**INDUSTRIAL LEASE AGREEMENT**

This Confidential Instructions: Industrial Lease Agreement (the “Agreement”) is effective [DATE],

**BETWEEN: [YOUR COMPANY NAME]** (the "Lessor"), a company organised and existing under the laws of [STATE/PROVINCE] of [COUNTRY], with its head office located at:

 [YOUR COMPLETE ADDRESS]

**AND: [COMPANY NAME]** (the "Lessee"), a company organised and existing under the laws of [STATE/PROVINCE] of [COUNTRY], with its head office located at:

 [COMPLETE ADDRESS]

1. **PREMISES**

[YOUR COMPANY NAME], (the “Lessor”, hereinafter) hereby leases to [COMPANY NAME], (the “Lessee” hereinafter) and the Lessee leases from the Lessor for the term, at the rental, and upon all of the conditions set forth herein, that certa*in re*al property situated in the City of [CITY], Province of [STATE/PROVINCE], commonly known as [FULL ADDRESS], [STATE/PROVINCE], [COUNTRY], and more particularly described in the site plan prepared by [COMPANY NAME], marked Appendix [SPECIFY] which is attached hereto and incorporated herein. Said real property, including the land and all improvements thereon, is called "the Premises".

1. **TERM**
	1. **Term**

The term of this Lease shall be for [NUMBER] years, commencing on the Commencement Date ("Commencement Date"). The Lessor understands that the Lessee is in negotiations with the existing lessee on the Premises, [SPECIFY COMPANY] whereby the Lessee would occupy the Premises prior to the expiration of the term of [SPECIFY COMPANY]’s lease, and the Lessor shall attempt to accommodate the Lessee to facilitate this early occupancy. In the event that the Lessee and [SPECIFY COMPANY] reach an agreement, at the Lessee's election it shall either: (i) enter into a sublease with [SPECIFY COMPANY] for the balance of the term of [SPECIFY COMPANY]’s lease, in which event the Commencement Date of this Lease shall be [DATE]; or (ii) request that the Lessor terminate [SPECIFY COMPANY]’s lease and accelerate the commencement of this Lease, in which event the Commencement Date shall be the date on which the Lessor delivers the Premises to the Lessee in accordance with this Lease.

* 1. **Option to Extend**
		1. The Lessee is given the option to extend the Lease term for [NUMBER] year period following expiration of the initial Lease term, which option may be exercised only by written notice ("Option Notice") from the Lessee to the Lessor given not less than [NUMBER] days prior to the end of the initial Lease term; provided, however, if the Lessee is in material default on the date of giving the Option Notice, the option Notice shall be totally ineffective, or if the Lessee is in material default on the date the Extended Term is to commence, such Extended Term shall not commence and this Lease shall expire at the end of the initial Lease term. In the event of an Extended Term, the Extended Term shall be subject to all the terms and conditions of this Lease excepting rent which shall be at [%] of the then fair market rental value, as determined under subparagraph (b) below, but in no event less than the monthly rent prevailing on the last month of the initial Lease term.
		2. The parties shall agree on the fair market rental value of the Premises for said Extended Term, including fair market periodic adjustments thereto, during the first [NUMBER] days of year [NUMBER] of the Lease Term. If the parties are able to agree on the fair market rental value for the Extended Term, (including periodic adjustments thereto), then such agreed value shall be the fair market rental value for purposes of determining the rent for the Extended Term.

In the event the parties are unable to agree on the fair market rental value for the Premises (including periodic adjustments) within that time, then at the Lessee's written request, within [NUMBER] days of the expiration of that [NUMBER] day period, each party shall separately designate an appraiser to make this determination. Within [NUMBER] business days of their appointment, the two designated appraisers shall jointly designate a third appraiser. The failure of either party to appoint an appraiser within the time allowed shall be deemed equivalent to appointing the appraiser appointed by the other party. No person shall be appointed or designated an appraiser unless he is then a member of [SPECIFY].

The appraisal shall be on the basis of the Premises "as is" except for improvements and fixtures which are the sole property of the Lessee. If within [NUMBER] business days after the appointment of all appraisers, a majority of the appraisers concur on the value of the then current fair market rental value for the Premises, including fair market periodic adjustments thereto, that appraisal shall be the accepted fair market rental value. If a majority of the appraisers do not concur within that period, the determination of the appraiser whose appraisal is neither highest nor lowest shall be the accepted fair market rental value. The parties shall share the appraisal expenses equally.

**2.3.Delay in Possession**

The parties agree that if for any reason the Lessor cannot deliver possession of the Premises to the Lessee on or before [DATE], such failure shall not constitute a breach of this agreement by the Lessor, and shall not entitle the Lessee to terminate this Lease. The Lessee shall not be obligated to pay rent, nor shall the Lease Term commence until possession of the Premises is tendered to the Lessee.

**2.4.Early Possession**

If the Lessee occupies the Premises prior to the Commencement Date other than as a Sublessee of [SPECIFY COMPANY], such occupancy shall be subject to all provisions hereof, and the Lessee shall pay rent for such period at the initial monthly rates set forth below; provided, however, that the Lessee may enter the Premises prior to commencement solely for the purpose of installing fixtures or equipment or improvements without being required to pay rent.

The Lessor agrees to attempt to locate [NUMBER] offices in the [SPECIFY LOCATION] for use by the Lessee as office space by [DATE]. In addition, the Lessor agrees to attempt to locate space in the [SPECIFY LOCATION] for use by the Lessee as [SPECIFY] by [DATE], additional space for use as a [SPECIFY] by [DATE], and additional space for use as [SPECIFY] by [DATE]. However, the Lessor does not and cannot guarantee such space to the Lessee, and this Lease shall not be contingent on the Lessee's occupancy of any such space prior to the Lease Commencement Date.

1. **RENT: SPECIAL NET LEASE**
	1. **Base Rent**

Upon the execution of this Lease, the 'Lessee shall pay to the Lessor the sum of [CURRENCY AMOUNT] representing the first month's base rent. Thereafter, beginning with the second month of the Lease, the Lessee shall pay to the Lessor base rent for the Premises in advance, on the first day of each month based on the following schedule of rents:

Rent Per Square Monthly

Months Square Metre Metreage Base Rent

 [SPECIFY]

Rent for any period during the term hereof which is for less than [NUMBER] month shall be a *pro rata* portion of the monthly instalment. Rent shall be payable in lawful money of the [COUNTRY] to the Lessor at the address stated herein or to such other persons or at such other places as the Lessor may designate in writing.

