally deleted***.

4.21 ***Intentionally deleted***.

ARTICLE 5.00 USE OF PREMISES

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the Greater Toronto Area. Tenant shall abide by all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with this Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv) a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased. Notwithstanding the foregoing, within the last six (6) months of the Term, the Tenant shall have the right to conduct clearance and other sales promotions in the Premises and the Tenant shall be permitted to erect, install and maintain within the Premises during such period any clearance and/or store closing signage (or other signage of a similar nature), provided that (i) any such signage on the exterior of the Premises or which faces any Common Areas and Facilities, shall be subject to the Tenant obtaining all required municipal approvals as well as the Landlord's prior written approval for the nature, size, type and location thereof; and (ii) all clearance and other sales otherwise comply with the requirements of sub-paragraph (b) above and this Lease and are undertaken in a reputable and prudent manner that does not interfere with the typical use and operation of the Shopping Centre or the occupants thereof. Landlord's approval of such signage shall not be unreasonably withheld, conditioned or delayed provided it complies with this provision.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted***.

5.06 **Display Windows** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the Premises during the Term and Tenant's use thereof will be subject to such regulations as Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and

abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 ***Intentionally deleted***.

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the Delivery Facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the Delivery Facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

For certainty, the Premises include its own exclusive receiving facilities, including (without limitation) a truck dock and the exclusive right to use the two (2) truck-length exterior standing, receiving and loading areas associated therewith.. For the purposes of this Lease, the said exterior standing, receiving and loading areas associated with the Tenant store's receiving facilities shall at all times be treated as part of the Common Areas and Facilities of the Shopping Centre and the Landlord shall be responsible for the maintenance and repair of the same throughout the Term.•

ARTICLE 6.00 SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b) and Tenant's obligations under this Lease in respect of the Premises, Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 (except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises; and furthermore, will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre (inclusive of downspouts, gutters, canopies and exterior walls), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles7.02, 7.03, 10.01, 16.01, 16.02, 16.03 or16.04 and in no event shall Landlord be required to make any repairs or replacements which are necessary as a result of Tenant's default, negligence or willful misconduct.

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, or, minimum stall number requirements, or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, easements, transfers, dedications, permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial

discharges of its notice of lease and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters.

6.05 ***Intentionally deleted***

6.06 ***Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

(h) During any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, Landlord shall keep all Common Areas and Facilities lighted and opened to the public. Landlord agrees that it shall keep all Common Areas and Facilities lighted for security purposes seven (7) days each week during the hours of darkness such lighting is necessary for such purpose. Landlord shall pay for all costs of electricity for lighting the Common Areas and Facilities (i) during any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, but not later than 11:00 p.m., EST, (ii) during any other period provided when both the Premises and at least fifty percent (50%) of the remainder of the floor area in the Shopping Centre are open for business and (iii) during the times and to the extent such lighting is required under the second sentence of this subsection (h).

7.02 ***Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, Tenant will at its sole cost and expense be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the **"Tenant HVAC System"**) installed for the Premises. **The parties acknowledge that the Tenant HVAC System independently serves the Premises.**

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will maintain the Premises and all improvements therein at its sole cost and expense in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) intentionally deleted;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed the Tenant HVAC System, all elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the rules and regulations of Landlord.

Notwithstanding any legislation to the contrary, the Tenant's repair obligations will include all those which are major as well as minor , or those which are customarily landlord's or tenant's, except as expressly provided otherwise in this Lease

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Personal Property*** Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and personal property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or personal property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted***.

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("Sign") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section. The Landlord also confirms that the Tenant's existing pylon signage, if any, is compliant with this Section and that the Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with such pylon signage.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice

thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** Throughout the Term of this Lease, Landlord, at no cost to Tenant, will carry the insurance for which Landlord is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference. For certainty, during the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the insurance for which Tenant is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference.For certainty, during the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective upon written notice to Tenant, or without terminating this Lease and after giving such notice, if any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Mutual Indemnity.*** Except to the extent released in Sections 10.02 and 10.03 below, each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

10.02 ***Release of Landlord.*** In respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the Mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Premises, the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as

the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 TRANSFERS

11.01 ***Transfers*** Except to an Eligible Corporation (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a **"Transfer"**), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to mortgage or encumber all or any part of the Tenant's rights resulting from this Lease or all or any part of the Premises. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, mortgagee, encumbrancer, user or occupant as the case may be (hereinafter the **"Transferee"**), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee notwithstanding any rule of law or equity to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(b)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective control); (ii) details of the proposed Transferee's prior business experience (including experience in the enterprise for which the Premises are to be operated pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the

change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the Canada Business Corporations Act); or

(b) assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater Toronto area; and (iii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord: (i) in a vacant, clean and broom-swept condition with all of Tenant's signage, inventory, trade fixtures, racking and personal property removed; and (ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators) servicing the Premises in a working order, subject to reasonable wear and tear; but otherwise in an "as is, where is" condition and without any obligation to:

(A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or

(B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof.

For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has registered a caveat, caution, memorandum notice or other instrument relating to this lease against title to the Land, it will cause the same to be released and discharged no later than 15 days following the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant

hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a release or discharge of a notice of this will be paid by Tenant.

12.02 ***Trade Fixtures, Personal Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy with Landlord Consent*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, notwithstanding any legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Month-to-Month Tenancy without Landlord Consent*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy at sufferance may be immediately terminated by Landlord at any time by notice of termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy or tenancy at sufferance hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and

nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "Rules and Regulations") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than 60 days after the date (hereinafter "Date of Such Taking") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on the date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment, and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Limited Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, can be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord

will immediately at its own expense repair such damage other than damage to improvements, furniture, personal property or trade fixtures which do not belong to Landlord or which have been installed by or on behalf of Tenant, which instead will be repaired immediately by Tenant at Tenant's own expense.

16.02 ***Major Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then Landlord, or in the event that there is less than two (2) years remaining in the Term, Tenant, may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than 20 days after receipt of the Architect's opinion, failing which Landlord will forthwith at its own expense repair such damage other than damage to improvements, furniture, personal property or trade fixtures which do not belong to Landlord or which have been installed by or on the behalf of Tenant, which instead will be repaired forthwith by Tenant at Tenant's own expense.

16.03 ***Abatement*** If Landlord is required to repair damage to all or part of the Premises under Article 16.01 or16.02, provided such damage is caused by a peril Landlord is required to insure against pursuant to Article 9.01, the Rent payable by Tenant under this Lease will be proportionately reduced to the extent that the Premises are thereby rendered untenantable by Tenant in its business, from the date of such casualty until five (5) days after completion by Landlord of the repairs to the Premises (or the part thereof rendered untenantable) or until Tenant again uses the Premises (or the part thereof rendered untenantable) in its business, whichever first occurs.

16.04 ***Major Damage or Destruction of Shopping Centre***

Notwithstanding any contrary provision of this Lease and specifically, but without limitation, Article 16.01, if the Shopping Centre is totally or partially damaged or destroyed (whether the Premises are affected or not), and (i) in the Architect's opinion, the damaged or destroyed portions cannot reasonably be repaired, restored or rebuilt within one hundred and eighty (180) days following the occurrence of the damage or destruction (employing normal construction methods without overtime or other premium); or (ii) the cost as estimated by the Architect, of repairing, restoring or rebuilding the damaged or destroyed portions would exceed the proceeds of insurance available to Landlord for such purpose; or (iii) the damage or destruction was caused by a peril for which Landlord was not insured and for which Landlord was not obliged to insure against; or (iv)intentionally deleted; ; or (v) less than two (2) years remains during the Term; or (vi) a Mortgagee will not consent to the use of insurance proceeds for repair or reconstruction; then in any of the above cases, Landlord may, at its option (to be exercised by written notice to Tenant within 30 days following any such occurrence) elect to terminate this Lease.

If Landlord elects to terminate this Lease, then the following provisions will apply:

(a) If the Premises become totally unfit for the use for which they were leased, the termination will take effect from the date of the damage or destruction and the Rent will cease to be payable and will be adjusted as of that date.

(b) If the Premises are partially damaged and Tenant has occupied any part of the Premises or any part of the Premises have been reasonably capable of being occupied from the date of the damage or destruction, this Lease will terminate ten (10) days from Landlord's notice stipulated in the first paragraph of this Article 16.04 and the Rent will cease to be paid by Tenant as of the date of termination, however, Rent will abate from the date of the damage and destruction until the date of termination to the extent the Premises cannot reasonably be used for their intended purposes.

(c) If the Premises were not damaged, this Lease will terminate ten (10) days from Landlord's notice stipulated in Article 16.00 and the Rent will cease to be paid from such date of termination.

If the Shopping Centre is totally or partially damaged or destroyed and Landlord does not elect to terminate this Lease, subject to the following, Landlord shall commence and proceed diligently to reconstruct or repair those portions of the Shopping Centre which have been so damaged or destroyed to the extent only of Landlord's responsibilities pursuant to the terms of the various leases for premises in the Shopping Centre and exclusive of any tenants' responsibilities. Furthermore, if the Premises are being repaired or reconstructed, the provisions of Article 16.01 will apply.

If Landlord does any reconstruction or repairing of the Shopping Centre, Landlord may do any one or more of the following: (i) use plans, specifications and working drawings which differ from those applicable to the Shopping Centre existing prior to the damage or destruction provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; (ii) change the configuration, design and/or size of the

Shopping Centre or any of its component parts including, without limitation, the location and size of any mall, court, entrance, parking facility or any of other Common Areas and Facilities provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; and (iii) redesign the tenant mix, both with respect to the kinds of uses which will be included in the tenant mix, as well as the physical location of the types of uses being operated prior to the damage or destruction. Tenant agrees that none of the foregoing shall constitute a default of Landlord's obligation to provide peaceable enjoyment of the Premises, nor shall it constitute a change of form or destination of the Shopping Centre, nor shall the validity or enforceability of this Lease be affected in any manner by any of the foregoing.

ARTICLE 17.00 TRANSFERS AND MORTGAGES BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of Landlord to sell, convey, assign, mortgage or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 **Definition of Mortgage, Mortgagee and Mortgagee's Interest**. Each and every charge, mortgage, debenture or trust deed, now or hereafter registered against all or any part of the Shopping Centre is hereafter called a **"Mortgage"** which term includes all amounts advanced or to be advanced thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. **"Mortgagee"** means a chargee or mortgagee named in a Mortgage, or the holder of a debenture or the trustee under a trust deed constituting a Mortgage, as the case may be; and **"Mortgagee's Interest"** means the estate or interest of the Mortgagee secured by a Mortgage.

17.04 **Subordination of Mortgage to Lease.** If this Lease or the estate or interest of Tenant thereunder (the **"Tenant's Leasehold Interest"**) is subordinate to a Mortgage or Mortgagee's Interest now or at any time hereafter, then on written request of the Mortgagee or of Landlord on Mortgagee's behalf, made concurrently with execution of this Lease or at any time thereafter, the Mortgage and the Mortgagee's Interest will be postponed and made subordinate to this Lease and the Tenant's Leasehold Interest as if such Mortgage had been executed, delivered, registered and fully advanced after the execution, delivery and registration of this Lease, by means of an instrument of postponement and subordination, which will be entered into between Tenant and the Mortgagee, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that it complies with the terms and conditions of the Lease. Such instrument will be in such form as the Mortgagee may reasonably require, consistent with this Article 17.04 and Article 17.07 and will be effective between the Mortgagee and Tenant when executed by them, without necessity for registration against title to the Shopping Centre; but if desired by the Mortgagee or Tenant, either of them may register such agreement or notice thereof and for that purpose the Mortgagee and Tenant will enter into any further document required to effect registration.

17.05 **Attornment**. If this Lease and Tenant's Leasehold Interest now or at any time hereafter is subordinate to a Mortgage and Mortgagee's Interest and the Mortgagee does not require a postponement and subordination instrument under Article 17.04, Tenant will on request of such Mortgagee or of Landlord on behalf of the Mortgagee, made concurrently with execution of this Lease or at any time thereafter, enter into an attornment agreement with such Mortgagee in such form as the Mortgagee may reasonably require, whereby Tenant will agree that if default occurs under the Mortgage, and:

(a) the Mortgagee takes possession of the Premises, by obtaining and enforcing a court order to that effect or otherwise;

(b) the Mortgagee forecloses or otherwise acquires the interest of Landlord in the Premises, but does not foreclose the Tenant's Leasehold Interest; or

(c) the Mortgagee sells, conveys or assigns the Premises to another party (hereinafter a **"Purchaser"**) pursuant to a power of sale or court order for sale which does not purport to sell the Premises free of the Tenant's Leasehold Interest,

Tenant will, on written demand of the Mortgagee or Purchaser as the case may be, attorn to and become the tenant of that person from and including the date the demand is received, for the balance of the term of this Lease (and with rights of renewal if any as provided in this Lease), at the rents

and otherwise on the terms of this Lease, subject as hereinafter provided in Article 17.06, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that Tenant complies with, all the terms and conditions of the Lease.

17.06 Intentionally deleted.

17.07 **Effect of Subordination or Attornment**. No subordination effected under Article 17.04 and no attornment effected under Article 17.05 will render the Mortgagee or Purchaser, as the case may be:

(a) liable for any act or omission of Landlord or a predecessor in title of Landlord; or

(b) subject to any offsets or defenses which Tenant might have against Landlord or a predecessor in title of Landlord; or

(c) bound by any prepayment by Tenant of more than one month's instalment of Rent, or by any previous modification of this Lease, unless such prepayment or modification has been approved in writing by the Mortgagee or Purchaser or any predecessor in interest except Landlord.

Upon attornment occurring under Article 17.05, the relationship of landlord and tenant thereby created between the Mortgagee or Purchaser as the case may be, as Landlord, and Tenant as tenant, will supersede this Lease, but if the Mortgage is subsequently redeemed or put in good standing or the Mortgagee goes out of possession, the Mortgagee will be relieved of its obligations to Tenant as if a sale, conveyance or assignment had occurred to which Article 17.02 applied. Any attornment by Tenant to a Mortgagee or Purchaser will be without prejudice to the right (when applicable) of any other mortgagee or purchaser that has priority to the Mortgagee or Purchaser to demand that Tenant attorn to the other mortgagee or purchaser pursuant to the rights if any, of the other mortgagee or purchaser in that regard under Article 17.00. In case of such demand being lawfully made, and Tenant attorning to such other mortgagee or purchaser the attornment previously made to the Mortgagee or Purchaser will cease to be effective.

17.08 **Tenant's Obligations May Be Assigned.** Tenant acknowledges that its covenants and obligations under Article 17.00 are intended in whole or in part to operate for the benefit of any and all Mortgagees and Purchasers and that in obtaining such covenants and obligations Landlord is acting not only for itself, but also as trustee or agent for all such persons. Without limiting the foregoing, Landlord may assign the benefit of such covenants and obligations to any and all Mortgagees or Purchasers who request same, as security or otherwise, and Tenant agrees that any such Mortgagee or Purchaser will be entitled on receiving such assignment and giving due notice thereof to Tenant, to enforce such covenant or obligation against Tenant to the same extent as if it were a party to this Lease directly entitled to the benefit of such covenants and obligations.

17.09 **Execution of Instruments.** Except as otherwise provided in Article 17.00, the subordination and attornment provisions herein will be self-operating and no further instrument will be required. Nevertheless Tenant, on request by and without cost to Landlord, any Mortgagee, Purchaser or successor in interest, will execute and deliver any and all instruments further evidencing such subordination and/or attornment when applicable.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer duties and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a notice of this Lease (the "Registration Document"), provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, and any right of renewal. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will be registered against that part of the Lands designated by the Landlord in its sole discretion. In the event any portion of the Land ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(e) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a discharge of any Registration Document will be paid by Tenant.

17.13 ***Easements and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), easements(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or other creation of such licence(s), easements(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.14 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article6.04, Landlord will have the right from time to time to subdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery. Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord) designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or

releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) Part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues after five (5) business days' notice by Landlord, provided that if Tenant is no longer obligated to pay Incremental Rent, the aforesaid five (5) business day period shall be deemed extended to fifteen (days) after notice by Landlord; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days' notice by Landlord specifying with reasonable particularity the nature of such failure and requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, chattels or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it shall provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior written notice of the Tenant signing of a forbearance agreement with one or more creditor(s);** or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, chattels or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease; or

(h) a default of the monetary obligations of the tenant (which is not remedied within the cure period provided for in such new lease) occurs under any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties, where such default would constitute a "cross default" event as set out in such new lease or any other agreement entered into by and between Tenant and Landlord (and/or its or their affiliates):

(i) Metropolis at Metrotown;

(ii) Mapleview;

(iii) Southgate;

(iv) Guilford;

(v) Oshawa;

(vi) Outlet Collection Niagara

(vii) Galeries d'Anjou;

(viii) CrossIron Mills

(ix) St. Foy; or

(x) Outlet Collection Winnipeg (such lease at Outlet Collection Winnipeg, together with the aforesaid leases at Outlet Collection Niagara, CrossIron Mills, and St. Foy being collectively, the **"Other Saks Leases"**);

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "Tenant Inducements") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, personal property and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law or equity to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable.

19.04 **Waiver of Exemption and Redemption.** Notwithstanding anything contained in any statute now or hereafter in force limiting or abrogating the right of distress, none of Tenant's goods, chattels or trade fixtures on the Premises at any time during the continuance of the Term will be exempt from levy by distress for Rent in arrears and upon any claim being made for such exemption by Tenant or on distress being made by Landlord this agreement may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying upon any such goods as are named as exempted in any such statute, Tenant hereby waiving all and every benefit that could or might have accrued to Tenant under and by virtue of any such statute but for this Lease. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any terms and conditions of this Lease or otherwise.

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages (subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of

each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing. Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or

performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 INTENTIONALLY DELETED.

ARTICLE 21.00 MISCELLANEOUS

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venturer or a member of a joint or common enterprise with Tenant.

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular. If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be joint and several obligations of such executing parties. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease (together with any other agreement entered into by the Landlord, the Tenant and/or its or their affiliates as a pre-condition to the execution of this Lease), contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements, representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by

Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease. No agreement respecting the Premises will arise or exist between the parties hereto except through the due execution of this Lease by both Tenant and Landlord. Upon execution and delivery by Tenant to Landlord, this Lease will be irrevocable by Tenant and open for acceptance by Landlord until 5:00 P.M. on the 60th day thereafter, and if not accepted by Landlord by then, may be withdrawn by Tenant by notice to Landlord at any time prior to its later acceptance by Landlord.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

21.16 ***Counterpart Execution*** This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

[Signatures on the following page.]

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

IVANHOE II CAMBRIDGE INC. & TRE2 NON-US – BIGFOOT CORP.
by their Manager, Jones Lang LaSalle Real Estate Services, Inc.

by Julie Bourgon (Jan 31, 2024 11:23 EST)
Name: Julie Bourgon
Title: Head of Retail

by: Maria Concetta Giampa (Jan 31, 2024 11:01 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affiairs, Investments

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

by: _____
Name:
Title:

I have the authority to bind the company.

by: _____
Name:
Title:

I have the authority to bind the company.

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

IVANHOE II CAMBRIDGE INC. & TRE2 NON-US – BIGFOOT CORP.
by their Manager, Jones Lang LaSalle Real Estate Services, Inc.

by _____
Name:
Title:

by: _____
Name:
Title:

We have the authority to bind the company.

TENANT **HUDSON'S BAY COMPANY ULC**

by: _____
Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments
I have the authority to bind the company.

by: _____
Name:
Title:

I have the authority to bind the company.

EXHIBIT A
FLOOR PLAN OF PREMISES

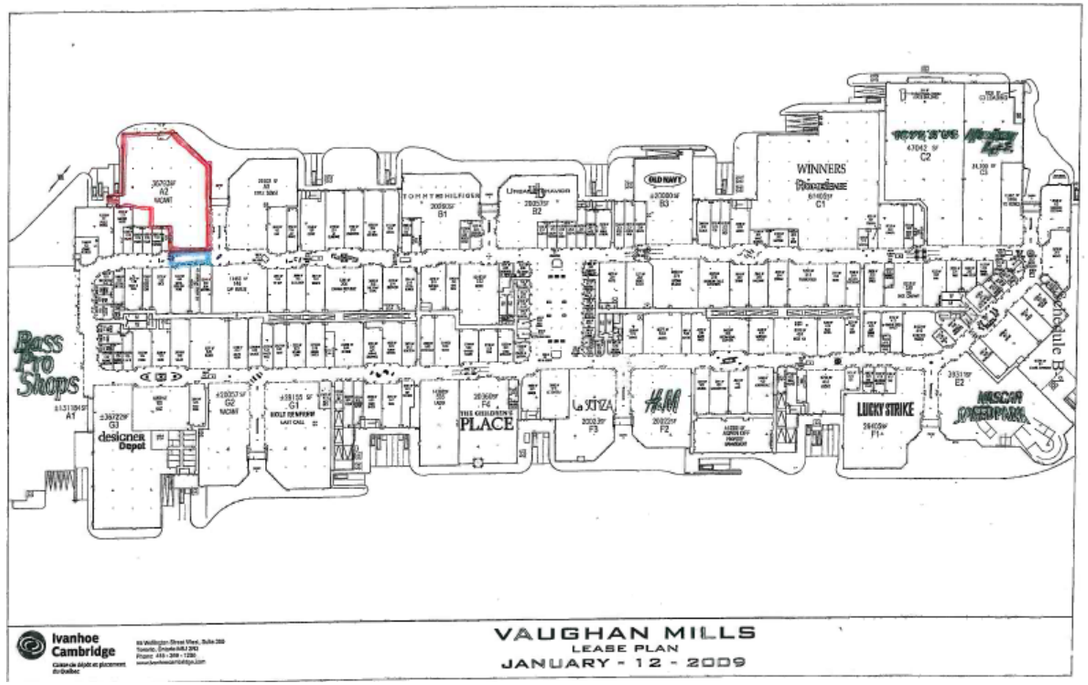


EXHIBIT B
LEGAL DESCRIPTION

Firstly
PIN 03280-0520 (LT)
PT BLK 1, PL 65M3696, PTS 41, 42, 43, 44 & 48 65R28416, VAUGHAN. S/T EASE FOR ENTRY AS IN YR742539. S/T EASE FOR ENTRY AS IN YR444562. S/T EASE OVER PT 42 65R28416 AS IN YR402628. S/T EASE OVER PT 41, 42 & 43 65R28416 AS IN YR443791. S/T EASE OVER PT 41, 42, 43 & 48 65R28416 AS IN YR443857. S/T EASE OVER PT 43 & 44 65R28416 AS IN YR444562. S/T EASE OVER PT 42 & 48 65R28416 AS IN YR655072. T/W EASE OVER PT BLK 1 65M3696 PTS 17, 25 & 26 65R27974 AS IN YR655072. T/W EASE OVER PT BLK 1 65M3696 PTS 15, 17 & 28 65R27974 AS IN YR655072. T/W EASE OVER PT BLK 1, 65M3696 PTS 17, 25 & 26 65R2974 AS IN YR655072. T/W EASE OVER PT BLK 1 65M3696 PTS 15, 17 & 28 65R27974 AS IN YR655072.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 41, 42, 43, 44 & 48, PL 65R28416 AS IN YR1466626; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 41, 42, 43, 44 & 48, PL 65R28416 AS IN YR1466631.

Secondly
PIN 03280-0521 (LT)
PT BLK 1, PL 65M3696, PT 45, 46 & 47 65R28416, VAUGHAN. S/T EASE FOR ENTRY AS IN YR742539. S/T EASE OF ENTRY AS IN YR444562. S/T EASE OVER PT 45 65R28416 AS IN YR443791. S/T EASE OVER PT 45 65R28416 AS IN YR443857. S/T EASE OVER PTS 45, 46 & 47 65R28416 AS IN YR402628. S/T EASE OVER PT 4565R28416 AS IN YR443859. T/W EASE OVER PT BLK 1 65M3696 PTS 17, 25 & 26 65R27974 AS IN YR655072. T/W EASE OVER PT BLK 1 65M3696 PTS 15, 17 & 2865R27974 AS IN YR655072. T/W EASE OVER PT BLK 1 65M3696 PTS 17, 25 & 26 65R27974 AS IN YR655072. T/W EASE OVER PT BLK 1 65M3696 PTS 15, 17 & 2865R27974 AS IN YR655072.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 45, 46 & 47, PL 65R28416 AS IN YR1466626; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 45, 46 & 47, PL 65R28416 AS IN YR1466631

Thirdly
PIN 03280-522(LT)
PT BLK 1 PL 65M3696 PTS 33-36 65R28416 ; VAUGHAN ; S/T EASE ON PTS 34 & 36 65R28416 AS IN YR655072 ; S/T EASE ON ALL AS IN YR402628 ; S/T EASE ON ALL (ACCESS) & PT 34 65R28416 (ELECTRICAL) & PT 36 65R28416 (COMMUNICATIONS) FOR PTS 22-32 65R28416 AS IN YR742540 ; S/T EASE FOR ENTRY AS IN YR444562.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 33 TO 36 INCL., PL 65R28416 AS IN YR1466626; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 33 TO 36 INCL., PL 65R28416 AS IN YR1466631

Fourthly
PIN 03280-0565 (LT)
BLK 1, PL 65M3696, EXCEPT PTS 1 TO 29 INCL., 42 & 43, 65R26825, PTS 71, 72, 73, 74, 75, 78, 79, 80, 99, 100, 101 & 105, 65R27637, PTS 1 TO 8 INCL., 65R28663 & EXCEPT PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976 , AND EXCEPT PTS 1-20 INCL. 65R37675 VAUGHAN ; S/T EASE OVER PTS 31, 44, 46-52, 56-58, 60, 65, 69, 72, 74, 75, 78, 79, 81, 83, 85, 87 & 90, 65R26598, IN FAVOUR OF CITY OF VAUGHAN, AS IN YR402628 (PARTIALLY RELEASED AS TO PTS 11 & 52, 65R27637)(PARTIALLY RELEASED AS TO PTS 1-3 & 11-14 65R35520); S/T EASE OVER PTS 6, 11, 13, 15- 19, 21-24, 26, 28-30, 32-43, 45, 54, 55 & 70, 65R26598 IN FAVOUR OF THE CITY OF VAUGHAN, AS IN YR402629 (PARTIALLY RELEASED AS TO PTS 12 & 25, PL 65R26598 & PTS 25 & 27, PL 65R28549, AS IN YR2251836) ; S/T EASE OVER PTS 1-5, 7-10, 47, 49, 52, 57, 58, 65, 74, 78-80, 82-91,65R26598 EXCEPT PTS 42 & 43, 65R26825 IN FAVOUR OF THE CITY OF VAUGHAN AS IN YR402630 (PARTIALLY RELEASED AS TO PTS 1, 4, 5, 7, 8, 9, 15, 18, 19, 21, 23, 29, 30, 33, 34, 35, 40, 41, 42, 48, 54, 56, 57, 60, 63, 64, 76, 95, & 98, 65R27637 & PTS 2 & 5, 65R27622)(PARTIALLY RELEASE AS TO PTS 20 & 21 65R35520) ; S/T EASE OVER PTS 1-5,7-10,47,49,52,57,58,65,74,78- 80,82-91, 65R26598, EXCEPT PTS 42 & 43, 65R26825 & PTS 12, 13, 25, 37, 38 & 39, 65R29976, IN FAVOUR OF THE REGIONAL MUNICIPALITY OF YORK, AS IN YR402631 ; (PARTIALLY RELEASED AS TO PTS 1, 4, 5, 7, 8, 9, 15, 18, 19, 21, 23, 29, 30, 33, 34, 35, 40, 41, 42, 48, 54, 56, 57, 60, 63, 64, 76, 95, 97 & 98, 65R27637 & PTS 2 & 5, 65R27622). S/T EASE OVER PTS 27, 60 & 61, 65R26598 IN FAVOUR OF THE REGIONAL MUNICIPALITY OF YORK, AS IN YR402632 ; S/T EASE OVER PTS 1-5, 7-10, 47, 49, 52, 57, 58, 65, 74, 78, 79, 80, 82-91, 65R26598 IN FAVOUR OF HYDRO VAUGHAN DISTRIBUTION INC., AS IN YR406020 (PARTIALLY RELEASED AS TO PTS 1, 4, 5, 7, 8,

