

September 25, 2012

STADIUM LEASE

CITY OF OTTAWA

- and -

**LANSDOWNE STADIUM LIMITED PARTNERSHIP, a limited partnership established
under the laws of the Province of Manitoba having as its General Partner, Lansdowne
Stadium GP Inc.**

October [●], 2012

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STADIUM LEASE

THIS LEASE made as of the ● day of October, 2012.

BETWEEN:

CITY OF OTTAWA
(the “**Landlord**”)

- and -

LANSDOWNE STADIUM LIMITED PARTNERSHIP, a limited partnership established under the laws of the Province of Manitoba having as its General Partner, Lansdowne Stadium GP Inc.
(the “**Tenant**”)

ARTICLE I **INTERPRETATION**

1.1 Definitions

In this Lease, unless otherwise stated, the following terms shall have the following respective meanings:

“**Adjusted for Inflation**” means, for any amount at any time, that amount multiplied by the Inflation Index for the month in which the event for which such amount is to be “Adjusted for Inflation” under this Lease occurs, divided by the Inflation Index for the month in which this Lease is executed and delivered by the Parties hereto, as indicated on the first page hereof;

“**Anniversary**” means an anniversary of the Lease Commencement Date;

“**Annual Stadium Contribution**” has the meaning given to it in Section 6.6(d);

“**Approved**” means approved in writing by the relevant Party in accordance with Section 24.13(a) unless expressly provided in an alternative manner in this Lease and “**Approval**” and “**Approve**” have a corresponding meaning;

“**Architect**” means the architectural firm or firms proposed by the Tenant and Approved by the Landlord for a Renovation (other than a Minor Renovation), a Redevelopment or Restoration Work;

“**Arm’s Length**” has the meaning given to it in the *Income Tax Act* (Canada);

“**As Built R-Plan**” means a strata reference plan reflecting the boundaries of the “as built” Stadium Improvements;

“**Authority**” means any Canadian government, including any federal, provincial or municipal government (including the City), and any Canadian government agency, tribunal, commission or other authority exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government;

“**Base Rent**” shall be determined pursuant to Section 3.1 or Section 2.2, as may be applicable;

“**Berm Lands**” has the meaning given to it in Section 11.3(a);

“**Bilingualism By-Law and Policy**” means the City’s By-law 2001-170 and *Bilingualism Policy* (2001);

“**Building Codes**” means all codes and Law applicable to the design, construction, building requirements, standards and operation as a public stadium and venue of the Stadium, including the *Building Code Act* (Ontario);

“**Building Damage**” means any damage to the Stadium by any cause;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday in Ontario;

“**Business Entity**” means a partnership, limited partnership, co-owners arrangement or other business entity other than a corporation with share capital;

“**CFL**” means the Canadian Football League and its successors;

“**CFL Partnership**” means Capital Gridiron Limited Partnership, a limited partnership formed under the Law of the Province of Manitoba, having as its general partner Capital Gridiron GP Inc.;

“**CFL Team**” means the CFL football team for which membership in the CFL is granted by the CFL to the CFL Partnership;

“**Change of Control**” means:

- (a) in the case of a corporation:
 - (i) the Disposition of Securities of the corporation or of a holding body corporate (as that term is used in the *Business Corporations Act* (Ontario)) of the corporation; or
 - (ii) the entering into of an agreement or arrangement,

in each case which results in a change in the Person or Related Persons who Control the corporation in fact or in Law; or

- (iii) the amalgamation or merger of the corporation or of a holding body corporate (as that term is used in the *Business Corporations Act* (Ontario)) of the corporation with any other corporate entity if the Person or Related Persons who Control the amalgamated or merged corporation in fact or in Law are different from the Person or Related Persons who Control the corporation in fact or in Law prior to the amalgamation or merger;

(b) in the case of a Business Entity that is not a limited partnership:

(i) the Disposition of Securities of the Business Entity; or

(ii) the entering into of an agreement or arrangement,

in each case which results in a change in the Person or Related Persons who Control the Business Entity in fact or in Law; or

(iii) a Change of Control (as defined in subparagraph (a), above) of any corporation comprising the Business Entity, if such corporation Controls the Business Entity; or

(c) in the case of a Business Entity that is a limited partnership, the Change of Control (as defined in subparagraph (a), above) of a general partner of the limited partnership or the occurrence of a circumstance set out in any of subparagraphs (b)(i), (ii) or (iii) above,

provided that no Change of Control shall be deemed to have occurred under subparagraph (a), (b) or (c), above, if the Person or Related Persons who Control after any such event are Permitted Transferees of the Person or Related Persons who Control prior to any such event and the provisions of this Lease respecting transfers to Permitted Transferees have been complied with. For greater certainty, a Change of Control may arise from a single transaction, a series of related transactions or more than one transaction in which the transactions are unrelated and/or occur at different times;

“**City**” means the City of Ottawa in its capacity as a municipal corporation pursuant to Section 24.9;

“**City’s Portion of the Parking Structure**” means the six hundred and forty (640) parking spaces to be contained within the Parking Structure for use by the Stadium and contained within the portion of the demise of this Lease within the Parking Structure, together with an Easement

with respect to common areas within the Parking Structure such as common ramps, driveways and doors for ingress to and egress from the Parking Structure;

“**Civic Centre**” means the arena currently known as the Civic Centre in the City of Ottawa;

“**Commencement of Construction**” means the date on which a general contractor commences, in a bona fide manner, construction pursuant to the Comprehensive Construction Contract (as that term is defined in the Project Agreement), or if there is no Comprehensive Construction Contract, pursuant to the construction contract for the Stadium Improvements or the Parking Structure; for greater certainty, to the extent that the City conducts remediation with respect to environmental matters, such remediation shall not be relevant to the determination of “Commencement of Construction”;

“**Components**” means all components of the Site, being the Stadium Component, the Retail Component, the Residential Component and the Office Component and “**Component**” means one of them;

“**Confidential Information**” means all information relating to a Party which is supplied by or on behalf of that Party (whether before or after the date of this Lease), either in writing, orally or in any other form, directly or indirectly from or pursuant to discussions with or on behalf of that Party or which is obtained through observations made by the receiving Party, and includes all analyses, compilations, studies and other documents, whether prepared by or on behalf of the receiving Party, which contain or otherwise reflect or are derived from such information;