* 1. **Special Net Lease**

This Lease is what is commonly called a "Net, Net, Net Lease", it being understood that, commencing with the first month of the Lease Term, the Lessor shall receive the rent set forth in Section [NUMBER] free and clear of any and all other impositions, taxes, liens, charges or expenses of any nature except as otherwise provided in this agreement. In addition to the rent reserved by Section [NUMBER], the Lessee shall pay to the parties respectively entitled thereto all insurance premiums, taxes, assessments, operating charges, management fees, maintenance charges, and any other charges, costs and expenses which arise or may be contemplated under any provisions of this Lease for the entire Premises during the term hereof. All of such charges, costs and expenses shall constitute additional rent, and upon the failure of the Lessee to pay any of such costs, charges or expenses, the Lessor shall have the same rights and remedies as otherwise provided in this Lease for the failure of the Lessee to pay rent. It is the intention of the parties hereto that this Lease shall not be terminable for any reason by the Lessee, and that the Lessee shall in no event be entitled to any abatement of or reduction *in re*nt payable under this Lease, except as herein expressly provided. Any present or future law to the contrary shall not alter this agreement of the parties.

1. **SECURITY DEPOSIT**

The Lessee shall deposit with the Lessor, upon execution of this Lease, [CURRENCY AMOUNT] as security for the Lessee's faithful performance of the Lessee's obligations hereunder. If the Lessee fails to pay rent or other charges due hereunder, or otherwise defaults with respect to any provision of this Lease, the Lessor may, without waiving or releasing the Lessee from any obligation under this Lease, and without waiving the Lessor's right to treat such failure as a default hereof, use, apply, or retain all or any portion of said deposit for the payment of any rent or other charge in default or for the payment of any other sum to which the Lessor may become obligated by reason of the Lessee's default, or compensate the Lessor for any loss or damage which the Lessor may suffer thereby. If the Lessor so uses or applies all or any portion of said deposit, the Lessee shall within [NUMBER] days after written demand therefore deposit cash with the Lessor in an amount sufficient to restore said deposit to the full amount hereinabove stated and the Lessee's failure to do so shall be a material breach of this Lease. If the Lessee performs all of the Lessee's obligations hereunder, said deposit shall be returned to the Lessee (or, at the Lessee's option, to the last assignee, if any, of the Lessee's interest 'hereunder) at the expiration of the term hereof, including extension, and after Lessee has vacated the Premises.

No trust relationship is created herein between the Lessor and the Lessee with respect to the said security deposit, and the Lessor may commingle it, use it in ordinary business, transfer or assign it, or use it in any combination of those ways. In the event of termination of the Lessor's interest in this Lease, the Lessor shall transfer said deposit to the Lessor's successor in interest, whereupon if such successor acknowledges receipt thereof and assumes all of the Lessor's obligations under this Lease, the Lessee agrees to release the Lessor from all liability for the return of such deposit or the accounting therefor.

1. **USE**
	1. **Use**

The Premises shall be used and occupied for offices, research and development, and any other legal use which is otherwise in compliance with the reasonable rules and regulations that may be imposed by the Lessor from time to time on the Premises or on the business park. The Lessee shall not use nor permit the use of the Premises in any manner that will create waste or a nuisance or unreasonably disturb any other tenants. The Lessee's use of the Premises is on a non-exclusive basis with respect to any other Lessees of the business park.

* 1. **Compliance with Law**
		1. The Lessor warrants to the Lessee that, to the best of the Lessor's knowledge, the Premises, in its state existing on the Commencement Date, does not violate any laws, permits, licenses, or covenants or restrictions of record, or any applicable building code, regulation or ordinance in effect on such Commencement Date.
		2. Except as provided in paragraph [NUMBER] or elsewhere in this Lease, the Lessee shall, at the Lessee's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders, covenants, and restrictions of record in effect during the term or any part of the term hereof, regulating the use by the Lessee of the Premises.
	2. **Condition of Premises**
		1. The Lessor shall deliver the Premises to the Lessee clean and free of debris on the Lease Commencement Date with the shell building completed and the Lessor further warrants to the Lessee that such building shall be in good operating condition on the Lease Commencement Date, that it was built in accordance with the approved plans therefore, and in a workmanlike manner. In all other respects, the Premises shall be delivered to the Lessee in an "as is" condition. Notwithstanding the foregoing, it is understood that the Lessee may occupy the Premises as successor-in-interest to [SPECIFY COMPANY] with respect to certain improvements made and fixtures added by [SPECIFY COMPANY] on and to the Premises. The Lessee shall be entitled to the use and benefit of all such improvements and fixtures remaining on the Premises upon [SPECIFY COMPANY]'s termination of occupancy.
		2. Except as otherwise provided in this Lease, the Lessee hereby accepts the Premises "as is" in their condition existing as of the Lease Commencement Date, subject to all laws governing and regulating the use of the Premises, and accepts this Lease subject thereto. The Lessee acknowledges that neither the Lessor nor the Lessor's agent has made any representation or warranty as to the present or future suitability of the Premises for the conduct of the Lessee's business.
		3. Within [NUMBER] days following the date on which this Lease is executed by the Lessor and the Lessee, the Lessor shall cause an environmental consultant reasonably acceptable to the Lessee to make an inspection of the Premises for purposes of determining whether there are any hazardous or toxic materials being used or which have been used on the Premises in violation of any applicable law or ordinances or which, if so used by the Lessee, would place the Lessee in breach of Article [NUMBER] of this Lease. Such consultant shall provide a written report of his findings to the Lessor and the Lessee upon completion of his inspection. It is understood that the Lessee shall have no liability to the Landlord or otherwise for any such violations existing on the Premises as of the date of such inspection, or thereafter caused by [SPECIFY COMPANY]. The costs of such inspection and report shall be shared equally by the Lessor and the Lessee; provided, however, that they shall endeavour to get the agreement of [SPECIFY COMPANY] to share in such costs, in which event the costs will be divided equally between the three.
1. **HAZARDOUS OR TOXIC MATERIALS**

The Lessee shall not emit, dump, dispose or release on the Premises any Toxic Materials, and the Lessee shall not allow or permit any agent, vendor, or other entity acting on the Lessee's behalf to emit, dump, dispose, or release on the Premises, any Toxic Materials. The Lessee shall not bring, use, or store on the Premises, or emit, dump, dispose, or release from the Premises, any Toxic Materials in violation of any laws, regulations, ordinances, or statutes which are now in existence or which may be enacted in the future. The Lessee shall remain in full and complete compliance with all laws, regulations, ordinances, and statutes with respect to Toxic Materials, and the Lessee shall instal and keep in good working order any monitoring devices that are necessary to ensure the Lessee's full and complete compliance therewith.

The Lessee shall indemnify and hold the Lessor harmless from any claims, liabilities, costs, or expenses incurred or suffered by the Lessor arising from the Lessee's bringing, using, emitting, dumping, disposing, or releasing upon the Premises, or generating or creating at or emitting, dumping, disposing, or releasing from the Premises, any Toxic Materials, or arising from the bringing, using, emitting, dumping, disposing, or releasing upon the Premises, or generating or creating at or emitting, dumping, disposing, or releasing from the Premises, any Toxic Materials by any agent, vendor, or other entity acting on the Lessee's behalf. The Lessee's indemnification and hold harmless obligations as set forth in this Article VII above include, without limitation, all of the following:

* 1. claims, liabilities, costs or expenses resulting from or based upon administrative, judicial (civil or criminal), or other action, legal or equitable, brought by any private or public person under common law or any National, State, Provincial or Municipal law, ordinance or regulation,
	2. claims, liabilities, costs, or expenses pertaining to the cleanup or containment of Toxic Materials, the identification of the pollutants in the Toxic Materials, the identification of the scope of any environmental contamination, the removal of pollutants from soils, the provision of an alternative public drinking water source, or the long-term monitoring of groundwater and surface waters, and
	3. all costs of defending such claims. The Lessee shall comply, at its sole cost, with all laws pertaining to such Toxic Materials. The Lessee's hold harmless and indemnity obligations hereunder shall survive the expiration or termination of this Lease.