9, 15, 18, 19, 21, 23, 29, 30, 33, 34, 35, 40, 41, 42, 48, 54, 56, 57, 60, 63, 64, 76, 95 & 98, 65R27637, PTS 42 & 43, 65R26825 & PTS 2 & 5, 65R27622)(PARTIALLY RELEASED AS TO PTS 20 & 21 65R35520) ; S/T EASE OVER PTS 33, 34, 37-41, 65R26825, IN FAVOUR OF HYDRO VAUGHAN DISTRIBUTION INC., AS IN YR443791 ; S/T EASE OVER PTS 30-41, 65R26825, IN FAVOUR OF ROGERS CABLE COMMUNICATIONS INC., AS IN YR443857 ; S/T EASE OVER PTS 30, 31 TO 36 INCL., 65R26825 IN FAVOUR OF FUTUREWAY COMMUNICATIONS INC., AS IN YR443859 ; T/W EASE OVER PT BLK 1 PL 65M3696, PTS 11 & 12, 65R26825, IN FAVOUR PT BLK 1 PL 65M3696, PTS 1-13, 15-45, 47, 49, 50, 52, 54, 55, 57, 58, 60, 61, 62, 65, 69, 70, 72, 74, 78, 79-92, 95-129, 135-146, 65R26598 , EXCEPT PTS 42 & 43, 65R26825 & EXCEPT PTS 12, 13, 25, 37, 38 & 39, 65R29976(LYING WITHIN PT 5 65R26598), AS IN YR444562; S/T EASE IN FAVOR OF ROGERS CABLE COMMUNICATIONS INC., OVER PTS 63, 64, 66, 67, 76, 81, 84, 85, 88, 90, 92, 93, 94 & 96, 65R27637, PTS 2,5,6,7,9,10, 65R27622, PT 95 65R26598 & PTS 10, 13 & 14, 65R27621, EXCEPT PTS 10, 11, 12 & 39, 65R29976, AS IN YR581068 ; S/T EASE IN FAVOUR OF FUTUREWAY COMMUNICATION INC., OVER PTS 63, 64, 66, 67,76, 81, 84, 85, 88, 90, 92, 93, 94 , & 96, 65R27637, PTS 2, 5, 6, 7, 9, 10, 65R27622, PT 95, 65R26598 & PTS 7, 10, 13 & 14, 65R27621, EXCEPT PTS 10, 11, 12 & 39, 65R29976, AS IN YR581073 ; S/T EASE IN FAVOUR OF THE CORPORATION OF THE CITY OF VAUGHAN, OVER PTS 3, 13, 17, 26, 32, 37, 38, 44, 45, 49, 50, 51, 52, 61, 62, 81, 82, 88, 89, 90 & 91, 65R27637, & PTS 3 & 4, 65R27622, AS IN YR581327; S/T EASE IN FAVOUR OF THE CORPORATION OF THECITY OF VAUGHAN OVER PTS 13, 14, 26, 27, 44, 49, 67, 74 & 101, 65R27637, AS IN YR581347 ; S/T EASE IN FAVOUR OFTHE CORPORATION OF THE CITY OF VAUGHAN, OVER PTS 4, 7, 18, 21, 41, 55, 65R27637, AS IN YR581372; S/T EASE IN FAVOUR OF POWERSTREAM INC., OVER PTS 3, 13, 17, 26, 32, 37, 38, 44, 45, 49, 50, 51, 52, 61, 62, 81, 82, 88, 89, 90 & 91, 65R27637 & PTS 3 & 4, 65R27622, AS IN YR581393; S/T EASE IN FAVOUR OF POWERSTREAM INC., OVER PTS 63-67, 76, 81, 84, 85, 88, 90, 92, 93, 94 & 96, 65R27637 & PTS 2, 5, 6, 7, 8, 9, 10 & 95, 65R26598, EXCEPT PTS 10, 11, 12 & 39, 65R29976, AS IN YR581412 ; S/T EASE IN FAVOUR OF THE CORPORATION OF THE CITY OF VAUGHAN OVER PTS 4, 7, 18, 21, 41, 55 & 101, 65R27637, AS IN YR581372 ; T/W EASE OVER PT BLK 1 PL 65M3696, PT 99, 65R27637, IN FAVOUR OF PT BLK 1 PL 65M3696, PTS 1-13, 15-45, 47, 49, 50, 52, 54, 55, 57, 58, 60, 61, 62, 65, 69, 70, 72, 74, 78, 79-92, 95-129, 135-146, 65R26598 EXCEPT PTS 42 & 43, 65R26825 & PT BLK 1 PL 65M3696, PTS 2, 3, 6, 10-14, 16, 17, 20, 22, 25-28, 31, 32, 81 & 82, 65R27637, & EXCEPT PTS 12, 13, 25, 37, 38 & 39, 65R29976, AS IN YR583686 ; T/W EASE OVER PT BLK 1 PL 65M3696, PT 75, 65R27637 IN FAVOUR OF PT BLK 1 PL 65M3696, PTS 1-13, 15-45, 47, 49, 50, 52, 54, 55, 57, 58,60,61,62,65,69, 70, 72, 74, 78, 79-92, 95-129, 135-146, 65R26598 EXCEPT PTS 42 & 43, 65R26825 & PT BLK 1 PL 65M3696, PTS 2, 3, 6, 10-14, 16, 17, 20, 22, 25, 26, 27, 28, 31, 32, 81 & 82, 65R27637, & EXCEPT PTS 12, 13, 25, 37, 38 & 39, 65R29976, AS IN YR583692 ; T/W EASE OVER PT BLK 1 PL 65M3696, PT 101 65R27637 IN FAVOUR OF PT BLK 1, PL 65M3696, PTS 1-13, 15-45, 47, 49, 50, 52, 54, 55, 57, 58, 60, 61, 62, 65, 69, 70, 72, 74, 78, 79-92, 95-129, 135-146, 65R26598 EXCEPT PTS 42 & 43, 65R26825 & PT BLK 1 PL 65M3696, PTS 2, 3, 6, 10-14, 16, 17, 20, 22, 25, 26, 27, 28, 31, 32, 81 & 82, 65R27637, & EXCEPT PTS 12, 13, 25, 37, 38 & 39, 65R29976, AS IN YR583692; S/T EASE IN GROSS IN YR681660 ; T/W EASE OVER PT BLK 1 PL 65M3696, PTS 1, 2, 3, 4, 5, 65R28663, AS IN YR842003, PARTIALLY RELEASED BY YR1955235; S/T EASE IN GROSS OVER 1STLY: PTS 2, 5, 6, 7, 8, 9 & 10, 65R27637, 2NDLY: PTS 10, 13, 14, 17, 18, 19, 20, 21, 22, 23, 24 & 25, 65R28663, AS IN YR841771; S/T EASE IN GROSS OVER 1STLY: PTS 63, 64, 66, 67, 76, 81, 84, 85 88, 90,92,93,94 & 96, 65R26598 & 2NDLY: PTS 10, 13, 14, 17, 18, 19, 20, 65R28663, AS IN YR841878; S/T EASEMENT IN GROSS OVER PTS 2, 3, 4, 19, 22, 23, 26, 28 & 29, 65R29976, AS IN YR991962 ; S/T EASEMENT IN GROSS OVER PTS 2, 3, 4, 19, 22, 23, 26, 28 & 29, 65R29976, AS IN YR992148 ; S/T EASE IN GROSS OVER PTS 14, 15, 16, 17, 18, 19, 20, 21 & 40, 65R29976, AS IN YR992156 ; S/T EASE OVER PTS 3, 4, 17 & 31, 65R29976, IN FAVOUR OF PT BLK 1 PL 65M3697, PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976, AS IN YR992309 ; S/T EASE OVER PTS 32, 33 & 34, 65R29976, IN FAVOUR OF PT BLK 1 PL 65M3697, PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976, AS IN YR992309 ; S/T EASE OVER PTS 26 & 28, 65R29976, IN IN FAVOUR OF PT BLK 1 PL 65M3696, PTS PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976, AS IN YR992309; S/T EASE OVER PTS 14, 15, 16 & 40, 65R29976, IN FAVOUR OF PT BLK 1 PL 65M3696, PTS 9, 10, 11, 12, 13, 24, 25, 30, 35, 36, 37, 38 & 39, 65R29976, AS IN YR992309 . S/T EASE IN GROSS OVER PTS 3, 13, 17, 26, 32, 37, 38, 44, 45, 49, 50, 51, 52, 61, 62, 81, 82, 88, 89, 90 & 91, 65R27637, AND PTS 3 & 4, 65R27622, AS IN YR640452; S/T EASE IN GROSS OVER PTS 57, 58, 59 & 66, 65R27637 SAVE & EXCEPT PT 10, 65R29976, AS IN YR640484; S/T EASE IN GROSS OVER PTS 1, 3, 5, 6, 8, 9, 10, & 13, 65R27619, AS IN YR640500; S/T EASEMENT IN GROSS OVER PTS 7,

32, 33 & 34 65R29976 AS IN YR1193703. S/T EASEMENT IN GROSS OVER PTS 14, 15, 17, 17, 18, 19, 20, 21 & 40 65R29976 AS IN YR1193704. S/T EASEMENT IN GROSS OVER PTS 14, 15, 16, 17, 18, 19, 20, 21 & 40 65R29976 AS IN YR1193705. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 15, 17 TO 24, 28 AND 30 PLAN 65R28549 AND PARTS 3 AND 17 PLAN 65R29976 AS IN YR1466628 (PARTIAL RELEASE AS TO PT 24, PL 65R28549, AS IN YR2251837, PARTIAL RELEASE AS TO PTS 18 & 19 65R35520 AS IN YR2380710); SUBJECT TO AN EASEMENT IN GROSS OVER PTS 19, 20, 21, 22, 23 & 24, PL 65R28663 AS IN YR1466627; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 16 & 29, PL 65R28549 AS IN YR1466629 (PARTIAL RELEASE AS TO PT 26, PL 65R28549 & PTS 1, 2 & 3, PL 65R31635, AS IN YR2251838)(PARTIAL RELEASE AS TO PT 25, PL 65R28549, AS IN YR2258861); SUBJECT TO AN EASEMENT IN GROSS OVER PTS 19, 20, 21, 22, 23 & 24, PL 65R28663 AS IN YR1466632; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 6-9 & 21-29 65R35520 AS IN YR2380705; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2, 13 & 15-18 65R35520 AS IN YR2380706; CITY OF VAUGHAN

EXHIBIT C
INTENTIONALLY DELETED

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

    Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

    Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

    Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

    Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

    Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

    If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

    In addition to the requirements set out under Article 20.05 of the Lease, Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

    Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
INTENTIONALLY DELETED

EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

- Rent is: $<>

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT **HUDSON'S BAY COMPANY ULC**

by_____
Name:
Title:

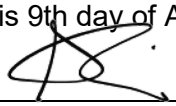
I have the authority to bind the company.

by_____
Name:
Title:

I have the authority to bind the company.

SPECIMEN

This is **Exhibit "X"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LEASE OF RETAIL SPACE

BETWEEN:
(address) **THE OUTLET COLLECTION AT WINNIPEG LIMITED and SEASONS RETAIL CORP.**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

CENTRE: **OUTLET COLLECTION AT WINNIPEG, MANITOBA, CANADA**

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LEASE OF RETAIL SPACE

DATE: **February 1, 2024**

BETWEEN:
(address) **THE OUTLET COLLECTION AT WINNIPEG LIMITED and SEASONS RETAIL CORP.**
c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005

(collectively, the "Landlord")

AND:
(address) **HUDSON'S BAY COMPANY ULC**
401 Bay Street, Suite 2302 (Attention: Real Estate Department)
Toronto, Ontario
M5H2Y4

("Tenant")

FOR PREMISES IN: OUTLET COLLECTION AT WINNIPEG, MANITOBA

LANDLORD AND TENANT, in consideration of the covenants herein contained, hereby agree as follows:

ARTICLE 1.00 PRINCIPAL PROVISIONS AND DEFINITIONS

1.01 ***Addresses for Purposes of Notice***:

Landlord: c/o Jones Lang LaSalle Real Estate Services, Inc.
6365 Halcyon Way, Suite 970
Alpharetta, Georgia
U.S.A. 30005
Attention: Retail Documents

With a copy to: Ivanhoe Cambridge Inc.
1001, rue du Square-Victoria, bureau C-500
Montréal, Québec
H2Z 2B5
Attention: Legal Affairs Department

Tenant: **401 Bay Street, Suite 2302 (Attention: Real Estate Department)**
Toronto, Ontario
M5H2Y4

1.02 ***Location of Premises***: **Unit A**

1.03 ***Shopping Centre***: **The Outlet Collection at Winnipeg, Manitoba**

1.04 ***Area***: [*SqFtArea] **32,204** square feet.

1.05 ***Term***: A period of **ten (10)** years, beginning on the 3rd day of **February**, **2024**, and expiring on the 2nd day of **February**, **2034**, unless terminated earlier or renewed as provided in this Lease. **The options in favor of Tenant in the Original Lease to renew or extend the term thereof shall equally apply in respect of this Term on the same terms as the renewal or extension options set out in the Original Lease, save and except that (a) in no event shall the final expiry date of this Term (as may be so renewed or extended) be later than what would have been the final expiry date of the term of the Original Lease after the exercise of all renewal or extension options had it not been terminated and replaced by this Lease; and (b) the Tenant shall**

continue to have the obligation to pay the Incremental Rent throughout this Term (as may be further renewed or extended including during any renewal or extension of the Term pursuant to the renewal options incorporated in this Lease from the Original Lease), as set out in Section 1.09 of this Lease.

1.06 ***Intentionally deleted***.

1.07 ***Permitted Use of Premises***:

The Premises shall be used for the purposes of the operation of an off-price retail store selling better quality apparel, accessories, shoes, handbags, jewellery and other better quality merchandise as is typically sold from time to time in Tenant's similar off-price retail stores in Canada operating under the name "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th", "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off-price retail stores operated by Tenant in Canada) and in other similar off-price retail stores selling better quality merchandise currently operating in North America, such as, by way of example only and without limitation, those off-price retail stores operating under the names "Nordstrom Rack", "Holt Renfrew's HR2", and "Nieman Marcus Last Call". Tenant further covenants that, if and for so long as the Shopping Centre is being managed and operated by Landlord as a first-class shopping centre in accordance with the highest standards of the shopping centre industry, Tenant shall carry on its business in and from the Premises as an off-price retail store in a first class manner in keeping with the said standards of the shopping centre industry.

Tenant will carry on its business in the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease. Tenant further covenants that, the interior décor and fixturing of the Premises will be generally consistent with the décor and fixturing of the off-price retail store operating under the trade name "Saks Fifth Avenue Off Fifth" located in Costa Mesa-South Coast Plaza, California.

Subject to the provisions of Article 11.00 of this Lease, Tenant may operate, or cause to be operated, the department or departments within the Premises, in whole or in part, by licensees, sub-tenants and/or concessionaires, provided that the Premises continue to be carried on, and retain the appearance to the public of being carried on, as an integrated, and not a multiple tenant, off-price retail store. Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not do or omit to do anything or permit or suffer anything to be done upon the Premises that will result in or bring about a breach of any provision of this Lease.

Notwithstanding any other provision herein, Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any call centre operation (iii) a store conducted principally for the sale of war surplus articles, insurance salvage stock, or fire sale stock; (iv) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire; (y) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (vi) an auction sale; (vii) any other enterprise, activity or practice which because of the merchandise likely to be sold or the merchandising or the pricing methods likely to be used would tend to lower the character of the Shopping Centre; and (viii) any of the Restricted Uses (as hereinafter defined).

At the time of entering into the Original Lease, Landlord had granted certain restrictive covenants and/or exclusive rights of use to or in favor certain other tenants of the Shopping Centre, including those set out in Exhibit C-1 of the Original Lease and those set out in any notices of leases or other instruments registered on title to the Lands on or prior to the date of the Original Lease (the "**Restricted Uses**"). For greater certainty, Tenant hereby acknowledges and agrees that, if and for so long as each of the Restricted Uses granted by Landlord to the respective persons (including their respective successors and assigns) remains unamended and in full legal force and effect, Tenant shall not use the Premises or permit the Premises to be used for the operation of any business or the sale of any merchandise or services that would cause Landlord to be in default of any such Restricted Uses.

If at any time during the Term less than the whole or substantially the whole of the Premises is occupied and open to the public for business for a period exceeding two (2) months for any reason other than Force Majeure (as that term is hereinafter defined), damage or destruction, permitted alterations, repair or rebuilding, and/or a permitted assignment or sublet to a third party, Landlord shall thereafter have the right to terminate this Lease while such cessation of operation continues by giving Tenant no less than thirty (30) days prior written notice thereof, provided that Tenant may nullify such notice of termination and this Lease shall not be terminated if Tenant reopens the whole or substantially the whole of the Premises to the public for business prior to the termination date specified in Landlord's notice and thereafter continues to keep the whole or substantially the whole of the Premises open for business for at least twelve (12)

consecutive months (failing which Landlord's termination of the Lease shall be effective immediately upon Tenant ceasing to operate during the aforementioned 12-month period). In the event that Tenant nullifies Landlord's notice of termination as aforesaid, the provisions of this Article 1.07 shall continue to apply throughout the balance of the Term.

1.08 ***Tenant's Store Name***: "Saks Fifth Avenue Off Fifth", "Off 5th", "Saks 5th Avenue Off 5th", "Saks 5th", "Off 5th - Saks 5th Avenue Outlet", "Saks", "Saks Fifth Avenue" (or such other trade name being used from time to time to identify the majority of the other similar off-price retail stores operated by Tenant in Canada). Tenant shall not operate its business under any other name or trade name without having first obtained Landlord's prior written consent.

1.09 ***Gross Rent***: Throughout the Term (inclusive of all renewals or extensions thereof), an annual aggregate amount equal to: (A) **3.5%** of Gross Sales (as hereinafter defined) made from the Premises during each Percentage Rent Lease Year (as hereinafter defined), payable pursuant to Article 4.00; and (B) the Incremental Rent (the "**Gross Rent**"). The Landlord shall have the right, at any time and from time to time, at its entire discretion, upon written notice to the Tenant, to re-allocate the amount of the Incremental Rent allocated to this Lease and to any one or more of the Other Saks Leases and in this regard the Tenant shall have the obligation to enter into and execute all documents reasonably necessary as requested by the Landlord to implement such reallocation of Incremental Rent.

1.10 ***Intentionally deleted***.

1.11 ***Intentionally deleted***.

1.11.1 ***Intentionally deleted***.

1.12 ***Intentionally deleted***.

1.13 ***Intentionally deleted***.

1.14 ***Utilities***: Tenant shall pay utilities in accordance with the terms and conditions of Article 7.00.

1.15 ***Intentionally deleted***.

1.16 ***Intentionally deleted***.

1.17 ***Intentionally deleted.***

1.18 ***Definitions***: In this Lease:

1.18.1 "**Additional Rent**" means all amounts (other than Gross Rent) that Tenant is required to pay to Landlord pursuant to this Lease.

1.18.2 ***Intentionally deleted***

1.18.3 "**Area**" means the area expressed in square feet of all floors of the Premises measured from the exterior face of all exterior walls, doors and windows or those separating the Premises from any Common Areas and Facilities, and the centre line of all interior walls separating the Premises from adjoining leasable premises. The Area includes all interior space whether or not occupied by projections, structures or columns, openings, shafts, structural or non-structural. If a store front, show window or other part of the Premises is recessed from or protrudes beyond the lease line shown on Exhibit A (whether such recess or protrusion is located at or above ground level), the area of such recess or protrusion will be included in the Area. The parties acknowledge and agree that the Area of the Premises is that set out in Article 1.04 hereof.

1.18.4 "**Architect**" means the architect, engineer, land surveyor, designer or technician that Landlord names, as the case may be.

1.18.5 "**Article**" means an article of this Lease.

1.18.6 "**Authority**" or "**Authorities**" means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over Landlord, Tenant, the Premises or the Shopping Centre, including the business carried on therein.

1.18.7 ***Intentionally deleted***.

1.18.8 "**Commencement Date**" means the first day of the Term (effective as of 12:00am).

1.18.9 "**Common Areas and Facilities**" means all areas, services and facilities not installed or intended for the exclusive use or benefit of any individual tenant, including without limitation, all non-leasable areas, service and administrative areas (including, without limitation, administrative offices, janitorial rooms and storage rooms not reserved to any tenant exclusively), all parking areas, parking decks, roofs, roadways, sidewalks, landscaped areas, floor slabs, exterior walls and exterior and interior structural portions of any open or enclosed malls or other common means of access to leasable premises (excluding any structural mezzanines within any leasable premises), public lavatories, truck courts, common loading areas, driveways, music and public address systems, electrical, plumbing and drainage, fire protection, fire detection, heating, ventilation and/or air-conditioning systems or equipment servicing the Shopping Centre and/or more than one tenant, mall decorative or promotional installations, customer and service stairways, mall directories and directional signs, information booths, elevators, escalators and all other areas, services and facilities which Landlord provides or designates from time to time to be part of Common Areas and Facilities.

1.18.10 ***Intentionally deleted***.

1.18.11 "**Delivery Facilities**" means those portions of the Common Areas and Facilities which are, from time to time, designated by Landlord as facilities to be used in common by Landlord, tenants of the Shopping Centre, and others, for purposes of loading, unloading, delivery, dispatch and holding of merchandise, goods and materials entering or leaving the Shopping Centre, and those portions of the Shopping Centre giving vehicular access to the said facilities.

1.18.12 ***Intentionally deleted***.

1.18.13 "**Environmental Law**" means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Premises or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the natural environment or to any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material 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 statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority.

1.18.14 "**Fiscal Year**" means a twelve (12) month period (all or part of which falls within the Term) from time to time determined by Landlord with the concurrence of the appropriate taxation authorities, at the end of which Landlord's books are balanced for auditing and/or taxation purposes.

1.18.15 ***Intentionally deleted***.

1.18.16 ***Intentionally deleted***.

1.18.17 "**Force Majeure**" means, if during the Term either party to this Lease will be unable to perform any of the terms, obligations, or conditions contained in this Lease due to strikes, walkouts (except for strikes or walkouts directly involving employees of Tenant), civil commotion, warlike operations, governmental regulations or controls, acts of God, pandemics, inability to procure materials or services, otherwise beyond the reasonable control of such party. Notwithstanding anything contained in this Lease to the contrary, nothing in this Force Majeure provision will relieve Tenant from payment of Rent as required in this Lease and insolvency or lack of funds will not relieve any party to this Lease from fulfillment of any obligation arising from any part of this Lease.

1.18.18 ***Intentionally deleted***.

1.18.19 "**Goods and Services Tax**" or "**GST**" means all goods and services tax, value-added tax, or any other similar tax (such as by way of example GST, HST or any other similar tax) howsoever characterized, which any taxing Authority imposes on Landlord and/or requires Landlord to collect on behalf of said taxing Authority, on any amount received or receivable by Landlord from Tenant under the terms of this Lease.

1.18.20 "**Gross Rent**" has the meaning given to it in Section 1.09 hereof.

1.18.21 "**Hazardous Substance**" means, whether or not controlled or regulated by Environmental Law, any solid, liquid, gas, odour, heat, sound, vibration or combination of them resulting directly or indirectly from human activities that may, if released into the environment, have an adverse effect on the natural environment or on people, property or the normal conduct of business, including without limitation, harmful moulds or other harmful airborne substances, flammables, explosives, radioactive materials, urea formaldehyde foam, asbestos, polychlorinated biphenyls (PCBs),

pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum or petroleum products and substances declared to be hazardous or toxic under any law, by-law, regulation or ordinance now or hereafter enacted.

1.18.22 "**Incremental Rent**" means the amount of **$35,000.00** annually, as such amount may be adjusted by the Landlord from time to time pursuant to Article 1.09 hereof.

1.18.23 "**Interest Rate**" means the Prime Rate (as defined below) in force when an amount becomes due, plus three (3) percentage points. "Prime Rate" means the annual rate of interest announced from time to time by Royal Bank of Canada at its main branch in Toronto, Ontario, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.18.24 ***Intentionally deleted***.

1.18.25 "**Land**" means all of the lands described in Exhibit B.

1.18.26 "**Landlord**" means the party first herein above described and includes its successors and assigns, and in articles that contain a release or other exculpatory provisions or an indemnity in favour of Landlord, including the officers, directors, employees and agents and contractors of Landlord, as well as any Person under Landlord's exclusive control.

1.18.27 ***Intentionally deleted***.

1.18.28 "**Lease**" means this Lease, and the Exhibits annexed to this Lease described in Article 1.18.54 and every properly executed instrument which by its term amends, modifies or supplements this Lease.

1.18.29 ***Intentionally deleted.***

1.18.30 ***Intentionally deleted***.

1.18.31 ***Intentionally deleted***.

1.18.32 "**Management Company**" means a company or other entity, if any, retained by Landlord from time to time to operate or manage the Shopping Centre.

1.18.33 ***Intentionally deleted***.

1.18.34 ***Intentionally deleted***.

1.18.35 "**Mortgagee**" has the meaning given to it in Article 17.

1.18.36 "**Operating Agreement(s)**" means any agreement or agreements between Landlord and the owner(s) of lands neighbouring or contiguous to the Land, pursuant to which the developments and improvements on the Land and the developments and improvements on such neighbouring or contiguous lands are operated on a coordinated basis (if any), including, the Reciprocal Operating Agreement dated October 15, 2014 between Landlord and Seasons Retail Corp., notice of which is registered on title to the Lands.

1.18.37 ***Intentionally deleted.***

1.18.38 "**Original Lease**" means that certain lease for the Premises dated as of November 11, 2015 between the Landlord, as landlord, and the Tenant d/b/a Saks Fifth Avenue Off Fifth, as tenant, a caveat for which was registered at the applicable land registry office as Instrument Number 4867289/1and as otherwise amended and supplemented from time to time, which Original Lease was terminated and surrendered immediately prior to the Commencement Date.

1.18.39 "**Other Saks Leases**" has the meaning given to it in Article 19.03(h) hereof.

1.18.40 "**Owners**" means all of the prior owners of the Shopping Centre other than the Landlord.

1.18.41 "**Person**" where the context allows, includes any physical person, corporation, partnership or association, or any groups or combinations of same.

1.18.42 "**Percentage Rent Lease Year**" has the meaning given to it in Article 4.01.

1.18.43 "**Premises**" means the premises described in Article 1.02, the approximate location of which is shown on Exhibit A. If the Premises are entirely self-enclosed, the boundaries shall extend to the exterior face of all exterior walls, doors and windows, or those separating the Premises from Common Areas and Facilities, the centre line of all interior walls separating the Premises from adjoining leasable premises, and from the top surface of the structural sub-floor to the underside of

the roof or any structural floor slab situated immediately above the ceiling of the Premises. Premises shall exclude any Common Areas and Facilities located within them, and if the Premises are open to the ceiling of the Shopping Centre, the boundaries of the Premises will extend from the top surface of the structural sub-floor to the top of its permanent structures. The "Premises" include the structure slab for the lowest floor level and all fixed improvements located below the slab or on the roof which are for the exclusive use of the Tenant and which are comprised of any mechanical, electrical, plumbing and other services and any insulation, and all elevators and escalators therein (including connecting the Premises to the parking garage), and all elevator shafts, cabs and lobbies.

1.18.44 ***Intentionally deleted***.

1.18.45 ***Intentionally deleted.***

1.18.46 "**Released Persons**" means collectively and individually, Landlord, Owners, Mortgagee and any Management Company and partners of the Owners or Landlord. In articles that contain a release or other exculpatory provision or an indemnity in favour of any Released Persons, "Released Persons" includes the officers, directors, employees and agents of the Released Persons, and Landlord acting as agent for, or as trustee for, the benefit of the Released Persons so that each such release, indemnity and/or other exculpatory provision is fully enforceable by the Released Persons.

1.18.47 "**Rent**" means the Gross Rent and the Additional Rent.

1.18.48 "**Shopping Centre**" means the Site and all buildings and Common Areas and Facilities on the Site as each of the foregoing exists from time to time, as may be varied from time to time by adding or subtracting or altering or reconfiguring or by such other means as Landlord considers necessary or advisable.

1.18.49 "**Site**" means the Land indicated on Exhibit B as may be varied from time to time by adding or subtracting land or by such other means as Landlord considers necessary or advisable (and even if parts of the Site may be separated from other parts of same by lanes, streets, highways or any other means of passage in or to which others may have rights).

1.18.50 "**Taxes**" means the aggregate of all taxes, rates, charges (including school and local improvement charges), levies, assessments, licence fees, excise and other charges, or any other taxes, rates or charges levied, charged or assessed in lieu thereof, imposed by any competent authority upon or in respect of the Shopping Centre, upon or in respect of all adjoining or neighbouring lands from time to time owned or made available to Landlord and used in connection with the Shopping Centre, or upon or in respect of both, and upon or in respect of all developments and improvements on the Shopping Centre and on such adjoining or neighbouring lands (including, without limitation, parking lot/transit support taxes, rates charges, levies and assessments), such taxes, rates, charges, levies and assessments being established by such competent authority based upon the Shopping Centre, in its various stages of development, assessed as a completed, fully occupied Shopping Centre. Subject to the foregoing, in determining Taxes, any corporate income, profits, excess profits, and business tax imposed upon the income of Landlord, and any other impost of a personal nature charged or levied against Landlord will be excluded, except to the extent that it is levied in lieu of Taxes. Landlord's reasonable expenditures for consultation, negotiation and contestation, to the extent that they are incurred in an attempt to minimize or reduce Taxes, shall be included in the definition of Taxes.

1.18.51 ***Intentionally deleted***.

1.18.52 "**Tenant**" means the Person executing this Lease as Tenant. Where the context permits, Tenant will also include all servants, employees, agents and contractors of Tenant, as well as any Person under Tenant's exclusive control.

1.18.53 "**Tenant Security**" means any deed creating a charge or having the effect of encumbering, in any manner whatsoever, the rights that Tenant and/or any other Person (other than Landlord) have in any property (excluding this Lease and the Premises), whether movable or immovable, located in or forming part of the Premises, to secure in whole or in part any loan, indebtedness, authorized credit or any other obligation.

1.18.54 ***Intentionally deleted***.

1.18.55 "**Term**" means the period of time set out in Article 1.05 and shall include all renewals and extensions thereof, if any.

1.18.56 **Exhibits**

"Exhibit A" means the plan(s) attached hereto as Exhibit A.

"Exhibit B" means the legal description(s) attached hereto as Exhibit B.

"Exhibit C" intentionally deleted.

"Exhibit D" means the Rules and Regulations attached hereto as Exhibit D.

"Exhibit E" intentionally deleted.

"Exhibit F" means the sample Estoppel Certificate attached hereto as Exhibit F.

ARTICLE 2.00 LEASE

2.01 ***Lease*** Landlord hereby leases the Premises to Tenant for the Term, and Tenant hereby leases the Premises from Landlord for the Term, subject to the terms and conditions of this Lease.

2.02 ***Quiet Enjoyment*** So long as Tenant performs its obligations under this Lease, Landlord will warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.

2.03 ***Covenants of Landlord and Tenant*** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE 3.00 TERM, POSSESSION AND TERMINATION OF ORIGINAL LEASE

3.01 **Intentionally deleted**.

3.02 **Intentionally deleted**.

3.03 ***Acceptance of Premises and Tenant Acknowledgements*** The Tenant acknowledges, agrees and confirms that: (a) it originally occupied the Premises pursuant to the Original Lease, and as of the date hereof, it continues to be in possession of the Premises (which possession by the Tenant was in place prior to the date hereof pursuant to the Original Lease); (b) it has accepted the Premises in an entirely "as is where is" condition basis without any representation, warranty or obligation on the part of the Landlord to perform any work or construct any leasehold or other improvements in the Premises or the Shopping Centre in connection with the Tenant's intended use thereof; (c) the continued possession of all or any portion of the Premises by the Tenant is conclusive evidence as against the Tenant that the Premises are in good and satisfactory condition as of the date hereof, (d) it is solely responsible (at its sole cost and expense and without any reimbursement from or contribution by the Landlord) for all improvements, fixtures or other personal property currently existing or which in the future may exist or may be required in, on or around the Premises and needed, required or used by the Tenant for the operation of its business from the Premises, and (e) it does not have any right of first refusal, right of first opportunity, option to purchase or any other right to acquire any interest or real right in all or any part of the Shopping Centre or the Premises.

3.04 ***Landlord's Option to Renew*** Landlord has, exercisable at its sole and entire and unfettered discretion by giving at least 12 months' prior written notice to the Tenant, the right to renew this Lease for an additional period of five (5) years on the same terms and conditions as set out herein (inclusive of the calculation and payment of Rent (inclusive, for certainty, of Incremental Rent)).

3.05 ***Termination of Original Lease*** Tenant and Landlord hereby agree that the Original Lease is surrendered and terminated effective on 11:59 pm on the date immediately preceding the Commencement Date (the **"Termination Date"**). The respective rights and obligations of Landlord and Tenant with respect to the Premises and the Original Lease will be preserved and will survive the Termination Date, as to all matters arising or accruing prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them with respect to the Original Lease on or after the Termination Date. Any breach of the Original Lease which has not been cured will, after the Termination Date, be enforceable in accordance with all applicable provisions of the Original Lease. Tenant represents, warrants and covenants with Landlord that Tenant has the absolute right, full power and authority to agree to the surrender and termination of the Original Lease as provided herein.

ARTICLE 4.00 RENT

4.01 ***Gross Rent*** Tenant will pay to Landlord a Gross Rent for the Premises described in Article 1.09 of this Lease, payable monthly in arrears within twenty (20) days following the end of each calendar month during the Term. **The Incremental Rent component of the Gross Rent will be payable in equal monthly installments at the same time that the balance of the Gross Rent is due**

pursuant to the preceding sentence. Along with the monthly payment of Gross Rent, Tenant shall furnish Landlord a statement, which need not be certified, of the Gross Sales derived from the Premises for the prior month, which statement shall be in accordance with generally accepted accounting principles, consistently applied. Within sixty (60) says after the end of each Percentage Rent Lease Year and within sixty (60) days after the end of the calculating period with respect to the first full Percentage Rent Lease Year, Tenant shall furnish Landlord a statement certified by an officer of Tenant showing the Gross Sales derived from the Premises during such Percentage Rent Lease Year and the amounts, if any, of Rent required to be paid by Tenant or credited to Tenant for any overpayment or underpayment of Rent for the Percentage Rent Lease Year, which statement shall be in accordance with generally accepted accounting principles, consistently applied.

For purposes of calculating Rent under this Lease, the term **"Percentage Rent Lease Year"** as used in this Lease refers to the period from February 1 to the following January 31 of each year during the term of this Lease, provided that, if the Commencement Date is not February 1, then the first Percentage Rent Lease Year shall be for a period of less than twelve (12) consecutive months, commencing on the Commencement Date and expiring on the following January 31, and further provided that any period of less than twelve (12) full calendar months occurring from and after February 1 at the expiry or earlier termination of the term shall be deemed to be a Percentage Rent Lease Year. The computation of Rent shall be made separately with regard to each Percentage Rent Lease Year or partial Percentage Rent Lease Year, as the case may be, it being understood and agreed that Gross Sales per any Percentage Rent Lease Year and Rent due thereon shall have no bearing on Gross Sales of any other Percentage Rent Lease Year.

Full true and accurate records from which Gross Sales in any Percentage Rent Lease Year may be readily and correctly determined will be kept by Tenant, including, without limiting the generality of the foregoing, the requirement to retain all sources of primary sales records (that is, cash register tapes, pre-numbered sales tickets, daily sales reports, etc.) and otherwise in accordance with generally accepted accounting principles until at least the fifth (5th) anniversary of the end of such Percentage Rent Lease Year. Landlord or any person designated by Landlord will have access to such records at any and all times during business hours for the purpose of examining and reviewing all the accounting records and procedures adopted by Tenant for the purpose of recording and control of all transactions affecting the determination of Gross Sales. For the sake of greater clarification, the parties hereto acknowledge that, in the event Landlord determines that Tenant has failed to report Gross Sales in accordance with its obligations contained herein, such failure shall constitute a default under this Lease and Landlord shall have the right to exercise its remedies under this Lease. Landlord will not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of Landlord's business which includes, without limitation, the sale or financing of all or any part of the Shopping Centre.

Landlord shall be entitled to characterize the Rent, and to allocate the payment thereof to costs, expenses, taxes etc. incurred by or for which Landlord is responsible, in each case as Landlord may determine in its sole discretion.