“**Control**” means:

- (a) in the case of a corporation:
 - (i) control as determined in accordance with subsection 1(5) of the *Business Corporations Act* (Ontario);

- (ii) the beneficial ownership of Securities having more than fifty percent (50%) of all of the votes attached to all issued and outstanding Securities of the corporation; or
 - (iii) having a vote or other right required for making material decisions or approving material decisions on behalf of a corporation pursuant to a unanimous shareholder agreement (as that term is defined in the *Business Corporations Act* (Ontario)) or otherwise, but excluding a vote or other right required for making decisions or approving decisions on behalf of a corporation: (1) that is granted to all shareholders under applicable Law; or (2) that is granted to all shareholders, other than a defaulting shareholder, pursuant to a unanimous shareholder agreement or other agreement;
- (b) in the case of a Business Entity that is not a limited partnership:
 - (i) the right to appoint a majority of the members of the management committee (however designated) of the Business Entity or, if the Business Entity has no such management committee, the ownership or control of more than fifty percent (50%) of the Securities of the Business Entity; or
 - (ii) having a vote or other right required for making material decisions or approving material decisions on behalf of the Business Entity pursuant to a written agreement among the members of the Business Entity, but excluding a vote or other right required for making decisions or approving decisions on behalf of a Business Entity: (1) that is granted under applicable Law; or (2) that is granted to all members of the Business Entity, other than a defaulting member, pursuant to an agreement among the members of the Business Entity; or

- (c) in the case of a Business Entity that is a limited partnership, Control (as defined in subparagraph (a), above) of a general partner of the limited partnership or having the attributes set out in subparagraph (b) above,

and “**Controlled**” has a corresponding meaning;

“**Cooperative Integration**” has the meaning given to it in Section 2.4;

“**Council**” means the Council of the City;

“**CPU**” has the meaning given to it in Section 11.3(a).

“**Cure Period**” has the meaning given to it in Section 15.4;

“**Default Interest Rate**” means, on any day, the greater of ten percent (10%) per annum or five percent (5%) over the annual rate of interest then announced by the Royal Bank of Canada (or its successor), or any other Canadian chartered bank agreed by the Parties from time to time, as its reference rate then in effect for determining interest rates on Canadian dollar commercial loans made by it in Canada;

“**Default Notice**” means a Notice from the Landlord to the Tenant that an Event of Default has occurred and providing details thereof;

“**Design and Plan Requirements**” means (i) the Design Guiding Principles, (ii) the Site Plan, and (iii) the design solutions in respect of the Urban Park resulting from a design competition undertaken by the City, the National Capital Commission and Parks Canada in conformity with the Design Guiding Principles (to the extent that those design solutions relate to the Stadium Component);

“**Design Guiding Principles**” means the design guiding principles for the Site as are agreed by the City and OSEG, currently being the design guiding principles established by the Design Review and Advisory Panel established by Motion 77/5 approved by Council at its meeting on

November 16, 2009, as contained in a document headed “Guiding Principles for the Lansdowne Transformation” dated January 2010;

“**Discretion**” means, with respect to any consent, approval or decision required to be made by a Party, that such approval, consent or decision may be made in the sole and absolute discretion of the relevant Party;

“**Disposition**” means:

- (a) the issuance of any Securities of a corporation or other Business Entity or the sale, transfer, assignment, transmission on death or other disposition of any Securities of a corporation or other Business Entity; or
- (b) the sale, transfer, assignment or other disposition of all or any portion of an interest in this Lease or all or a material portion of any of the other assets of a corporation or other Business Entity, other than as security pursuant to an Encumbrance permitted by this Lease;

as the context requires, or the grant of an option or the entering into of an agreement to effect any of the foregoing;

“**Dispute**” means any disagreement, failure to agree or other dispute between the Landlord and the Tenant arising out of or in connection with this Lease, including in respect of the interpretation, breach, performance, validity or termination hereof, whether in the law of contract or any other area of law, other than an Excluded Dispute;

“**Dispute Resolution Procedure**” means the procedure set out in Schedule A (Dispute Resolution Procedure);

“**Easements**” means those easements to be granted and received by (i) the Landlord and/or the Tenant, (ii) the owner, tenant and/or subtenant of one or more other Components, and/or (iii) the City, as the owner of the Urban Park, in order to implement and achieve Cooperative Integration;

“**Emergency**” means any condition that exists which, in the Discretion of the Landlord, adversely affects or has the potential to adversely affect compliance with Safety Requirements;

“**Encumber**” means to mortgage, charge, pledge, hypothecate, create or grant a security interest in or otherwise encumber:

(a) Securities of a corporation or other Business Entity or to grant a power of attorney, proxy or otherwise grant a right to vote any of the Securities of a corporation or other Business Entity; or

(b) all or any portion of any of the assets of a corporation or other Business Entity,

or to enter into an agreement granting a present or future right or entitlement to any of the foregoing and “**Encumbered**” and “**Encumbrance**” have a corresponding meaning;

“**Event**” means an event or performance at the Stadium, including a sporting event;

“**Event of Default**” has the meaning given to it in Section 15.1;

“**Event Schedule**” means a schedule of proposed Events;

“**Events Standard**” has the meaning given to it in Section 9.3(b);

“**Excluded Dispute**” means:

(a) any Dispute concerning the payment of Rent, except as otherwise specifically provided in this Lease; and

(b) any Dispute concerning the matters set out in Article XV,

which matters shall be determined by action or application of any Party to the Superior Court of Justice of Ontario;

“Excluded Insurance Coverage” has the meaning given to it Section 12.10;

“Existing Improvements” has the meaning given to it in Section 11.2(a);

“Expropriate” means to expropriate or take under the power of eminent domain pursuant to applicable Law and **“Expropriates”**, **“Expropriated”** and **“Expropriation”** have corresponding meanings;

“Expropriating Authority” means any Authority having legal authority to Expropriate;

“Fair Market Value Rent” means the annual fair market net rental rate for the Stadium Component, being the most probable annual rent estimated in terms of money that a willing landlord reasonably would be capable of obtaining by leasing the Stadium Component for the term for which the determination is being made, to a willing tenant, if exposed for rental in the open market, allowing for a reasonable period of time to find a tenant, neither landlord nor tenant acting under compulsion, both having knowledge of the highest and best use of the Stadium within the scope of uses permitted by this Lease and taking into account all other terms, benefits and obligations of this Lease, and both exercising intelligent judgement, in circumstances where no inducements, rent free periods, special improvements for the benefit of the tenant or other inducements are provided by the landlord, and which, for clarity, shall take into account the Stadium Component as improved by the Stadium Improvements;