For the purposes of this Article [NUMBER], "Toxic Materials" includes, without limitation, any toxic or hazardous gaseous, liquid, or solid materials or waste, or any material or substance having characteristics of ignitability, corrosivity, reactivity, or extraction procedure toxicity or substances or materials which are listed on any of the [YOUR COUNTRY] Environmental Protection Agency's lists of hazardous wastes or which are identified in Sections [NUMBERS] of the [STATE/PROVINCE] Code of Regulations as the same may be amended from time to time. Except as may be disclosed in the hazardous materials report delivered to the Lessee by the Lessor, to the best knowledge of the Lessor, there are no Toxic Materials present on or about the Premises and no action, proceeding, or claim is pending or threatened concerning the Premises concerning any Toxic Material or pursuant to any environmental law.

1. **MAINTENANCE, REPAIRS AND ALTERATIONS**
	1. **Maintenance - Premises**

Throughout the term, the Lessee agrees to keep and maintain all improvements and appurtenances in or serving the Premises, excluding all sewer connections, plumbing, heating and cooling appliances, and wiring, in the same order, condition and repair as they are in on the Commencement Date, or may be put in during the term, reasonable use and wear excepted. The Lessee hereby expressly waives the provisions of any law permitting repairs by a tenant at the expense of a landlord, including, without limitation, all rights of the Lessee under Sections [NUMBERS] of the [STATE/PROVINCE] Civil Code. The Lessee agrees to keep the Premises clean and in sanitary condition, as required by the health, sanitary and police ordinances and regulations of any political subdivision having jurisdiction. The Lessee further agrees to keep the interior of the Premises, such as the windows, floors, walls, doors, showcases and fixtures clean and neat in appearance and to remove all trash and debris which may be found in or around the Premises. If the Lessee refuses or neglects to commence such repairs and/or maintenance required under this agreement or does not diligently prosecute same to completion within [NUMBER] days of written notice thereof, then the Lessor may enter the Premises and cause such repairs and/or maintenance to be made. The Lessee agrees that upon demand, it shall pay to the Lessor the cost of any such repairs, together with accrued interest from the date of payment at the prime commercial lending rate then in effect at [SPECIFY COMPANY]. Notwithstanding anything to the contrary above, the Lessor may elect to enter into a maintenance contract with a third party for the provision of all or a part of the Lessee's maintenance obligations as set forth in this Paragraph. Upon such election, the Lessee shall be relieved from its obligations to perform only those maintenance obligations covered by the maintenance contract, and the Lessee shall bear its *pro rata* share, as set forth in Paragraph [NUMBER] below, of the costs of such maintenance contract which shall be paid in advance on a monthly basis with the Lessee's rent payments.

* 1. **Maintenance - Common Areas**

The Lessor shall be responsible for maintaining in a safe, good, and clean condition, the common areas of the Premises and the common areas of the business park as a whole. The Lessee shall have an obligation to notify the Lessor, in writing, of any repairs or maintenance to the common areas which may be required, and the Lessor shall have a reasonable time to make such repairs. The Lessee shall pay to the Lessor, as additional rent, in the manner and at the time provided below, the Lessee's proportionate share, as defined below, of all costs and expenses incurred by the Lessor in the operation and maintenance of the common areas of the business park during the term of this Lease. Such costs and expenses shall include, without limiting the generality of the foregoing, all maintenance, pest control, security, gardening, landscaping, cost of public liability, property damage, vandalism and malicious mischief, earthquake, and other insurance deemed necessary by the Landlord, real property taxes, property management costs, including a management fee equal to [%] per cent of the monthly rent set forth in Section [NUMBER], painting, lighting, cleaning, trash removal, depreciation of equipment, fire protection, and similar items. The Lessee's proportionate share of such common area expenses shall be [%].

The Lessor shall bill the Lessee monthly for the Lessee's proportionate share of such common area costs, which proportionate Share shall be based upon the previous month's actual costs and expenses. The Lessee shall pay such proportionate share within [NUMBER] days of receipt of a said billing statement from the Lessor. The Lessor agrees to make its books and records pertaining to the common area costs available for the Lessee's inspection upon request.

* 1. **Alterations and Additions**

No structural alterations or structural additions shall be made to the Premises by the Lessee without the prior written consent of the Lessor which the Lessor will not unreasonably withhold. Nothing in this section shall restrict the Lessee's right to make any non-structural additions or alterations provided that the Lessee complies with all applicable laws and ordinances. The Lessee shall be provided with a building which shall include concrete floor, walls, roof, electrical and plumbing stubs, and utility service connections (hereinafter "shell improvements") plus tenant improvements as provided in Section [NUMBER].

As a condition to giving its consent, the Lessor may require that the Lessee agree to remove any such structural alterations or improvements at the expiration of the term and to restore the Premises to their prior condition. As a further condition to giving such consent, the Lessor may require the Lessee to provide the Lessor, at the Lessee's sole cost and expense, with a lien and completion bond in an amount equal to one and [%] times the estimated costs of such improvements to ensure the Lessor against any liability for mechanics' and material men's liens and to ensure completion of the work. All changes, alterations, or additions to be made to the Premises shall be under the supervision of a competent architect or competent licenced structural engineer and made in accordance with plans and specifications which have been furnished to and approved by the Lessor prior to the commencement of work.

If the written consent of the Lessor to any proposed alterations by the Lessee shall be been obtained, the Lessee agrees to advise the Lessor in writing of the date upon which such alterations will commence in order to permit the Lessor to post a notice of non-responsibility. All such alterations, changes and additions shall be constructed in a good and workmanlike manner in accordance with all ordinances and laws relating thereto. Any such structural changes, alterations or additions to or on the Premises shall remain for the benefit of and become the property of the Lessor unless the Lessor requires the removal by giving the Lessee written notice at least [NUMBER] days before the date the Lessee is to vacate the Premises.