4.02 ***Gross Sales*** The term "Gross Sales" as used in this Lease means the actual sale price of goods, wares and merchandise sold in, upon or from any part of the Premises, including actual receipts from services rendered by Tenant as well as the total actual sales and services rendered by any licensee, subtenant or concessionaire occupying any portion of the Premises, including, without limitation, such sales, income, receipts, revenues and services which Tenant, any licensee, subtenant or concessionaire occupying any portion of the Premises (collectively, "**Other Occupants**") in the normal and customary course of business would credit or attribute to its business upon the Premises or any part or parts thereof, provided, however, that the term "Gross Sales" shall not be deemed to mean and there shall be excluded from "Gross Sales" amounts representing: (i) amounts credited by Tenant or Other Occupants for returned or defective merchandise; (ii) amount of discount on sales to bona fide employees of Tenant and bona fide employees of any affiliates of Tenant; (iii) allowances granted to customers for damaged or defective merchandise; (iv) trade and other discounts; (v) GST and all other sales, excise and similar taxes levied upon sales made at the Premises; (vi) workroom charges for alterations, repairs or installation of merchandise sold, or similar services rendered in connection with merchandise sold; (vii) charges for services rendered primarily to accommodate customers or employees; (viii) charges for making deliveries, shipments or transfers of merchandise in the regular course of business; (ix) carrying charges on time sales; (x) fees and charges paid by Tenant or Other Occupants to issuers of third-party credit cards; (xi) charges for inter-store transfers of merchandise; (xii) sales of merchandise in bulk to non -retail customers; and (xiii) the proceeds of sales of trade fixtures, operating equipment or other property used by Tenant or Other Occupants in the operation of its business and not acquired by it for the purpose of sale. All exclusions from Gross Sales permitted herein must be documented to the reasonable satisfaction of Landlord to allow for complete and detailed verification of the validity of such exclusions. Any instalment or credit (which, without limiting the generality of the foregoing, includes lay-away sales, sales from coupons or gift cards, electronic or otherwise and certificates, or any other sale made where deposits

are received by Tenant) will be included and treated as a sale for the full price in the month in which such sale is made regardless of whether or when Tenant receives payment in full.

4.03 ***Intentionally deleted***.

4.04 ***Intentionally deleted***.

4.05 ***Intentionally deleted***.

4.06 ***Intentionally deleted***.

4.07 ***Intentionally deleted***.

4.08 ***Intentionally deleted***.

4.09 ***Taxes Payable by Landlord***

Landlord shall pay before the date due any and all Taxes levied, assessed or otherwise imposed upon the Premises and/or the remainder of the Shopping Centre throughout the Term. Tenant shall have no obligation to contribute to the payment of such Taxes as such Taxes are intentionally provided for in the Gross Rent provided for herein.

4.10 ***Intentionally deleted***.

4.11 ***Intentionally deleted***.

4.12 ***Intentionally deleted***.

4.13 ***Intentionally deleted***.

4.14 ***Intentionally deleted***.

4.15 ***Intentionally deleted***.

4.16 ***Intentionally deleted***.

4.17 ***Intentionally deleted***.

4.18 ***Payment of Rent – General*** During the Term of this Lease, Tenant shall pay Rent to Landlord in the manner provided in this Lease or if not so provided, as reasonably required by Landlord. All amounts payable by Tenant to Landlord under this Lease will be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights and recourses against Tenant for default in any such payment as in the case of arrears of Rent. Rent will be paid to Landlord, without deduction, set-off or compensation, in legal tender of the jurisdiction in which the Shopping Centre is located. If and to the extent Landlord so requires, Rent will be paid to Landlord, at Tenant's expense, by electronic funds transfer system or similar system whereby Tenant will authorize its bank, trust company, credit union or other financial institution to credit Landlord's bank account each month in an amount equal to the monthly Rent payable pursuant to the provisions of this Lease, otherwise, Rent will be paid to Landlord at the address of Landlord as set forth in the beginning of this Lease, or to such other Person or at such other address as Landlord may from time to time designate in writing.

Where Tenant makes payments of Rent by an electronic funds transfer system, Tenant shall notify Landlord by e-mail of the date of said electronic payment.

4.19 ***Rent – Adjustment for Partial Months*** If the Commencement Date is not the first day of a calendar month, the instalment of Rent payable on the Commencement Date will be that proportion of the Rent which the number of days from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs (both the Commencement Date and the last day being inclusive) bears to 365. If the Term ends on a day other than the last day of a calendar month, the instalment of Rent payable on the first (1st) day of the last calendar month of the Term will be that

proportion of the Rent which the number of days from the first (1st) day of such last calendar month to the last day of the Term (both the first (1st) and the last day being inclusive) bears to 365.

4.20 ***Intentionally deleted***.

4.21 ***Intentionally deleted***.

ARTICLE 5.00 USE OF PREMISES

5.01 ***Use and Business Name*** The Premises will be used and occupied only for the purposes described in Article 1.07; nothing in this Article 5.01 shall create or be deemed to create an exclusivity in favour of Tenant.

The business of Tenant in the Premises will be carried on under the name and style described in Article 1.08 and under no other name and style unless approved by Landlord in writing.

5.02 ***Hours of Business*** During the Term of this Lease, Tenant will conduct its business in the Premises on such days and during such hours as is required, from time to time, by Landlord unless prevented from so doing by any Authority, however, nothing herein shall require the Premises or portions thereof to be open during hours other than those which have been generally established by the Tenant for the operation of its similar stores in the Greater Winnipeg Area. Tenant shall abide by all rules and regulations now or subsequently in force to the extent that they do not conflict with the terms of this Lease and are applied to Tenant in a non-discriminatory manner.

In the event Tenant fails to conduct its business in accordance with this Article 5.02 then Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.02.

5.03 ***Continuous Operations*** Tenant acknowledges that it forms part of an over-all merchandising mix designed to enhance the character, quality, image and reputation of the Shopping Centre, and that its continuous operation of the Premises is essential to Landlord to maintain that character, quality, image, nature and reputation and to facilitate the leasing of vacant space and renewing leases of existing tenants. Tenant therefore, provided the Landlord is operating the Shopping Centre in accordance with this Lease in all material respects, covenants and agrees that throughout the Term it will continuously occupy and operate in the entire Premises, comply strictly with the provisions of Article 5.02 and not vacate or abandon the Premises at any time during the Term. Tenant acknowledges that Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing Landlord to execute this Lease. Tenant further agrees that if it vacates or abandons the Premises or it fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, Tenant will be in breach of Tenant's obligations under this Lease and shall have caused Landlord a grave and serious prejudice and then, without constituting a waiver of Tenant's obligations or limiting Landlord's remedies under this Lease and at law, all Rent reserved in this Lease will immediately become due and payable to Landlord. Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring Tenant to comply with the provisions of this Article 5.03.

5.04 ***Restrictions on Use & Occupancy***

(a) Tenant will carry on its business on the Premises in a reputable manner and in compliance with all the provisions of this Lease, and in particular Tenant will not advertise, do, omit, permit or suffer to be done or exist upon the Premises anything which will be or result in or bring about a breach of any provision of this Lease.

(b) Tenant shall not, at any time during the Term, conduct or carry on in the Premises any of the following activities or enterprises: (i) any manufacturing operation; (ii) any mail order or catalogue enterprise; (iii) any enterprise for the purpose of taking telephone orders; (iv) a store conducted principally or in part for the sale of second hand goods or apparel, war surplus articles, insurance salvage stock, or fire sale stock; (v) the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for the sale of merchandise damaged by such fire, and only for a period of 30 days immediately following the reopening after such fire; (vi) a store conducted, promoted and/or represented in whole or substantially as a discount operation or in part as a discount operation so as to give the impression that it is being conducted principally as a discount operation; (vii) a pawn shop; (viii) any operation in any line or merchandise in which operation Tenant is making a practice of fraudulent or deceptive advertising or selling procedures including without limitation the sale of counterfeit brands; (ix) an auction sale; and (x) any other enterprise, activity or practice which because of the merchandise likely to be sold or the

merchandising or pricing methods likely to be used would tend to lower the character of the Shopping Centre.

(c) Tenant shall not conduct on the Premises any "distress sale", "bankruptcy sale", "going out of business sale", "liquidation sale" or "fire sale" except as expressly provided above nor any other type of sale designed to convey to the public that business operations are to be discontinued or that the store shall close, Tenant shall only sell merchandise in the regular course of trade as a retailer operating the Premises for the purpose for which the Premises are leased. Notwithstanding the foregoing, within the last six (6) months of the Term, the Tenant shall have the right to conduct clearance and other sales promotions in the Premises and the Tenant shall be permitted to erect, install and maintain within the Premises during such period any clearance and/or store closing signage (or other signage of a similar nature), provided that (i) any such signage on the exterior of the Premises or which faces any Common Areas and Facilities, shall be subject to the Tenant obtaining all required municipal approvals as well as the Landlord's prior written approval for the nature, size, type and location thereof; and (ii) all clearance and other sales otherwise comply with the requirements of sub-paragraph (b) above and this Lease and are undertaken in a reputable and prudent manner that does not interfere with the typical use and operation of the Shopping Centre or the occupants thereof. Landlord's approval of such signage shall not be unreasonably withheld, conditioned or delayed provided it complies with this provision.

(d) ***Intentionally deleted.***

(e) Tenant shall not use the Common Areas and Facilities for any reason whatsoever without the prior written approval of Landlord. Tenant will not place or keep any merchandise or other thing beyond the permanent floor mounted storefront or closure of the Premises or in the Common Areas and Facilities.

(f) ***Intentionally deleted.***

5.05 ***Intentionally deleted***.

5.06 **Display Windows** Tenant will keep display windows (if any) neatly dressed. Display windows and lighted signs (if any) will be kept illuminated by Tenant on all business days until at least one half hour after the Shopping Centre closes for business.

5.07 ***Compliance with Laws*** The Premises will be used and occupied in a safe, careful and proper manner so as not to contravene any present or future governmental or quasi-governmental laws in force or regulations or orders including, without limitation, all Environmental Law. If, due solely to Tenant's use of the Premises, improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant shall execute same and will pay the entire cost thereof. Unless otherwise directed by Landlord, Tenant will obtain and comply with the terms of all licences, certificates of approval, permits and other approvals necessary or appropriate under applicable laws (inclusive of Environmental Law) for the safe and lawful conduct of its business at or from the Premises.

5.08 ***Nuisance*** Tenant will not cause or maintain any nuisance or hazard in or about the Premises and will keep the Premises free of debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any unusual or objectionable noises or odours or anything which may disturb the enjoyment of the Shopping Centre and all the Common Areas and Facilities thereof by customers and other tenants of the Shopping Centre, nor will Tenant allow any noise, sound or music in the Premises to be heard in the Common Areas and Facilities or neighbouring premises.

5.09 ***Advertising, Trade Names and Restricted Marks***

(a) In its advertising, Tenant will use the name of the Shopping Centre, such trade names, symbols and slogans as may be designated by Landlord but Tenant will not indulge in any advertising or sales promotion which is undignified or not in conformity with the highest standards of practice among stores dealing in similar merchandise or might harm or tend to harm the business reputation of Landlord or reflect unfavourably on the Shopping Centre, or might confuse or mislead or tend to confuse or mislead the public. Tenant will not sell, advertise, conduct or solicit business anywhere within the Shopping Centre other than in the Premises.

(b) The name for the Shopping Centre which Landlord may from time to time adopt and every name or mark adopted by Landlord in connection with the Shopping Centre will be used by Tenant only in association with sales made at or from and the business carried on in the

Premises during the Term and Tenant's use thereof will be subject to such regulations as Landlord may from time to time impose. Tenant will not acquire any rights in any such restricted name or mark, and upon the termination of this Lease all its interest herein will be deemed to have been surrendered to Landlord and Tenant will thereafter cease and abandon all use thereof. If Landlord so requests, Tenant will execute registered user applications or agreements or both to protect Landlord's trade mark rights.

5.10 ***Intentionally deleted***.

5.11 ***Loading and Delivery*** The delivery and shipping of merchandise, supplies, fixtures, and other materials or goods of whatsoever nature to or from the Premises and all loading, unloading, and handling of it will be done only at the times, in the areas, by the means, and through the elevators, entrances, malls, and corridors as are designated by Landlord. Without limiting the generality of the foregoing, Tenant will not use or permit any elevators, entrances, malls, corridors or other parts of the Common Areas and Facilities to be used as temporary storage area or areas by Tenant, any of Tenant's employees or suppliers or others when making deliveries to or shipments from the Premises or any permitted storage area of Tenant.

Landlord accepts no liability and is hereby relieved and released by Tenant in respect of the operation of the Delivery Facilities, or the adequacy of them, or of the acts or omissions of any Person or Persons engaged in the operation of them, or in the acceptance, holding, handling, delivery or dispatch of any goods for or on behalf of Tenant, or for any claim of Tenant by reason of damage, loss, theft, or acceptance, holding, handling, delivery or dispatch, failure of any acceptance, holding, handling or dispatch, or any error, negligence or delay.

Landlord may, from time to time, make and amend regulations for the orderly and efficient operation of the Delivery Facilities, and may require the payment of reasonable and equitable charges for delivery services and removal provided by Landlord.

The Landlord hereby grants to the Tenant, for the duration of the Term, an exclusive licence to use the loading dock, unloading and compactor areas which serve such space as shown shaded in GREEN on Exhibit B to the Original Lease, a copy of which is attached as Exhibit A hereto (the "Licensed Area"). For certainty, the Tenant's obligations as to maintenance, repair and replacement of the Demised Premises as set out in this Lease shall equally apply in respect of the Licensed Area.

ARTICLE 6.00 SERVICES, MAINTENANCE, REPAIRS AND ALTERATIONS BY LANDLORD

6.01 ***Operation of Shopping Centre*** Landlord shall operate the Shopping Centre and maintain the Common Areas and Facilities as would a prudent and diligent owner of a similar shopping centre, having regard to the Shopping Centre's size, age, nature, location and region where the Shopping Centre is situated, as well as the type of clientele the Shopping Centre services and the general image Landlord is attempting to project for the Shopping Centre, all as determined by the Landlord in its sole discretion.

6.02 ***Services*** Landlord will provide in the Shopping Centre except where Tenant shall do so pursuant to this Lease:

(a) domestic hot (or tempered) and cold running water and necessary supplies in common washrooms sufficient for the normal use thereof; and

(b) heat, ventilation, air conditioning, lighting, electric power, domestic hot (or tempered) and cold running water, steam, natural gas and chilled water, in the Common Areas and Facilities (where appropriate).

6.03 ***Maintenance, Repair and Replacement*** Subject to the provisions of Article 7.01(b) and Tenant's obligations under this Lease in respect of the Premises, Landlord will operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Shopping Centre and for provision of Landlord's services under Article 6.02 (except as such may be installed by or be the property of Tenant or others (excluding Landlord) or both and except for the heating, ventilating and air conditioning equipment, elevators, escalators and other systems, facilities, machinery and equipment installed within or for the Premises; and furthermore, will expeditiously maintain and repair the foundations, structure and roof of the Shopping Centre (inclusive of downspouts, gutters, canopies and exterior walls), provided that:

(a) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or

replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;

(b) Landlord may temporarily discontinue such services or any of them at such times as may be necessary due to causes (except lack of funds) beyond the reasonable control of Landlord;

(c) Landlord will use reasonable diligence in carrying out its obligations under this Article 6.03, but will not be liable under any circumstances for any consequential damage to any Person (including without limitation, Tenant) or any property for any failure to do so;

(d) no reduction or discontinuance of such services under clauses (a) or (b) of this Article 6.03 will constitute as an eviction of Tenant or (except as specifically provided in this Lease) release Tenant from any obligation of Tenant under this Lease; and

(e) nothing contained herein will derogate from the provisions of Articles 7.02, 7.03, 10.01, 16.01, 16.02, 16.03, or 16.04 and in no event shall Landlord be required to make any repairs or replacements which are necessary as a result of Tenant's default, negligence or willful misconduct.

6.04 ***Alterations by Landlord*** Landlord may, at any time prior to or during the Term, subject to Article 6.06: (i) change the area, level, location, arrangement or use of any portion of the Shopping Centre; (ii) construct on the Site or on adjacent lands, other buildings, structures or improvements and make alterations, additions, subtractions or rearrangements; (iii) modify, alter, expand, reduce or eliminate any interior or exterior Common Areas and Facilities; (iv) close off all or any part of the Shopping Centre and/or temporarily suspend services for the purpose of maintenance, repair, alteration or construction; (v) place any installations within or on any interior or exterior Common Areas and Facilities including without limitation, kiosks, planters, benches, promotional displays or activities and any other installations; (vi) close all or part of the Shopping Centre to the public outside of regular business hours, Sundays and holidays included; (vii) restrict areas on the Site available for employee parking, and/or prohibit employees from parking anywhere on the Site; (viii) impose reasonable charges for parking, and impose restrictions on refunds or compensations by Tenant to Persons using the parking areas; (ix) modify tenant mix, both with respect to kinds of uses which may be made of premises, as well as to changes in the physical location of any one or more tenants; (x) do and perform such other acts in relation to the Shopping Centre for the more efficient and proper operation of the Shopping Centre as Landlord determines to be advisable; (xi) change the name of the Shopping Centre; (xii) do all work required to install new, and/or maintain, adapt, repair or replace existing utility lines, pipes, roof drainage pipes, conduits, wires, duct work, columns and other matters through any part of the Premises if necessary and do any other work in the Premises to preserve, support or reinforce any structural walls or foundations of the Premises or the Shopping Centre, and do such work as may be required for an expansion or an alteration of all or part of the Shopping Centre.

Notwithstanding anything contained in this Lease, it is understood and agreed that if the Shopping Centre, the Site and/or the Common Areas and Facilities are diminished or altered in any manner whatsoever as a result of the exercise by Landlord of its rights set out in this Article 6.04, Landlord is not subject to any liability nor is Tenant entitled to any compensation or diminution or abatement of Rent, nor is any alteration or diminution thereof deemed to constitute constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease. Landlord and Tenant further agree that the exercise by Landlord of its rights under this Article 6.04 will not relieve Tenant of Tenant's obligations under Article 5.03 of this Lease.

The Tenant acknowledges, agrees and confirms that the Landlord has not granted to the Tenant and neither the Tenant or the Premises has the benefit of any merchandising controls, exclusivity rights, use restrictions, no-build zones, minimum parking ratio requirements, or, minimum stall number requirements, or any other restrictions, restrictive covenants or approval rights applicable to the Site; the Shopping Centre or any part(s) thereof or any other lands abutting thereto or in the vicinity thereof ("Additional Lands") which the Landlord or any of its affiliates may have an interest in, including without limitation and for certainty anything that would otherwise restrict, limit, delay or otherwise interfere with the Landlord's (or its affiliate's) ability to lease, use, convey, alter, develop and/or redevelop all or any part of the Shopping Centre, the Site or any such Additional Lands. The Tenant hereby confirms that any of the forgoing that the Tenant was entitled to or that were granted in or in connection with the Original Lease, its occupancy of the Premises or otherwise have been expressly waived by the Tenant, have terminated and have ceased to have any force or effect. The Tenant covenants and agrees: (a) not to oppose (and hereby irrevocably waives all rights to oppose) the exercise of the Landlord's rights under this Section 6.04 or otherwise pursuant to this Lease in this regard, including, in respect of any rezoning matters, variance applications, restrictive covenants, site plans, subdivisions, easements, transfers, dedications,

permits or approvals and other similar requirements in connection therewith (hereinafter "Rezoning Matters"); and (b) agrees to cooperate with Landlord (at no cost or expense to the Tenant) to the extent reasonably required, including, without limitation, granting any partial discharges of its notice of lease and executing any consents, documents and instruments reasonably requested by the Landlord in furtherance of any Rezoning Matters.

6.05 ***Intentionally deleted***

6.06 ***Access by Landlord*** Tenant will permit Landlord to enter the Premises outside of normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business, to examine, inspect and show the Premises to persons wishing to lease them, to provide services or make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvement or preservation of the Premises or the Shopping Centre. Landlord will whenever possible, save in the event of emergency, consult with or give reasonable notice to Tenant prior to such entry, but no such entry will constitute an eviction or entitle Tenant to any abatement of Rent.

6.07 ***Energy, Conservation and Security Policies*** Landlord will be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of utilities and services, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority serving the public interest in the fields of energy, conservation or security.

6.08 ***Sustainable Operation of Shopping Centre*** Tenant acknowledges Landlord's intention, to operate its Shopping Centre in a manner so as to provide for:

(a) reduced energy and water consumption;

(b) the use of renewable energy and recycled water;

(c) the facilitation of alternate transportation for customers of the Shopping Centre;

(d) the use of non-toxic, low-impact cleaning and pest control and other products in the operation and maintenance of the Shopping Centre;

(e) a healthy indoor environment;

(f) installation and use of sustainable materials, furniture, equipment and improvements within the Shopping Centre; and

(g) the recycling and diversion of operational waste from landfill generated from the activities of tenants, licensees, and customers of the Shopping Centre,

and Landlord intends to operate, manage and maintain the Shopping Centre so as to obtain and/or maintain any green building certifications, accreditations or ratings.

ARTICLE 7.00 UTILITIES, SERVICES, MAINTENANCE AND ALTERATIONS BY TENANT

7.01 ***Utilities***

(a) Subject to Article 7.01(b), during the Term, Tenant will provide in the Premises at its own expense heat, ventilation, air-conditioning, water, gas, electricity, steam and other utilities and services. Tenant shall be solely responsible for and shall promptly pay (but in any event no later than the due date) the cost of water consumption, electricity, gas, steam, telephone, and other utilities used or consumed in or from the Premises directly to the supplier of such services where separately metered or as Landlord may direct.

(b) If heat, ventilation, air conditioning, water, gas, electricity, steam or any other utility or service is provided by Landlord, but is not metered or is supplied to the Premises through meters common to a group of tenants in the Shopping Centre, Landlord will pay the cost thereof and apportion such cost as may reasonably be determined by Landlord among the tenants utilizing the utility or service or supplied through such common meters, (provided that if Landlord will from time to time reasonably determine that the use of any such utility or service in the Premises is disproportionate to the use of other tenants, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use) and Tenant will reimburse Landlord the amount of its share of such cost.

(c) ***Intentionally deleted.***

(d) If a separate or a check meter exists, Tenant shall then pay for its consumption to Landlord as measured by the Premises check meter and in accordance with the rates of Landlord's supplier.

(e) If at any time, any utility serving the Premises, whose consumption rate was measured by separate or check meter, ceases to be measured by separate or check meter for any reason whatsoever, Tenant shall pay to Landlord a charge calculated in accordance with paragraph (b) above.

(f) Notwithstanding Article 7.00 of this Lease, at Landlord's option, Landlord may, at any time or times during the Term, purchase in bulk from the utility supplier the aggregate electrical energy requirements of the Shopping Centre or any portion thereof, in which event Landlord may arrange for the supply of electricity to the Premises for the general electrical purposes of Tenant. In such case, Tenant will pay to Landlord on a monthly basis, in advance, with annual adjustment at the end of each Fiscal Year, a charge for supplying electricity to the Premises as determined by Landlord on the basis of Tenant's consumption.

(g) Where the Premises are metered directly by a utility company or supplier for electricity, gas, water, or steam consumption, Tenant will provide Landlord, at Tenant's cost, with all consumption data for the Premises, in the manner, at such frequency and in the format as required by Landlord so as to comply with its obligations relating to governmental or quasi-governmental authority reporting regulations, to meet green building certifications or standards including, without limitation, LEED, BOMA BEST or ENERGY STAR or to improve the environmental performance of the Shopping Centre.

(h) During any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, Landlord shall keep all Common Areas and Facilities lighted and opened to the public. Landlord agrees that it shall keep all Common Areas and Facilities lighted for security purposes seven (7) days each week during the hours of darkness such lighting is necessary for such purpose. Landlord shall pay for all costs of electricity for lighting the Common Areas and Facilities (i) during any period when the Premises are open for business and for such longer reasonable period of time of at least one-half (1/2) hour before and after such business hours, but not later than 11:00 p.m., CST, (ii) during any other period, in addition to the period described in the immediately preceding clause (i), when both the Premises and at least fifty percent (50%) of the remainder of the floor area in the Shopping Centre are open for business and (iii) during the times and to the extent such lighting is required under the second sentence of this subsection (h).

(i) The cost of electricity for lighting the Common Areas and Facilities at times or to the extent such cost is not considered part of Landlord's costs in accordance with the preceding paragraph shall be paid as follows:

(i) If the Premises are open for business, then Tenant shall pay its proportionate share (based on the square footage of the Premises compared to the square footage of the premises of all occupants that are open for business) of the cost of electricity to light the Common Areas and Facilities; and

(ii) If the Premises are not for business in compliance with this Lease, Landlord shall pay the cost of electricity to light the Common Areas and Facilities.

7.02 ***Heating, Ventilation, and Air-Conditioning (HVAC)*** Without limiting the generality of the foregoing, Tenant will at its sole cost and expense be responsible for maintaining, repairing and replacing of the heating, ventilating and air-conditioning equipment (the **"Tenant HVAC System"**) installed for the Premises where such equipment is not part of a shared or central system. **The parties acknowledge that the Tenant HVAC System independently serves the Premises.**

However and notwithstanding the foregoing, in the event one or more of the "HVAC" units (as defined in the Original Lease) serving the Premises requires replacement (or any major component of such unit(s) requires replacement), Landlord and Tenant acknowledge and agree that the provisions of Section 7.1 of the Original Lease and defined terms used therein are incorporated into this Section 7.02 by reference and shall apply in respect of such replacement, inclusive of Tenant's obligation to pay as part of Rent the "HVAC Rent Adjustment".

7.03 ***Condition of Premises*** During the Term, Tenant will keep the Premises in a clean and tidy condition, and will provide at its own expense therein janitor services in accordance with this Lease and the rules and regulations of Landlord from time to time, removal of debris and garbage, and cleaning of all windows, doors, walls, ceiling, tiles, floors, grease traps and grease guard systems in the Premises and on the roof of the Shopping Centre where applicable and the exterior of the Premises, subject to Article 7.04(f).

Subject to the foregoing and except to the extent that Landlord is specifically responsible therefor under this Lease, Tenant will maintain the Premises and all improvements therein at its sole cost and expense in good order and condition, subject to reasonable wear and tear, including, without limiting the generality of the foregoing:

(a) intentionally deleted;

(b) making repairs and replacements as needed to glass, plate glass, store windows and storefronts, signs, mouldings, doors, hardware, partitions, walls, fixtures, lighting, finishes, plumbing, wiring, ductwork and piping (including that portion which is contiguous to the Premises), ceilings, floors and thresholds in the Premises;

(c) maintaining, repairing and replacing as needed all elevators, escalators, mechanical, electrical and plumbing systems, facilities and equipment in the Premises;

(d) making other repairs and replacements in the Premises as needed, except repairs and replacements to the Premises for which Landlord is specifically responsible under this Lease; and

(e) keeping the Premises in such condition as to comply with the requirements of any governmental or quasi-governmental authority and insurers having jurisdiction and the rules and regulations of Landlord.

Notwithstanding any legislation to the contrary, the Tenant's repair obligations will include all those which are major as well as minor, or those which are customarily landlord's or tenant's, except as expressly provided otherwise in this Lease.

7.04 ***Alterations by Tenant*** Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement will:

(a) comply with the requirements of Landlord's insurer and any Authority having jurisdiction;

(b) be made only with the prior written consent of Landlord;

(c) equal the then current standard for the Shopping Centre;

(d) be carried out only by persons selected by Tenant and approved in writing by Landlord, who will, if required by Landlord, deliver to Landlord before commencement of the work, performance and payment bonds as well as proof of worker's compensation and public liability and property damage insurance coverage as reasonably required by Landlord with Landlord, Owners and Management Company as additional insured parties in amounts, with companies and in form reasonably satisfactory to Landlord, which will remain in effect during the entire period in which the work will be carried out;

(e) Tenant shall obtain all necessary construction and other permits before starting any work in the Premises;

(f) Tenant shall not make any repairs, openings, or additions to any part of the exterior of the Premises, or to the Common Areas and Facilities nor place anything of whatsoever nature in or upon any part of the Common Areas and Facilities, including without limitation the roof and without having obtained the prior written consent of Landlord. In addition it is expressly forbidden for Tenant, its employees, agents, representatives or any Person for whom Tenant is in law responsible to go upon the roof of the Shopping Centre for any reason whatsoever without Landlord's prior written consent. Notwithstanding the prior granting of such consent, Tenant shall be fully responsible for all ensuing costs and damages whether to remove materials or to effect repairs needed as a result of such acts;

(g) Tenant shall not make any change, alteration, addition, repair or improvement in or to the Premises which in any manner affects the structure, the roof, the perimeter walls, the bearing floors, structural slab or slab on grade, the storefront, the sprinkler system (whether it services the Premises exclusively or not), or any heating, ventilation or air-conditioning

system or equipment or the electrical and plumbing services or systems (whether these serve the Premises exclusively or not), without in each case obtaining Landlord's prior written approval thereto. Tenant will accompany each request for Landlord's written approval by detailed plans and specifications for the intended work, and will ensure that the work is done according to the relevant provisions of this Lease.

Any increase in Taxes or insurance premiums for the Shopping Centre, or any part thereof, attributable to such change, addition or improvement will be borne by Tenant and Tenant will pay Landlord for the cost of such increase upon receipt of Landlord's invoices therefor.

7.05 ***Trade Fixtures and Personal Property*** Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation will interfere with or damage the mechanical, plumbing, sprinkler or electrical systems or all or any part of the structure of the Shopping Centre. If Tenant is not then in default under this Lease, trade fixtures and personal property installed in but not affixed to the Premises by or on behalf of Tenant may be removed from the Premises:

(a) from time to time in the ordinary course of Tenant's business or in the course of permitted reconstruction, renovation or alteration of the Premises by Tenant; and

(b) during a reasonable period prior to the expiration of the Term,

provided that Tenant in all cases promptly repairs at its own expense any damage to the Premises resulting from such installation and removal. In no case will trade fixtures or personal property include the ceiling or ceiling panels, electric light fixtures, doors, floor coverings, storefront, plumbing fixtures and fittings or any affixed cabinets, shelves, hardware or decorative items in or upon the Premises which upon installation become the property of Landlord, provided, however, that if any of the foregoing shall contain any Hazardous Substance such installation shall remain the property of Tenant and Tenant will remove such items at its expense.

7.06 ***Liens*** Tenant will pay before delinquency all costs for work done or caused to be done by Tenant in the Premises which could result in any lien or encumbrance on Landlord's interest or Tenant's interest or both in the Site or the Shopping Centre or any part thereof, will keep the title to the Site and the Shopping Centre and every part thereof free and clear of any lien or encumbrance in respect of such work and will indemnify and hold harmless Landlord against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of material, services or labour for such work. Tenant will immediately notify Landlord of any such lien, claim of lien or other action of which it has or reasonably should have knowledge and which affects the title to the Site and the Shopping Centre or any part thereof, and will cause the same to be removed within fifteen (15) days of written notice from Landlord (or such additional time as Landlord may consent to in writing), failing which Landlord may take action as Landlord deems necessary to remove the same and the entire cost thereof will be immediately due and payable by Tenant to Landlord, including all legal fees, costs and disbursements on a substantial indemnity basis.

7.07 ***Intentionally deleted***.

7.08 ***Signs*** Tenant shall not erect or place any sign, decal, decoration, lettering, design or advertisement of any nature whatsoever ("**Sign**") on the exterior walls of the Premises or on the walls of the mall or elsewhere in the Shopping Centre or in the display windows without first obtaining Landlord's written consent as to the specifications, design, location and method of installation. All Signs shall conform to all applicable rules and regulations and shall be of high quality. Furthermore, all Signs shall be suitably illuminated where applicable in the same manner as other signs in the Shopping Centre. Tenant shall not install or affix any Sign in the Premises or in the Shopping Centre which is visible from the exterior of the Shopping Centre. All Signs on Tenant's storefront which Landlord allows Tenant to install must be so installed prior to the opening by Tenant of its Premises to the public.

No Sign(s) advertising an auction sale, going out of business sale, closing out sale, bankruptcy sale or any other similar sale other than one in the normal course of Tenant's business, or any Sign indicating that Tenant is moving to another location, shall be permitted in the Shopping Centre.

For certainty, the Landlord confirms that the Tenant's exterior Signs that exist as of the Commencement Date are compliant with this Section. The Landlord also confirms that the Tenant's existing pylon signage, if any, is compliant with this Section and that the Tenant shall not be required to pay any rent or other charge of any kind whatsoever to Landlord for or in connection with such pylon signage.