“Final Parking Structure Repair Obligations” has the meaning given to it in Section 6.10(a)(ii)(A);

“Final Plans and Specifications” means the detailed plans and specifications commonly referred to as the construction drawings with respect to the construction of the Stadium Improvements;

“Final Stadium Repair Obligations” has the meaning given to it in Section 6.10(a)(i);

“Final Stadium Reserve Contribution” has the meaning given to it in Section 6.10(a)(i)(D);

“Force Majeure” means:

- (a) war, civil war, armed conflict, terrorism, epidemic or quarantine;
- (b) nuclear, chemical (including Hazardous Substance) or biological contamination unless the source or cause of the contamination is the result of actions of the Party delayed in the performance of an obligation under this Lease;
- (c) earthquake, tidal wave or flood;
- (d) pressure waves caused by devices travelling at supersonic speeds;
- (e) fire, explosion, lightning, storm, tempest or bursting or overflowing of water tanks, apparatus or pipes;
- (f) any failure or shortage of power, fuel or transport, provided such failure or shortage has not occurred as a direct consequence of a failure of any part of the services performed or goods supplied by the Party delayed in the performance of an obligation under this Lease, its employees, agents or independent contractors (including subcontractors of general contractors);
- (g) any blockade or embargo;
- (h) any official or unofficial strike, lockout, work-to-rule or other dispute generally affecting the construction industry or the delivery of transit services (or a significant sector of either) whether or not specific to the Party delayed in the performance of an obligation under this Lease;
- (i) the shortage of materials or inability to procure materials, where (i) in circumstances related to the initial construction of the Stadium Improvements or the Parking Structure, alternative materials cannot be obtained (the non-delayed Party agreeing to act reasonably in approving any alternative materials when its

approval is required), or (ii) in all other circumstances, alternative materials cannot be obtained on commercially reasonable terms;

- (j) the inability to obtain a Permit solely due to delays of the Permit issuer; or
- (k) any other matter beyond the reasonable control of the Party delayed in the performance of an obligation under this Lease, provided that:
 - (i) such Party has exercised commercially reasonable efforts and has diligently attempted to avoid, anticipate and to mitigate the cause(s) of delay, including, where possible, establishing a contingency plan on commercially reasonable terms which will permit such Party's normal operations to be resumed within a reasonable time thereafter; and
 - (ii) it does not arise by reason of:
 - (A) the negligence or wilful misconduct of such Party or those for whom it is responsible at Law;
 - (B) any act or omission by such Party (or those for whom it is responsible at Law) in breach of the provisions of this Lease that is not itself caused by Force Majeure; or
 - (C) a lack of funds;

“Frank Clair Stadium” means the stadium currently known as Frank Clair Stadium in the City of Ottawa;

“GAAP” means Canadian generally accepted accounting principles for private enterprises in effect from time to time, or any successor standard thereto adopted by the Canadian Institute of Chartered Accountants, consistently applied;

“**Hazardous Substance**” means any contaminant, chemical, toxic substance, deleterious substance, special waste, dangerous good, pollutant, waste, reportable substance and any other substance the storage, manufacture, handling, disposal, treatment, generation, use, transport or remediation of which, or the release into or presence in the environment of which, is now or hereafter prohibited, controlled or regulated under applicable Law;

“**Inflation Index**” means the Consumer Price Index, for All-items in Ontario, as published by Statistics Canada or, if such Consumer Price Index in its present form becomes unavailable, such similar index as may be agreed by the Parties, acting reasonably, and if such agreement cannot be reached, as determined through the Dispute Resolution Procedure;

“**Initial Lifecycle Plan**” means the lifecycle plan for the Stadium and for the Parking Structure prepared by Morrison Hershfield dated July 26, 2012 and its letter dated September 14, 2012;

“**Initial Term**” means the initial term of this Lease, being the period commencing on the Lease Commencement Date and ending on December 31, 2044;

“**Insurance Trustee**” has the meaning given to it in Section 12.9;

“**Landlord**” means the City of Ottawa in its capacity as landlord under this Lease and its successors and permitted assigns pursuant to this Lease;

“**Landlord Indemnified Parties**” means the Landlord, its successors and assigns, its Mayor, Councillors, elected or appointed officials, officers, directors, employees, independent contractors, agents or advisors;

“**Landlord’s Insurance**” has the meaning given to it in Section 12.11;

“**Landlord’s Security Interest**” means a security interest granted by the Tenant in favour of the Landlord in the Stadium Trust Account and all interest earned thereon, with respect to which the Landlord may register a financing statement under the *Personal Property Security Act* (Ontario) or other notice of its security interest in the Stadium Trust Account;

“**Law**” means all present and future laws, statutes, regulations, treaties, decrees having the force of law, binding judgments of relevant courts of law and all present and future official directives, rules, consents, approvals, authorizations, guidelines, orders and policies of any Authority having the force of law;

“**Lease**” means this lease agreement between the Landlord and the Tenant respecting the Stadium Component;

“**Lease Commencement Date**” means the first Business Day following the date upon which the Stadium Improvements are Substantially Completed;

“**Lease Year**” means, with respect to the first Lease Year, the period commencing on the Lease Commencement Date and ending on the day immediately preceding the first Anniversary thereof, and means, with respect to each subsequent Lease Year, the period commencing on the day next following the last day of the immediately preceding Lease Year and ending on the day immediately prior to next Anniversary of the Lease Commencement Date, except that the last Lease Year of the Term shall end on the day on which the Term ends;

“**Lifecycle Plan Principles**” means the principles utilized to establish the Initial Lifecycle Plan;

“**Market Terms and Conditions**” has the meaning given to it in Section 24.3;

“**Minor Renovations**” means Renovations which:

- (a) do not exceed an aggregate of two hundred and fifty thousand dollars (\$250,000.00) per calendar year, as Adjusted for Inflation;
- (b) do not result in changes to the Stadium, as constructed in accordance with the Final Plans and Specifications, except in a non-material manner; and
- (c) with respect to any repairs, are not required for a lifecycle replacement;