* 1. **Tenant Improvements**
		1. The Lessor shall not provide the Lessee with any Tenant Improvement allowance, and the Lessor cannot and does not warrant that any of the Tenant Improvements currently on the Premises that are the property of the current lessee shall remain on the Premises at the commencement of this Lease. However, the Lessor shall not remove from the Premises prior to the Lessee' occupancy thereof any of the Tenant Improvements placed in the Premises by [SPECIFY COMPANY] Pharmaceutical company at [SPECIFY COMPANY]'s own expense as the current lessee. The Lessor shall not prohibit the Lessee from purchasing from and/or otherwise negotiating with [SPECIFY COMPANY] for any such improvements on the Premises that the Lessee wishes to remain on the Premises.
		2. All changes, alterations or additions to be made to the Premises pursuant to this section, shall be under the supervision of a competent architect or competent licenced structural engineer and made in accordance with plans and specifications which have been approved by the Lessor prior to the commencement of work. All such alterations, changes, and additions shall be constructed according to the approved plans, in a good and workmanlike manner, and in compliance with all ordinances and laws relating thereto. Any such structural changes, alterations or additions to or on the Premises shall remain for the benefit of and become the property of the Lessor.
	2. **Plumbing**

The Lessee shall not use the plumbing facilities for any purpose other than that for which they were constructed. The expense of any breakage, stoppage or other damage relating to the plumbing and resulting from the introduction by the Lessee, its agents, employees, or invitees of foreign substances into the plumbing facilities shall be borne by the Lessee.

1. **INSURANCE**
	1. **Property/Rental Insurance - Premises**

During the term, the Lessor shall keep the Premises insured against loss or damage by fire and those risks normally included in the term "all risk" including (a) flood coverage, (b) earthquake coverage at the election of the Lessor, (c) coverage for loss of rents (provided that notwithstanding anything set forth herein to the contrary rent shall abate at least to the extent of any rent insurance received by the Lessor) and (d) boiler and machinery coverage if the Lessor reasonably deems such coverage necessary. Any deductibles shall be paid by the Lessor if the deductible arises from damage solely to the Premises. The amount of such insurance shall be not less than [%] per cent of the replacement value of the Premises. Any recovery received from said insurance policy shall be paid to the Lessor.

The Lessee, in addition to the rent and other charges provided herein, agrees to pay to the Lessor its *pro rata* share of the premiums for all such insurance, which *pro rata* share is identical to that provided in Section [NUMBER]. The insurance premiums shall be paid in accordance with Article [NUMBER], within [NUMBER] days of the Lessee's receipt of a copy of the Lessor's statement therefor.

* 1. **Property Insurance - Fixtures and Inventory**

During the term, the Lessee shall, at its sole expense, maintain insurance with "all risk" coverage on any fixtures, leasehold improvements, furnishings, merchandise, equipment, or personal property in or on the Premises, whether in place as of the date hereof or installed hereafter, for the full replacement value thereof, and the Lessor shall not have any responsibility nor pay any costs for maintaining any types of such insurance. Any deductibles shall be paid by the Lessee.

* 1. **Lessor's Liability Insurance**

During the term, the Lessor may maintain a policy or policies of comprehensive general liability insurance insuring the Lessor and the Lessee (and such others as designated by the Lessor) against liability for bodily injury, death and property damage on or about the Premises, with combined single limit coverage of not less than [CURRENCY AMOUNT].

The Lessee, in addition to the rent and other charges provided herein, agrees to pay to the Lessor its *pro rata* share of the premiums for all such insurance, which *pro rata* share is identical to that provided in Section [NUMBER]. The insurance premiums shall be paid in accordance with Article [NUMBER], within [NUMBER] days of the Lessee's receipt of a copy of the Lessor's statement therefor.

* 1. **Lessee's Liability Insurance**

During the term, the Lessee shall, at its sole expense, maintain for the mutual benefit of the Lessor and the Lessee, comprehensive general liability and property damage insurance against claims for bodily injury, death or property damage occurring in or about the Premises or arising out of the use or occupancy of the Premises, with combined single limit coverage of not less than [CURRENCY AMOUNT]. The limits of such insurance shall not limit the liability of the Lessee. The Lessee shall furnish to the Lessor prior to the Commencement Date, and at least [NUMBER] days prior to the expiration date of any policy, certificates indicating that the liability insurance required by the Lessee above is in full force and effect; that the Lessor has been named as an additional insured; and that all such policies will not be cancelled unless [NUMBER] days' prior written notice of the proposed cancellation has been given to the Lessor. The insurance shall be with insurers approved by the Lessor and with policies in a form satisfactory to the Lessor, provided, however, that such approval shall not be unreasonably withheld. Said policies shall provide that the Lessor, although an additional insured, may recover for any loss suffered by the Lessor by reason of the Lessee's negligence and shall include a broad form liability endorsement.

* 1. **Waiver of Subrogation**

The Lessor hereby releases the Lessee, and the Lessee hereby releases the Lessor, and their respective officers, agents, employees and servants, from any and all claims or demands of damages, loss, expense, or injury to the Premises, or to the furnishings and fixtures and equipment, or inventory or other property of either the Lessor or the Lessee in, or about or upon the Premises, or claims for bodily injury or death which is caused by or results from perils, events or happenings which are the subject of insurance and carried by the respective parties and in force at the time of any such loss; provided, however, that such waiver shall be effective only to the extent permitted by the insurance covering such loss and to the extent such insurance is not prejudiced thereby. Each party shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damages covered by any policy.

* 1. **Indemnification**

Except in the case of the Lessor's own acts or omission, the Lessee will indemnify the Lessor and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Premises (other than those arising from the construction of the Premises or Building or the Tenant Improvements), or the occupancy or use by the Lessee of the Premises or any part hereof, or caused wholly or in part by acts or omissions of the Lessee, its agents, contractors, employees, servants, licensees, or concessionaires or by anyone permitted to be on the Premises by the Lessee. In case the Lessor shall be made a party to any such litigation commenced by or against the Lessee, then the Lessee shall protect and hold the Lessor harmless from all claims, liabilities, costs and expenses, and shall pay all costs, expenses and reasonable legal fees incurred by the Lessor in connection with such litigation.

* 1. **Plate Glass Replacement**

The Lessee shall replace at its sole expense, any and all plate glass and other glass in and about the Premises which is damaged or broken by vandalism. If any plate glass or other glass in and about the Premises is damaged or broken by causes other than vandalism, then the Lessor shall replace the same and the Lessee shall reimburse the Lessor an amount equal to the Lessor's cost of replacement, provided that such amount shall not exceed the deductible then in effect to the Lessor's insurance policy, if any, covering the damaged glass. Nothing herein shall be construed to require the Lessor to carry plate glass insurance.

1. **DAMAGE OR DESTRUCTION**
	1. **Right to Terminate on Destruction of Premises**

The Lessor and the Lessee shall have the right to terminate this Lease if, during the term, the Premises are damaged to an extent exceeding [%] per cent of the then reconstruction costs of the Premises as a whole. The Lessor and the Lessee shall also have the right to terminate this Lease if any portion of the Premises is damaged by a peril not required to be insured hereunder. In either case, the Lessor and the Lessee may elect to terminate as provided above by that written notice to the Lessee or the Lessor delivered within [NUMBER] days of the happening of such damage.