ARTICLE 8.00 TENANT'S TAXES

8.01 ***Business Taxes and Other Taxes Payable by Tenant*** Tenant shall pay promptly and directly to the Authorities responsible for collection all business and water taxes, charges or rates, garbage removal taxes, charges, rates, taxes, levies, fees, duties, tariffs or assessments for consumption and/or emissions of any fuel of whatsoever nature however imposed or assessed and/or for recycling and/or similar taxes, charges or rates imposed on or applicable to Tenant in connection with the activities, goods (including without limiting the generality thereof, Tenant's movables, equipment and tools) or services of which Tenant benefits, or for Tenant's use or occupation of the Premises, or for the nature of the enterprise that Tenant operates in the Premises, or any other matter determined by said authorities (hereinafter "Tenant's Taxes"). It is understood that Tenant shall pay promptly and directly to Landlord any Tenant's Taxes where Landlord shall be invoiced therefor or shall become liable for any such Tenant's Taxes pursuant to any new, amended or modified law, regulation, policy and/or practice of any competent Authority. Tenant shall also be liable for the payment of any Tenant's Taxes, Taxes and any other amount payable by Landlord, and any increases in one or all of the foregoing (even where such Tenant's Taxes, Taxes or other amount or increases thereof are substantially greater than the amount payable therefor by Tenant in previous years) as a direct or indirect result of the abolition, modification and/or replacement of any Tenant's Taxes by any competent Authority or due to any modification of any policy or practice thereof. Tenant will indemnify Landlord from and against all losses, costs of expenses occasioned by or arising from the foregoing.

ARTICLE 9.00 INSURANCE

9.01 ***Landlord's Insurance*** Throughout the Term of this Lease, Landlord, at no cost to Tenant, will carry the insurance for which Landlord is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference. For certainty, during the Term, Landlord will maintain the Landlord's insurance coverage currently in place as of the Commencement Date, which the Landlord and the Tenant acknowledge is satisfactory.

9.02 ***Tenant's Insurance*** Throughout the Term of this Lease Tenant, at its sole cost and expense, will carry the insurance for which Tenant is obligated under Article 11 of the Original Lease and Article 11 of the Original Lease is deemed incorporated herein by reference. For certainty, during the Term and any period Tenant is in possession of the Premises, the Tenant will maintain the Tenant's insurance coverage currently in place as of the Commencement Date in accordance with the insurance certificate most recently provided to the Landlord by the Tenant, which the Landlord and the Tenant acknowledge is satisfactory.

Tenant agrees to deliver to Landlord, proof of above required insurance in force at such date, such proof to be in the form of certificates of insurance acceptable to Landlord. If the breach or non-performance of any of the covenants or agreements herein contained on the part of Tenant will immediately endanger or could reasonably lead to or result in future endangerment of the Premises or any other of the buildings or property in or on the Shopping Centre or result in the voiding, cancellation or threatened cancellation of any insurance policy affecting such buildings or property or part thereof Landlord may, either, at Landlord's sole discretion, terminate this Lease effective upon written notice to Tenant, or without terminating this Lease and after giving such notice, if any, as is reasonable in the circumstances, enter upon the Premises and take such action, including removing Tenant and any persons or property from the Shopping Centre, as is reasonable to remove or abate the cause of the danger or voiding or cancellation of the policy, and Landlord will not be liable for any damages of any kind howsoever caused arising out of such termination or such action, the whole without prejudice to Landlord's other rights and recourses.

ARTICLE 10.00 INJURY TO PERSON OR PROPERTY

10.01 ***Mutual Indemnity.*** Except to the extent released in Sections 10.02 and 10.03 below, each of the Landlord and the Tenant will defend, protect, indemnify and save harmless the other of and from all fines, suits, claims, demands and actions of any kind or nature to which the party being indemnified shall or may become liable or suffer by reason of any breach, violation or nonperformance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property, by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of its agents, employees, officers or contractors.

10.02 ***Release of Landlord.*** In respect of any insurance required by this Lease to be obtained by the Tenant, none of the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre or other persons for whom the Landlord is responsible in law shall be liable to the Tenant in respect of any loss, injury or damage so required to be insured by the Tenant to the extent that insurance proceeds are recovered. For this

purpose if the Tenant fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Tenant had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Tenant shall obtain a waiver of subrogation from its insurers in favour of the Landlord, the Mortgagees of the Shopping Centre, the manager retained by the Landlord from time to time to operate the Shopping Centre and those for whom the Landlord is responsible in law. With respect to the Tenant's fixtures, furniture, inventory and stock-in-trade including merchandise or other contents of the Premises, the Landlord, the Mortgagees of the Shopping Centre, any manager retained from time to time by the Landlord to operate the Shopping Centre and others for whom the Landlord is responsible in law shall not be liable to the Tenant in respect of any loss, injury or damage.

10.03 ***Release of Tenant.*** In respect of any insurance required by this Lease to be obtained by the Landlord, none of the Tenant, its officers, employees, agents, invitees or other persons for whom the Tenant is responsible at law shall be liable in respect of any loss, injury or damage required to be so insured to the extent that insurance proceeds are recovered. For this purpose if the Landlord fails to utilize its reasonable efforts to recover or fails to comply with its obligations to insure under this Lease, recovered proceeds shall be deemed to include proceeds which would reasonably have been recoverable if the Landlord had so complied or so utilized its reasonable efforts to recover, as the case may be. In confirmation of the foregoing and in addition thereto, the Landlord shall obtain a waiver of subrogation from its insurers in favour of the Tenant, its officers, employees, agents, invitees and those for whom the Tenant is responsible in law.

ARTICLE 11.00 TRANSFERS

11.01 ***Transfers*** Except to an "**Eligible Corporation**" (which for the purpose of this Article 11.00 is a corporation or other legal entity (but not an individual) which controls or is controlled by or under common control with Tenant, where to control means to own beneficially either directly or indirectly more than 50% of the voting shares of a corporation or other legal entity) and subject to provisions of Article 11.03, Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part or sublet all or part of the Premises, or transfer this Lease in any other manner and will not permit the occupation or use of all or part of the Premises by others (any of which events are hereinafter referred to as a "**Transfer**"), without the prior written consent of Landlord in each case, which consent, despite any statutory provision to the contrary, may be arbitrarily or unreasonably withheld; provided, however, that Tenant may enter into a Transfer with an Eligible Corporation, with the prior written consent of Landlord which consent may not be arbitrarily or unreasonably withheld. Tenant will not, and will not permit subtenant or any other Person or entity to mortgage or encumber all or any part of the Tenant's rights resulting from this Lease or all or any part of the Premises. Under no circumstances will Tenant be entitled to effect a Transfer to any one prior to the Commencement Date, notwithstanding anything to the contrary in this Lease or at law. The consent by Landlord to a Transfer will not constitute a waiver of its consent to a subsequent Transfer. This prohibition against transferring includes a Transfer by operation of law. If a Transfer occurs without the consent of Landlord when required, Landlord may collect rent from the assignee, subtenant, mortgagee, encumbrancer, user or occupant as the case may be (hereinafter the **"Transferee"**), and apply the net amount collected to the rent herein reserved, but no such Transfer, occupancy or collection will be deemed a waiver of the covenant not to Transfer without Landlord's consent, nor an acceptance by Landlord of the Transfer or the Transferee notwithstanding any rule of law or equity to the contrary. Despite a Transfer, Tenant remains fully liable under this Lease. A permitted Transfer of all or part of this Lease or the Premises will be documented by Landlord or its solicitors, and the amounts stipulated in Article 11.02(b)(iv) shall be paid by Tenant and deemed to be Rent. Notwithstanding anything contained in this Lease to the contrary, Landlord may immediately terminate this Lease if Tenant effects a Transfer without Landlord's prior written consent thereto, whether or not Tenant gives prior written notice thereof.

11.02 ***Conditions*** Any Transfer referred to in Article 11.01 or elsewhere in this Lease will be subject to the following conditions:

(a) that Tenant causes any Transferee to promptly execute an agreement in writing with Landlord agreeing to be bound by the terms, provisions and conditions contained in this Lease as if such Transferee had originally executed this Lease as Tenant (provided that such agreement will not in any way affect the rights of Landlord under this Lease); and

(b) all requests for Landlord's consent to effect a Transfer shall be in writing and be accompanied by each of the following: (i) the name, address and telephone number of each proposed Transferee and if it is a corporation, the names of the directors and the majority shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective control); (ii) details of the proposed Transferee's prior business experience (including experience in the enterprise for which the Premises are to be operated

pursuant to this Lease); (iii) bank and other credit references, required by Landlord to assess the business or financial strength and standing of the proposed assignee, subtenant or occupant; (iv) a non-reimbursable fee (paid by certified cheque or draft of a Canadian chartered bank) for all charges associated with Landlord's administration and documentation of the Transfer; (v) if the proposed Transferee is a corporation or other legal entity (but not an individual), its constating documents (including any articles of incorporation, amendment or amalgamation, any declarations of trust or partnership agreements and the like); (vi) details of the transaction of Transfer between Tenant and the proposed Transferee and all relevant documents with respect thereto; (vii) a signed copy of Landlord's standard form of letter of consent authorizing Landlord to make inquiries regarding the personal affairs of the proposed Transferee or any principal thereof, and (viii) all other information or documentation which Landlord may reasonably require.

11.03 ***Corporate Ownership*** If after the date of execution of this Lease, securities not listed for sale on a recognized securities exchange in Canada either of Tenant or of an Eligible Corporation which controls Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of Tenant or of an Eligible Corporation which controls Tenant by the Person or Persons holding control on the date of execution of this Lease or on the date when Tenant becomes a corporation, if later, or if other steps are taken to accomplish a change of the effective control of Tenant, Tenant will promptly notify Landlord in writing of the change which will be considered to be a Transfer of this Lease to which Articles 11.01 and 11.02 apply; and whether or not Tenant notifies Landlord, Landlord may terminate this Lease within 60 days after Landlord learns of the change unless Landlord previously had consented to the change in writing. Tenant will make available to Landlord or its lawful representatives all corporate books and records of Tenant and of any Eligible Corporation which controls Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

11.04 ***Insolvency of Transferee*** In the event Transferee becomes insolvent or commits an act of bankruptcy and this Lease is disclaimed or terminated, or Transferee disclaims this Lease pursuant to any bankruptcy or insolvency legislation, or the terms of any insolvency-related Court order, then at Landlord's option to be exercised on written notice to the original Tenant named in this Lease or any Transferee (except the bankrupt or insolvent Transferee), such party will be deemed to have entered into a lease with Landlord for the remainder of the initial Term, on the terms and conditions of this Lease prevailing immediately prior to the date of such disclaimer, termination or repudiation (including without limitation, future Rent escalations (if any)) effective upon the effective date of such disclaimer, termination or repudiation.

11.05 ***Permitted Transfers.*** Notwithstanding the aforesaid, Tenant may, without the consent of Landlord, but on prior written notice to Landlord:

(a) assign this Lease to, and may in any event permit the Premises to be used and occupied in whole or in part by, any affiliated corporation of Tenant (as such term "affiliated corporation" is defined by· the *Canada Business Corporations Act*); or

(b) assign this Lease to any corporation with which Tenant merges or consolidates that is an affiliated corporation of Tenant; or

(c) grant concessions or licenses to use and occupy any part or parts of the Premises provided that: (i) the Premises continues to be carried on, and retains the appearance to the public of being carried on, as an integrated single department store operated in accordance with the requirements of this Lease, (ii) at least 80% (by number) of the concessions or licenses granted shall be to licensees or concessionaires which operate in a majority of the Tenant's other stores in the greater Winnipeg area; and (iii) any such concessionaire, licensee or other occupant within the Premises is subject to the day-to-day operational control of the Tenant in matters related to general standards of the business carried on so as to enable the Tenant to ensure that such standards shall conform to the general standards of business of the Tenant itself.

ARTICLE 12.00 SURRENDER

12.01 ***Possession*** Upon the expiration of the Term or other termination of this Lease and in addition to the provisions of Article 12.02, Tenant will immediately quit and peaceably surrender possession of the Premises to Landlord:

(i) in a vacant, clean and broom-swept condition with all of Tenant's signage, Signs, inventory, trade fixtures, racking and personal property removed; and (ii) without any material damage to the structural and building system elements of the Premises (inclusive, for certainty, of walls, ceilings, windows and storefronts) and with such building systems (inclusive of elevators and escalators)

servicing the Premises in a working order, subject to reasonable wear and tear; but otherwise in an "as is, where is" condition and without any obligation to:

(A) return the Premises or any component thereof to an improved or better state of condition or operation than existing as of the Commencement Date; or

(B) to remove any leasehold improvements in the Premises installed pursuant to Article 7.04 hereof.

For greater clarity, it is the intention of the parties that Tenant shall have no obligation to make cosmetic or "wear and tear" type repairs to the Premises upon surrender (such as repainting or repairing holes in walls, floors or ceilings caused by the typical installation and removal of racking, trade fixtures etc.).

Notwithstanding the foregoing, if the Landlord's intention is to demolish and/or redevelop the Premises following the expiry of the Term and not to re-tenant same, the Landlord shall advise the Tenant thereof in which event sub-paragraph (ii) above shall not apply.

Upon surrender, all right, title and interest of Tenant in the Premises will cease. If Tenant has registered a caveat, caution, memorandum, notice or other instrument relating to this lease against title to the Site, it will cause the same to be released and discharged no later than 15 days following the expiry or termination date, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a release or discharge or a notice of this will be paid by Tenant.

12.02 ***Trade Fixtures, Personal Property and Improvements***

(a) Subject to Article 7.05, all alterations, additions and improvements made or to be made upon or to the Premises (save any movable trade fixtures used in Tenant's enterprise) which in any manner are attached in, to or under the floors, walls or ceilings, including, without limitation, walk-in vaults, large water features such as pools, water basins and fountains and landscaping features, any component of any heating, ventilating, air-conditioning, sprinkler, plumbing or electrical equipment or systems, presently or in the future installed within or servicing the Premises, all lighting installations and fixtures including, without limitation, all spot lights and tracks and all floor finishes of whatever nature placed upon the floor of the Premises, all storefronts, doors and/or partitions, shall become Landlord's property at the time they are installed, and will be surrendered to Landlord at the expiry of the Term or sooner termination of this Lease without any compensation or indemnity payable to Tenant whatsoever.

(b) If Tenant leaves any property on the Premises following the expiry of the Term or earlier termination thereof which it is entitled to remove, then unless Landlord expressly notifies Tenant to remove such property, the ownership of such property will, at Landlord's option, be deemed to have been abandoned to Landlord, free and clear of all Tenant Security, notwithstanding any law or agreement to the contrary and whether or not Landlord chooses to become the owner of such items, they may be used, removed or disposed of by or on behalf of Landlord, as Landlord determines, without compensation payable to Tenant and without incurring any liability to Tenant.

12.03 ***Merger*** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord will not work a merger, and will, at Landlord's option, either terminate all or any subleases and subtenancies or operate as an assignment to Landlord of all or any subleases and subtenancies. Landlord's option hereunder will be exercised by notice to Tenant and all sublessees or subtenants in the Premises or any part thereof known to Landlord. If Landlord does not give notice within a reasonable period of time after such cancellation of this Lease, then all such subleases will be deemed to have been terminated on the date of such cancellation.

12.04 ***Payments After Termination*** No payment of money by Tenant to Landlord after the expiration of the Term or other termination of this Lease or after the giving of any notice by Landlord to Tenant, will reinstate, continue or extend the Term or make ineffective any notice given to Tenant prior to the payment of such money. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and

collect any sums of Rent due under this Lease, and the payment thereof will not make ineffective any notice, or in any manner affect any pending suit or any judgment theretofore obtained.

ARTICLE 13.00 HOLDING OVER

13.01 ***Month-to-Month Tenancy with Landlord Consent*** If with Landlord's written consent, Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, notwithstanding any legislation to the contrary, Tenant will be deemed to be occupying the Premises on a month-to month tenancy only, at a monthly rental equal to the Rent payable by Tenant during the last month immediately preceding the expiration of the Term or such other rental as is stated in such written consent, and such month-to-month tenancy may be terminated by Landlord or Tenant on the last day of any calendar month by delivery of at least one (1) month's advance written notice of termination to the other.

13.02 ***Month-to-Month Tenancy without Landlord Consent*** If without Landlord's written consent Tenant remains in possession of the Premises after the expiration of the Term or other termination of this Lease, Tenant will be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly rental equal to two (2) times the Rent payable during the last month preceding the expiration or termination. Such tenancy at sufferance may be immediately terminated by Landlord at any time by notice of termination to Tenant, and by Tenant on the last day of any calendar month by at least 30 days' advance written notice of termination to Landlord.

13.03 ***General*** Any month-to-month tenancy or tenancy at sufferance hereunder will be subject to all other terms, provisions and conditions of this Lease except any right of renewal or extension and nothing contained in Article 13.00 will be construed to limit or impair any of Landlord's rights of re-entry or eviction or constitute a waiver thereof.

ARTICLE 14.00 RULES AND REGULATIONS

14.01 ***Purpose*** The Rules and Regulations in Exhibit D (the "**Rules and Regulations**") have been adopted by Landlord for the safety, benefit and convenience of all tenants and other persons in the Shopping Centre.

14.02 ***Observance*** Tenant will at all times comply with, and will cause its employees, servants, agents, licencees and invitees to comply with the Rules and Regulations from time to time in effect.

14.03 ***Modification*** Landlord may from time to time, for the purposes set out in Article 14.01, amend, delete from, or add to the Rules and Regulations, provided that any such modification:

(a) will not be repugnant to or inconsistent with any other provision of this Lease;

(b) will be reasonable and have general application to tenants in the Shopping Centre; and

(c) will be effective only upon delivery of a copy thereof to Tenant at the Premises.

14.04 ***Non-Compliance*** Landlord will use reasonable efforts to secure compliance by all tenants and other persons in the Shopping Centre with the Rules and Regulations from time to time in effect, but will not be responsible to Tenant for failure of any person to comply with such Rules and Regulations.

ARTICLE 15.00 EXPROPRIATION

15.01 ***Expropriation*** Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Shopping Centre, so that each may receive from the Authority the maximum award to which each is respectively entitled by law. If any portion of the Shopping Centre other than the Premises is expropriated, then the proceeds accruing therefrom shall belong solely to Landlord, and Tenant shall abandon to Landlord any rights which Tenant may have by operation of law to such proceeds or award. Tenant will execute such documents as required to give effect to the foregoing.

If at any time during the Term, any material part of the Shopping Centre is expropriated or if access to the Premises is materially affected by such expropriation, then Landlord may terminate this Lease on written notice to Tenant, which termination will take effect on the earlier of the date of the expropriation or the taking of prior possession.

Whether the Lease is terminated or not, Tenant shall have no claim against Landlord as a result of or arising from the expropriation of all or any part of the Shopping Centre or the Premises.

If Landlord exercises its right of termination hereunder, this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later

than 60 days after the date (hereinafter "**Date of Such Taking**") on which the Authority takes possession of that part of the Shopping Centre so taken.

15.02 ***Surrender*** On any such date of termination under Article 15.01, Tenant will immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter and take possession of the Premises and remove Tenant therefrom, and the Rent will abate on the date of termination, except that if the Date of Such Taking differs from the date of termination, Rent will abate on the former date.

15.03 ***Partial Taking of Premises*** If any portion of the Premises (but less than the whole thereof) is so taken, and no rights of termination herein conferred are timely exercised, the Term of this Lease will expire with respect to the portion so taken on the Date of Such Taking. In such event the Rent payable hereunder with respect to such portion so taken will abate on such date, and the Rent thereafter payable with respect to the remainder not so taken will be adjusted pro rata by Landlord in order to account for the resulting reduction of the Area of the Premises. After such adjustment, and on notice from Landlord stating the Rent then owing, Tenant will immediately pay Landlord such Rent.

ARTICLE 16.00 DAMAGE BY FIRE OR OTHER CASUALTY

16.01 ***Limited Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, can be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord will immediately at its own expense repair such damage other than damage to improvements, furniture, personal property or trade fixtures which do not belong to Landlord or which have been installed by or on behalf of Tenant, which instead will be repaired immediately by Tenant at Tenant's own expense.

16.02 ***Major Damage to Premises*** If all or part of the Premises are rendered untenantable by damage from fire or other casualty which, in the reasonable opinion of the Architect, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then Landlord, or in the event that there is less than two (2) years remaining in the Term, Tenant, may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than 20 days after receipt of the Architect's opinion, failing which Landlord will forthwith at its own expense repair such damage other than damage to improvements, furniture, personal property or trade fixtures which do not belong to Landlord or which have been installed by or on the behalf of Tenant, which instead will be repaired forthwith by Tenant at Tenant's own expense.

16.03 ***Abatement*** If Landlord is required to repair damage to all or part of the Premises under Article 16.01 or 16.02, provided such damage is caused by a peril Landlord is required to insure against pursuant to Article 9.01, the Rent payable by Tenant under this Lease will be proportionately reduced to the extent that the Premises are thereby rendered untenantable by Tenant in its business, from the date of such casualty until five (5) days after completion by Landlord of the repairs to the Premises (or the part thereof rendered untenantable) or until Tenant again uses the Premises (or the part thereof rendered untenantable) in its business, whichever first occurs.

16.04 ***Major Damage or Destruction of Shopping Centre***

Notwithstanding any contrary provision of this Lease and specifically, but without limitation, Article 16.01, if the Shopping Centre is totally or partially damaged or destroyed (whether the Premises are affected or not), and (i) in the Architect's opinion, the damaged or destroyed portions cannot reasonably be repaired, restored or rebuilt within one hundred and eighty (180) days following the occurrence of the damage or destruction (employing normal construction methods without overtime or other premium); or (ii) the cost as estimated by the Architect, of repairing, restoring or rebuilding the damaged or destroyed portions would exceed the proceeds of insurance available to Landlord for such purpose; or (iii) the damage or destruction was caused by a peril for which Landlord was not insured and for which Landlord was not obliged to insure against; or (iv)intentionally deleted; ; or (v) less than two (2) years remains during the Term; or (vi) a Mortgagee will not consent to the use of insurance proceeds for repair or reconstruction; then in any of the above cases, Landlord may, at its option (to be exercised by written notice to Tenant within 30 days following any such occurrence) elect to terminate this Lease.

If Landlord elects to terminate this Lease, then the following provisions will apply:

(a) If the Premises become totally unfit for the use for which they were leased, the termination will take effect from the date of the damage or destruction and the Rent will cease to be payable and will be adjusted as of that date.

(b) If the Premises are partially damaged and Tenant has occupied any part of the Premises or any part of the Premises have been reasonably capable of being occupied from the date of the damage or destruction, this Lease will terminate ten (10) days from Landlord's notice stipulated in the first paragraph of this Article 16.04 and the Rent will cease to be paid by Tenant as of the date of termination, however, Rent will abate from the date of the damage and destruction until the date of termination to the extent the Premises cannot reasonably be used for their intended purposes.

(c) If the Premises were not damaged, this Lease will terminate ten (10) days from Landlord's notice stipulated in Article 16.00 and the Rent will cease to be paid from such date of termination.

If the Shopping Centre is totally or partially damaged or destroyed and Landlord does not elect to terminate this Lease, subject to the following, Landlord shall commence and proceed diligently to reconstruct or repair those portions of the Shopping Centre which have been so damaged or destroyed to the extent only of Landlord's responsibilities pursuant to the terms of the various leases for premises in the Shopping Centre and exclusive of any tenants' responsibilities. Furthermore, if the Premises are being repaired or reconstructed, the provisions of Article 16.01 will apply.

If Landlord does any reconstruction or repairing of the Shopping Centre, Landlord may do any one or more of the following: (i) use plans, specifications and working drawings which differ from those applicable to the Shopping Centre existing prior to the damage or destruction provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; (ii) change the configuration, design and/or size of the Shopping Centre or any of its component parts including, without limitation, the location and size of any mall, court, entrance, parking facility or any of other Common Areas and Facilities provided that the enjoyment Tenant may obtain from the Premises is of a similar or superior quality to that which existed prior to the damage or destruction; and (iii) redesign the tenant mix, both with respect to the kinds of uses which will be included in the tenant mix, as well as the physical location of the types of uses being operated prior to the damage or destruction. Tenant agrees that none of the foregoing shall constitute a default of Landlord's obligation to provide peaceable enjoyment of the Premises, nor shall it constitute a change of form or destination of the Shopping Centre, nor shall the validity or enforceability of this Lease be affected in any manner by any of the foregoing.

ARTICLE 17.00 TRANSFERS AND MORTGAGES BY LANDLORD

17.01 ***Sales, Conveyance and Assignment*** Nothing in this Lease (which term for purpose of this Article 17.00 includes any extension, renewal or replacement of this Lease) will restrict the right of Landlord to sell, convey, assign, mortgage or otherwise deal with all or any part of the Shopping Centre, subject only to the rights of Tenant under this Lease.

17.02 ***Effect of Sale, Conveyance or Assignment*** A sale, conveyance or assignment of the Shopping Centre will operate to release Landlord from liability from and after the date thereof upon all the covenants, terms and conditions of this Lease, express or implied, except as such may relate to the period prior to such effective date, and Tenant will thereafter look solely to Landlord's successor in interest in and to this Lease. This Lease will not be affected by any such sale conveyance or assignment, and Tenant will attorn to Landlord's successor in interest thereunder.

17.03 **Definition of Mortgage, Mortgagee and Mortgagee's Interest**. Each and every charge, mortgage, debenture or trust deed, now or hereafter registered against all or any part of the Shopping Centre is hereafter called a **"Mortgage"** which term includes all amounts advanced or to be advanced thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. **"Mortgagee"** means a chargee or mortgagee named in a Mortgage, or the holder of a debenture or the trustee under a trust deed constituting a Mortgage, as the case may be; and **"Mortgagee's Interest"** means the estate or interest of the Mortgagee secured by a Mortgage.

17.04 **Subordination of Mortgage to Lease.** If this Lease or the estate or interest of Tenant thereunder (the **"Tenant's Leasehold Interest"**) is subordinate to a Mortgage or Mortgagee's Interest now or at any time hereafter, then on written request of the Mortgagee or of Landlord on Mortgagee's behalf, made concurrently with execution of this Lease or at any time thereafter, the Mortgage and the Mortgagee's Interest will be postponed and made subordinate to this Lease and the Tenant's Leasehold Interest as if such Mortgage had been executed, delivered, registered and fully advanced after the execution, delivery and registration of this Lease, by means of an instrument of postponement and subordination, which will be entered into between Tenant and the Mortgagee, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that it complies with the terms and conditions of the Lease. Such instrument will be in such form as the Mortgagee may reasonably require, consistent with this Article 17.04 and Article 17.07 and will be effective between the Mortgagee and Tenant when executed by them, without necessity for registration against title to the Shopping Centre; but if

desired by the Mortgagee or Tenant, either of them may register such agreement or notice thereof and for that purpose the Mortgagee and Tenant will enter into any further document required to effect registration.

17.05 **Attornment**. If this Lease and Tenant's Leasehold Interest now or at any time hereafter is subordinate to a Mortgage and Mortgagee's Interest and the Mortgagee does not require a postponement and subordination instrument under Article 17.04, Tenant will on request of such Mortgagee or of Landlord on behalf of the Mortgagee, made concurrently with execution of this Lease or at any time thereafter, enter into an attornment agreement with such Mortgagee in such form as the Mortgagee may reasonably require, whereby Tenant will agree that if default occurs under the Mortgage, and:

(a) the Mortgagee takes possession of the Premises, by obtaining and enforcing a court order to that effect or otherwise;

(b) the Mortgagee forecloses or otherwise acquires the interest of Landlord in the Premises, but does not foreclose the Tenant's Leasehold Interest; or

(c) the Mortgagee sells, conveys or assigns the Premises to another party (hereinafter a **"Purchaser"**) pursuant to a power of sale or court order for sale which does not purport to sell the Premises free of the Tenant's Leasehold Interest,

Tenant will, on written demand of the Mortgagee or Purchaser as the case may be, attorn to and become the tenant of that person from and including the date the demand is received, for the balance of the term of this Lease (and with rights of renewal if any as provided in this Lease), at the rents and otherwise on the terms of this Lease, subject as hereinafter provided in Article 17.06, provided that Tenant shall have the right to peacefully and quietly hold and enjoy the Premises pursuant to and provided that Tenant complies with, all the terms and conditions of the Lease.

17.06 Intentionally deleted.

17.07 **Effect of Subordination or Attornment**. No subordination effected under Article 17.04 and no attornment effected under Article 17.05 will render the Mortgagee or Purchaser, as the case may be:

(a) liable for any act or omission of Landlord or a predecessor in title of Landlord; or

(b) subject to any offsets or defenses which Tenant might have against Landlord or a predecessor in title of Landlord; or

(c) bound by any prepayment by Tenant of more than one month's instalment of Rent, or by any previous modification of this Lease, unless such prepayment or modification has been approved in writing by the Mortgagee or Purchaser or any predecessor in interest except Landlord.

Upon attornment occurring under Article 17.05, the relationship of landlord and tenant thereby created between the Mortgagee or Purchaser as the case may be, as Landlord, and Tenant as tenant, will supersede this Lease, but if the Mortgage is subsequently redeemed or put in good standing or the Mortgagee goes out of possession, the Mortgagee will be relieved of its obligations to Tenant as if a sale, conveyance or assignment had occurred to which Article 17.02 applied. Any attornment by Tenant to a Mortgagee or Purchaser will be without prejudice to the right (when applicable) of any other mortgagee or purchaser that has priority to the Mortgagee or Purchaser to demand that Tenant attorn to the other mortgagee or purchaser pursuant to the rights if any, of the other mortgagee or purchaser in that regard under Article 17.00. In case of such demand being lawfully made, and Tenant attorning to such other mortgagee or purchaser the attornment previously made to the Mortgagee or Purchaser will cease to be effective.

17.08 **Tenant's Obligations May Be Assigned.** Tenant acknowledges that its covenants and obligations under Article 17.00 are intended in whole or in part to operate for the benefit of any and all Mortgagees and Purchasers and that in obtaining such covenants and obligations Landlord is acting not only for itself, but also as trustee or agent for all such persons. Without limiting the foregoing, Landlord may assign the benefit of such covenants and obligations to any and all Mortgagees or Purchasers who request same, as security or otherwise, and Tenant agrees that any such Mortgagee or Purchaser will be entitled on receiving such assignment and giving due notice thereof to Tenant, to enforce such covenant or obligation against Tenant to the same extent as if it were a party to this Lease directly entitled to the benefit of such covenants and obligations.

17.09 **Execution of Instruments.** Except as otherwise provided in Article 17.00, the subordination and attornment provisions herein will be self-operating and no further instrument will be required.

Nevertheless Tenant, on request by and without cost to Landlord, any Mortgagee, Purchaser or successor in interest, will execute and deliver any and all instruments further evidencing such subordination and/or attornment when applicable.

17.10 ***Intentionally deleted.***

17.11 ***Intentionally deleted.***

17.12 ***Notice of Lease*** Tenant may register at its sole cost and expense (including, without limitation, payment of all registration fees, land transfer duties and similar taxes or charges, costs of plan preparation and registration and all legal fees and disbursements related to such registration) a notice of this Lease (the "**Registration Document**"), provided and subject to the following:

(a) the Registration Document will be prepared by Tenant at its sole cost in a form acceptable to Landlord, and same will be approved in writing by Landlord prior to its registration;

(b) the Registration Document will only disclose the names of the parties to this Lease, the Premises, and the Commencement Date and the expiry date of the Term, and any right of renewal. The Registration Document will not disclose any information concerning the rent or rental rates to be paid, nor any other financial provisions of this Lease;

(c) the Registration Document will be registered against that part of the Lands designated by the Landlord in its sole discretion. In the event any portion of the Land ceases to form part of the Shopping Centre, Tenant will, forthwith upon request from Landlord, cause its registration to be discharged, vacated or otherwise removed from the title to such portion all at its own expense;

(d) Tenant will provide Landlord with a copy of the Registration Document and registration particulars thereof, once registration has been effected; and

(e) Upon the expiry or early termination of this Lease, Tenant will, at its sole expense, cause the Registration Document to be discharged, vacated or otherwise removed from title to the Site and Shopping Centre and to provide proof of such action to Landlord, within 15 days of such expiry or early termination, failing which Landlord may following the expiry of a further 15 days after notice to Tenant, at its option, register a release or discharge immediately and Tenant hereby appoints Landlord as its agent with respect to executing such documents. The costs of preparing and/or registering a discharge of any Registration Document will be paid by Tenant.