“**Name**” has the meaning given to it in Section 9.2(a);

“**Naming Agreement**” means the agreement with the Person that is the sponsor providing the Name;

“**New OHT Easement**” has the meaning given to it in Section 13.9(a);

“**New OHT Easement Lands**” means the lands legally described and illustrated in the sketch attached hereto as Schedule D, against which lands the New OHT Easement shall be registered;

“**Non-Arm’s Length Agreement**” has the meaning given to it in Section 24.3;

“**Notice**” means any notice, approval, election, demand, direction, consent, designation, request, agreement, instrument, certificate, report or other communication required or permitted to be given or made under this Lease;

“**Office Component**” means a three-dimensional envelope consisting of that portion of the Total Lands described as Parts ● on the plan attached as Schedule B, together with the improvements constructed on such lands from time to time, including associated parking;

“**OHL**” means the Ontario Hockey League and its successors;

“**OHT Easement**” has the meaning given to it in Section 13.9(a);

“**Option Notice**” has the meaning given to it in Section 2.2(a);

“**OSEG**” means Ottawa Sports and Entertainment Group, a general partnership formed under the Law of the Province of Ontario;

“**Ottawa 67’s**” means the OHL hockey team for which membership in the OHL is granted or transferred by the OHL to the Ottawa 67’s Partnership;

“Ottawa 67’s Partnership” means Ottawa 67’s Limited Partnership, a limited partnership formed under the Law of the Province of Manitoba, having as its general partner Ottawa 67’s GP Inc.;

“Overholding Rent” has the meaning given to it in Section 18.1;

“Parking Operator” means a competent operator engaged by OSEG from time to time, as Approved by the City, responsible for the Parking Structure and surface parking pursuant to this Lease, the Retail Lease and the lease for the Office Component;

“Parking Reciprocal Agreement” means the reciprocal agreement to be entered into amongst OSEG, the City, the Tenant, the tenant of the Retail Component, the developer of the Residential Component and the developer of the Office Component respecting the sharing of costs for the operation, maintenance and repair of the Parking Structure and other matters of mutual concern and interest involving the Parking Structure, including the sharing of the pool of the parking spaces within the Parking Structure, the use of the Parking Structure (excluding any parking spaces allocated to the Residential Component) to the maximum on days that Events are being held in the Stadium and the use of the Parking Structure by the public and the invitees of each of the relevant Components;

“Parking Structure” means the parking structure constructed on or within that portion of the Total Lands described as Parts ● on the plan attached as Schedule B, containing the City’s Portion of the Parking Structure and parking facilities for each of the other Components;

“Parking Structure Entrance Lands” has the meaning given to it in Section 11.3(a);

“Parking Structure Lifecycle Plan” means the Initial Lifecycle Plan as it relates to the Parking Structure or a Subsequent Parking Structure Lifecycle Plan, as the case may be, as is then current;

“Parking Structure Reserve” has the meaning given to it in Section 6.8(a);

“Parking Structure Trust Account” has the meaning given to it in Section 6.8(b);

“Parties” means the Tenant and the Landlord and **“Party”** means either of the Tenant or the Landlord;

“Permits” means all permissions, consents, approvals, certificates, permits, licenses, statutory agreements and authorizations required from any Authority or otherwise required by Law to carry out work in respect of the Stadium in accordance with this Lease;

“Permitted Transferee” means:

- (a) for Lansgreen Investments Inc., any one or more of (i) a lineal descendant (whether by blood or adoption) of Irving Greenberg or Gilbert Greenberg; (ii) the spouse of a lineal descendant (whether by blood or adoption) of Irving Greenberg or Gilbert Greenberg; (iii) a trust for one or more of the Persons described in subparagraphs (i), (ii) and (iv), but only such Persons; and (iv) a corporation or Business Entity directly or indirectly Controlled by one or more of the foregoing (where indirect Control means that a corporation or Business Entity is Controlled by one or more other corporations or Business Entities, each of which is itself Controlled (whether directly or indirectly through one or more other such corporations or Business Entities) by one or more of the foregoing);
- (b) for Shenkman Lansdowne Ltd., any one or more of (i) a lineal descendant (whether by blood or adoption) of Harold Shenkman; (ii) the spouse of a lineal descendant (whether by blood or adoption) of Harold Shenkman; (iii) a trust for one or more of the Persons described in subparagraphs (i), (ii) and (iv), but only such Persons; and (iv) a corporation or Business Entity directly or indirectly Controlled by one or more of the foregoing (where indirect Control means that a corporation or Business Entity is Controlled by one or more other corporations or Business Entities, each of which is itself Controlled (whether directly or indirectly through one or more other such corporations or Business Entities) by one or more of the foregoing);

- (c) for Trinity Lansdowne Ltd., any one or more of (i) John Ruddy, (ii) the spouse of John Ruddy, (iii) a lineal descendant (whether by blood or adoption) of John Ruddy; (iv) the spouse of a lineal descendant (whether by blood or adoption) of John Ruddy; (v) a trust for one or more of the Persons described in subparagraphs (i), (ii), (iii), (iv) and (vi), but only such Persons; and (vi) a corporation or Business Entity directly or indirectly Controlled by one or more of the foregoing (where indirect Control means that a corporation or Business Entity is Controlled by one or more other corporations or Business Entities, each of which is itself Controlled (whether directly or indirectly through one or more other such corporations or Business Entities) by one or more of the foregoing);

- (d) for Keljay Ltd., any one or more of (i) Jeff Hunt, (ii) the spouse of Jeff Hunt, (iii) a lineal descendant (whether by blood or adoption) of Jeff Hunt; (iv) the spouse of a lineal descendant (whether by blood or adoption) of Jeff Hunt; (v) a trust for one or more of the Persons described in subparagraphs (i), (ii), (iii), (iv) and (vi), but only such Persons; and (vi) a corporation or Business Entity directly or indirectly Controlled by one or more of the foregoing (where indirect Control means that a corporation or Business Entity is Controlled by one or more other corporations or Business Entities, each of which is itself Controlled (whether directly or indirectly through one or more other such corporations or Business Entities) by one or more of the foregoing); and