* 1. **Repairs by Lessor**

If the Lessor and the Lessee shall not elect to terminate this Lease pursuant to Section [NUMBER], the Lessor shall, immediately upon receipt of insurance proceeds paid in connection with such casualty, but in no event later than [NUMBER] days after such damage has occurred, proceed to repair or rebuild the Premises, on the same plan and design as existed immediately before such damage or destruction occurred and will proceed expeditiously to complete such restoration, subject to such delays as may be reasonably attributable to governmental restrictions or failure to obtain materials or labour, or other causes beyond the control of the Lessor. The Lessee shall be liable for the repair and replacement of all fixtures, leasehold improvements, furnishings, merchandise, equipment and personal property not covered by the property insurance described in Section [NUMBER].

* 1. **Reduction of Rent During Repairs**

In the event the Lessee is able to continue to conduct its business during the making of repairs, the rent then prevailing will be equitably reduced in the proportion that the square meterage of the unusable part of the Premises bears to the square meterage of the whole thereof for the period that repairs are being made. No rent shall be payable while the Premises are wholly unusable due to casualty damage.

* 1. **Arbitration**

Any controversy or claim arising out of or relating to this Article shall be settled by arbitration in accordance with the rules of the [COUNTRY] Arbitration Association as then in effect, and judgement  upon the award rendered by the arbitration may be entered in any court having jurisdiction. The expenses of arbitration shall be borne by the parties as allocated by the arbitrators. The party desiring arbitration shall serve notice upon the other party, together with the designation of the first party's arbitrator.

* 1. **Lessor's Overriding Right to Terminate**

Notwithstanding anything to the contrary herein, during the last [NUMBER] months of the Lease Term and during an Extended Term, if any, if the discounted present value of the rent due hereunder for the balance of the term, using as the discount rate the prime commercial lending rate in effect at the [SPECIFY BANK] as of the date the Lessor is to commence repairs pursuant to Section [NUMBER] hereof, is less than the cost of repairing the damage to the Premises, the Lessor may at its option terminate this lease upon [NUMBER] days' written notice.

1. **PROPERTY TAXES**
	1. **Payment of Taxes**

The Lessee shall pay the property tax, as defined in Section [NUMBER], applicable to the Premises during the term of this Lease. All such payments shall be made at least [NUMBER] days prior to the delinquency date of such payment. If any such taxes paid by the Lessee shall cover any period of time prior to or after the expiration of the term hereof, the Lessor shall pay such taxes, and the Lessee shall reimburse the Lessor, therefore. The Lessee's share of such taxes shall be equitably prorated to cover only the period of time within the tax fiscal year during which this Lease shall be in effect, and the Lessor shall reimburse the Lessee to the extent required. If the Lessee fails to pay any such taxes, the Lessor shall have the right to pay the same, in which case the Lessee shall repay such amount to the Lessor with the Lessee's next rent instalment together with interest at the prime commercial lending rate then in effect at the [SPECIFY BANK].

* 1. **Definition of "Property Tax"**

As used herein, the term "property tax" shall include any form of property tax or assessment, general, special, supplemental, ordinary or extraordinary, and any licence fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income, company, franchise or estate taxes) imposed on the Premises by any authority having the direct or indirect power to tax, including any improvement district thereof, as against any legal or equitable interest of the Lessor in the Premises or in the property of which the Premises are a part, as against the Lessor's right to rent or other income therefrom, and as against the Lessor's business of leasing the Premises.

* 1. **Joint Assessment**

If the Premises are not separately assessed, the Lessee's liability shall be an equitable proportion of the property taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by the Lessor in accordance with the Lessee's proportionate share of the total square meterage of the [LOCATION]. The Lessee shall reimburse the Lessor said proportionate amount at least [NUMBER] days prior to the delinquency date of the property tax.

* 1. **Personal Property Taxes**
		1. The Lessee shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of the Lessee contained in the Premises or elsewhere. When possible, the Lessee shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the property of the Lessor.
		2. If any of the Lessee's said personal property shall be assessed with the Lessor's property, the Lessee shall pay the Lessor the taxes attributable to the Lessee within [NUMBER] days after receipt of a written statement setting forth the taxes applicable to the Lessee's property.
		3. If the Lessee fails to pay any such taxes, the Lessor shall have the right to pay the same, in which case the Lessee shall repay such amount to the Lessor with the Lessee's next rent instalment together with interest at the prime commercial lending rate then charged by the [SPECIFY BANK].
1. **UTILITIES AND JANITORIAL**

The Lessee shall pay prior to delinquency throughout the term the cost of water, gas, heating, cooling, sewer, telephone, electricity, garbage, air conditioning and ventilation, janitorial service, and all other materials and utilities supplied to the Premises. If any such services are not separately metered to the Lessee, the Lessee shall pay a reasonable proportion of all charges which are jointly metered, the determination to be made by the Lessor in good faith, and payment to be made by the Lessee within [NUMBER] days of receipt of the statement for such charges.

1. **ASSIGNMENT AND SUBLETTING**
	1. **Lessor's Consent Required**

The Lessee shall not voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any part of the Lessee's interest in this lease or in the Premises, without the Lessor's prior written consent which the Lessor shall not unreasonably withhold. The Lessor shall respond to the Lessee's request for consent hereunder within [NUMBER] days after the Lessee's request and any attempted assignment, transfer, mortgage, encumbrance, or subletting without such consent shall be void and shall constitute a breach of this lease.

* 1. **Lessee Affiliate**

The Lessee may assign or sublet the premises, or any portion thereof, to any company which controls, is controlled by or is under common control with the Lessee, or to any company resulting from the merger or consolidation with the Lessee, or to any person or entity which acquires all, or substantially all of the assets of the Lessee as a going concern of the business that is being conducted on the Premises, provided that said assignee assumes, in full, the obligations of the Lessee under this Lease. Any such assignment shall not, in any way, affect or limit the liability of the Lessee under the terms of this Lease.

* 1. **No Release of Lessee**

Regardless of the Lessor's consent, no subletting or assignment shall release the Lessee of the Lessee's obligation or alter the primary liability of the Lessee to pay the rent and to perform all other obligations to be performed by the Lessee hereunder. The acceptance of rent by the Lessor from any other person shall not be deemed consent to any subsequent assignment or subletting. In the event of default by any assignee of the Lessee or any successor of the Lessee, in the performance of any of the terms hereof, the Lessor may proceed directly against the Lessee without the necessity of exhausting remedies against the said assignee.

* 1. **Attorneys' Fees**

In the event the Lessee shall assign or sublet the Premises or request the consent of the Lessor to any assignment of subletting or if the Lessee shall request the consent of the Lessor for any act the Lessee proposes to do then the Lessee shall pay the Lessor's reasonable attorneys' fees incurred in connection therewith.

* 1. **Excess Rent**

In the event the Lessor shall consent to a sublease or an assignment under the lease, the Lessee shall pay to the Lessor with its regularly scheduled rent payments [%] percent of all sums collected by the Lessee from a sublessee or assignee which are/in excess of the rent then owing pursuant to Article [NUMBER] and after subtracting all leasing commissions, reasonable attorneys' fees and other costs, reasonable expenses and liabilities incurred by the Lessee in connection with the sublet or assignment. The Lessor shall not share compensation received by the Lessee for its trade fixtures, goodwill, stock, or property other than the Lease.