17.13 ***Easements and Rights-of-Way*** Tenant acknowledges and agrees that Landlord has granted or otherwise created and may in the future grant or otherwise create licence(s), easements(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s) over, through, upon or otherwise affecting portions of the Common Areas and Facilities. Tenant hereby consents to the granting or other creation of such licence(s), easements(s), statutory right(s) of way, Operating Agreements and restrictive covenant(s).

17.14 ***Severance of Land*** In addition to and upon the same basis, mutatis mutandis, as set out in Article 6.04, Landlord will have the right from time to time to subdivide and to transfer, lease or otherwise dispose of any portion or portions of the Land. Any such subdivision may be accomplished by any means Landlord may consider desirable and the description of the Land will be changed accordingly.

ARTICLE 18.00 NOTICES, ACKNOWLEDGMENTS, AUTHORITIES FOR ACTION

18.01 ***Notices*** Any notice from one party to the other under this Lease will be in writing and will be deemed duly given, if delivered personally, by an authorized representative of Tenant or Landlord or by courier, or bailiff to the party being given such notice or to a responsible employee of the party being given such notice, or if mailed in Canada by registered or certified mail addressed to Tenant at the address described in Article 1.01, or to Landlord at the address described in Article 1.01 of this Lease. Any notice will be deemed to have been given at the time of personal delivery, or if mailed, on the third (3rd) postal delivery date after the date of mailing thereof or the date of refusal thereof. Either party will have the right to designate by notice, in the manner above set forth, a different address to which notices are to be given. If it is reasonably anticipated that, due to mail service being disrupted, such notice, if mailed, will not be received by the third (3rd) postal delivery day following mailing, then such notice must be personally delivered as provided in this Article 18.01 or, in lieu of mailing, sent by the most reasonably expeditious means of delivery available to the address for mailing and will be deemed duly given upon such delivery.

Notwithstanding any law or agreement to the contrary, notices shall not be sufficiently given if delivered or transmitted by facsimile or other electronic means.

18.02 ***Acknowledgments*** Within ten (10) days after written request therefor by Landlord, Tenant shall deliver an Estoppel Certificate addressed to any Person (other than the Landlord) designated by Landlord, in the form annexed as Exhibit F or such other substantially similar form which Landlord may submit to Tenant.

18.03 ***Authorities for Action*** Landlord may act in any matter provided for herein by its property manager, Management Company or any other person who will from time to time be designated by Landlord by notice to Tenant. Tenant will designate in writing one or more persons to act on its behalf in any matter provided for herein and may from time to time change, by notice to Landlord, such designation. In the absence of any such designation, the person or persons executing this Lease for Tenant will be deemed to be authorized to act on behalf of Tenant in any matter provided for in this Lease.

ARTICLE 19.00 DEFAULT

19.01 ***Interest and Costs*** Tenant will pay to Landlord the Interest Rate upon all Rent required to be paid under this Lease from the due date for payment thereof until the same is fully paid and satisfied. Tenant will indemnify Landlord against all costs and charges (including legal fees) reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or upon expiration of the Term or earlier termination of this Lease, or in enforcing any covenant, proviso or agreement of Tenant contained in this Lease.

19.02 ***Right of Landlord to Perform Covenants*** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without abatement of Rent. If Tenant fails to perform any act on its part to be performed under this Lease, and such failure continues for ten (10) days after notice thereof from Landlord, Landlord may (but will not be obligated so to do) perform such act without waiving or releasing Tenant from any of its obligations relative thereto. All sums paid or costs incurred by Landlord in so performing such acts under this Article 19.02, together with interest thereon at the rate set out in Article 19.01 from the date each such payment was made or each such cost was incurred by Landlord, plus 20% of such costs for Landlord's administration and overhead, will be payable by Tenant to Landlord on demand.

19.03 ***Events of Default*** If and whenever:

(a) Part or all of the Rent hereby reserved is not paid when due, whether lawfully demanded or not, and such default continues after five (5) business days' notice by Landlord, provided that if Tenant is no longer obligated to pay Incremental Rent, the aforesaid five (5) business day period shall be deemed extended to fifteen (days) after notice by Landlord; or

(b) Tenant fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent) and persists in such failure after thirty (30) days' notice by Landlord specifying with reasonable particularity the nature of such failure and requiring that Tenant remedy, correct, desist or comply (or if any such breach would reasonably require more than thirty (30) days to rectify, unless Tenant commences rectification within the thirty (30) day notice period and thereafter promptly, effectively and continuously proceeds with the rectification of the breach to completion of rectification); or

(c) any goods, chattels or equipment of Tenant is taken or exigible in execution or in attachment or if a writ of execution is issued against Tenant; or

(d) Tenant becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings or if a receiver will be appointed for the business, property, affairs or revenues of Tenant; **Tenant covenants and agrees that it shall provide Landlord with: (i) 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (ii) notwithstanding subparagraph (i) hereof, to the extent Tenant should decide to seek such relief on a more immediate basis, Tenant shall provide written notice within 24 hours of any resolution approving such action, (iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States, (iv) 5 business day prior**

written notice of the Tenant signing of a forbearance agreement with one or more creditor(s); or

(e) any person other than Tenant or a Transferee permitted under this Lease has or exercises the right to manage or control the Premises, any part thereof or any business carried on in the Premises, other than subject to the actual, direct and full supervision and control of Tenant; or

(f) Tenant makes a bulk sale of its goods or moves or commences, attempts or threatens to move its goods, chattels or equipment out of the Premises (other than in the normal course of its business) or Tenant ceases to conduct business from the Premises or the Premises are not open for business to the public on any three (3) consecutive days that Tenant is required to conduct its business in the Premises or on more than five (5) days that Tenant is required to conduct its business in the Premises in any twelve (12) month period; or

(g) a Transfer is effected or any Tenant Security is granted in any manner other than as permitted by this Lease; or

(h) a default of the monetary obligations of the tenant (which is not remedied within the cure period provided for in such new lease) occurs under any lease of premises entered into by the Tenant or any of its affiliates (in its or their capacity as tenant), in respect of premises located in any of the following shopping centres that are within Ivanhoe Cambridge's owned or managed portfolio of properties, where such default would constitute a "cross default" event as set out in such new lease or any other agreement entered into by and between Tenant and Landlord (and/or its or their affiliates):

(i) Metropolis at Metrotown;

(ii) Mapleview;

(iii) Southgate;

(iv) Guilford;

(v) Oshawa;

(vi) Galeries d'Anjou;

(vii) Outlet collection at Niagara-on-the-lake;

(viii) St. Foy in Québec City;

(ix) CrossIron Mills; or

(x) Vaughan Mills (such lease at Vaughan Mills, together with the aforesaid leases at Outlet collection at Niagara-on-the-lake, St. Foy and CrossIron Mills being collectively, the "**Other Saks Leases**"),

then and in any of such cases, at the option of Landlord, the full amount of the current month's and the next ensuing three (3) months instalments of Rent will immediately become due and payable together with all tenant allowance monies paid to Tenant or the value of other inducements given to Tenant (such as, but not limited to, rent-free periods) in accordance with the provisions of this Lease or any other agreement between Landlord and Tenant relating to the Premises (such allowances and inducements hereinafter referred to as "Tenant Inducements") and Landlord may immediately take legal proceedings for the same, together with any arrears then unpaid; and Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and expel all Persons from the Premises and remove and sell or dispose of Tenant's goods, personal property and trade fixtures therefrom as Landlord sees fit, or store property such at the cost of Tenant, any rule of law or equity to the contrary notwithstanding all without liability and loss or damage and wholly without prejudice to the rights of Landlord to recover arrears of Rent or damages for any antecedent default by Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of Landlord to recover from Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated. Any such sale may be effected in the discretion of Landlord by public auction or otherwise, and either in bulk or by individual item, or partly by one means and partly by another, all as Landlord in its entire discretion may decide. If any of Tenant's property is disposed of as provided in this Article 19.03, ten (10) days prior notice to Tenant of disposition will be deemed to be commercially reasonable.

19.04 **Waiver of Exemption and Redemption.** Notwithstanding anything contained in any statute now or hereafter in force limiting or abrogating the right of distress, none of Tenant's goods, chattels or trade fixtures on the Premises at any time during the continuance of the Term will be exempt from levy by distress for Rent in arrears and upon any claim being made for such exemption by Tenant or on distress being made by Landlord this agreement may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying upon any such goods as are named as exempted in any such statute, Tenant hereby waiving all and every benefit that could or might have accrued to Tenant under and by virtue of any such statute but for this Lease. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any terms and conditions of this Lease or otherwise.

19.05 ***Surrender*** If and whenever Landlord is entitled to or does re-enter, Landlord may terminate this Lease by giving notice thereof, and in such event Tenant will forthwith vacate and surrender the Premises.

19.06 ***Payments*** If Landlord re-enters or if this Lease is terminated, Tenant will pay to Landlord on demand:

(a) Rent up to the time of re-entry or termination, whichever will be the later, plus three (3) months' accelerated rent as herein provided; and

(b) all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating and re-letting, collecting sums due or payable by Tenant, realizing upon assets seized (including brokerage, legal fees and disbursements), and the expense of keeping the Premises in good order, repairing the same and preparing them for re-letting; and

(c) as damages (subject to the Landlord's obligation to mitigate at law) for the loss of income of Landlord expected to be derived from the Premises, the amounts (if any) by which the Rent which would have been payable under this Lease exceeds the payments (if any) received by Landlord from other tenants in the Premises, payable on the first (1st) day of each month during the period which would have constituted the unexpired portion of the Term had it not been terminated, or if elected by Landlord by notice to Tenant at or after re-entry or termination, a lump sum amount equal to the Rent which would have been payable under this Lease from the date of such election during the period which would have constituted the unexpired portion of the Term, had it not been terminated, reduced by the rental value of the Premises for the same period, established by reference to the terms and conditions upon which Landlord re-lets them if such re-letting is accomplished within a reasonable period after termination, and otherwise established by reference to all market and other relevant circumstances; Rent and rental value being reduced to present worth at an assumed interest rate of ten percent (10%) on the basis of Landlord's estimates and assumptions of fact which will govern unless shown to be erroneous; and

(d) all Tenant Inducements given by Landlord to Tenant in respect of the Premises.

19.07 ***Remedies Cumulative*** No reference to nor exercise of any specific right or remedy by Landlord will prejudice or preclude Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but Landlord may from time to time exercise any one or more of such remedies independently or in combination.

19.08 ***Waiver*** In the event Tenant is in default in performing any of its obligations (including without limitation, the payment of any Rent), and Landlord shall have instituted proceedings to cancel, terminate or to confirm its cancellation or termination of this Lease, Tenant shall not have any right to prevent such cancellation or termination by remedying its default or defaults subsequent to the institution of such legal proceedings.

19.09 ***Intentionally deleted.***

19.10 ***Additional Recourses*** If Tenant is in default to fulfill any of its obligations under this Lease and in particular its obligations pursuant to Articles 5.03, 5.10 and 18.02 of this Lease, then in addition to and without prejudice to any other rights or recourses of Landlord hereunder, Landlord may, at its option, obtain injunctive relief to enforce the fulfillment of any obligation to do or not to do, Tenant hereby expressly acknowledging and agreeing that this Article 19.10 constitutes a waiver

against any defense to Landlord's application for injunctive relief made to enforce the fulfillment of any obligation to do or not to do.

19.11 ***Non-Waiver*** No condoning, excusing or over-looking by either party of any default by the other at any time in respect of any of its obligations shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done by Landlord or Tenant save only where such waiver is expressed in writing. Without limiting the general application hereof, the acceptance of any sums of money, statements of account or reports that Tenant or Landlord must pay or provide pursuant to this Lease, shall not constitute a renunciation of the rights of Landlord or Tenant in virtue of theses presents.

19.12 ***Shopping Centre Assets*** Only the Shopping Centre assets and any property exclusively related thereto shall serve to satisfy the obligations of Landlord under this Lease or in virtue of any responsibility of Landlord resulting from its fault. Tenant recognizes and declares, without reserve, that any recourse by Tenant against Landlord based on, or in virtue of, this Lease or resulting from any fault of Landlord, shall be restricted and can only be executed against the Shopping Centre, to the exclusion of all other property belonging to Landlord.

19.13 ***Real Estate Investment Trust*** In the event that a real estate investment trust (a "REIT") should be at any time bound by the covenants of Landlord hereunder or incur any liability as Landlord hereunder, then notwithstanding anything contained in this Lease or at law, such covenants and liability hereunder and under all other agreements entered into pursuant hereto, if any, shall not be personally binding upon and resort shall not be had to, nor shall recourse of satisfaction be sought from, the private property of any of the trustees of the REIT, unitholders of the REIT, annuitants under a plan of which the REIT or any unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT or directors or officers of any of its nominees, although this provision shall not constitute a bar to any action against the REIT for specific performance of this Lease or performance of any obligation of the REIT arising from or in connection with its obligations, if any, under this Lease or other agreements entered into pursuant hereto.

ARTICLE 20.00 ARTICLE 1.00 ***INTENTIONALLY DELETED.***

ARTICLE 21.00 MISCELLANEOUS

21.01 ***Relationship of Parties*** Nothing contained in this Lease will create any relationship between parties to this Lease other than that of landlord and tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venturer or a member of a joint or common enterprise with Tenant.

21.02 ***Consent Not Unreasonably Withheld*** Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval will not be unreasonably withheld or delayed. Tenant's sole remedy if Landlord unreasonably withholds or delays consent or approval will be an action for specific performance, and Landlord will not be liable for damages. If either party withholds any consent or approval, such party will on written request deliver to the other party a written statement giving the reasons therefor.

21.03 ***Applicable Law and Interpretation*** This Lease will be governed by and interpreted under the laws of the jurisdiction in which the Shopping Centre is located, and its provisions will be interpreted as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words "Landlord" and "Tenant" will include the plural as well as the singular If this Lease is executed by more than one party as Tenant, Tenant's obligations under this Lease will be joint and several obligations of such executing parties. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only, and will have no effect upon the interpretation of this Lease.

Certain text in this Lease has been bolded and underlined and certain text has been deleted by way of a line through applicable text. Such bolding and underlining and lines through the applicable text have been used to identify changes to Landlord's standard form of lease for the Shopping Centre. All bolded and underlined text will be read as if not bolded and underlined and all text deleted by way of a line will be deemed not to exist.

21.04 ***Entire Agreement*** This Lease (together with any other agreement entered into by the Landlord, the Tenant and/or its or their affiliates as a pre-condition to the execution of this Lease), contains the entire agreement between the parties hereto with respect to the subject matter of this Lease and except as otherwise expressly set forth in this Lease, this Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, agreements,

representations, promises, warranties, understandings, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent Landlord or Tenant. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are expressly set out in this Lease.

21.05 ***Amendment or Modification*** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease will be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

21.06 ***Construed Covenants and Severability*** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. If any term, proviso, covenant or condition of this Lease or the application thereof to any person or circumstance is to any extent held or rendered invalid, void, unenforceable or illegal it or its application will be considered separate and severable from this Lease to such extent and the remainder of this Lease or the application of such term, proviso, covenant or condition to persons or circumstances other than those with respect to which it is held invalid, void, unenforceable or illegal will not be affected thereby and will continue to be applicable and enforceable to the fullest extent permitted by law.

21.07 ***No Implied Surrender or Waiver*** No provisions of this Lease will be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. Landlord's waiver of a breach of any term or condition of this Lease will not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. Landlord's receipt of Rent with knowledge of a breach by Tenant of any term or condition of this Lease will not be deemed a waiver of such breach. Landlord's failure to enforce against Tenant or any other tenant in the Shopping Centre any of the Rules and Regulations made under Article 14.00 will not be deemed a waiver of such Rules and Regulations. No act or thing done by Landlord, its agents or employees during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises will be valid, unless in writing signed by Landlord. The delivery of keys to any of Landlord's agents or employees will not operate as a termination of this Lease or a surrender of the Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due under this Lease will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.

21.08 ***Additional Costs*** Tenant agrees to pay to Landlord as Rent, upon written request therefore, any and all costs, including without limitation, costs of additional security, cleaning and legal costs, incurred by Landlord as a result of picketing, demonstration or other activity within the Shopping Centre which is initiated by members of any organization, including, without limitation, a trade union, and which is directed at Tenant, its contractors, subcontractors, suppliers or employees or at Tenant's operations in the Shopping Centre.

21.09 ***Successors Bound*** Except as otherwise specifically provided, the covenants terms and conditions contained in this Lease will apply to and bind the heirs, successors, executors, administrators and permitted assigns of the parties hereto.

21.10 ***Brokerage Commission*** Any brokerage commissions with respect to the present transaction shall be borne exclusively by Tenant and Tenant shall indemnify and hold Landlord harmless from any and all claims for payment of commission with respect thereto, unless Landlord has given a specific written mandate to any broker or agent for the present transaction.

21.11 ***Confidentiality*** Tenant agrees to keep the terms and conditions of this Lease confidential. Any information pertaining to this Lease cannot be communicated or revealed to a third party without the written consent of Landlord whose refusal will be deemed reasonable if the information that would be communicated or revealed is of a financial nature. Tenant's failure to respect this Article 21.11 is acknowledged by Tenant to constitute a major prejudice to Landlord and also a default according to the terms and conditions of this Lease.

21.12 ***No Offer by Landlord*** Landlord will not be deemed to have made an offer to Tenant by preparing this Lease. No agreement respecting the Premises will arise or exist between the parties hereto except through the due execution of this Lease by both Tenant and Landlord. Upon execution and delivery by Tenant to Landlord, this Lease will be irrevocable by Tenant and open for acceptance by Landlord until 5:00 P.M. on the 60th day thereafter, and if not accepted by Landlord by then,

may be withdrawn by Tenant by notice to Landlord at any time prior to its later acceptance by Landlord.

21.13 ***Time of Essence*** Time shall be of the essence of this Lease in respect to all of the agreements and obligations of Tenant and/or Landlord contained herein.

21.14 ***Force Majeure*** If any party hereto is bona fide delayed or hindered in or prevented from the performance of any term, obligation or act required hereunder by reason of Force Majeure, then performance of such term, obligation or act is excused for the period during which the cause of the Force Majeure persists. Once the cause of this Force Majeure has ceased, the party so delayed shall perform such terms, obligations or acts within the time period stipulated in the Lease, without regard for such period of time during which the cause of the Force Majeure persisted.

21.15 ***Non-Smoking Shopping Centre*** The Shopping Centre is a non-smoking facility. Tenant, its employees, invitees, customers, and anyone for whom Tenant is responsible at law are strictly prohibited from smoking in any interior or exterior areas of the Shopping Centre, except those exterior areas designated by Landlord as designated smoking areas (if any). Tenant agrees that it will comply with the foregoing restriction as well as any applicable legislation regulating smoking in shopping centres.

21.16 ***Counterpart Execution*** This Lease may be executed in one or more counterparts all of which, taken together, shall constitute one and the same agreement, effective when all counterparts have been signed. The parties hereto agree that this Lease may be signed either by paper signature or by electronic signature and may be delivered electronically (in .pdf format) or otherwise, and the parties accept any such electronic signatures as original signatures of the parties.

[Signatures on the following page.]

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

THE OUTLET COLLECTION AT WINNIPEG LIMITED and SEASONS RETAIL CORP.
by their Manager, Jones Lang LaSalle Real Estate Services, Inc.

by Julie Bourgon (Jan 31, 2024 11:23 EST)
Name: Julie Bourgon
Title: Head of Retail

by: Maria Concetta Giampa (Jan 31, 2024 11:01 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affiairs, Investments

We have the authority to bind the company.

TENANT

HUDSON'S BAY COMPANY ULC

by: _____
Name:
Title:

I have the authority to bind the company.

by: _____
Name:
Title:

I have the authority to bind the company.

IN WITNESS WHEREOF the parties hereto have executed this indenture by their authorized officers in that behalf, or by Tenant's signature hereto if Tenant is not incorporated, as of the first date above written.

LANDLORD

THE OUTLET COLLECTION AT WINNIPEG LIMITED and SEASONS RETAIL CORP.
by their Manager, Jones Lang LaSalle Real Estate Services, Inc.

by _____
Name:
Title:

by: _____
Name:
Title:

We have the authority to bind the company.

TENANT

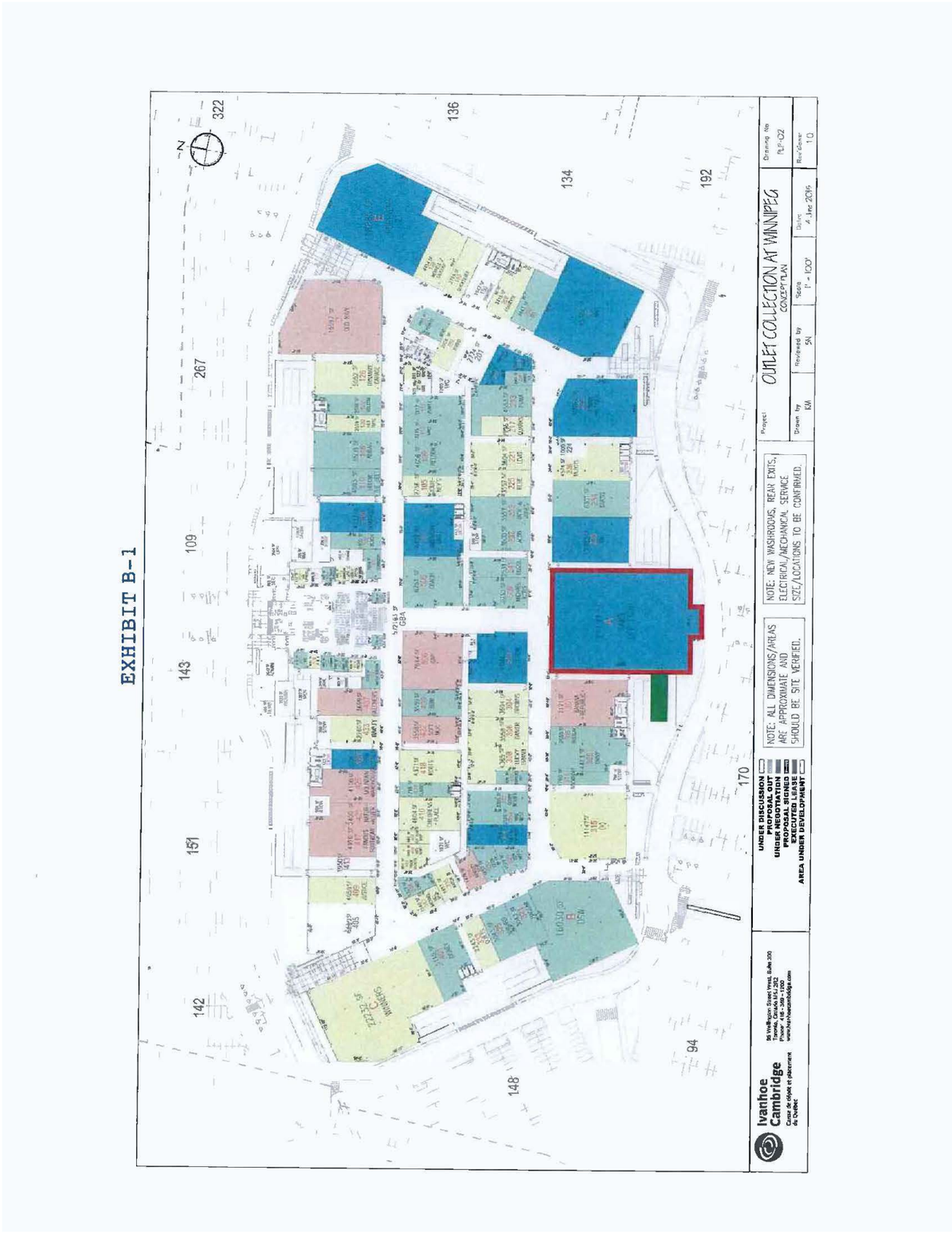
HUDSON'S BAY COMPANY ULC

by: _____
Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments
I have the authority to bind the company.

by: _____
Name:
Title:

I have the authority to bind the company.

EXHIBIT A
FLOOR PLAN OF PREMISES
OUTLINED IN RED (MAIN PREMISES) AND GREEN (LOADING DOCK, UNLOADING AND COMPACTOR AREAS)



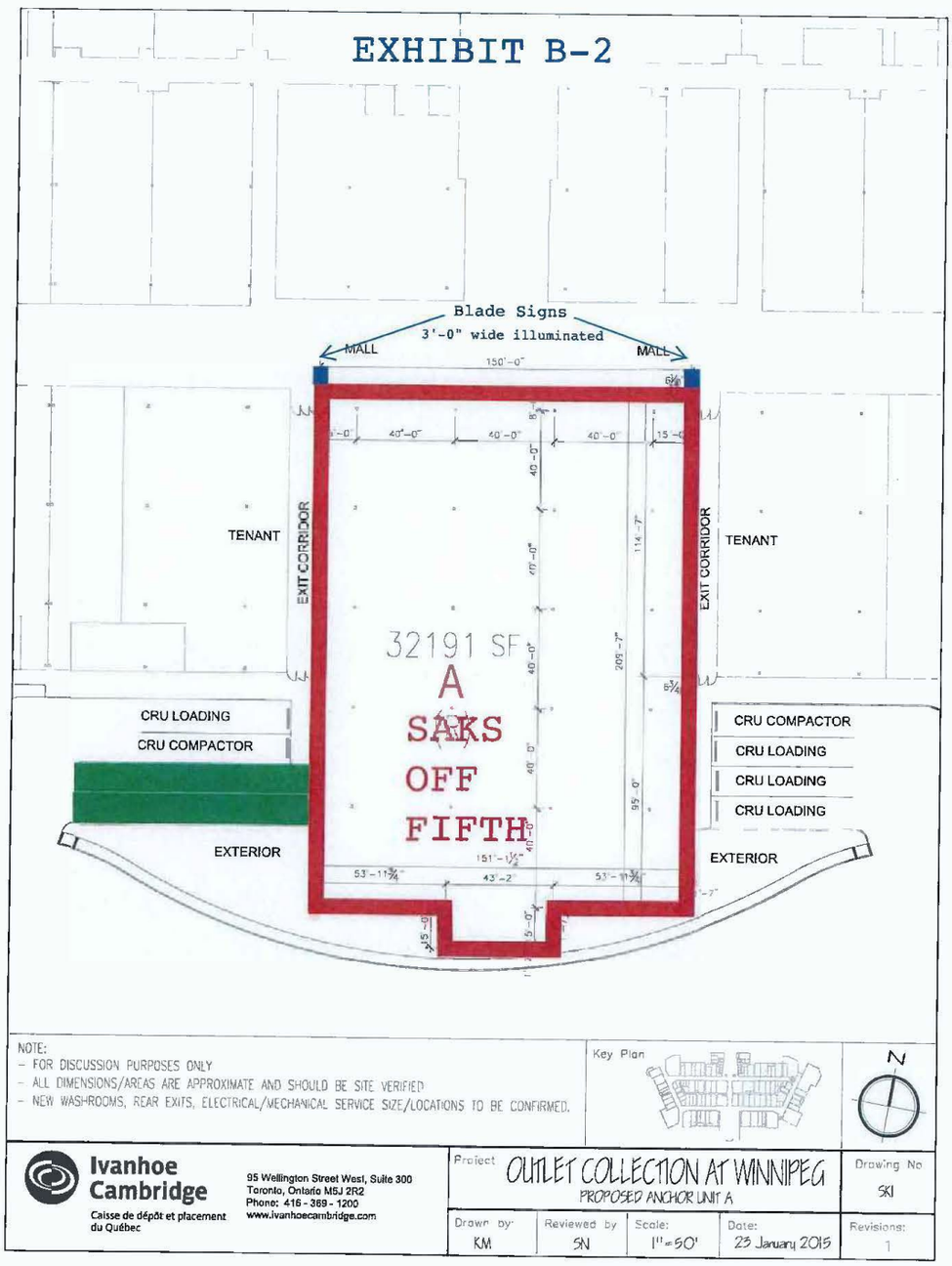

EXHIBIT B-2
Blade Signs
3'-0" wide illuminated
MALL
MALL
150'-0"
TENANT
EXIT CORRIDOR
EXIT CORRIDOR
TENANT
32191 SF
A
SAKS
OFF
FIFTH
CRU LOADING
CRU COMPACTOR
CRU COMPACTOR
CRU LOADING
CRU LOADING
CRU LOADING
EXTERIOR
EXTERIOR
NOTE:
- FOR DISCUSSION PURPOSES ONLY
- ALL DIMENSIONS/AREAS ARE APPROXIMATE AND SHOULD BE SITE VERIFIED
- NEW WASHROOMS, REAR EXITS, ELECTRICAL/MECHANICAL SERVICE SIZE/LOCATIONS TO BE CONFIRMED.
Key Plan
N
Ivanhoe Cambridge
Caisse de dépôt et placement du Québec
95 Wellington Street West, Suite 300
Toronto, Ontario M5J 2R2
Phone: 416-369-1200
www.ivanhoecambridge.com
Project
OUTLET COLLECTION AT WINNIPEG
PROPOSED ANCHOR UNIT A
Drawing No
SKI
Drawn by
KM
Reviewed by
SN
Scale:
1"=50'
Date:
23 January 2015
Revisions:
1

EXHIBIT B
LEGAL DESCRIPTION

Lots 1 to 14 and Lots 16 to 18 Plan 56280 WLTO
in OTM Lots 1 to 11 Parish of St. Charles
and Two Mile Road (now closed)

EXHIBIT C
INTENTIONALLY DELETED

EXHIBIT D
RULES AND REGULATIONS

1. ***Security*** Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Shopping Centre, any persons occupying, using or entering the same, or any equipment, finishings or contents thereof, and Tenant will comply with Landlord's reasonable requirements relative thereto.

2. ***Return of Keys*** At the end of the Term, Tenant will promptly return to Landlord all keys for the Shopping Centre and Premises which are in possession of Tenant.

3. ***Repair, Maintenance, Alterations and Improvements*** Tenant will carry out Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Shopping Centre.

4. ***Water Fixtures*** Tenant will not use water fixtures for any purpose for which they are not intended, nor will water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by Tenant will be paid for by Tenant.

5. ***Personal Use of Premises*** The Premises will not be used or permitted to be used for residential, lodging or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. ***Heavy Articles and Overloading Services*** Tenant will not place in or move about the Premises, without Landlord's prior written consent, any safe or other heavy article which in Landlord's reasonable opinion may damage the Shopping Centre, and Landlord may designate the location of any heavy articles in the Premises. Tenant will not overload any utility or service in or serving the Premises or any part of the Shopping Centre.

7. ***Animals, Bicycles, Shopping Carts*** Tenant will not bring any animals or birds into the Shopping Centre, and will not permit bicycles or other vehicles inside or on the sidewalks outside the Shopping Centre except in areas designated from time to time by Landlord for such purposes. Tenant shall not permit shopping carts in the Common Areas and Facilities and shall be fully responsible for their removal and indemnify Landlord from any claim, loss, expense, damages or injuries caused by the shopping carts.

8. ***Deliveries*** Tenant will ensure that deliveries or shipments of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the Premises are made only through such delivery facilities, entrances, elevators and corridors and at such times as may from time to time be designated by Landlord, and will promptly pay or cause to be paid to Landlord the cost of repairing any damage in the Shopping Centre caused by any person making such deliveries or shipments.

9. ***Solicitations*** Landlord reserves the right to restrict or prohibit canvassing, soliciting or peddling in the Shopping Centre.

10. ***Food, Beverages and Entertainment*** Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve or distribute foods or beverages in the Shopping Centre, or use the elevators, corridors or Common Areas and Facilities for any such purposes. Except with Landlord's prior written consent and in accordance with arrangements approved in writing by Landlord, Tenant will not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages or for the selling or providing of any form of entertainment, including vending machines or other machines operated by coins or other devices.

11. ***Refuse*** Tenant will separate and place all refuse in proper receptacles provided by Tenant at its expense in the Premises or in receptacles in recycling stations (if any) provided for the Shopping Centre, and will keep sidewalks and driveways outside the Shopping Centre, and lobbies, corridors, stairwells, ducts and shafts of the Shopping Centre, free of all refuse.