- (e) for Friarmere Holdings Inc., any one or more of (i) John Pugh, (ii) the spouse of John Pugh, (iii) a lineal descendant (whether by blood or adoption) of John Pugh; (iv) the spouse of a lineal descendant (whether by blood or adoption) of John Pugh; (v) a trust for one or more of the Persons described in subparagraphs (i), (ii), (iii), (iv) and (vi), but only such Persons; and (vi) a corporation or Business Entity directly or indirectly Controlled by one or more of the foregoing (where indirect Control means that a corporation or Business Entity is Controlled by one or more other corporations or Business Entities, each of which is itself Controlled

(whether directly or indirectly through one or more other such corporations or Business Entities) by one or more of the foregoing);

“**Person**” means an individual, legal personal representative, corporation, body corporate, firm, partnership, trust, trustee, syndicate, joint venture, unincorporated organization, other Business Entity or relevant Authority;

“**Prohibited Use**” means:

- (a) any use or conduct, activity, Signage, video or audio broadcast, advertisement or matter or act of any nature or kind which in the opinion of the Landlord, acting reasonably, is, or would have the probable effect of being, contrary to applicable Law or the moral, ethical or reputational standard appropriate to a public venue in the City of Ottawa;
- (b) any activity which breaches the provisions of Sections 9.3(d) or 9.7;
- (c) any gambling (excluding the sale of lottery tickets, including 50/50 tickets, as an ancillary use in a variety store or at Events or other similar use);
- (d) any type of business or business practice which would, in the opinion of the Landlord, acting reasonably, (i) tend to lower the character or image of the Stadium or any portion thereof or the Total Lands or a portion thereof (such as the Urban Park) or reflect adversely on the Landlord, or (ii) constitute unethical, deceptive or fraudulent advertising or selling procedures or practices; and
- (e) any Trade and Consumer Show that would be in competition with Trade and Consumer Shows that are typically carried out at the Exposition Hall Facility referred to in Section 15.1(k) of the Project Agreement, except as may be agreed by the operator of the Exposition Hall Facility;

“Project Agreement” means the project agreement entered into by the City, OSEG, Lansgreen Investments Inc., Shenkman Lansdowne Ltd., Trinity Lansdowne Ltd., Keljay Ltd. and Friarmere Holdings Inc. dated on or about October [●], 2012 respecting the redevelopment of the Site and the Urban Park;

“Project Documents” has the meaning given to it in Section 15.5(c);

“Receiver” means a receiver or receiver/manager appointed by the Landlord by instrument in writing;

“Reciprocal Agreement” means an agreement among (i) the Landlord and/or the Tenant, (ii) the owner, tenant and/or subtenant of one or more other Components, and/or (iii) the City, as the owner of the Urban Park, dealing with matters required to implement and achieve Cooperative Integration, including:

- (a) Easements;
- (b) the use of, and the equitable sharing of certain costs related to, facilities or elements (including structural elements) to be shared between two (2) or more Components or one (1) or more Components and the Urban Park;
- (c) other matters of mutual interest and concern respecting the interrelationship of two or more Components or the interrelationship of one or more Components and the Urban Park; and
- (d) a dispute resolution procedure among the parties thereto,

and includes the Parking Reciprocal Agreement;

“**Reconveyances**” has the meaning given to it in Section 2.3(c);

“**Redevelop**” means, with respect to the Stadium Component:

- (a) a material change to the exterior cladding or to the massing of the Stadium;
- (b) a change to the interior of the Stadium which materially alters the roof, exterior walls, stairwells, structural subfloors, columns or other load bearing elements of the Stadium structure, as constructed in accordance with the Final Plans and Specifications;
- (c)
 - (i) subject to subparagraph (ii), any increase or decrease by more than five percent (5%) in the number of seats or “boxes” in Frank Clair Stadium or the Civic Centre from the number indicated in the Final Plans and Specifications;
 - (ii) notwithstanding subparagraph (i), temporary seating for Events not exceeding forty-five (45) days, including by way of a example, the Grey Cup game, shall not be deemed to be included within the definition of “**Redevelop**”;
- (d) any matter included within the matters listed in Section 41 of the *Planning Act* (Ontario); and
- (e) any matter which conflicts with, or may conflict with, the Design and Plan Requirements,

and “**Redevelopment**” has a corresponding meaning;

“**Related Persons**” means two (2) or more Persons, each of whom is a Permitted Transferee under one (but only one) of subparagraphs (a), (b), (c), (d) or (e) of the definition of Permitted Transferee;

“**Renovation**” means any construction, renovation, addition, improvement, installation, alteration, change, reconstruction or other similar work performed with respect to the Stadium which is not a Redevelopment or a Required Repair;

“**Rent**” means:

- (a) Base Rent; plus
- (b) any and all other sums, costs or other amounts from time to time due and payable by the Tenant to the Landlord under the provisions of this Lease, except as expressly excluded from Rent herein;

“**Repair Default**” has the meaning given to it in Section 6.6(e);

“**Required Contracts**” has the meaning given to it in Section 7.10(a);

“**Required Repairs**” has the meaning given to it in Section 6.6(b);

“**Reserves**” means the Stadium Reserve and the Parking Structure Reserve, and “**Reserve**” means either of them as the context requires;

“**Residential Component**” means a three-dimensional envelope consisting of that portion of the Total Lands described as Parts ● on the plan attached as Schedule B, together with the improvements constructed on such lands from time to time, including associated parking;

“**Restoration Work**” has the meaning given to it in Section 14.2;

“**Retail Component**” means a three-dimensional envelope consisting of that portion of the Total Lands described as Parts ● on the plan attached as Schedule B, together with the improvements constructed on such lands from time to time, including the Stadium Retail Component, and associated parking;

“**Retail Lease**” means the lease agreement dated October [●], 2012 between the City of Ottawa and Lansdowne Retail Limited Partnership respecting the Retail Component;

“**Safety Requirements**” means requirements of applicable Law relating to safety of persons or property;

“**Sales Taxes**” means all taxes in the nature of sales taxes, harmonized sales taxes, goods and services taxes, multi-stage taxes, business transfer taxes, value-added taxes and any other taxes, rates, duties, levies, fees, charges and assessments whatsoever whether now or hereafter in existence which are imposed, assessed, levied, rated or charged by any Authority whatsoever on the Tenant or the Landlord, in respect of any Rent payable by the Tenant under this Lease or in respect of the rental or use of any premises or space by the Tenant under this Lease (including parking spaces) or the provision of any goods, services or utilities whatsoever by the Landlord to the Tenant under this Lease, whether characterized as sales tax, harmonized sales tax, goods and services tax, multi-stage tax, business transfer tax, value-added tax or otherwise, but excluding any income tax under Part 1 of the *Income Tax Act* (Canada) as at the date of this Lease;