* 1. **No Impairment of Security**

The Lessee's written request to the Lessor for consent to an assignment or subletting shall be accompanied by (a) the name and legal composition of the proposed sublessee; (b) the nature of the proposed sublessee's business to be carried on in the Premises; (c) the terms and provisions of the proposed sublease; and (d) such financial and other reasonable information as the Lessor may request concerning the proposed sublessee. The Lessor's consent shall not be deemed unreasonably withheld if consent is denied because the prospective sublessee or assignee will impair the Lessor's security.

1. **DEFAULTS; REMEDIES**
	1. **Defaults**

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by the Lessee:

* + 1. The abandonment of the Premises by the Lessee;
		2. The failure by the Lessee to make any payment of rent or any other payment required to be made by the Lessee hereunder, as and when due, where such failure shall continue for a period of [NUMBER] days after such payment is due. In the event that the Lessor serves the Lessee with a Notice to Pay Rent or Quit pursuant to applicable Unlawful Detainer statutes such Notice to Pay Rent or Quit shall constitute notice under this Section;
		3. The failure by the Lessee to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Lessee, other than described in paragraph (b) above, where such failure shall continue for a period of [NUMBER] days after written notice hereof from the Lessor to the Lessee; provided, however, that if the nature of the Lessee's default is such that more than [NUMBER] days are reasonably required for its cure, then the Lessee shall not be deemed to be in default if the Lessee commences such cure within said [NUMBER] day period and thereafter diligently prosecutes such cure to completion;
		4. (i) The making by the Lessee of any general arrangement or assignment for the benefit of creditors; (ii) the Lessee becomes a "debtor"; (iii) the taking or suffering of any action by the Lessee under any insolvency or bankruptcy act; (iv) the appointment of a trustee or receiver to take possession of substantially all of the Lessee's assets located at the Premises or of the Lessee's interest in this Lease, or (v) the attachment, execution or other judicial seizure of substantially all of the Lessee's assets located at the Premises or of the Lessee's interest in this Lease. Provided, however, in the event that any provisions of this Section are contrary to any applicable law, such provision shall be of no force or effect;
		5. The discovery by the Lessor that any financial statement given to the Lessor by the Lessee, any assignee of the Lessee, any successor in interest of the Lessee or any guarantor of the Lessee's obligation hereunder, and any of them, was materially false.
	1. **Remedies**

In the event of any such material default or breach by the Lessee, the Lessor may at any time thereafter, with or without notice or demand and without limiting the Lessor in the exercise of any right or remedy which the Lessor may have by reason of such default or breach:

* + 1. Terminate the Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate, and the Lessee shall immediately surrender possession of the Premises to the Lessor. In such event the Lessor shall be entitled to recover from the Lessee all damages incurred by the Lessor by reason of the Lessee's default including, but not limited to, the cost of recovering possession of the Premises and reasonable attorney's fees related thereto; the worth at the time of award determined by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that the Lessee proves could be reasonably avoided.
		2. Maintain the Lessee's right to possession in which case this Lease shall continue in effect whether or not the Lessee shall have abandoned the Premises. In such event, the Lessor shall be entitled to enforce all of the Lessor's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.
		3. Pursue any other remedy now or hereafter available to the Lessor under the laws or judicial decisions of the Province of [STATE/PROVINCE]. Unpaid instalments of rent and other unpaid monetary obligations of the Lessee under the terms of this Lease shall bear interest from the date due at the prime rate then charged by [SPECIFY BANK].
	1. **Default by Lessor**

The Lessor shall not be in default unless the Lessor fails to perform obligations required of the Lessor within a reasonable time, but in no event later than [NUMBER] days after written notice by the Lessee to the Lessor and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to the Lessee in writing, specifying wherein the Lessor has failed to perform such obligation; provided, however, that if the nature of the Lessor's obligation is such that more than [NUMBER] days are required for performance then the Lessor shall not be in default if the Lessor commences performance within such [NUMBER]-day period and thereafter diligently prosecutes the same to completion. In the event the Lessor does not commence performance within the [NUMBER] day period provided herein, or does not diligently prosecute the same to completion, the Lessee may perform such obligation and will be reimbursed for its expenses by the Lessor together with interest thereon at the prime commercial lending rate then charged by the [SPECIFY BANK], provided, however, that if the parties are in dispute as to what constitutes the Lessor's obligations under this agreement, any such dispute shall be resolved by arbitration in a manner identical to that provided in Section [NUMBER]. Nothing herein shall be deemed applicable in the event of the Lessor's delay in delivery of the Premises. In that situation, all rights and remedies shall be determined under Section [NUMBER] above.

* 1. **Late Charges**

The Lessee hereby acknowledges that late payment by the Lessee to the Lessor of rent and other sums due hereunder will cause the Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed on the Lessor by the terms of any mortgage or trust deed covering the Premises.

Accordingly, if any instalment of rent or any other sum due from the Lessee shall not be received by the Lessor or the Lessor's designated agent within [NUMBER] days after such amount is due and owing, the Lessee shall pay to the Lessor a late charge equal to [%] of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs the Lessor will incur by reason of late payment by the Lessee. Acceptance of any such late charge by the Lessor shall in no event constitute a waiver of the Lessee's default with respect to such overdue amount, nor prevent the Lessor from exercising any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for [NUMBER] consecutive instalments of rent, then rent shall automatically become due and payable quarterly in advance, rather than monthly, notwithstanding section [NUMBER] or any other provision of this Lease to the contrary.

* 1. **Impounds**

In the event that a late charge is payable hereunder, whether or not collected, for [NUMBER] instalments of rent or any other monetary obligation of the Lessee under the terms of this Lease within a [NUMBER] month period, the Lessee shall pay to the Lessor, if the Lessor shall so request, in addition to any other payments required under this Lease, a monthly advance instalment, payable at the same time as the monthly rent, as estimated by the Lessor, for property tax and insurance expenses on the Premises which are payable by the Lessee under the terms of this Lease. Such fund shall be established to ensure payment when due, before delinquency, of any or all such property taxes and insurance premiums. If the amounts paid to the Lessor by the Lessee under the provisions of this paragraph are insufficient to discharge the obligations of the Lessee to pay such property taxes and insurance premiums as the same become due, the Lessee shall pay to the Lessor, within [NUMBER] business days after the Lessor's demand, such additional sums necessary to pay such obligations. All monies paid to the Lessor under this paragraph may be intermingled with other monies of the Lessor and shall not bear interest. In the event of a default in the obligations of the Lessee to perform under this Lease, then any balance remaining from funds paid to the Lessor under the provisions of this paragraph may, at the option of the Lessor, be applied to the payment of any monetary default of the Lessee in lieu of being applied to the payment of property tax and insurance premiums.