12. ***Obstructions*** Tenant will not obstruct or place anything in or on the sidewalks or driveways outside the Shopping Centre or in the lobbies, corridors, stairwells or other Common Areas and Facilities of the Shopping Centre, or use such locations for any purpose except access to and exit from the Premises without Landlord's prior written consent. Landlord may remove at Tenant's expense any such obstruction or thing (unauthorized by Landlord) without notice or obligation to Tenant.

13. ***Dangerous, Immoral or Hazardous Activities*** Tenant will not make any use of the Premises which involves the danger of injury to any person, nor will same be used for any immoral purpose or to commit any act of waste or damage to any part of the Premises or to use any part of the Premises so as to constitute a hazard.

14. ***Proper Conduct*** Tenant will not conduct itself in any manner which is inconsistent with the character of the Shopping Centre as being of first quality or which will impair the comfort and convenience of other tenants in the Shopping Centre. Such prohibited conduct will include the playing of loud music and the placing of merchandise racks in the Common Areas and Facilities.

15. ***Parking*** Landlord, from time to time, may prohibit Tenant, Tenant's employees and Tenant's suppliers and others making deliveries to or receiving shipments from the Premises from parking anywhere within the Shopping Centre. If Landlord designates Tenant parking areas in the Shopping Centre, Tenant will park its vehicles and will cause its employees to park their vehicles only in such designated parking areas. Tenant will furnish Landlord, upon request, with the current licence numbers of all vehicles owned or used by Tenant or its employees and Tenant thereafter will notify Landlord of any changes in such numbers within five (5) days after the occurrence thereof. In the event of failure of Tenant or its employees to park their vehicles in such designated parking areas, Tenant will forthwith on demand pay to Landlord, as additional rent, the sum of $20.00 per day per each car so parked. Landlord reserves the right to impose reasonable charges upon any person (including the general public) for the use of any parking facilities which may from time to time form a part of the Shopping Centre.

16. ***Sustainability*** Tenant shall implement energy-efficient practices within the Premises, including closing all window shades, turning off any unnecessary lights and equipment after the close of business day.

    Tenant will keep any exterior doors and windows to the Premises closed during the periods where there is a variation of three (3) degrees Celsius or more between indoor and outdoor temperatures.

    Tenant will turn off interior mall signage and display window lighting half-an-hour after closing until half-an-hour before opening time the next day (the "After-Hours Period"), or as Landlord deems appropriate.

    Tenant will limit After-Hours Period interior lighting to emergency lighting, when the Premises are not occupied.

    Where Tenant has the ability to control its HVAC for the Premises, Tenant will adjust the HVAC temperature settings so as to limit the Premises' energy consumption during the After-Hours Period by setting back the temperature of the Premises by six (6) degrees Celsius from the daytime temperature setting.

    Tenant will not use space heaters in or for the Premises, unless Tenant first obtains Landlord's written consent.

    If Landlord leak tests for Tenant's plumbing fixtures reveal water leaks or other defects, Landlord will notify Tenant of such defects and Tenant will take all necessary actions to diligently remedy said effects.

    In addition to the requirements set out under Article 20.05 of the Lease, Tenant will comply with Landlord's waste minimization and diversion rules and regulations, as established from time to time.

    Tenant will make available an appropriate staff representative to attend Landlord's information and training sessions relating to Landlord's initiatives for improving the Shopping Centre's operational sustainability.

EXHIBIT E
INTENTIONALLY DELETED

EXHIBIT F
ESTOPPEL CERTIFICATE

PREMISES : <>

LANDLORD : <>

TENANT : <>

LEASE PARTICULARS: <>

TO: [Any named Person who is or may become or contemplates to become a Mortgagee as well as to any named prospective purchaser of the Shopping Centre or any part thereof.]

THE UNDERSIGNED, Tenant under the above Lease, hereby certifies and represents that:

(i) Tenant has accepted and is in possession and in occupation of the Premises having an Area of approximately <> square feet.

(ii) The Lease has been validly executed and delivered by Tenant (and the Indemnifier, if any) and is in force since <> pursuant to due corporate action properly taken by Tenant (and the Indemnifier, if any).

(iii) The Lease is presently in full force and effect and unmodified.

(iv) All Rent is now accruing under the Lease, and all the Rent under the Lease have been paid to this date.

- Rent is: $<>

(v) There is no existing default by either Tenant or Landlord pursuant to the Lease for which a notice of default has been given.

(vi) To date, Tenant has no defenses, counter claims, or claims of offset, deduction or compensation under this Lease or otherwise against Rents or other charges due under the Lease and no event or fact has occurred which would give Tenant the right or the option to terminate the Lease prior to the expiry of the Term;

(vii) No Rent under the Lease has been paid more than 30 days in advance of its due date.

(viii) The Premises are free from any construction deficiencies.

(ix) All Landlord's Work has been completed to the satisfaction of Tenant.

(x) Tenant has received all amounts, if any, which could be payable under the Lease, to Tenant by Landlord.

Tenant hereby certifies and represents that the above statements including any exceptions which may have been added thereto are true and complete and may be relied and acted upon.

DATED AT _____ THIS _____ DAY OF_____, 20___.

TENANT

HUDSON'S BAY COMPANY ULC

by_____
Name:
Title:

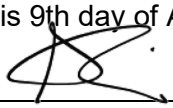
I have the authority to bind the company.

by_____
Name:
Title:

I have the authority to bind the company.

SPECIMEN

This is **Exhibit "Y"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LETTER AGREEMENT

THIS LETTER AGREEMENT (this "**Agreement**") dated as of the 1st day of February 2024,

B E T W E E N:

CANAPEN (HALTON) LIMITED and IVANHOE CAMBRIDGE II INC.

(the **"Landlord"**)

- and -

HUDSON'S BAY COMPANY ULC;

(the **"Tenant"**)

WHEREAS the Landlord and the Tenant were parties to that certain lease agreement dated November 18, 1988, relating to premises (the **"Premises"**) used by the Tenant for the operation of a "Hudson's Bay Company" store located at the Property, as such lease may have been amended or supplemented from time to time (the **"Previous Lease"**);

WHEREAS on the date hereof, the Landlord and the Tenant have entered into a new lease agreement with respect to the Premises (the **"Updated Lease**);

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.**

Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(i) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(ii) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(iii) **"Controlled Affiliate"** means, with respect to the Landlord, any Person controlling, controlled by, or under common control with, the Landlord, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the

power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(iv) **"Landlord"** has the meaning ascribed thereto in the preamble hereto;

(v) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(vi) **"Premises"** has the meaning ascribed thereto in the recitals hereto;

(vii) **"Previous Lease"** has the meaning ascribed thereto in the recitals hereto;

(viii) **"Property"** means the real property located in the City of Burlington, province of Ontario, commonly know as the Mapleview Centre;

(ix) **"Replacement Lease"** has the meaning ascribed thereto in Section 3;

(x) **"Restrictive Covenants"** means the rights, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in the Previous Lease purporting to restrict, or which had the effect of restricting the Landlord's capacity to renovate, expand, develop or re-develop the Property (including parceling), as well as any merchandising control rights in favor of the Tenant;

(xi) **"Tenant"** has the meaning ascribed thereto in the recitals hereto; and

(xii) **"Updated Lease"** has the meaning ascribed thereto in the recitals hereto.

2. **Standstill**.

(a) Notwithstanding the terms and conditions of the Updated Lease, and subject to the provisions of paragraph 2(b), the Landlord covenants and agrees in favour of the Tenant not to take any action in relation to the Premises that would have been prohibited pursuant to the Restrictive Covenants contained in the Previous Lease.

(b) The Landlord's covenant pursuant to paragraph 2(a) shall automatically terminate and be of no further force and effect upon the occurrence of any one of the following events:

(i) the Tenant defaulting under any of its monetary obligations (beyond any applicable cure period) under either one of the leases between the Tenant, as tenant, and the relevant landlord, as landlord relating to any one of the properties know as Metropolis at Metrotown, Galeries d'Anjou, Southgate Centre, Guildford Town Centre, Oshawa Centre, Place Ste-Foy, CrossIron

Mills, The Outlet Collection at Niagara, Vaughan Mills and The Outlet Collection at Winnipeg;

(ii) the Tenant becoming insolvent;

(iii) the Tenant committing any act of bankruptcy, including but not limited to as defined at Section 42(1) of the *Bankruptcy and Insolvency Act*;

(iv) the Tenant becoming bankrupt;

(v) the termination of the Updated Lease pursuant to Section 3;

3. **Termination of the Updated Lease**.

Provided no event set out under paragraph 2(b) has occurred, the parties agree that on November 13, 2028 the Updated Lease shall automatically terminate and be replaced by a new lease (the **"Replacement Lease"**), the terms and conditions of which shall be the same as the Previous Lease including without limitation any Restrictive Covenant, but with the exception of the expiry of the term which shall not exceed the date on which the Previous Lease would have expired had it not been replaced by the Updated Lease, provided the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what was provided in the Previous Lease, and the parties shall be bound by terms of the Replacement Lease. For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Previous Lease was December 31, 2030, and the Updated Lease was executed on February 3, 2024, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the term of the Replacement Lease shall expire on December 31, 2030. In the event that the term of the Previous Lease would have expired prior to November 13, 2028 had it not been replaced by the Updated Lease, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the parties agree that the term of the Replacement Lease shall expire on the date on which the term of the Previous Lease would have expired had the Tenant exercised the option to extend available to it at the time of such expiry and the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what would have remained available to the Tenant at the time under the Previous Lease had it not been replaced by the Updated.

The Landlord and the Tenant covenant and agree to sign any document, deliver any instrument and to do all things necessary or useful in order to give effect to the provisions of this Section 3.

For clarity purposes, upon the occurrence of any event set out under paragraph 2(b) on or prior to November 13, 2028, Tenant acknowledges and agrees that the Updated Lease shall remain in full force and effect under the terms and conditions set out therein, and the obligation to enter into the Replacement Lease shall become null and void.

4. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be transferred by the Landlord to a Controlled Affiliate of the Landlord or its successors and assigns, or to a purchaser or acquirer of all or any portion of the Landlord's interest in the Property, provided the Tenant receives written notice of such transfer and the Landlord shall not be released of its obligations under this Agreement.

Representations and Warranties.

(i) The Tenant hereby represents and warrants to and in favour of the Landlord that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby;

(iii) the execution, delivery, and performance by the Tenant of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Tenant; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Tenant.

(ii) The Landlord hereby represents and warrants to and in favour of the Tenant that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Landlord of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Landlord; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Landlord.

5. **Special Notices**.

The Tenant will provide the Landlord with:

(i) a 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(ii) notwithstanding subparagraph (a) hereof, to the extent the Tenant should decide to seek such relief on a more immediate basis, the Tenant shall provide written notice within 24 hours of any resolution approving such action;

(iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(iv) five (5) Business Day prior written notice of the Tenant's signing of a forbearance agreement with one or more creditor(s).

6. **Notice.**

Any notice or other communication to be given to the Tenant under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments

Any notice or other communication to be given to the Landlord under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or by e-mail, addressed or sent

as set out below or to such other address as may from time to time be the subject of a Notice:

c/o Ivanhoe Cambridge Inc.
1001 Square Victoria
Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

7. **Time.**

Time shall be of the essence of this Agreement.

8. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

9. **Severability**.

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability in any other jurisdiction.

10. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns. The Landlord shall require any successor by purchase of a direct interest in the Property to assume expressly and agree to perform this Agreement in the same manner and to the same extent as if it were an original party to this Agreement.

11. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

12. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Ontario.

13. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

TENANT:

HUDSON'S BAY COMPANY ULC

Per: _____

Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

LANDLORD:

CANAPEN (HALTON) LTD and IVANHOE CAMBRIDGE II INC. by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

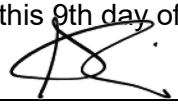
Per: Julie Bourgon (Jan 30, 2024 19:01 EST)

Name: Julie Bourgon
Title: Head of Retail

Per: Maria Concetta Giampa (Jan 30, 2024 19:00 EST)

Name: Maria Concetta Giampa
Title: DIrector, Legal Affairs, Investments

This is **Exhibit "Z"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LETTER AGREEMENT

THIS LETTER AGREEMENT (this "**Agreement**") dated as of the 1st day of February 2024,

B E T W E E N:

IVANHOE CAMBRIDGE II INC.;

("IC II")

- and -

OPB (SOUTHGATE) INC.;

(together with IC II, collectively the **"Landlord"**)

- and -

HUDSON'S BAY COMPANY ULC;

(the **"Tenant")**

WHEREAS the Landlord and the Tenant were parties to that certain lease agreement dated August 12, 1970 relating to premises (the **"Premises"**) used by the Tenant for the operation of a "Hudson's Bay Company" store located at the Property, as such lease may have been amended or supplemented from time to time (the **"Previous Lease"**), a copy of which is attached hereto as Schedule "A";

WHEREAS on the date hereof, the Landlord and the Tenant have entered into a new lease agreement with respect to the Premises (the **"Updated Lease"**);

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.**

Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(i) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(ii) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(iii) **"Controlled Affiliate"** means, with respect to the Landlord, any Person controlling, controlled by, or under common control with, the Landlord, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(iv) **"Landlord"** has the meaning ascribed thereto in the preamble hereto;

(v) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(vi) **"Premises"** has the meaning ascribed thereto in the recitals hereto;

(vii) **"Previous Lease"** has the meaning ascribed thereto in the recitals hereto;

(viii) **"Property"** means the real property located in the City of Edmonton, province of Alberta, commonly know as "Southgate Centre";

(ix) **"Replacement Lease"** has the meaning ascribed thereto in Section 3;

(x) **"Restrictive Covenants"** means the rights, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in the Previous Lease purporting to restrict, or which had the effect of restricting the Landlord's unfettered discretion, free of any controls or approvals of the Tenant, to renovate, expand, develop or re-develop the Property (including, without limitation, parceling, re-zoning, changes of use, and modifications to the site plan), as well as any merchandising control rights in favor of the Tenant;

(xi) **"Tenant"** has the meaning ascribed thereto in the recitals hereto; and

(xii) **"Updated Lease"** has the meaning ascribed thereto in the recitals hereto.

2. **Standstill**.

(a) Notwithstanding the terms and conditions of the Updated Lease, and subject to the provisions of paragraph 2(b), the Landlord covenants and agrees in favour of the Tenant not to take any action in relation to the Premises that would have been prohibited pursuant to the Restrictive Covenants contained in the Previous Lease.

(b) The Landlord's covenant pursuant to paragraph 2(a) shall automatically terminate and be of no further force and effect upon the occurrence of any one of the following events:

(i) the Tenant defaulting under any of its monetary obligations (beyond any applicable cure period) under either one of the leases between the Tenant, as tenant, and the relevant landlord, as landlord relating to any one of the properties know as Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Guildford Town Centre, Oshawa Centre, Place Ste-Foy, CrossIron Mills, The Outlet Collection at Niagara, Vaughan Mills and The Outlet Collection at Winnipeg;

(ii) the Tenant becoming insolvent;

(iii) the Tenant committing any act of bankruptcy, including but not limited to as defined at Section 42(1) of the *Bankruptcy and Insolvency Act*;

(iv) the Tenant becoming bankrupt;

(v) the termination of the Updated Lease pursuant to Section 3;

3. **Termination of the Updated Lease**.

Provided no event set out under paragraph 2(b) has occurred, the parties agree that on November 13, 2028 the Updated Lease shall automatically terminate and be replaced by a new lease (the **"Replacement Lease"**), the terms and conditions of which shall be the same as the Previous Lease including without limitation any Restrictive Covenant, but with the exception of the expiry of the term which shall not exceed February 2, 2034, and the Replacement Lease shall provide for 5 consecutive options to extend in favour of the Tenant, each of the first 4 options for a further period of 10 years and the last option for a further period of 2 years, and the parties shall be bound by terms of the Replacement Lease.

The Landlord and the Tenant covenant and agree to sign any document, deliver any instrument and to do all things necessary or useful in order to give effect to the provisions of this Section 3.

For clarity purposes, upon the occurrence of any event set out under paragraph 2(b) on or prior to November 13, 2028, Tenant acknowledges and agrees that the Updated Lease shall remain in full force and effect under the terms and conditions set out therein, and the obligation to enter into the Replacement Lease shall become null and void.

4. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be

transferred by the Landlord or its successors and assigns to a Controlled Affiliate of the Landlord or its successors and assigns, or to a purchaser or acquirer of all or any portion of the Landlord's interest in the Property, provided the Tenant receives written notice of such transfer and the Landlord shall not be released of its obligations under this Agreement.

5. **Representations and Warranties.**

(i) The Tenant hereby represents and warrants to and in favour of the Landlord that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby;

(iii) the execution, delivery, and performance by the Tenant of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Tenant; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Tenant.

(ii) The Landlord hereby represents and warrants to and in favour of the Tenant that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Landlord of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Landlord; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Landlord.

6. **Special Notices**.

The Tenant will provide the Landlord with:

(i) a 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(ii) notwithstanding subparagraph (a) hereof, to the extent the Tenant should decide to seek such relief on a more immediate basis, the Tenant shall provide written notice within 24 hours of any resolution approving such action;

(iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(iv) five (5) Business Day prior written notice of the Tenant's signing of a forbearance agreement with one or more creditor(s).

7. **Notice.**

Any notice or other communication to be given to the Tenant under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments

Any notice or other communication to be given to the Landlord under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or by e-mail, addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

c/o Ivanhoe Cambridge Inc.
1001 Square Victoria

Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

and

OPB (Southgate) Inc.
c/o Investment Management Corporation of Ontario
16 York Street
Suite 2400
Toronto, ON
M5J 0T6

Attention: Real Estate

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

8. **Time.**

Time shall be of the essence of this Agreement.

9. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

10. **Severability**.

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability in any other jurisdiction.

11. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns. The Landlord shall require any successor by purchase of a direct interest in the Property to assume expressly and agree to perform this Agreement in the same manner and to the same extent as if it were an original party to this Agreement.

12. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

13. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Ontario.

14. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

TENANT:

HUDSON'S BAY COMPANY ULC

Per: _____

Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

LANDLORD:

IVANHOE CAMBRIDGE II INC.

Per: Julie Bourgon (Feb 1, 2024 10:08 EST)

Name: Julie Bourgon
Title: Head of Retail

Per: Maria Concetta Giampa (Feb 1, 2024 10:05 EST)

Name: Maria Concetta Giampa
Title: Director, Legal Affairs, Investments

OPB (SOUTHGATE) INC.

Per: Richard Varkey (Feb 1, 2024 16:14 EST)

Name: Richard Varkey
Title: Managing Director

Per: _____

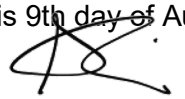
Name:
Title:

SCHEDULE "A"

Copy of Previous Lease

See attached.

This is **Exhibit "AA"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LETTER AGREEMENT

THIS LETTER AGREEMENT (this "**Agreement**") dated as of the 1st day of February 2024,

B E T W E E N:

GUILDFORD TOWN CENTRE LIMITED PARTNERSHIP and LASALLE CANADA CORE REAL PROPERTY, L.P.

(the **"Landlord"**)

- and -

HUDSON'S BAY COMPANY ULC;

(the **"Tenant"**)

WHEREAS the Landlord and the Tenant were parties to that certain lease agreement dated June 9, 1993, relating to premises (the **"Premises"**) used by the Tenant for the operation of a "Hudson's Bay Company" store located at the Property, as such lease may have been amended or supplemented from time to time (the **"Previous Lease"**);

WHEREAS on the date hereof, the Landlord and the Tenant have entered into a new lease agreement with respect to the Premises (the **"Updated Lease**);

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.**

Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(i) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(ii) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(iii) **"Controlled Affiliate"** means, with respect to the Landlord, any Person controlling, controlled by, or under common control with, the Landlord, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the

power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(iv) **"Landlord"** has the meaning ascribed thereto in the preamble hereto;

(v) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(vi) **"Premises"** has the meaning ascribed thereto in the recitals hereto;

(vii) **"Previous Lease"** has the meaning ascribed thereto in the recitals hereto;

(viii) **"Property"** means the real property located in the City of Surrey, province of British Columbia, commonly know as Guildford Town Centre;

(ix) **"Replacement Lease"** has the meaning ascribed thereto in Section 3;

(x) **"Restrictive Covenants"** means the rights, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in the Previous Lease purporting to restrict, or which had the effect of restricting the Landlord's capacity to renovate, expand, develop or re-develop the Property (including parceling), as well as any merchandising control rights in favor of the Tenant;

(xi) **"Tenant"** has the meaning ascribed thereto in the recitals hereto; and

(xii) **"Updated Lease"** has the meaning ascribed thereto in the recitals hereto.

2. **Standstill**.

(a) Notwithstanding the terms and conditions of the Updated Lease, and subject to the provisions of paragraph 2(b), the Landlord covenants and agrees in favour of the Tenant not to take any action in relation to the Premises that would have been prohibited pursuant to the Restrictive Covenants contained in the Previous Lease.

(b) The Landlord's covenant pursuant to paragraph 2(a) shall automatically terminate and be of no further force and effect upon the occurrence of any one of the following events:

(i) the Tenant defaulting under any of its monetary obligations (beyond any applicable cure period) under either one of the leases between the Tenant, as tenant, and the relevant landlord, as landlord relating to any one of the properties know as Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Southgate Centre, Oshawa Centre, Place Ste-Foy, CrossIron

Mills, The Outlet Collection at Niagara, Vaughan Mills and The Outlet Collection at Winnipeg;

(ii) the Tenant becoming insolvent;

(iii) the Tenant committing any act of bankruptcy, including but not limited to as defined at Section 42(1) of the *Bankruptcy and Insolvency Act*;

(iv) the Tenant becoming bankrupt;

(v) the termination of the Updated Lease pursuant to Section 3;

3. **Termination of the Updated Lease**.

Provided no event set out under paragraph 2(b) has occurred, the parties agree that on November 13, 2028 the Updated Lease shall automatically terminate and be replaced by a new lease (the **"Replacement Lease"**), the terms and conditions of which shall be the same as the Previous Lease including without limitation any Restrictive Covenant, but with the exception of the expiry of the term which shall not exceed the date on which the Previous Lease would have expired had it not been replaced by the Updated Lease, provided the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what was provided in the Previous Lease, and the parties shall be bound by terms of the Replacement Lease. For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Previous Lease was December 31, 2030, and the Updated Lease was executed on February 3, 2024, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the term of the Replacement Lease shall expire on December 31, 2030. In the event that the term of the Previous Lease would have expired prior to November 13, 2028 had it not been replaced by the Updated Lease, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the parties agree that the term of the Replacement Lease shall expire on the date on which the term of the Previous Lease would have expired had the Tenant exercised the option to extend available to it at the time of such expiry and the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what would have remained available to the Tenant at the time under the Previous Lease had it not been replaced by the Updated.

The Landlord and the Tenant covenant and agree to sign any document, deliver any instrument and to do all things necessary or useful in order to give effect to the provisions of this Section 3.

For clarity purposes, upon the occurrence of any event set out under paragraph 2(b) on or prior to November 13, 2028, Tenant acknowledges and agrees that the Updated Lease shall remain in full force and effect under the terms and conditions set out therein, and the obligation to enter into the Replacement Lease shall become null and void.

4. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be transferred by the Landlord to a Controlled Affiliate of the Landlord or its successors and assigns, or to a purchaser or acquirer of all or any portion of the Landlord's interest in the Property, provided the Tenant receives written notice of such transfer and the Landlord shall not be released of its obligations under this Agreement.

5. **Representations and Warranties.**

(i) The Tenant hereby represents and warrants to and in favour of the Landlord that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby;

(iii) the execution, delivery, and performance by the Tenant of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Tenant; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Tenant.

(ii) The Landlord hereby represents and warrants to and in favour of the Tenant that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Landlord of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Landlord; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Landlord.

6. **Special Notices**.

The Tenant will provide the Landlord with:

(i) a 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(ii) notwithstanding subparagraph (a) hereof, to the extent the Tenant should decide to seek such relief on a more immediate basis, the Tenant shall provide written notice within 24 hours of any resolution approving such action;

(iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(iv) five (5) Business Day prior written notice of the Tenant's signing of a forbearance agreement with one or more creditor(s).

7. **Notice.**

Any notice or other communication to be given to the Tenant under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments

Any notice or other communication to be given to the Landlord under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or by e-mail, addressed or sent

as set out below or to such other address as may from time to time be the subject of a Notice:

c/o Ivanhoe Cambridge Inc.
1001 Square Victoria
Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

8. **Time.**

Time shall be of the essence of this Agreement.

9. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

10. **Severability**.

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability in any other jurisdiction.

11. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns. The Landlord shall require any successor by purchase of a direct interest in the Property to assume expressly and agree to perform this Agreement in the same manner and to the same extent as if it were an original party to this Agreement.

12. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

13. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Ontario.

14. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

TENANT:

HUDSON'S BAY COMPANY ULC

Per: 

Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

LANDLORD:

GUILDFORD TOWN CENTRE LIMITED PARTNERSHIP and LASALLE CANADA CORE REAL PROPERTY, L.P., by their manager, Jones Lang LaSalle Real Estate Services, Inc.

Per: Julie Bourgon (Jan 30, 2024 19:01 EST)

Name: Julie Bourgon
Title: Head of Retail

Per: Maria Concetta Giampa (Jan 30, 2024 19:00 EST)

Name: Maria Concetta Giampa
Title: DIrector, Legal Affairs, Investments

We have the authority to bind the company

This is **Exhibit "BB"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025

Anna White
Commissioner for Taking Affidavits
(or as may be)

LETTER AGREEMENT

THIS LETTER AGREEMENT (this "**Agreement**") dated as of the 1st day of February 2024,

B E T W E E N:

IVANHOE CAMBRIDGE II INC. and 7503067 CANADA INC.

(the **"Landlord"**)

- and -

HUDSON'S BAY COMPANY ULC;

(the **"Tenant"**)

WHEREAS the Landlord and the Tenant were parties to that certain lease agreement dated August 9, 1978, relating to premises (the **"Premises"**) used by the Tenant for the operation of a "Hudson's Bay Company" store located at the Property, as such lease may have been amended or supplemented from time to time (the **"Previous Lease"**);

WHEREAS on the date hereof, the Landlord and the Tenant have entered into a new lease agreement with respect to the Premises (the **"Updated Lease**);

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.**

Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(i) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(ii) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(iii) **"Controlled Affiliate"** means, with respect to the Landlord, any Person controlling, controlled by, or under common control with, the Landlord, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the

power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(iv) **"Landlord"** has the meaning ascribed thereto in the preamble hereto;

(v) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(vi) **"Premises"** has the meaning ascribed thereto in the recitals hereto;

(vii) **"Previous Lease"** has the meaning ascribed thereto in the recitals hereto;

(viii) **"Property"** means the real property located in the City of Oshawa, province of Ontario, commonly know as Oshawa Centre;

(ix) **"Replacement Lease"** has the meaning ascribed thereto in Section 3;

(x) **"Restrictive Covenants"** means the rights, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in the Previous Lease purporting to restrict, or which had the effect of restricting the Landlord's capacity to renovate, expand, develop or re-develop the Property (including parceling), as well as any merchandising control rights in favor of the Tenant;

(xi) **"Tenant"** has the meaning ascribed thereto in the recitals hereto; and

(xii) **"Updated Lease"** has the meaning ascribed thereto in the recitals hereto.

2. **Standstill**.

(a) Notwithstanding the terms and conditions of the Updated Lease, and subject to the provisions of paragraph 2(b), the Landlord covenants and agrees in favour of the Tenant not to take any action in relation to the Premises that would have been prohibited pursuant to the Restrictive Covenants contained in the Previous Lease.

(b) The Landlord's covenant pursuant to paragraph 2(a) shall automatically terminate and be of no further force and effect upon the occurrence of any one of the following events:

(i) the Tenant defaulting under any of its monetary obligations (beyond any applicable cure period) under either one of the leases between the Tenant, as tenant, and the relevant landlord, as landlord relating to any one of the properties know as Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Southgate Centre, Guildford Town Centre, Place Ste-Foy,

CrossIron Mills, The Outlet Collection at Niagara, Vaughan Mills and The Outlet Collection at Winnipeg;

(ii) the Tenant becoming insolvent;

(iii) the Tenant committing any act of bankruptcy, including but not limited to as defined at Section 42(1) of the *Bankruptcy and Insolvency Act*;

(iv) the Tenant becoming bankrupt;

(v) the termination of the Updated Lease pursuant to Section 3;

3. **Termination of the Updated Lease**.

Provided no event set out under paragraph 2(b) has occurred, the parties agree that on November 13, 2028 the Updated Lease shall automatically terminate and be replaced by a new lease (the **"Replacement Lease"**), the terms and conditions of which shall be the same as the Previous Lease including without limitation any Restrictive Covenant, but with the exception of the expiry of the term which shall not exceed the date on which the Previous Lease would have expired had it not been replaced by the Updated Lease, provided the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what was provided in the Previous Lease, and the parties shall be bound by terms of the Replacement Lease. For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Previous Lease was December 31, 2030, and the Updated Lease was executed on February 3, 2024, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the term of the Replacement Lease shall expire on December 31, 2030. In the event that the term of the Previous Lease would have expired prior to November 13, 2028 had it not been replaced by the Updated Lease, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the parties agree that the term of the Replacement Lease shall expire on the date on which the term of the Previous Lease would have expired had the Tenant exercised the option to extend available to it at the time of such expiry and the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what would have remained available to the Tenant at the time under the Previous Lease had it not been replaced by the Updated.

The Landlord and the Tenant covenant and agree to sign any document, deliver any instrument and to do all things necessary or useful in order to give effect to the provisions of this Section 3.

For clarity purposes, upon the occurrence of any event set out under paragraph 2(b) on or prior to November 13, 2028, Tenant acknowledges and agrees that the Updated Lease shall remain in full force and effect under the terms and conditions set out therein, and the obligation to enter into the Replacement Lease shall become null and void.

4. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be transferred by the Landlord to a Controlled Affiliate of the Landlord or its successors and assigns, or to a purchaser or acquirer of all or any portion of the Landlord's interest in the Property, provided the Tenant receives written notice of such transfer and the Landlord shall not be released of its obligations under this Agreement.

Representations and Warranties.

(i) The Tenant hereby represents and warrants to and in favour of the Landlord that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby;

(iii) the execution, delivery, and performance by the Tenant of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Tenant; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Tenant.

(ii) The Landlord hereby represents and warrants to and in favour of the Tenant that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Landlord of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Landlord; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Landlord.

5. **Special Notices**.

The Tenant will provide the Landlord with:

(i) a 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(ii) notwithstanding subparagraph (a) hereof, to the extent the Tenant should decide to seek such relief on a more immediate basis, the Tenant shall provide written notice within 24 hours of any resolution approving such action;

(iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(iv) five (5) Business Day prior written notice of the Tenant's signing of a forbearance agreement with one or more creditor(s).

6. **Notice.**

Any notice or other communication to be given to the Tenant under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments

Any notice or other communication to be given to the Landlord under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or by e-mail, addressed or sent

as set out below or to such other address as may from time to time be the subject of a Notice:

c/o Ivanhoe Cambridge Inc.
1001 Square Victoria
Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

7. **Time.**

Time shall be of the essence of this Agreement.

8. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

9. **Severability**.

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability in any other jurisdiction.

10. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns. The Landlord shall require any successor by purchase of a direct interest in the Property to assume expressly and agree to perform this Agreement in the same manner and to the same extent as if it were an original party to this Agreement.

11. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

12. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Ontario.

13. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

TENANT:

HUDSON'S BAY COMPANY ULC

Per: _____

Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

LANDLORD:

IVANHOE CAMBRIDGE II INC. and 7503067 CANADA INC. by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

Per: Julie Bourgon (Jan 30, 2024 19:01 EST)

Name: Julie Bourgon

Title: Head of Retail

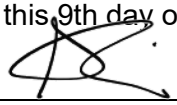
Per: Maria Concetta Giampa (Jan 30, 2024 19:00 EST)

Name: Maria Concetta Giampa

Title: Director, Legal Affairs, Investments

We have the authority to bind the company

This is **Exhibit "CC"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LETTER AGREEMENT

THIS LETTER AGREEMENT (this "**Agreement**") dated as of the 1st day of February 2024,

B E T W E E N:

CROSSIRON MILLS HOLDINGS INC.