“**Securities**” means any document constituting evidence of title to or interest in (other than by way of security only) the capital, assets, property, profits, earnings, royalties or voting rights of any corporation or Business Entity or any document including within its entitlements, provisions constituting evidence of a conversion privilege into, an option or right to acquire or subscription for any of the foregoing and includes a share, stock, unit, unit certificate, participation certificate, certificate of share or interest, certificate or other entitlement to a convertible debenture, preorganization certificate or subscription;

“**Setting Lands**”, the “**Views**” and the “**Framing Lands**” means the lands as indicated in the legend in the sketch attached hereto as Schedule D;

“**Signage**” means all types of permanent or temporary advertising and signage on or about the Stadium Component, including within and upon Frank Clair Stadium and within and upon the Civic Centre;

“**Signage Policy**” has the meaning given to it in Section 9.5(b);

“**Significant Damage**” means Building Damage that renders the Stadium unfit for use or occupancy for the purposes permitted hereunder for a period of at least two hundred and eighty (280) days;

“**Site**” means that area described as Parts ● on the plan attached as Schedule B;

“**Site Plan**” means the overall site plan for the Site approved by Council at its meeting on November 22, 2010 and any subsequent separate site plan approved by Council or its delegate with respect to the Stadium Component or a portion of it;

“**Site Plan Agreement**” means an agreement entered into pursuant to Section 41 of the *Planning Act* (Ontario) between the City, the Tenant, the tenant under the Retail Lease and OSEG (as guarantor) setting out requirements and obligations for the redevelopment of the Total Lands, including ongoing obligations such as the implementation of the Transportation Plan;

“**Stadium**” means the Frank Clair Stadium and the Civic Center, as improved by the Stadium Improvements;

“**Stadium Component**” means the Stadium Lands, together with (i) the Stadium, (ii) all other improvements constructed on the Stadium Lands from time to time, but excluding the Stadium Retail Component, and (iii) the City’s Portion of the Parking Structure;

“**Stadium Improvements**” means the initial improvements to the Stadium as contemplated in the Final Plans and Specifications and the Site Plan;

“**Stadium Lands**” means a three-dimensional envelope consisting of the lands described as Parts ● on the plan attached as Schedule B hereto;

“**Stadium Life**” has the meaning given to it in Section 6.6(a)(i);

“Stadium Lifecycle Plan” means the Initial Lifecycle Plan as it relates to the Stadium or a Subsequent Stadium Lifecycle Plan, as the case may be, as is then current;

“Stadium Reserve” has the meaning given to it in Section 6.7(a);

“Stadium Retail Component” means a three dimensional envelope consisting of that portion of the Total Lands described as Parts • on the plan attached as Schedule B hereto, together with the improvements constructed on such lands from time to time, being that portion of the Stadium used for retail and/or commercial uses, containing approximately forty thousand (40,000) square feet in salons and fifteen thousand (15,000) square feet in pads by the grandstand;

“Stadium Trust Account” has the meaning given to it in Section 6.7(b);

“Subsequent Parking Structure Lifecycle Plan” means a subsequent lifecycle plan respecting the Parking Structure as contemplated in Section 6.6 hereof;

“Subsequent Stadium Lifecycle Plan” means a subsequent lifecycle plan respecting the Stadium as contemplated in Section 6.6 hereof;

“Standard” means the standard of maintenance and repair as would be effected by a prudent and conscientious owner of a first class sports and events facility in the Province of Ontario, taking into account its location (being within the Site and the improvements within the Site, such as the Urban Park and the distinctive retail development), size and age;

“Sublease” has the meaning given to it in Section 13.2;

“Substantial Completion” means:

- (a) completion of the Stadium Improvements to the same extent as a “contract” being “substantially performed” in accordance with the *Construction Lien Act* (Ontario), substantially in accordance with the Final Plans and Specifications and to the satisfaction of the Landlord, acting reasonably; and

- (b) the issuance by the City of an occupancy permit for the Stadium following construction of the Stadium Improvements,

and “**Substantially Completed**” has a corresponding meaning;

“**Subtenant**” means a subtenant, occupant, licensee or concessionaire pursuant to a Sublease;

“**Taxes**” means all taxes, rates, duties, levies and assessments whatsoever, whether municipal, parliamentary or otherwise, levied, imposed or assessed against those parts of the Stadium Component or upon the Tenant in respect thereof or from time to time levied, imposed or assessed in the future in lieu thereof, including Sales Taxes and those levied, imposed or assessed for education, schools and local improvements, and including all costs and expenses (including legal and other professional fees incurred by the Tenant in good faith in contesting, resisting or appealing any taxes, rates, duties, levies or assessments), but excluding taxes and license fees in respect of any business carried on by tenants and occupants of the Stadium Component (including the Tenant) and income or profits taxes upon the income of the Tenant;

“**TDM Coordinator**” means the individual retained by the Tenant to serve as a site transportation demand management co-ordinator for all Components in accordance with the Appendix A of the Transportation Demand Management Plan prepared by McCormick Rankin Corporation dated October, 2011, whose responsibilities will include:

- (a) promoting the use of sustainable modes of transportation and reducing the use of automobiles for access to the Site for both day-to-day operations and for special events;
- (b) providing information and being a point of contact for residents, employees, visitors and others on transportation and travel options in respect of the Site; and
- (c) advancing the various operational and program focused initiatives set out in the Transportation Plan;

“**Tenant**” means Lansdowne Stadium Limited Partnership or any successor or permitted assign;

“**Term**” means the Initial Term, together with any extensions of this Lease pursuant to Section 2.2, if applicable;

“**Time Relief**” has the meaning given to it in Section 24.2;

“**TMA**” means the transportation management association that is established and led by the TDM Coordinator and of which the Tenant, the tenant under the Retail Lease, the developer of the Office Component and all subtenants at each of the Retail Component and the Office Component are members;

“**Total Lands**” means the Site and the Urban Park;

“**Trade and Consumer Show**” means an exposition to promote awareness and sales of goods and services in a specific industry, whether to businesses, Authorities or the public, at which such goods and services are exhibited;