1. **CONDEMNATION OF PREMISES**
	1. **Total Condemnation**

If the entire Premises, whether by exercise of governmental power or the sale or transfer by the Lessor to any condemnor under threat of condemnation or while proceedings for condemnation are pending, at any time during the term, shall be taken by condemnation such that there does not remain a portion suitable for occupation, this Lease shall then terminate as of the date transfer of possession is required. Upon such condemnation, all rent shall be paid up to the date transfer of possession is required, and the Lessee shall have no claim against the Lessor for the value of the unexpired term of this Lease.

* 1. **Partial Condemnation**

If any portion of the Premises is taken by condemnation during the term, whether by exercise of governmental power or the sale or transfer by the Lessor to a condemnor under threat of condemnation or while proceedings for condemnation are pending, this Lease shall remain in full force and effect except that in the event a partial taking leaves the Premises unfit for normal and proper conduct of the business of the Lessee, as reasonably determined by the Lessee, then the Lessee shall have the right to terminate this Lease effective upon the date transfer of possession is required. Moreover, the Lessor and the Lessee shall have the right to terminate this Lease effective on the date transfer of possession is required if more than [%] per cent of the total square meterage of the Premises is taken by condemnation. The Lessee and the Lessor may elect to exercise their respective rights to terminate this Lease pursuant to this Section by serving written notice to the other within [NUMBER] days of their receipt of notice of condemnation.

All rent shall be paid up to the date of termination, and the Lessee shall have no claim against the Lessor for the Lease value of any unexpired term of this Lease. If this Lease shall not be cancelled, the rent after such partial taking shall be that percentage of the adjusted base rent specified herein, equal to the percentage which the square meterage of the untaken part of the Premises, immediately after the taking, bears to the square meterage of the entire Premises immediately before the taking. Any sums owing hereunder which are calculated on the basis of the Lessee's *pro rata* share shall also be adjusted to reflect the decreased square meterage of the Premises due to the condemnation. During the last [NUMBER] months of the Lease Term and during the Extended Term, if any, if the Lessee's continued use of the Premises requires alterations and repair by reason of a partial taking, all such alterations and repair shall be made by the Lessee at the Lessee's expense.

* 1. **Award to Lessee**

In the event of any condemnation, whether total or partial, the Lessee shall have the right to claim and recover from the condemning authority such compensation as may be separately awarded or recoverable by the Lessee for loss of its business fixtures, or equipment belonging to the Lessee immediately prior to the condemnation or for the interruption of the Lessee's business, or its moving costs. The balance of any [NUMBER] condemnation award shall belong to the Lessor and the Lessee shall have no further right to recover from the Lessor or the condemning authority for any additional claims arising out of such taking.

1. **ENTRY BY LESSOR**

The Lessee shall permit the Lessor and its agent to enter the Premises at all reasonable times for any of the following purposes: to inspect the Premises; to maintain the building in which the Premises are located; to make such repairs, alterations; and additions to the Premises as the Lessor is obligated or may elect to make; to show the Premises and post "To Lease" signs for the purposes of reletting during the last [NUMBER] days of the term; to show the Premises as part of a prospective sale by the Lessor or to post notices of non-responsibility. The Lessor shall have such right of entry without any rebate of rent to the Lessee for any loss of occupancy or quiet enjoyment of the Premises thereby occasioned.

1. **ESTOPPEL CERTIFICATE**
	1. The Lessee shall at any time upon not less than [NUMBER] days prior written notice from the Lessor execute, acknowledge and deliver to the Lessor a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to the Lessee's knowledge, any uncured defaults on the part of the Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises.
	2. The Lessee's failure to deliver such statement within such time shall be conclusive upon the Lessee
		1. that this Lease is in full force and effect, without modification except as may be represented by the Lessor,
		2. that there are no uncured defaults in the Lessor's performance, and
		3. that not more than one month's rent has been paid in advance, or such failure may be considered by the Lessor as a default by the Lessee under this Lease.
2. **LESSOR'S LIABILITY**

The term "Lessor" as used herein shall mean only the owner or owners at the time in question of the fee title or a Lessee's interest in a ground lease of the Premises. In the event of any transfer of such title or interest, and provided such successor assumes all obligations of the Lessor hereunder, the Lessor herein named (and in case of any subsequent transfers then the grantor) shall be relieved from and after the date of such transfer of all liability as respects the Lessor's obligations thereafter to be performed, provided that any funds in the hands of the Lessor or the then grantor at the time of such transfer, in which the Lessee has an interest, shall be delivered to the grantee. The obligations contained in this Lease to be performed by the Lessor shall, subject as aforesaid, be binding on the Lessor's successors and assigns, only during their respective periods of ownership.

1. **EXPIRATION ON TERMINATION**
	1. **Surrender of Possession**

The Lessee agrees to deliver up and surrender to the Lessor possession of the Premises and all improvements thereon, in as good order and condition as when possession was taken by the Lessee, excepting only ordinary wear and tear or any permitted alterations. Upon termination of this Lease, the Lessor may re-enter the Premises and remove all persons and property therefrom. If the Lessee shall fail to remove any effects which it is entitled to remove from the Premises upon the termination of this Lease, for any cause whatsoever, the Lessor, at its option, may remove the same and store or dispose of them, and the Lessee agrees to pay to the Lessor on demand any and all reasonable expenses incurred in such removal and in making the Premises free from all dirt, litter, and debris, including all storage and insurance charges. If the Premises are not surrendered at the end of the Term, the Lessee shall indemnify the Lessor against loss or liability resulting from delay by the Lessee in so surrendering the Premises, including, without limitation, actual damages for lost rents.

* 1. **Holding Over**

If the Lessee, with or without the Lessor's consent, remains in possession of the Premises after expiration of the term and if the Lessor and the Lessee have not executed an express written agreement as to such holding over, then such occupancy shall be a tenancy from month to month, at a monthly rental equivalent to [%] of the monthly rental in effect immediately prior to such expiration if the remainder in possession is without the Lessor's consent, and at a monthly rental equivalent to [%] of the monthly rental in effect immediately prior to such expiration if the remainder in possession is with the Lessor's consent, such payments to be made as herein provided. In the event of such holding over all of the terms of this Lease including the payment of all charges owing hereunder other than rent shall remain in force and effect on said month to month basis.

1. **MISCELLANEOUS PROVISIONS**
	1. **Severability**

The invalidity of any provision of this Lease as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

* 1. **Interest on Past-due Obligations**

Except as expressly herein provided, any amount due to the Lessor not paid when due shall bear interest at the prime commercial lending rate then in effect at [SPECIFY BANK]. Payment of such interest shall not excuse or cure any default by the Lessee under this Lease.

* 1. **Time of Essence**

Time is of the essence in the performance of all obligations under this Lease.

* 1. **Additional Rent**

Any monetary obligations of the Lessee to the Lessor under the terms of this Lease shall be deemed to be rent.