(the **"Landlord"**)

- and -

HUDSON'S BAY COMPANY ULC;

(the **"Tenant"**)

WHEREAS the Landlord and the Tenant were parties to that certain lease agreement dated July 22, 2015, relating to premises (the **"Premises"**) used by the Tenant for the operation of a "Saks Fifth Avenue Off Fifth" store located at the Property, as such lease may have been amended or supplemented from time to time (the **"Previous Lease"**);

WHEREAS on the date hereof, the Landlord and the Tenant have entered into a new lease agreement with respect to the Premises (the **"Updated Lease**);

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.**

Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(i) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(ii) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(iii) **"Controlled Affiliate"** means, with respect to the Landlord, any Person controlling, controlled by, or under common control with, the Landlord, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the

power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(iv) **"Landlord"** has the meaning ascribed thereto in the preamble hereto;

(v) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(vi) **"Premises"** has the meaning ascribed thereto in the recitals hereto;

(vii) **"Previous Lease"** has the meaning ascribed thereto in the recitals hereto;

(viii) **"Property"** means the real property located in the City of Calgary, province of Alberta, commonly know as CrossIron Mills;

(ix) **"Replacement Lease"** has the meaning ascribed thereto in Section 3;

(x) **"Restrictive Covenants"** means the rights, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in the Previous Lease purporting to restrict, or which had the effect of restricting the Landlord's capacity to renovate, expand, develop or re-develop the Property (including parceling), as well as any merchandising control rights in favor of the Tenant;

(xi) **"Tenant"** has the meaning ascribed thereto in the recitals hereto; and

(xii) **"Updated Lease"** has the meaning ascribed thereto in the recitals hereto.

2. **Standstill**.

(a) Notwithstanding the terms and conditions of the Updated Lease, and subject to the provisions of paragraph 2(b), the Landlord covenants and agrees in favour of the Tenant not to take any action in relation to the Premises that would have been prohibited pursuant to the Restrictive Covenants contained in the Previous Lease.

(b) The Landlord's covenant pursuant to paragraph 2(a) shall automatically terminate and be of no further force and effect upon the occurrence of any one of the following events:

(i) the Tenant defaulting under any of its monetary obligations (beyond any applicable cure period) under either one of the leases between the Tenant, as tenant, and the relevant landlord, as landlord relating to any one of the properties know as Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Southgate Centre, Guildford Town Centre, Oshawa Centre,

Place Ste-Foy, The Outlet Collection at Niagara, Vaughan Mills and The Outlet Collection at Winnipeg;

(ii) the Tenant becoming insolvent;

(iii) the Tenant committing any act of bankruptcy, including but not limited to as defined at Section 42(1) of the *Bankruptcy and Insolvency Act*;

(iv) the Tenant becoming bankrupt;

(v) the termination of the Updated Lease pursuant to Section 3;

3. **Termination of the Updated Lease**.

Provided no event set out under paragraph 2(b) has occurred, the parties agree that on November 13, 2028 the Updated Lease shall automatically terminate and be replaced by a new lease (the **"Replacement Lease"**), the terms and conditions of which shall be the same as the Previous Lease including without limitation any Restrictive Covenant, but with the exception of the expiry of the term which shall not exceed the date on which the Previous Lease would have expired had it not been replaced by the Updated Lease, provided the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what was provided in the Previous Lease, and the parties shall be bound by terms of the Replacement Lease. For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Previous Lease was December 31, 2030, and the Updated Lease was executed on February 3, 2024, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the term of the Replacement Lease shall expire on December 31, 2030. In the event that the term of the Previous Lease would have expired prior to November 13, 2028 had it not been replaced by the Updated Lease, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the parties agree that the term of the Replacement Lease shall expire on the date on which the term of the Previous Lease would have expired had the Tenant exercised the option to extend available to it at the time of such expiry and the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what would have remained available to the Tenant at the time under the Previous Lease had it not been replaced by the Updated.

The Landlord and the Tenant covenant and agree to sign any document, deliver any instrument and to do all things necessary or useful in order to give effect to the provisions of this Section 3.

For clarity purposes, upon the occurrence of any event set out under paragraph 2(b) on or prior to November 13, 2028, Tenant acknowledges and agrees that the Updated Lease shall remain in full force and effect under the terms and conditions set out therein, and the obligation to enter into the Replacement Lease shall become null and void.

4. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be transferred by the Landlord to a Controlled Affiliate of the Landlord or its successors and assigns, or to a purchaser or acquirer of all or any portion of the Landlord's interest in the Property, provided the Tenant receives written notice of such transfer and the Landlord shall not be released of its obligations under this Agreement.

Representations and Warranties.

(i) The Tenant hereby represents and warrants to and in favour of the Landlord that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby;

(iii) the execution, delivery, and performance by the Tenant of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Tenant; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Tenant.

(ii) The Landlord hereby represents and warrants to and in favour of the Tenant that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Landlord of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Landlord; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Landlord.

5. **Special Notices**.

The Tenant will provide the Landlord with:

(i) a 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(ii) notwithstanding subparagraph (a) hereof, to the extent the Tenant should decide to seek such relief on a more immediate basis, the Tenant shall provide written notice within 24 hours of any resolution approving such action;

(iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(iv) five (5) Business Day prior written notice of the Tenant's signing of a forbearance agreement with one or more creditor(s).

6. **Notice.**

Any notice or other communication to be given to the Tenant under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments

Any notice or other communication to be given to the Landlord under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or by e-mail, addressed or sent

as set out below or to such other address as may from time to time be the subject of a Notice:

c/o Ivanhoe Cambridge Inc.
1001 Square Victoria
Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

7. **Time.**

Time shall be of the essence of this Agreement.

8. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

9. **Severability**.

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability in any other jurisdiction.

10. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns. The Landlord shall require any successor by purchase of a direct interest in the Property to assume expressly and agree to perform this Agreement in the same manner and to the same extent as if it were an original party to this Agreement.

11. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

12. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Ontario.

13. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

TENANT:

HUDSON'S BAY COMPANY ULC

Per: 

Name: Ian Putnam
Title: President & Chief Executive Officer HBC Properties & Investments

LANDLORD:

CROSSIRON MILLS HOLDINGS INC. by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

Per: Julie Bourgon (Jan 30, 2024 19:01 EST)

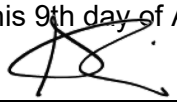
Name: Julie Bourgon
Title: Head of Retail

Per: Maria Concetta Giampa (Jan 30, 2024 19:00 EST)

Name: Maria Concetta Giampa
Title: Director, Legal Affairs, Investments

We have the authority to bind the company

This is **Exhibit "DD"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LETTER AGREEMENT

THIS LETTER AGREEMENT (this "**Agreement**") dated as of the 1st day of February 2024,

B E T W E E N:

THE OUTLET COLLECTION (NIAGARA) LIMITED

(the **"Landlord"**)

- and -

HUDSON'S BAY COMPANY ULC;

(the **"Tenant"**)

WHEREAS the Landlord and the Tenant were parties to that certain lease agreement dated November 11, 2015, relating to premises (the **"Premises"**) used by the Tenant for the operation of a "Saks Fifth Avenue Off Fifth" store located at the Property, as such lease may have been amended or supplemented from time to time (the **"Previous Lease"**);

WHEREAS on the date hereof, the Landlord and the Tenant have entered into a new lease agreement with respect to the Premises (the **"Updated Lease**);

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.**

Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(i) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(ii) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(iii) **"Controlled Affiliate"** means, with respect to the Landlord, any Person controlling, controlled by, or under common control with, the Landlord, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the

power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(iv) **"Landlord"** has the meaning ascribed thereto in the preamble hereto;

(v) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(vi) **"Premises"** has the meaning ascribed thereto in the recitals hereto;

(vii) **"Previous Lease"** has the meaning ascribed thereto in the recitals hereto;

(viii) **"Property"** means the real property located in the City of Niagara-On-The-Lake, province of Ontario, commonly know as the Outlet Collection at Niagara-On-The-Lake;

(ix) **"Replacement Lease"** has the meaning ascribed thereto in Section 3;

(x) **"Restrictive Covenants"** means the rights, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in the Previous Lease purporting to restrict, or which had the effect of restricting the Landlord's capacity to renovate, expand, develop or re-develop the Property (including parceling), as well as any merchandising control rights in favor of the Tenant;

(xi) **"Tenant"** has the meaning ascribed thereto in the recitals hereto; and

(xii) **"Updated Lease"** has the meaning ascribed thereto in the recitals hereto.

2. **Standstill**.

(a) Notwithstanding the terms and conditions of the Updated Lease, and subject to the provisions of paragraph 2(b), the Landlord covenants and agrees in favour of the Tenant not to take any action in relation to the Premises that would have been prohibited pursuant to the Restrictive Covenants contained in the Previous Lease.

(b) The Landlord's covenant pursuant to paragraph 2(a) shall automatically terminate and be of no further force and effect upon the occurrence of any one of the following events:

(i) the Tenant defaulting under any of its monetary obligations (beyond any applicable cure period) under either one of the leases between the Tenant, as tenant, and the relevant landlord, as landlord relating to any one of the properties know as Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Southgate Centre, Guildford Town Centre, Oshawa Centre,

Place Ste-Foy, CrossIron Mills, Vaughan Mills and The Outlet Collection at Winnipeg;

(ii) the Tenant becoming insolvent;

(iii) the Tenant committing any act of bankruptcy, including but not limited to as defined at Section 42(1) of the *Bankruptcy and Insolvency Act*;

(iv) the Tenant becoming bankrupt;

(v) the termination of the Updated Lease pursuant to Section 3;

3. **Termination of the Updated Lease**.

Provided no event set out under paragraph 2(b) has occurred, the parties agree that on November 13, 2028 the Updated Lease shall automatically terminate and be replaced by a new lease (the **"Replacement Lease"**), the terms and conditions of which shall be the same as the Previous Lease including without limitation any Restrictive Covenant, but with the exception of the expiry of the term which shall not exceed the date on which the Previous Lease would have expired had it not been replaced by the Updated Lease, provided the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what was provided in the Previous Lease, and the parties shall be bound by terms of the Replacement Lease. For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Previous Lease was December 31, 2030, and the Updated Lease was executed on February 3, 2024, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the term of the Replacement Lease shall expire on December 31, 2030. In the event that the term of the Previous Lease would have expired prior to November 13, 2028 had it not been replaced by the Updated Lease, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the parties agree that the term of the Replacement Lease shall expire on the date on which the term of the Previous Lease would have expired had the Tenant exercised the option to extend available to it at the time of such expiry and the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what would have remained available to the Tenant at the time under the Previous Lease had it not been replaced by the Updated.

The Landlord and the Tenant covenant and agree to sign any document, deliver any instrument and to do all things necessary or useful in order to give effect to the provisions of this Section 3.

For clarity purposes, upon the occurrence of any event set out under paragraph 2(b) on or prior to November 13, 2028, Tenant acknowledges and agrees that the Updated Lease shall remain in full force and effect under the terms and conditions set out therein, and the obligation to enter into the Replacement Lease shall become null and void.

4. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be transferred by the Landlord to a Controlled Affiliate of the Landlord or its successors and assigns, or to a purchaser or acquirer of all or any portion of the Landlord's interest in the Property, provided the Tenant receives written notice of such transfer and the Landlord shall not be released of its obligations under this Agreement.

5. **Representations and Warranties.**

(i) The Tenant hereby represents and warrants to and in favour of the Landlord that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby;

(iii) the execution, delivery, and performance by the Tenant of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Tenant; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Tenant.

(ii) The Landlord hereby represents and warrants to and in favour of the Tenant that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Landlord of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Landlord; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Landlord.

6. **Special Notices**.

The Tenant will provide the Landlord with:

(i) a 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(ii) notwithstanding subparagraph (a) hereof, to the extent the Tenant should decide to seek such relief on a more immediate basis, the Tenant shall provide written notice within 24 hours of any resolution approving such action;

(iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(iv) five (5) Business Day prior written notice of the Tenant's signing of a forbearance agreement with one or more creditor(s).

7. **Notice.**

Any notice or other communication to be given to the Tenant under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments

Any notice or other communication to be given to the Landlord under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or by e-mail, addressed or sent

as set out below or to such other address as may from time to time be the subject of a Notice:

c/o Ivanhoe Cambridge Inc.
1001 Square Victoria
Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

8. **Time.**

Time shall be of the essence of this Agreement.

9. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

10. **Severability**.

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability in any other jurisdiction.

11. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns. The Landlord shall require any successor by purchase of a direct interest in the Property to assume expressly and agree to perform this Agreement in the same manner and to the same extent as if it were an original party to this Agreement.

12. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

13. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Ontario.

14. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

TENANT:

HUDSON'S BAY COMPANY ULC

Per: _____

Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

LANDLORD:

THE OUTLET COLLECTION (NIAGARA) LIMITED by its Manager, Jones Lang LaSalle Real Estate Services, Inc.

Per: Julie Bourgon (Jan 30, 2024 19:01 EST)

Name: Julie Bourgon

Title: Head of Retail

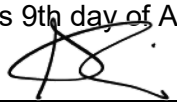
Per: Maria Concetta Giampa (Jan 30, 2024 19:00 EST)

Name: Maria Concetta Giampa

Title: Director, Legal Affairs, Investments

We have the authority to bind the company

This is **Exhibit "EE"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LETTER AGREEMENT

THIS LETTER AGREEMENT (this "**Agreement**") dated as of the 1st day of February 2024,

B E T W E E N:

IVANHOÉ STE-FOY INC.

(the **"Landlord"**)

- and -

HUDSON'S BAY COMPANY ULC;

(the **"Tenant"**)

WHEREAS the Landlord and the Tenant were parties to that certain lease agreement dated November 11, 2015, relating to premises (the **"Premises"**) used by the Tenant for the operation of a "Saks Fifth Avenue Off Fifth" store located at the Property, as such lease may have been amended or supplemented from time to time (the **"Previous Lease"**);

WHEREAS on the date hereof, the Landlord and the Tenant have entered into a new lease agreement with respect to the Premises (the **"Updated Lease**);

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.**

Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(i) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(ii) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(iii) **"Controlled Affiliate"** means, with respect to the Landlord, any Person controlling, controlled by, or under common control with, the Landlord, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the

power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(iv) **"Landlord"** has the meaning ascribed thereto in the preamble hereto;

(v) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(vi) **"Premises"** has the meaning ascribed thereto in the recitals hereto;

(vii) **"Previous Lease"** has the meaning ascribed thereto in the recitals hereto;

(viii) **"Property"** means the real property located in the City of Quebec, province of Quebec, commonly know as Place Ste-Foy;

(ix) **"Replacement Lease"** has the meaning ascribed thereto in Section 3;

(x) **"Restrictive Covenants"** means the rights, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in the Previous Lease purporting to restrict, or which had the effect of restricting the Landlord's capacity to renovate, expand, develop or re-develop the Property (including parceling), as well as any merchandising control rights in favor of the Tenant;

(xi) **"Tenant"** has the meaning ascribed thereto in the recitals hereto; and

(xii) **"Updated Lease"** has the meaning ascribed thereto in the recitals hereto.

2. **Standstill**.

(a) Notwithstanding the terms and conditions of the Updated Lease, and subject to the provisions of paragraph 2(b), the Landlord covenants and agrees in favour of the Tenant not to take any action in relation to the Premises that would have been prohibited pursuant to the Restrictive Covenants contained in the Previous Lease.

(b) The Landlord's covenant pursuant to paragraph 2(a) shall automatically terminate and be of no further force and effect upon the occurrence of any one of the following events:

(i) the Tenant defaulting under any of its monetary obligations (beyond any applicable cure period) under either one of the leases between the Tenant, as tenant, and the relevant landlord, as landlord relating to any one of the properties know as Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Southgate Centre, Guildford Town Centre, Oshawa Centre,

CrossIron Mills, The Outlet Collection at Niagara, Vaughan Mills and The Outlet Collection at Winnipeg;

(ii) the Tenant becoming insolvent;

(iii) the Tenant committing any act of bankruptcy, including but not limited to as defined at Section 42(1) of the *Bankruptcy and Insolvency Act*;

(iv) the Tenant becoming bankrupt;

(v) the termination of the Updated Lease pursuant to Section 3;

3. **Termination of the Updated Lease**.

Provided no event set out under paragraph 2(b) has occurred, the parties agree that on November 13, 2028 the Updated Lease shall automatically terminate and be replaced by a new lease (the **"Replacement Lease"**), the terms and conditions of which shall be the same as the Previous Lease including without limitation any Restrictive Covenant, but with the exception of the expiry of the term which shall not exceed the date on which the Previous Lease would have expired had it not been replaced by the Updated Lease, provided the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what was provided in the Previous Lease, and the parties shall be bound by terms of the Replacement Lease. For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Previous Lease was December 31, 2030, and the Updated Lease was executed on February 3, 2024, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the term of the Replacement Lease shall expire on December 31, 2030. In the event that the term of the Previous Lease would have expired prior to November 13, 2028 had it not been replaced by the Updated Lease, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the parties agree that the term of the Replacement Lease shall expire on the date on which the term of the Previous Lease would have expired had the Tenant exercised the option to extend available to it at the time of such expiry and the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what would have remained available to the Tenant at the time under the Previous Lease had it not been replaced by the Updated.

The Landlord and the Tenant covenant and agree to sign any document, deliver any instrument and to do all things necessary or useful in order to give effect to the provisions of this Section 3.

For clarity purposes, upon the occurrence of any event set out under paragraph 2(b) on or prior to November 13, 2028, Tenant acknowledges and agrees that the Updated Lease shall remain in full force and effect under the terms and conditions set out therein, and the obligation to enter into the Replacement Lease shall become null and void.

4. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be transferred by the Landlord to a Controlled Affiliate of the Landlord or its successors and assigns, or to a purchaser or acquirer of all or any portion of the Landlord's interest in the Property, provided the Tenant receives written notice of such transfer and the Landlord shall not be released of its obligations under this Agreement.

5. **Representations and Warranties.**

(i) The Tenant hereby represents and warrants to and in favour of the Landlord that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby;

(iii) the execution, delivery, and performance by the Tenant of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Tenant; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Tenant.

(ii) The Landlord hereby represents and warrants to and in favour of the Tenant that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Landlord of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Landlord; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Landlord.

6. **Special Notices**.

The Tenant will provide the Landlord with:

(i) a 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(ii) notwithstanding subparagraph (a) hereof, to the extent the Tenant should decide to seek such relief on a more immediate basis, the Tenant shall provide written notice within 24 hours of any resolution approving such action;

(iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(iv) five (5) Business Day prior written notice of the Tenant's signing of a forbearance agreement with one or more creditor(s).

7. **Notice.**

Any notice or other communication to be given to the Tenant under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments

Any notice or other communication to be given to the Landlord under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or by e-mail, addressed or sent

as set out below or to such other address as may from time to time be the subject of a Notice:

c/o Ivanhoe Cambridge Inc.
1001 Square Victoria
Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

8. **Time.**

Time shall be of the essence of this Agreement.

9. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

10. **Severability**.

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability in any other jurisdiction.

11. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns. The Landlord shall require any successor by purchase of a direct interest in the Property to assume expressly and agree to perform this Agreement in the same manner and to the same extent as if it were an original party to this Agreement.

12. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

13. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Ontario.

14. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

TENANT:

HUDSON'S BAY COMPANY ULC

Per: _____

Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

LANDLORD:

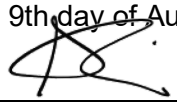
IVANHOÉ STE-FOY INC.
By its Manager, Jones Lang LaSalle Real Estate Services, Inc.

Per: Julie Bourgon (Jan 30, 2024 19:01 EST)
Name: Julie Bourgon
Title: Head of Retail

Per: Maria Concetta Giampa (Jan 30, 2024 19:00 EST)
Name: Maria Concetta Giampa
Title: Director, Legal Affairs, Investments

We have the authority to bind the company

This is **Exhibit "FF"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LETTER AGREEMENT

THIS LETTER AGREEMENT (this "**Agreement**") dated as of the 1st day of February 2024,

B E T W E E N:

IVANHOE CAMBRIDGE II INC. and TRE2 NON-US – BIGFOOT CORP.

(the **"Landlord"**)

- and -

HUDSON'S BAY COMPANY ULC;

(the **"Tenant"**)

WHEREAS the Landlord and the Tenant were parties to that certain lease agreement dated February 23, 2009, relating to premises (the **"Premises"**) used by the Tenant for the operation of a "Saks Fifth Avenue Off Fifth" store located at the Property, as such lease may have been amended or supplemented from time to time (the **"Previous Lease"**);

WHEREAS on the date hereof, the Landlord and the Tenant have entered into a new lease agreement with respect to the Premises (the **"Updated Lease**);

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.**

Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(i) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(ii) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(iii) **"Controlled Affiliate"** means, with respect to the Landlord, any Person controlling, controlled by, or under common control with, the Landlord, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the

power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(iv) **"Landlord"** has the meaning ascribed thereto in the preamble hereto;

(v) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(vi) **"Premises"** has the meaning ascribed thereto in the recitals hereto;

(vii) **"Previous Lease"** has the meaning ascribed thereto in the recitals hereto;

(viii) **"Property"** means the real property located in the City of Vaughan, province of Ontario, commonly know as Vaughan Mills;

(ix) **"Replacement Lease"** has the meaning ascribed thereto in Section 3;

(x) **"Restrictive Covenants"** means the rights, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in the Previous Lease purporting to restrict, or which had the effect of restricting the Landlord's capacity to renovate, expand, develop or re-develop the Property (including parceling), as well as any merchandising control rights in favor of the Tenant;

(xi) **"Tenant"** has the meaning ascribed thereto in the recitals hereto; and

(xii) **"Updated Lease"** has the meaning ascribed thereto in the recitals hereto.

2. **Standstill**.

(a) Notwithstanding the terms and conditions of the Updated Lease, and subject to the provisions of paragraph 2(b), the Landlord covenants and agrees in favour of the Tenant not to take any action in relation to the Premises that would have been prohibited pursuant to the Restrictive Covenants contained in the Previous Lease.

(b) The Landlord's covenant pursuant to paragraph 2(a) shall automatically terminate and be of no further force and effect upon the occurrence of any one of the following events:

(i) the Tenant defaulting under any of its monetary obligations (beyond any applicable cure period) under either one of the leases between the Tenant, as tenant, and the relevant landlord, as landlord relating to any one of the properties know as Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Southgate Centre, Guildford Town Centre, Oshawa Centre,

Place Ste-Foy, CrossIron Mills, The Outlet Collection at Niagara and The Outlet Collection at Winnipeg;

(ii) the Tenant becoming insolvent;

(iii) the Tenant committing any act of bankruptcy, including but not limited to as defined at Section 42(1) of the *Bankruptcy and Insolvency Act*;

(iv) the Tenant becoming bankrupt;

(v) the termination of the Updated Lease pursuant to Section 3;

3. **Termination of the Updated Lease**.

Provided no event set out under paragraph 2(b) has occurred, the parties agree that on November 13, 2028 the Updated Lease shall automatically terminate and be replaced by a new lease (the **"Replacement Lease"**), the terms and conditions of which shall be the same as the Previous Lease including without limitation any Restrictive Covenant, but with the exception of the expiry of the term which shall not exceed the date on which the Previous Lease would have expired had it not been replaced by the Updated Lease, provided the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what was provided in the Previous Lease, and the parties shall be bound by terms of the Replacement Lease. For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Previous Lease was December 31, 2030, and the Updated Lease was executed on February 3, 2024, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the term of the Replacement Lease shall expire on December 31, 2030. In the event that the term of the Previous Lease would have expired prior to November 13, 2028 had it not been replaced by the Updated Lease, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the parties agree that the term of the Replacement Lease shall expire on the date on which the term of the Previous Lease would have expired had the Tenant exercised the option to extend available to it at the time of such expiry and the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what would have remained available to the Tenant at the time under the Previous Lease had it not been replaced by the Updated.

The Landlord and the Tenant covenant and agree to sign any document, deliver any instrument and to do all things necessary or useful in order to give effect to the provisions of this Section 3.

For clarity purposes, upon the occurrence of any event set out under paragraph 2(b) on or prior to November 13, 2028, Tenant acknowledges and agrees that the Updated Lease shall remain in full force and effect under the terms and conditions set out therein, and the obligation to enter into the Replacement Lease shall become null and void.

4. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be transferred by the Landlord to a Controlled Affiliate of the Landlord or its successors and assigns, or to a purchaser or acquirer of all or any portion of the Landlord's interest in the Property, provided the Tenant receives written notice of such transfer and the Landlord shall not be released of its obligations under this Agreement.

5. **Representations and Warranties.**

(i) The Tenant hereby represents and warrants to and in favour of the Landlord that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby;

(iii) the execution, delivery, and performance by the Tenant of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Tenant; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Tenant.

(ii) The Landlord hereby represents and warrants to and in favour of the Tenant that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Landlord of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Landlord; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Landlord.

6. **Special Notices**.

The Tenant will provide the Landlord with:

(i) a 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(ii) notwithstanding subparagraph (a) hereof, to the extent the Tenant should decide to seek such relief on a more immediate basis, the Tenant shall provide written notice within 24 hours of any resolution approving such action;

(iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(iv) five (5) Business Day prior written notice of the Tenant's signing of a forbearance agreement with one or more creditor(s).

7. **Notice.**

Any notice or other communication to be given to the Tenant under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments

Any notice or other communication to be given to the Landlord under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or by e-mail, addressed or sent

as set out below or to such other address as may from time to time be the subject of a Notice:

c/o Ivanhoe Cambridge Inc.
1001 Square Victoria
Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

8. **Time.**

Time shall be of the essence of this Agreement.

9. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

10. **Severability**.

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability in any other jurisdiction.

11. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns. The Landlord shall require any successor by purchase of a direct interest in the Property to assume expressly and agree to perform this Agreement in the same manner and to the same extent as if it were an original party to this Agreement.

12. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

13. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Ontario.

14. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

TENANT:

HUDSON'S BAY COMPANY ULC

Per: 

Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

LANDLORD:

IVANHOE CAMBRIDGE II INC. and TRE2 NON-US BIGFOOT CORP., by their Manager, Jones Lang LaSalle Real Estate Services, Inc.

Per: Julie Bourgon (Jan 30, 2024 19:01 EST)

Name: Julie Bourgon

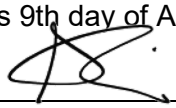
Title: Head of Retail

Per: Maria Concetta Giampa (Jan 30, 2024 19:00 EST)

Name: Maria Concetta Giampa

Title: DIrector, Legal Affairs, Investments

This is **Exhibit "GG"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

LETTER AGREEMENT

THIS LETTER AGREEMENT (this "**Agreement**") dated as of the 1st day of February 2024,

B E T W E E N:

THE OUTLET COLLECTION AT WINNIPEG LIMITED and SEASONS RETAIL CORP.

(the **"Landlord"**)

- and -

HUDSON'S BAY COMPANY ULC;

(the **"Tenant"**)

WHEREAS the Landlord and the Tenant were parties to that certain lease agreement dated November 11, 2015, relating to premises (the **"Premises"**) used by the Tenant for the operation of a "Saks Fifth Avenue Off Fifth" store located at the Property, as such lease may have been amended or supplemented from time to time (the **"Previous Lease"**);

WHEREAS on the date hereof, the Landlord and the Tenant have entered into a new lease agreement with respect to the Premises (the **"Updated Lease**);

NOW THEREFORE for good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the parties covenant and agree as follows:

1. **Definitions.**

Capitalized terms used in this shall have, for all purposes of this Agreement, the following meanings:

(i) **"Agreement"** has the meaning ascribed thereto in the preamble hereto;

(ii) **"Business Day"** means any day other than a Saturday or Sunday on which Canadian banks are open for business;

(iii) **"Controlled Affiliate"** means, with respect to the Landlord, any Person controlling, controlled by, or under common control with, the Landlord, and the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the

power to direct or cause the direction of the management or policies of another Person without the consent or approval of any other Person;

(iv) **"Landlord"** has the meaning ascribed thereto in the preamble hereto;

(v) **"Person"** means any other individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization;

(vi) **"Premises"** has the meaning ascribed thereto in the recitals hereto;

(vii) **"Previous Lease"** has the meaning ascribed thereto in the recitals hereto;

(viii) **"Property"** means the real property located in the City of Winnipeg, province of Manitoba, commonly know as The Outlet Collection at Winnipeg;

(ix) **"Replacement Lease"** has the meaning ascribed thereto in Section 3;

(x) **"Restrictive Covenants"** means the rights, conditions, covenants or restrictions relating to parking ratios or no-build zones, or any other provision contained in the Previous Lease purporting to restrict, or which had the effect of restricting the Landlord's capacity to renovate, expand, develop or re-develop the Property (including parceling), as well as any merchandising control rights in favor of the Tenant;

(xi) **"Tenant"** has the meaning ascribed thereto in the recitals hereto; and

(xii) **"Updated Lease"** has the meaning ascribed thereto in the recitals hereto.

2. **Standstill**.

(a) Notwithstanding the terms and conditions of the Updated Lease, and subject to the provisions of paragraph 2(b), the Landlord covenants and agrees in favour of the Tenant not to take any action in relation to the Premises that would have been prohibited pursuant to the Restrictive Covenants contained in the Previous Lease.

(b) The Landlord's covenant pursuant to paragraph 2(a) shall automatically terminate and be of no further force and effect upon the occurrence of any one of the following events:

(i) the Tenant defaulting under any of its monetary obligations (beyond any applicable cure period) under either one of the leases between the Tenant, as tenant, and the relevant landlord, as landlord relating to any one of the properties know as Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Southgate Centre, Guildford Town Centre, Oshawa Centre,

Place Ste-Foy, CrossIron Mills, The Outlet Collection at Niagara and Vaughan Mills;

(ii) the Tenant becoming insolvent;

(iii) the Tenant committing any act of bankruptcy, including but not limited to as defined at Section 42(1) of the *Bankruptcy and Insolvency Act*;

(iv) the Tenant becoming bankrupt;

(v) the termination of the Updated Lease pursuant to Section 3;

3. **Termination of the Updated Lease**.

Provided no event set out under paragraph 2(b) has occurred, the parties agree that on November 13, 2028 the Updated Lease shall automatically terminate and be replaced by a new lease (the **"Replacement Lease"**), the terms and conditions of which shall be the same as the Previous Lease including without limitation any Restrictive Covenant, but with the exception of the expiry of the term which shall not exceed the date on which the Previous Lease would have expired had it not been replaced by the Updated Lease, provided the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what was provided in the Previous Lease, and the parties shall be bound by terms of the Replacement Lease. For greater certainty, and as an illustrative example only to further clarify the parties' intent, if the expiry of the term of the Previous Lease was December 31, 2030, and the Updated Lease was executed on February 3, 2024, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the term of the Replacement Lease shall expire on December 31, 2030. In the event that the term of the Previous Lease would have expired prior to November 13, 2028 had it not been replaced by the Updated Lease, upon termination of the Updated Lease on November 13, 2028 pursuant to this Section 3, the parties agree that the term of the Replacement Lease shall expire on the date on which the term of the Previous Lease would have expired had the Tenant exercised the option to extend available to it at the time of such expiry and the Replacement Lease shall provide for options to extend in favour of the Tenant consistent with what would have remained available to the Tenant at the time under the Previous Lease had it not been replaced by the Updated.

The Landlord and the Tenant covenant and agree to sign any document, deliver any instrument and to do all things necessary or useful in order to give effect to the provisions of this Section 3.

For clarity purposes, upon the occurrence of any event set out under paragraph 2(b) on or prior to November 13, 2028, Tenant acknowledges and agrees that the Updated Lease shall remain in full force and effect under the terms and conditions set out therein, and the obligation to enter into the Replacement Lease shall become null and void.

4. **Transfers**.

This Agreement may in no event be transferred or assigned by any party to the Agreement without the other party's consent. Notwithstanding the foregoing, this Agreement may be transferred by the Landlord to a Controlled Affiliate of the Landlord or its successors and assigns, or to a purchaser or acquirer of all or any portion of the Landlord's interest in the Property, provided the Tenant receives written notice of such transfer and the Landlord shall not be released of its obligations under this Agreement.

5. **Representations and Warranties.**

(i) The Tenant hereby represents and warrants to and in favour of the Landlord that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby;

(iii) the execution, delivery, and performance by the Tenant of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Tenant; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Tenant.

(ii) The Landlord hereby represents and warrants to and in favour of the Tenant that:

(i) it is validly existing, and in good standing under the laws of its jurisdiction of formation;

(ii) it has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and;

(iii) the execution, delivery, and performance by the Landlord of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite actions on the part of the Landlord; and

(iv) this Agreement and the documents to be delivered hereunder have been duly executed and delivered by the Landlord.