“**Transportation Impact Matters**” means transportation demand management measures and operational plans for transit and shuttles that are geared to reducing single occupant vehicle uses and increasing use of sustainable transportation modes for both day-to-day activity at the Site and for Events at the Stadium under the direction and supervision of the TDM Coordinator, as more particularly described in the Transportation Plan and set out as ongoing obligations in the Site Plan Agreement;

“**Transportation Management Agreement**” means an agreement or Sublease entered into between the Tenant and a Subtenant implementing matters provided for in the Transportation Plan that are relevant to the Stadium Component and set out as ongoing obligations in the Site Plan Agreement, which agreement or Sublease shall have the City as a party for the purpose of enforcing the provisions thereof;

“**Transportation Plan**” means the comprehensive transportation study and demand management plan approved by Council on June 28, 2010, and the three (3) follow-up plans required by Council through its Stage 1 approval of the Site Plan entitled, respectively, “Transit Service and

Shuttle Services and Off-Site Parking Plan”, “Transportation and Parking Operations Plan” and “Transportation Demand Management Plan” describing how the Site will be serviced by vehicular and non-vehicular modes of transportation, details of the operational measures to be implemented and details of the transportation demand management measures to be advanced and implemented and that are set out in the Site Plan Agreement as ongoing obligations;

“**Urban Park**” means the public open space to be created in the area described as Parts ● on the plan attached as Schedule B;

“**Utility Charges**” means charges for gas, electricity, heat, power, telephone, water, steam and other utilities used in or supplied to the Stadium Component;

“**Waterfall Expiry**” means December 31, 2044; and

“**Zone C**” has the meaning given to it in Section 11.3(a).

1.2 Construction and Interpretation

In this Lease, including the Schedules and appendices to this Lease, except where expressly stated to the contrary or the context otherwise requires:

- (a) the headings to Sections and Schedules are for convenience only and will not affect the interpretation of this Lease;
- (b) each reference in this Lease to “**Section**”, “**Article**” or “**Schedule**” is to a Section or Article of, or a Schedule to, this Lease;
- (c) each reference to a statute is deemed to be a reference to that statute and any successor statute, and to any regulations, rules, policies and criteria having the force of law made under that statute and any successor statute, each as amended or re enacted from time to time;

- (d) each reference to a ministry, office, agency or similar body of any relevant Authority is deemed to be a reference to any successor or replacement of such ministry, office, agency or similar body;
- (e) words importing the singular include the plural and vice versa and words importing gender include all genders;
- (f) in the event that any date or time period referred to in this Lease shall fall or expire upon a day which is not a Business Day, such date or time period shall be deemed to expire on the first Business Day thereafter;
- (g) references to time of day or date mean the local time or date in Ottawa, Ontario;
- (h) all references to amounts of money mean lawful currency of Canada;
- (i) an accounting term that is not otherwise defined in this Agreement has the meaning assigned to it in accordance with GAAP and, except as otherwise specifically set out in this Agreement, all accounting matters will be determined in accordance with GAAP;
- (j) the word “written” includes printed, typewritten, faxed, emailed or otherwise capable of being visibly reproduced at the point of reception and “in writing” has a corresponding meaning;
- (k) the words “include” and “including” are to be construed as meaning “including, without limitation”;
- (l) the division of this Lease into separate Articles, Sections and subparagraphs and the provision of a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Lease; and

- (m) all references herein to any agreement (including this Lease), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules and exhibits attached thereto.

1.3 Severability

Subject to Sections 1.3(a) and 1.3(b), each provision of this Lease is severable. If any provision of this Lease is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Lease or the legality, validity or enforceability of that provision in any other jurisdiction, except that if:

- (a) on the reasonable construction of this Lease as a whole, the applicability of another provision presumes the legality, validity and enforceability of the particular provision that is or becomes illegal, invalid or unenforceable, the other provision will be deemed also to be invalid and unenforceable; and
- (b) as a result of the determination by a court of competent jurisdiction that any part of this Lease is illegal, unenforceable or invalid, the basic intentions of the Parties in this Lease are substantially frustrated, the Parties will use reasonable efforts to amend, supplement or otherwise vary this Lease to confirm their mutual intention in entering into this Lease.

1.4 Governing Law

This Lease and each of the documents contemplated by or delivered under or in connection with this Lease are governed exclusively by, and are to be enforced, construed and interpreted exclusively in accordance with, the laws of Ontario and the laws of Canada applicable in Ontario, which will be deemed to be the proper law of this Lease.

1.5 Time of Essence

Time shall be of the essence of this Lease, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Landlord and the Tenant or by their respective solicitors expressly appointed in writing in this regard.

1.6 Entire Agreement

This Lease and any other agreements herein contemplated to be entered into among, by or with the Parties constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, and there are no warranties, representations or other agreements between the Parties in connection with the subject matter hereof.

1.7 Schedules

The following schedules are attached to this Lease and form an integral part hereof:

SCHEDULE	SCHEDULE #	SECTION REF.
Dispute Resolution Procedure	A	1.1
Urban Park, Site and Components	B	1.1
Surrender Schedule	C	17.1
Heritage Easement Matters	D	1.1 and 13.10

ARTICLE II DEMISE AND TERM

2.1 Demise of Stadium Component for Term

In consideration of the Rent, covenants and agreements reserved and contained on the part of the Tenant in this Lease, the Landlord demises and leases to the Tenant the Stadium Component and all rights, easements, privileges and appurtenances belonging to or in any way appertaining to the Stadium Component, to have and to hold for the Initial Term, subject to an extension of the Term

of this Lease in accordance with Section 2.2 and subject to the rights of earlier termination provided for by the provisions of this Lease.

2.2 Extension Option

- (a) The Landlord shall have the option, in its sole and absolute Discretion, to provide the Tenant with an option to extend the Term of this Lease at the expiry of the Initial Term upon terms and conditions mutually agreed between the Landlord and the Tenant (as provided in subparagraph (c) below) by Notice in writing from the Landlord to the Tenant on or before the twenty-fifth (25th) Anniversary (the “**Option Notice**”).
- (b) In the event that the Landlord sends the Option Notice and provided the Tenant is not then in default under the terms of this Lease beyond the relevant Cure Period, the Tenant may confirm its desire to negotiate an extension of the Term upon Notice in writing to the Landlord within a period of ninety (90) days following receipt of the Option Notice.
- (c) In the event that the Tenant shall send a Notice to the Landlord under Section 2.2(b) confirming its desire to negotiate an extension of the Term, the Parties will have until the twenty-sixth (26th) Anniversary to negotiate and agree to the terms and conditions of the lease extension (including the duration of the lease extension and the amount of Base Rent and, if applicable, percentage rent payable) and to execute a lease extension agreement, failing which this Lease shall terminate on the expiry of the Initial Term.