* 1. **Incorporation of Prior Agreements; Amendments**

This Lease contains all agreements of the parties with respect to any matter mentioned herein. No prior agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification. Except as otherwise stated in this Lease, the Lessee hereby acknowledges that neither the Lessor nor any employees or agents of the Lessor has made any oral or written warranties or representations to the Lessee relative to the condition or use by the Lessee of said Premises and the Lessee acknowledges that the Lessee assumes all responsibility regarding the [YOUR COUNTRY] Occupational Safety Health Act, the legal use and adaptability of the Premises and the compliance thereof with all applicable laws and regulations in effect during the term of this Lease except as otherwise specifically stated in this Lease.

* 1. **Notices**

Any notice required or permitted to be given hereunder shall be in writing and may be given by personal delivery or by [SPECIFY], [SPECIFY] or certified mail, and if given personally or by mail, shall be deemed sufficiently given if addressed to the Lessee or to the Lessor at the address noted below the signature of the respective parties, as the case may be. Either party may by notice to the other, specify a different address for notice purposes. A copy of all notices required or permitted to be given to the Lessor hereunder shall be concurrently transmitted to such party or parties at such addresses as the Lessor may from time to time hereafter designate by notice to the Lessee. Notice shall be considered effective either [NUMBER] hours after mailing or upon actual receipt, whichever is earlier.

* 1. **Waivers**

No waiver by the Lessor of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by the Lessee of the same or any other provisions. The Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of the Lessor's consent to or approval of any subsequent act by the Lessee. The acceptance of rent hereunder by the Lessor shall not be a waiver of any preceding breach by the Lessee of any provision hereof, other than the failure of the Lessee to pay the particular rent so accepted, regardless of the Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

* 1. **Recording**

Either the Lessor or the Lessee shall, upon request of the other, execute, acknowledge and deliver to the other a "short form" memorandum of this Lease for recording purposes.

* 1. **Cumulative Remedies**

No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

* 1. **Covenants and Conditions**

Each provision of this Lease performable by the Lessee or the Lessor shall be deemed both a covenant and a condition.

* 1. **Binding Effect; Choice of Law; Venue**

Subject to any provisions hereof restricting assignment or subletting by the Lessee and subject to the provisions of [SPECIFY], this Lease shall bind the parties, their personal representatives, successors and assigns. This Lease shall be governed by the laws of Province of [SPECIFY STATE/PROVINCE]. The venue for any action or proceeding brought to enforce or defend this agreement, and for any other purpose hereunder, shall be [SPECIFY CITY] City.

* 1. **Subordination of Leasehold**

The Lessee agrees that this Lease is and shall be, at all times, subject and subordinate to the lien of any mortgage or other encumbrances which the Lessor may create against the Premises including all renewals, replacements and extensions thereof; provided, however, that regardless of any default under any such mortgage or encumbrance or any sale of the Premises under such mortgage, so long as the Lessee performs all covenants and conditions of this Lease and continues to make all payments hereunder, this Lease and the Lessee's possession and rights hereunder shall not be disturbed by the mortgagee or anyone claiming under or through such mortgagee.

* 1. **Attorneys' Fees**

If either party herein brings an action to enforce the terms hereof or declare rights hereunder, the prevailing party in any such action, on trial or appeal, shall be entitled to reasonable attorneys' fees to be paid by the losing party as fixed by the Court.

* 1. **Auctions**

The Lessee shall not conduct, nor permit to be conducted, either voluntarily or involuntarily, any auction upon the Premises without first having obtained the Lessor's prior written consent. Notwithstanding anything to the contrary in this Lease, the Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to grant such consent.

* 1. **Signs**

The Lessee shall not place any sign upon the Premises without the Lessor's prior written consent, which consent shall not be unreasonably withheld; provided, however, that the Lessee shall have the right to display its name on the building "tombstone" in accordance with applicable law.

* 1. **Voluntary Surrender or Merger**

The voluntary or other surrender of this Lease by the Lessee, or a mutual cancellation thereof, or a termination by the Lessor, shall not work a merger, and shall, at the option of the Lessor, terminate all or any existing sub-tenancies or may, at the option of the Lessor, operate as an assignment to the Lessor of any or all of such sub-tenancies.

* 1. **Guarantor**

In the event that there is a guarantor of this Lease, said guarantor shall have the same obligations as the Lessee under this Lease.

* 1. **Quiet Possession**

Upon the Lessee paying the rent for the Premises and observing and performing all of the covenants, conditions and provisions on the Lessee's part to be observed and performed hereunder, the Lessee shall have quiet possession of the Premises for the entire term hereof subject to all of the provisions of this Lease. The individuals executing this Lease on behalf of the Lessor represent and warrant to the Lessee that they are fully authorised and legally capable of executing this Lease on behalf of the Lessor and that such execution is binding upon all parties holding an ownership interest in the Premises.

* 1. **Rules and Regulations**

The Lessee agrees that it will abide by, keep and observe all reasonable rules and regulations which the Lessor may make from time to time for the management, safety, care and cleanliness of the building and grounds, the parking of vehicles and the preservation of good order therein as well as for the convenience of other occupants and tenants of the building. The continued violations of any such rules and regulations shall be deemed a material breach of this Lease. The Lessee, however, shall not be bound by any future rules or regulations, unless it shall approve same, which approval shall not be unreasonably withheld.

* 1. **Easements**

The Lessor reserves to itself the right, from time to time, to grant such easements, rights and dedications that the Lessor deems necessary or desirable, and to cause the recordation of Parcel Maps and restrictions, so long as such easements, rights, dedications, Maps and restrictions do not unreasonably interfere with the use of the Premises by the Lessee. The Lessee shall sign any of the aforementioned documents upon [NUMBER] days written notice of the Lessor and failure to do so shall constitute a material breach of this Lease.

* 1. **Company Authority**

Each individual executing this Lease on behalf of a company represents and warrants that he is duly authorised to execute and deliver this Lease on behalf of the company in accordance with a duly adopted resolution of the Board of Directors of the company and that this Lease is binding upon said company in accordance with its terms.

* 1. **Delays for Cause**

In any case where either party hereto is required to do any act, delays caused by or resulting from Acts of God, war, civil commotion, fire, flood or other casualty, labour difficulties, shortages of labour, materials or equipment, government regulations, unusually severe weather, or other causes beyond such party's reasonable control shall not be counted in determining the time during which work shall be completed, whether such time be designated by a fixed date, a fixed time or "a reasonable time", and such time shall be deemed to be extended by the period of such delay.

* 1. **Square Metrage**

The parties agree that the leased Premise is approximately [NUMBER] square metres, said square metre being measured from the face of the outside (concrete) walls and includes the covered docks and entryways.

* 1. **Brokers**

[COMPANY NAME] and [COMPANY NAME] represents both the Lessor and the Lessee in this Lease, and both Parties agree thereto. [BROKERS NAME] broker's commission shall be paid as agreed among itself and the Lessor.

THE LESSOR AND THE LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS LEASE, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF THE LESSOR AND THE LESSEE WITH RESPECT TO THE PREMISES.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease at the place on the dates specified immediately adjacent to their respective signatures.

LESSOR LESSEE

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title