6. **Special Notices**.

The Tenant will provide the Landlord with:

(i) a 30-day prior written notice of Tenant's intention to seek any form of relief pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States;

(ii) notwithstanding subparagraph (a) hereof, to the extent the Tenant should decide to seek such relief on a more immediate basis, the Tenant shall provide written notice within 24 hours of any resolution approving such action;

(iii) immediate (and no more than 24 hours) notice of any creditor or other party serving or proving notice of any proceeding against or in respect of the Tenant pursuant to any bankruptcy or insolvency legislation in Canada and/or in the United States; and

(iv) five (5) Business Day prior written notice of the Tenant's signing of a forbearance agreement with one or more creditor(s).

7. **Notice.**

Any notice or other communication to be given to the Tenant under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

Hudson's Bay Company ULC
401 Bay Street, Suite 2302
Toronto, Ontario
M5H 2Y4

Attention: SVP Real Estate

With a copy to:

Hudson's Bay Company ULC
225 Liberty Street – 31st Floor
New York, NY 10281

Attention: President & Chief Executive Officer, HBC Properties & Investments

Any notice or other communication to be given to the Landlord under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by registered mail or by e-mail, addressed or sent

as set out below or to such other address as may from time to time be the subject of a Notice:

c/o Ivanhoe Cambridge Inc.
1001 Square Victoria
Suite 900
Montreal, Quebec
H2Z 2B5

Attention: Head of Retail, Canada
Email: julie.bourgon@ivanhoecambridge.com

Attention: Corporate Secretary
Email: secretariat@ivanhoecambridge.com

with a copy to:

Blake, Cassels & Graydon LLP
1 Place Ville Marie, Suite 3000
Montreal, Quebec
H3B 4N8 Canada

Attention: Jenny Ross, Partner
Email: jenny.ross@blakes.com

Attention: Matthew Liben, Partner
Email: matthew.liben@blakes.com

Any notice, if sent by messenger, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email transmission and received before 5 P.M. (Montréal time), shall be deemed to have been validly and effectively given and received on the same day otherwise it shall be deemed to have been given and received on the next Business Day following the date that it was transmitted. Either party may at any time and from time to time modify the address and/or fax number referred to above by providing written notice thereof to the other party.

8. **Time.**

Time shall be of the essence of this Agreement.

9. **Further Assurances.**

Each of the parties shall execute and deliver all such further documents, acts, deeds and do such other things as the other party may reasonably request to give full effect to this Agreement.

10. **Severability**.

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability in any other jurisdiction.

11. **Successors and Assigns.**

This Agreement shall enure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns. The Landlord shall require any successor by purchase of a direct interest in the Property to assume expressly and agree to perform this Agreement in the same manner and to the same extent as if it were an original party to this Agreement.

12. **Counterparts.**

This Agreement may be signed in any number of counterparts and may be signed and delivered by electronic means. Each such counterpart is deemed to be an original and, taken together, constitutes a single agreement. The delivery by electronic means in PDF format (including any electronic signature complying with the *Act to establish a legal framework for information technology* (Québec), e.g., www.docusign.com) of this Agreement or any document delivered under this Agreement with all signed signature pages (in counterparts or otherwise) is sufficient to bind the parties to the terms and conditions they set forth.

13. **Governing Law.**

This Agreement shall be governed by the laws of the Province of Ontario.

14. **Language.**

The parties hereto have requested that this Agreement shall be drafted in the English language only. *Les parties à la présente convention ont demandé à ce qu'elle soit rédigée en langue anglaise seulement*

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement as evidenced by their properly authorized representatives in that behalf as of the day and year first above written.

TENANT:

HUDSON'S BAY COMPANY ULC

Per: 

Name: Ian Putnam
Title: President & Chief Executive Officer
HBC Properties & Investments

LANDLORD:

THE OUTLET COLLECTION AT WINNIPEG LIMITED and SEASONS RETAIL CORP. by their Manager, Jones Lang LaSalle Real Estate Services, Inc.

Per: Julie Bourgon (Jan 30, 2024 19:01 EST)

Name: Julie Bourgon

Title: Head of Retail

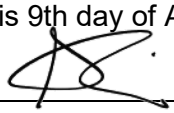
Per: Maria Concetta Giampa (Jan 30, 2024 19:00 EST)

Name: Maria Concetta Giampa

Title: DIrector, Legal Affairs, Investments

We have the authority to bind the company.

This is **Exhibit "HH"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

1658

Tyr LLP

488 Wellington Street West
Suite 300-302
Toronto, ON M5V 1E3
CANADA
www.tyrllp.com

James D. Bunting
+ 1 647 519 6607
jbunting@tyrllp.com

March 7, 2025

SENT VIA PERSONAL DELIVERY

HUDSON'S BAY COMPANY ULC
Attention: SVP Real Estate
401 Bay Street, Suite 2302
Toronto, Ontario M5H 2Y4

HUDSON'S BAY COMPANY ULC
Attention: President & Chief Executive Officer, HBC Properties & Investments
225 Liberty Street – 31st Floor
New York, NY 10281

Dear Sir/Madam:

Re: Standstill Agreements dated February 1, 2024 (the "Standstill Agreements")

It has come to the attention of Ivanhoe Cambridge Inc. and its relevant affiliates and subsidiaries ("**Landlord**") that Hudson's Bay Company ULC (and/or any of its affiliates or subsidiaries) ("**HBC**") are failing to pay their contractual rent in various locations of HBC's portfolio, including, without limitation, premises at properties within Landlord's portfolio known as: Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Guildford Town Centre, Place Ste-Foy, CrossIron Mills, The Outlet Collection at Niagara, Vaughan Mills, and The Outlet Collection at Winnipeg. HBC has ceased to meet its liabilities generally as they come due and has committed an act of bankruptcy as defined in section 42(1) of the *Bankruptcy and Insolvency Act*.

HBC entered into seven Standstill Agreements on February 1, 2024 (the "**Standstill Agreements**") with Landlord related to nine leases between HBC and the relevant landlord as landlord (the "**Leases**") for premises at properties known as: Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Guildford Town Centre, Place Ste-Foy, CrossIron Mills, The Outlet Collection at Niagara, Vaughan Mills, and The Outlet Collection at Winnipeg.

Pursuant to articles 2(b)(ii) of the Standstill Agreements, the Landlord's covenants in articles 2(a) of the Standstill Agreements have automatically terminated and are of no further force and effect.

The Landlord also takes this opportunity to remind HBC of its notification obligations under section 19.03 (d) of the Leases and section 6 of the Standstill Agreements.

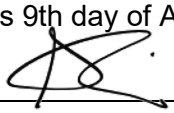
This notice is without prejudice to any other rights of the Landlord under the Leases, the Standstill Agreements and/or at law.

Yours very truly,

James Bunting

cc: Anna White – *Tyr LLP*
Ruby Paola – *Caisse de dépôt et placement du Québec*
Maxime Drouin-Allaire – *Caisse de dépôt et placement du Québec*
Charles Saint-Pierre – *Caisse de dépôt et placement du Québec* .

This is **Exhibit "II"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

Tyr LLP

488 Wellington Street West
Suite 300-302
Toronto, ON M5V 1E3
CANADA
www.tyrllp.com

James D. Bunting
+ 1 647 519 6607
jbunting@tyrllp.com

March 14, 2025

SENT VIA EMAIL

Nick Avis
Stikeman Elliott LLP
5300 Commerce Court West
99 Bay Street
Toronto, Ontario M5L 1B9

Dear Nick,

Re: Automatic Termination of Standstill Agreements

We are in receipt of your letter dated March 8, 2025, which is unfair in its characterization of Ivanhoe's actions and legally inaccurate.

It is inaccurate to state that Ivanhoe took action in breach of the "**Initial Order**" for several reasons.

First, it is incorrect to describe the March 7 Letter as "purport[ing] to terminate" the Standstill Agreements. Ivanhoe wrote on March 7 (the "**March 7 Letter**") to advise that certain covenants in the Standstill Agreements (as defined in the March 7 Letter) had automatically terminated. This automatic termination occurred prior to March 7 when HBC ceased meeting its contractual obligations. The letter was sent as a courtesy, not to effect a termination that had already occurred.

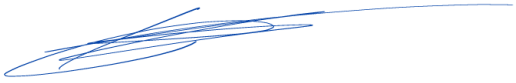
Second, we trust that your letter in no way intended to suggest that our clients intentionally breached a court order. To the extent that is HBC's position, the suggestion that a party can act in breach of a court order about which it has no knowledge and which purports to have retroactive effect is legally untenable. The fundamental principles of procedural fairness that underpin the judicial process in Canada retain their place in proceedings commenced under the CCAA, including the requirement of notice when substantive rights are affected.[1]

[1] *Wiebe v Weinrich Contracting Ltd*, 2020 ABCA 396 at para 31; *Sun Indalex Finance, LLC v United Steelworkers*, 2013 SCC 6 at paras 73-74 (per Deschamps J) and paras 275-276 (per LeBel J, dissenting, but not on whether the duty of

Finally, our clients disagree that the relevant covenants in the Standstill Agreements are valid and binding. They have been terminated and/or are of no force and effect. The termination occurred prior to the date of the issuance of the Initial Order and the Initial Order does not renew or restore these covenants.

The issue raised in your letter (that the covenants in the Standstill Agreements have not terminated) may need to be addressed with the Court in due course. There is, however, no immediate need to address the position set out in your letter as our clients do not intend to take any steps or actions at this time resulting from the automatic termination of the covenants in the Standstill Agreements. Without prejudice to our clients' position, we will provide reasonable notice before our clients intend to take any such steps. We otherwise reserve all rights to address these issues before the Court, and would be pleased to speak with you about a schedule for doing so.

Yours very truly,

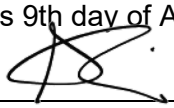


James Bunting

cc: Anna White – *Tyr LLP*

procedural fairness applies to CCAA proceedings); *2022177 Ontario Inc. v. Toronto Hanna Properties Ltd.*, 2005 CanLII 39320 (ON CA), at para 56.

This is **Exhibit "JJ"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

Tyr LLP

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March 20, 2025

SENT VIA EMAIL

Nick Avis
Stikeman Elliott LLP
5300 Commerce Court West
99 Bay Street
Toronto, Ontario M5L 1B9

Dear Mr. Avis,

Re: Potential Marketing of Leases for which Ivanhoe is Landlord

We write further to our letters of March 7, 2025 and March 14, 2025, in our capacity as counsel for Ivanhoe Cambridge Inc. and its relevant affiliates and subsidiaries ("**Ivanhoe**"). Copies of both letters are enclosed.

As was detailed in our previous correspondence, HBC entered into seven Standstill Agreements on February 1, 2024 (the "**Standstill Agreements**") with Ivanhoe, related to nine leases between HBC as tenant and Ivanhoe as landlord (the "**Leases**") for premises at properties known as: Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Guildford Town Centre, Place Ste-Foy, CrossIron Mills, The Outlet Collection at Niagara, Vaughan Mills, and The Outlet Collection at Winnipeg. As also stated in our previous correspondence, the covenants contained in section 2(a) of the Standstill Agreements are no longer in effect.

We understand from materials filed by HBC in the ongoing CCAA proceeding, as well as statements made by counsel before Justice Osborne during that proceeding, that HBC intends to market all of its leases.

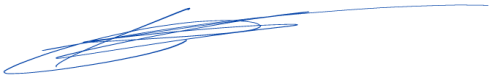
Without prejudice to any position Ivanhoe might take regarding HBC's ability to market, assign, or transfer any of the Leases, we write to ensure that any marketing efforts undertaken by HBC disclose clearly that our client has provided written notice that the covenants contained in section 2(a) of the Standstill Agreements are no longer in effect, and that section 3.05(A) of the Leases (for those that contain a section 3.05(A)) similarly no longer operates.

This letter is without prejudice to any other rights of Ivanhoe under the Leases, the Standstill Agreements and/or at law, whether against HBC or any potential purchaser or assignee.

We ask that a copy of this letter be placed in the files for each of the Leases and made accessible to persons who are granted access to the electronic data room to review the lease documents pursuant to the anticipated Lease Monetization Process and SISP Process.

We have copied the Monitor.

Yours very truly,



James Bunting

cc: Anna White – *Tyr LLP*
Ashley Taylor, Elizabeth Pillon – *Stikeman Elliott LLP*
Justin Karayannopoulos, Zach Gold – *Alvarez & Marsal*
Sean Zweig – *Bennett Jones LLP*

Encl.

1666

Tyr LLP

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March 7, 2025

SENT VIA PERSONAL DELIVERY

HUDSON'S BAY COMPANY ULC
Attention: SVP Real Estate
401 Bay Street, Suite 2302
Toronto, Ontario M5H 2Y4

HUDSON'S BAY COMPANY ULC
Attention: President & Chief Executive Officer, HBC Properties & Investments
225 Liberty Street – 31st Floor
New York, NY 10281

Dear Sir/Madam:

Re: Standstill Agreements dated February 1, 2024 (the "Standstill Agreements")

It has come to the attention of Ivanhoe Cambridge Inc. and its relevant affiliates and subsidiaries ("**Landlord**") that Hudson's Bay Company ULC (and/or any of its affiliates or subsidiaries) ("**HBC**") are failing to pay their contractual rent in various locations of HBC's portfolio, including, without limitation, premises at properties within Landlord's portfolio known as: Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Guildford Town Centre, Place Ste-Foy, CrossIron Mills, The Outlet Collection at Niagara, Vaughan Mills, and The Outlet Collection at Winnipeg. HBC has ceased to meet its liabilities generally as they come due and has committed an act of bankruptcy as defined in section 42(1) of the *Bankruptcy and Insolvency Act*.

HBC entered into seven Standstill Agreements on February 1, 2024 (the "**Standstill Agreements**") with Landlord related to nine leases between HBC and the relevant landlord as landlord (the "**Leases**") for premises at properties known as: Metropolis at Metrotown, Galeries d'Anjou, Mapleview Shopping Centre, Guildford Town Centre, Place Ste-Foy, CrossIron Mills, The Outlet Collection at Niagara, Vaughan Mills, and The Outlet Collection at Winnipeg.

Pursuant to articles 2(b)(ii) of the Standstill Agreements, the Landlord's covenants in articles 2(a) of the Standstill Agreements have automatically terminated and are of no further force and effect.

The Landlord also takes this opportunity to remind HBC of its notification obligations under section 19.03 (d) of the Leases and section 6 of the Standstill Agreements.

This notice is without prejudice to any other rights of the Landlord under the Leases, the Standstill Agreements and/or at law.

Yours very truly,

James Bunting

cc: Anna White – *Tyr LLP*
Ruby Paola – *Caisse de dépôt et placement du Québec*
Maxime Drouin-Allaire – *Caisse de dépôt et placement du Québec*
Charles Saint-Pierre – *Caisse de dépôt et placement du Québec* .

Tyr LLP

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jbunting@tyrllp.com

March 14, 2025

SENT VIA EMAIL

Nick Avis
Stikeman Elliott LLP
5300 Commerce Court West
99 Bay Street
Toronto, Ontario M5L 1B9

Dear Nick,

Re: Automatic Termination of Standstill Agreements

We are in receipt of your letter dated March 8, 2025, which is unfair in its characterization of Ivanhoe's actions and legally inaccurate.

It is inaccurate to state that Ivanhoe took action in breach of the "**Initial Order**" for several reasons.

First, it is incorrect to describe the March 7 Letter as "purport[ing] to terminate" the Standstill Agreements. Ivanhoe wrote on March 7 (the "**March 7 Letter**") to advise that certain covenants in the Standstill Agreements (as defined in the March 7 Letter) had automatically terminated. This automatic termination occurred prior to March 7 when HBC ceased meeting its contractual obligations. The letter was sent as a courtesy, not to effect a termination that had already occurred.

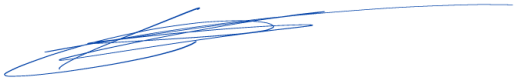
Second, we trust that your letter in no way intended to suggest that our clients intentionally breached a court order. To the extent that is HBC's position, the suggestion that a party can act in breach of a court order about which it has no knowledge and which purports to have retroactive effect is legally untenable. The fundamental principles of procedural fairness that underpin the judicial process in Canada retain their place in proceedings commenced under the CCAA, including the requirement of notice when substantive rights are affected.[1]

[1] *Wiebe v Weinrich Contracting Ltd*, 2020 ABCA 396 at para 31; *Sun Indalex Finance, LLC v United Steelworkers*, 2013 SCC 6 at paras 73-74 (per Deschamps J) and paras 275-276 (per LeBel J, dissenting, but not on whether the duty of

Finally, our clients disagree that the relevant covenants in the Standstill Agreements are valid and binding. They have been terminated and/or are of no force and effect. The termination occurred prior to the date of the issuance of the Initial Order and the Initial Order does not renew or restore these covenants.

The issue raised in your letter (that the covenants in the Standstill Agreements have not terminated) may need to be addressed with the Court in due course. There is, however, no immediate need to address the position set out in your letter as our clients do not intend to take any steps or actions at this time resulting from the automatic termination of the covenants in the Standstill Agreements. Without prejudice to our clients' position, we will provide reasonable notice before our clients intend to take any such steps. We otherwise reserve all rights to address these issues before the Court, and would be pleased to speak with you about a schedule for doing so.

Yours very truly,

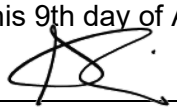


James Bunting

cc: Anna White – *Tyr LLP*

procedural fairness applies to CCAA proceedings); *2022177 Ontario Inc. v. Toronto Hanna Properties Ltd.*, 2005 CanLII 39320 (ON CA), at para 56.

This is **Exhibit "KK"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

Tyr LLP

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jbunting@tyrllp.com

April 30, 2025

SENT VIA EMAIL

Jay Freedman
Oberfeld Snowcap Inc.
121 King Street West, Suite 1800
Toronto, ON M5H 3T9
Email: jay@oberfeldsnowcap.com

Dear Mr. Freedman,

Re: Marketing of Saks Leases for which Ivanhoe is Landlord

We write in our capacity as counsel to Ivanhoé Cambridge Inc. and its relevant affiliates and subsidiaries ("**Ivanhoe**") in the proceedings concerning HBC's application under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36. We understand that Oberfeld Snowcap Inc. ("**Oberfeld**") has been appointed as Broker to HBC in respect of the court-ordered Lease Monetization Process.

We understand that Oberfeld is currently marketing nine leases through the Lease Monetization Process for which HBC is tenant and Ivanhoe is landlord (the "**Leases**"). HBC operates stores under the business name "Saks OFF 5th" or "Saks Fifth Avenue OFF 5th" pursuant to five of those Leases, described in exhibit C to the Lease Monetization Order dated March 21, 2025 as being located in the centres (i) Outlet Collection at Niagara, (ii) Vaughan Mills, (iii) Crossiron Mills; (iv) Outlet Collection Winnipeg; and (v) Place Ste-Foy (together, the "**Saks Leases**").

On November 14, 2023, HBC and Ivanhoe entered into an Option Agreement pursuant to which, *inter alia*, if Ivanhoe chose to exercise a certain option defined as the "**Saks Option**", the gross rent for all five Saks Leases would increase by an aggregate annual amount of $3,000,000. Under the terms of the Saks Option, the allocation of the $3,000,000 among the five Saks Leases is entirely at Ivanhoe's discretion (the "**Allocation**"), and Ivanhoe has the further entirely discretionary right, at any time, and from time to time, to change the Allocation. Ivanhoe exercised the Saks Option through a Notice of Exercise on January 31, 2024. The initial Allocation is set out therein.

Without prejudice to any position Ivanhoe might take regarding HBC's ability to market, assign, or transfer any of the Leases, including the Saks Leases, we write to ensure that this information is disclosed to any potential bidders. In that regard, we ask that copies of the relevant contractual agreements (including but not limited to the Option Agreement dated November 14, 2023 and the Notice of Exercise dated January 31, 2024), as well as a copy of this letter, be made accessible to persons who are granted access to the electronic data room to review the lease documents pursuant to the Lease Monetization Process and SISP Process.

This letter is without prejudice to any other rights of Ivanhoe under any agreements, including the Saks Leases, and/or at law, whether against HBC or any potential purchaser or assignee.

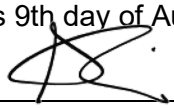
We have copied the Monitor.

Yours very truly,

James Bunting

cc: Anna White – *Tyr LLP*
Ashley Taylor, Elizabeth Pillon – *Stikeman Elliott LLP*
Justin Karayannopoulos, Zach Gold – *Alvarez & Marsal*
Sean Zweig – *Bennett Jones LLP*

This is **Exhibit "LL"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

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jbunting@tyrllp.com

July 31, 2025

DELIVERED VIA EMAIL

Ashley Taylor
Stikeman Elliott LLP
199 Bay Street
Suite 5300, Commerce Court West
Toronto, ON M5L 1B9
Email: ataylor@stikeman.com

Dear Mr. Taylor:

Re: HBC Motion for Approval of Central Walk APA – Document Request of Ivanhoe Cambridge Inc.

As you heard in court this morning and as expressed in our letter of last evening, the absence of notice from the Applicants or the Monitor to our client of the intention to seek the declaratory relief set out in section 1(c) of the Applicants' Notice of Motion before scheduling the return of the Central Walk motion is problematic. This issue is not intermingled with the others under a compressed schedule. It could have been managed proactively and collaboratively.

This letter raises two issues that require your immediate attention and response.

Nature of the Relief

The material filed raises several questions about the relief that is being sought, as do the representations made to the Court today by counsel for the Applicants. We note the following discrepancies and lack of clarity in the motion material:

- The Notice of Motion seeks an order: "declaring that **certain portions of** sections 3.05 and 3.05(A) of the IC Leases are in breach of section 34 of the CCAA and are therefore unenforceable…" [emphasis added];
- Footnote 2 of the Applicants' Notice of Motion refers to "modifications to the IC Leases";

- The July 29, 2025 Affidavit of Mr. Perugini states in footnote 3: “With respect to the IC Leases (as defined in the Central Walk APA), Central Walk proposes to assume the IC Leases without sections 3.05 and 3.05(A) to same”;
- The Business Plan of Ruby Liu Commercial Investment Corp., attached as Exhibit A to the July 29, 2025 Affidavit of Weihong (Ruby) Liu, repeatedly states: “Ivanhoe leases to be assumed on the original lease terms as per the APA.”

Could the Applicants and the Monitor please provide the exact relief and, in particular, the form of order that is being sought in respect of section 1(c) of the Notice of Motion. In light of the accelerated schedule, we ask this be provided forthwith and in any event within 24 hours.

Production of Documents

The declaratory relief raises several issues that now must be adjudicated under the accelerated schedule, not limited to the following: (i) when did the Applicants determine that they would seek protection under the CCAA (see section 5(a) of the Standstill Agreements); (ii) on what date did the Applicants fail to meet their obligations as they came due; (iii) at what exact time was the Application for protection under the CCAA filed; (iv) what was the Applicants’ understanding of the enforceability of sections 3.05 and 3.05(A) in the lead up to and on execution of the relevant Standstill Agreements and Leases; and (v) what did the Applicants (independently and through Oberfeld) represent to potential purchasers about the enforceability of sections 3.05 and 3.05(A) of the Leases.

In light of this and other issues that are now in play, please produce to us forthwith the following material:

- All internal correspondence of the Applicants or between the Applicants and other parties, related to:
    - the negotiation and execution of the Option Agreement dated November 14, 2023, including as referred to at paragraph 50 of the July 29, 2025 Affidavit of Mr. Perugini;
    - the negotiation and execution of the “IC Leases” and the Standstill Agreements, including as referred to at paragraph 54 of the July 29, 2025 Affidavit of Mr. Perugini;

- the decision to seek protection under the CCAA;
- HBC failing to meet its obligations as they came due, including as referred to at paragraphs 18-19 of the March 7, 2025 Affidavit of Jennifer Bewley;
- The letters from Tyr LLP dated March 7, March 14, and March 20, 2025;
- Section 3.05 and section 3.05(A) of the Leases or to the Standstill Agreements;

- All correspondence between the Applicants and other parties, related to:
  - the negotiation and execution of the Option Agreement dated November 14, 2023, including as referred to at paragraph 50 of the July 29, 2025 Affidavit of Mr. Perugini;
  - the negotiation and execution of the "IC Leases" and the Standstill Agreements, including as referred to at paragraph 54 of the July 29, 2025 Affidavit of Mr. Perugini
  - the decision to seek protection under the CCAA
  - HBC failing to meet its obligations as they came due, including as referred to at paragraphs 18-19 of the March 7, 2025 Affidavit of Jennifer Bewley
  - The letters from Tyr LLP dated March 7, March 14, and March 20, 2025
  - Section 3.05 and section 3.05(A) of the Leases or to the Standstill Agreements
- Any document reflecting the exact time on which the Applicants' March 7, 2025 Application for protection under the CCAA was filed with the Court.
- All documents, including but not limited to internal correspondence among any of the Applicants or between any of the Applicants and other parties, related to our letters of March 7, March 14, and March 20, 2025;
- All documents, including but not limited to internal correspondence among any of the Applicants or between any of the Applicants and other parties, related to section 3.05 and section 3.05(A) of the Leases or to the Standstill Agreements;
- All correspondence among the Applicants, Oberfeld and the prospective Central Walk purchasers (or related entities including Ms. Liu) related to section 3.05 and section 3.05(A) of the Leases.

Please provide production on a rolling basis and in any event confirm that the Applicants will make production no later than August 6, 2025.

To the extent the Applicants fail to produce the requested records or refuse to do so, we reserve our right to ask for appropriate adverse inferences to be drawn from the Applicants' failure to comply with its production obligations under the compressed timetable forced upon our client as a result of the failure of the Applicants to fairly or promptly notify us of the declaratory relief sought in the Notice of Motion and provided for in the APA executed in late May 2025.

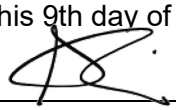
Yours very truly,



James Bunting

cc: Anna White – *Tyr LLP*
Linda Galessiere – *Camelino Galessiere LLP*
Sean Zweig – *Bennett Jones LLP*

This is **Exhibit "MM"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

Stikeman Elliott

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Barristers & Solicitors
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www.stikeman.com

Maria Konyukhova
Direct: +1 416 869 5230
mkonyukhova@stikeman.com

August 7, 2025

By Email
JBunting@tyrllp.com

Tyr LLP
488 Wellington Street West
Suite 300-302
Toronto, ON M5V 1E3
Canada

Attention: James Bunting

Dear Mr. Bunting:

Re: HBC Motion for Approval of Central Walk APA – Document Request

We write in response to your letter of July 31, 2025 (the "**Document Request**"). We have already responded to your request for clarification on the nature of the relief sought in respect of the IC Leases (the "**IC Leases Relief**") and directed you to the draft form of order that we served with our motion materials on July 29, 2025. This letter responds to the balance of your production requests in the Document Request.

We disagree as to the issues you say must now be adjudicated as a result of the Applicants seeking the IC Leases Relief. In particular, the circumstances of the negotiation and execution of the Option Agreement, the IC Leases and the Standstill Agreements and the Applicants' views on their enforceability are not relevant in light of the test well established by the Supreme Court of Canada in *Chandos Construction Ltd. v Deloitte Restructuring Inc.,* 2020 SCC 25. Similarly, the circumstances surrounding the Applicants' decision to seek protection under the CCAA are not relevant to any issue surrounding the determination of the IC Leases Relief. To the extent it is helpful, we can advise that the Initial Order granted by the Court on March 7, 2025 was effective as of 12:01 a.m. Eastern Standard/Daylight Time on that date.

In addition to not being relevant, the materials you requested would require significant effort to identify, collect, review for privilege, and produce. Given the limited (if any) relevance of these documents, complying with your request would impose an undue burden on the Applicants and materially increase costs to the estate — a result that is contrary to the objectives of the CCAA.

The Ontario Commercial List routinely limits discovery and production obligations in CCAA proceedings to what is clearly relevant, necessary, and proportionate to the motion or relief being considered. Your request exceeds that threshold and is unreasonable given the Court-ordered compressed timeline. In our view, the breadth and nature of your request suggest an effort to conduct a fishing expedition rather than a focused inquiry tied to the motion.

Accordingly, the Applicants will not be producing the requested documents at this time. Should you wish to propose a revised request that is narrowly tailored, clearly relevant, and proportional to the relief at issue, we remain willing to consider it.

Yours truly,

Stikeman Elliott LLP

Maria Konyukhova

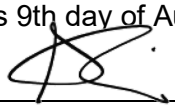
Maria Konyukhova

MK

AttachmentsEnclosures

cc: *Anna White, Tyr LLP*
Ashley Taylor, Stikeman Elliott LLP
Linda Galessiere, Camelino Galessiere LLP
Sean Zweig, Bennett Jones LLP

This is **Exhibit "NN"** referred to in the Affidavit of **Charles Saint-Pierre**
affirmed this 9th day of August, 2025



Anna White
Commissioner for Taking Affidavits
(or as may be)

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August 7, 2025

DELIVERED VIA EMAIL

Maria Konyukhova
Stikeman Elliott LLP
5300 Commerce Court West
99 Bay Street
Toronto, Ontario M5L 1B9

Dear Ms. Konyukhova:

Re: HBC Motion for Approval of Central Walk APA – Document Request

I write in response to your letter of earlier today. Thank you for your response.

In our view, the position of the Applicants is unreasonable and inappropriate, both as a matter of law and process. While the declaratory relief sought by the Applicants is flawed in law and could be dismissed on that basis alone, this is an important and material issue for our client, as outlined in our communications beginning in March 2025. Our client is not required to limit its response and defense to the purely legal issue the Applicants believe is in play. Indeed, it is not for the Applicants to force an expedited schedule on the parties and then unilaterally decide what is and is not relevant based solely on the position the Applicants intend to advance. In this regard, to ensure there is no confusion or misunderstanding on the part of the Applicants, the requested documents are relevant to the following:

(i) The surrounding factual matrix and interpretation of the provisions in issue. These provisions must be interpreted before the Court can consider whether and to what extent s. 34 of the CCAA is applicable;

(ii) Whether the Applicants complied with their obligations in the lead up to the CCAA filing, which is relevant to and has consequences in respect of the requested declaration, including whether the Standstill Agreements were lawfully terminated prior to the initial filing.

(iii) Whether the circumstances of this case permit the invocation (or in this case weaponization) of s. 34 of the CCAA in a manner that is inconsistent with the knowledge and understanding of the Applicants and its fulcrum creditor.

Considering the expedited schedule and the Court's direction to proceed under this schedule, we invite the Applicants – taking guidance from the Monitor – to reconsider their position. At a minimum, and without prejudice to our position that our document request is proportional, fair and appropriate, please confirm that the Applicants will produce by the end of the day on Monday the following:

- Correspondence reflecting when the Applicants made the decision to file for CCAA protection;
- Any document reflecting the exact time at which the Applicants' March 7, 2025 Application for protection under the CCAA was filed with the Court, including any email to the Court filing the initial application electronically;
- Correspondence reflecting when HBC began failing to meet its obligations as they came due as discussed in paragraph 19 of the March 29, 2025 Affidavit of Jennifer Bewley, including when HBC began to "defer certain payments for many months" and when it became "unable to pay certain critical trade creditors in the ordinary course of business"
- Any notice of default delivered by Pathlight to the Applicants prior to March 7, 2025;
- In the period prior to December 23, 2024, any documentation reflecting disclosure to Pathlight of the Option Agreement dated November 14, 2023, the leases defined as the "IC Leases" in paragraph 54 of the July 29, 2025 Affidavit of Franco Perugini, or the letter agreements defined as the "Standstill Agreements" in the same paragraph;
- Correspondence among the Applicants, Oberfeld and the prospective Central Walk purchasers (or related entities including Ms. Liu) related to section 3.05 and section 3.05(A) of the Leases.

If the Applicants maintain their refusal to produce relevant documents, we will consider whether a motion for direction is practical in the circumstances and otherwise fully reserve

our right to seek appropriate adverse inferences from the refusal and/or request that the hearing be adjourned, and the Applicants ordered to make proper production.

Yours very truly,



James Bunting

cc: Anna White – *Tyr LLP*
Linda Galessiere – *Camelino Galessiere LLP*
Ashley Taylor, Elizabeth Pillon – *Stikeman Elliott LLP*
Sean Zweig – *Bennett Jones LLP*

Court File No.: CV-25-00738613-00CL

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

AND IN THE MATTER OF HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUSON SRI et al

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

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