2.3 Adjustment of Boundaries

- (a) Upon the Substantial Completion of the Stadium Improvements, the Parties shall cooperate so as to create an As Built R-Plan. The costs of the As Built R-Plan as reasonably allocated to the Stadium Component (excluding those portions of the Parking Structure included within the demise of this Lease) in accordance with Section 2.13 of the Project Agreement, shall be borne by the Tenant.

- (b) The As Built R-Plan shall be prepared by a third party Ontario Land Surveyor Approved by the Parties, and shall be deposited in the applicable Land Titles Office as soon as possible after Substantial Completion of the Stadium Improvements.
- (c) Upon the registration of the As Built R-Plan, the Parties, the tenants and/or owners of the other Components and the City, as owner of the Urban Park, shall effect such Reconveyances as shall be necessary to readjust boundaries of the Stadium Component and the Easements to reflect the boundaries set forth in the As Built R-Plan. For this purpose, “**Reconveyances**” means deletions from the Stadium Lands demised by this Lease, the granting of additional lands to be included within the Stadium Lands demised by this Lease and additions or deletions to Easements, and the Parties, the tenants and/or owners of the other Components and the City, as owner of the Urban Park, shall make corresponding necessary amendments to the description of the various Components and the Urban Park.

2.4 Cooperative Integration

The Parties acknowledge and agree that as a result of the inter-relationship of the Stadium Component with other Components and the Urban Park, both physically and functionally, various Easements and licences, potential reasonable rules and regulations and cost sharing matters will be required to be resolved between the Stadium Component and such other Components and/or the Urban Park, and the Parties and each of the Subtenants shall cooperate and act reasonably to effect the cooperative integration, subject to the Approval of the City and the Approval of OSEG under the Project Agreement (the “**Cooperative Integration**”). For this purpose, the Landlord and/or the Tenant shall, contemporaneously with the execution of this Lease, enter into:

- (a) the Parking Reciprocal Agreement;

- (b) one or more other Reciprocal Agreements with the owner, tenant and/or subtenant of one or more other Components and/or the City, as the owner of the Urban Park, as required to implement and achieve the Cooperative Integration, including with respect to the Stadium Retail Component;
- (c) one or more construction procedures agreements with the owner, tenant and/or subtenant of one or more other Components the City, as the owner of the Urban Park, respecting construction related matters among one or more Components and/or the Urban Park, including licences and/or temporary Easements to be contemplated therein and a dispute resolution procedure among the parties thereto;
- (d) a project management agreement with OSEG as project manager in respect of coordinating and managing construction related matters at the Site; and
- (e) a parking management agreement as provided for in Section 9.10(b).

ARTICLE III **RENT**

3.1 Base Rent During Initial Term

The Base Rent payable during the Initial Term shall be one dollar (\$1.00) for each Lease Year.

3.2 Payment of Base Rent

Base Rent shall be paid as follows:

- (a) Base Rent payable in respect of a Lease Year pursuant to Section 3.1 shall be paid by the Tenant to the Landlord in advance on the Lease Commencement Date and each Anniversary thereafter; and
- (b) Base Rent payable in respect of a Lease Year during an extension term, if any, shall be payable in accordance with the terms of the lease extension agreement executed by the Parties pursuant to Section 2.2(c).

3.3 Net Lease

- (a) All Rent provided to be paid by the Tenant pursuant to this Lease shall be paid in lawful money of Canada in the manner provided in this Lease without any deduction, abatement or set off whatsoever, it being the intention of this Lease that all expenses, costs, payments, outgoings, obligations or liabilities incurred with respect to the Stadium Component shall be borne by the Tenant, except as otherwise provided in this Lease, and that the Rent shall be absolutely net to the Landlord and free of all deduction, abatement, set-off, Taxes (except for that part of Taxes for which the Landlord receives an input tax credit), charges, rates, assessments, expenses, costs, payments or outgoings of every nature arising from or related to the Stadium Component, except as otherwise provided in this Lease.
- (b) Not included in Rent, but payable in addition to it, shall be all Taxes or other fees that are levied, charged or imposed on the Tenant in respect of Rent payable under this Lease.
- (c) Where applicable:
 - (i) any income, capital or other similar taxes of the Landlord (which, for clarity, does not currently apply where the City or a municipal services corporation is the Landlord); and
 - (ii) any amounts payable under any mortgage, charge or debenture with respect to the fee simple interest of the Landlord in the Stadium Lands (or any part thereof),

shall be borne by the Landlord.

3.4 Deemed Rent

- (a) Any sums, costs or other amounts from time to time due and payable by the Tenant to the Landlord under the provisions of this Lease, whether by way of

indemnity or otherwise, and whether or not expressed to be Rent, shall be treated as and deemed to be Rent, and the Landlord will have all remedies for the collection of such amounts when in arrears as are available to the Landlord for the collection of Rent in arrears, subject to Section 3.3(b) and Section 3.4(b).

- (b) Any and all amounts due and payable by the Tenant under the provisions of this Lease which are payable to the City in its capacity as an Authority referred to in Section 24.9 and not in its capacity as Landlord shall not be deemed to be, and shall be excluded from, Rent.

3.5 Accrued Rent

All Rent reserved and all other amounts due or to become due or payable under this Lease (excepting those amounts excluded from Rent pursuant to Section 3.4(b)) shall be deemed, where applicable, to accrue from day to day.

3.6 Pro Rata Adjustment

If for any reason it shall become necessary to calculate any amount due under this Lease (excepting those amounts excluded from Rent pursuant to Section 3.4(b)) for an irregular period of less than one (1) year or one (1) calendar month, as the case may be, then an appropriate pro rata adjustment of such amount shall be made based on the number of days of the calendar year or the calendar month, as the case may be, in such irregular period.

ARTICLE IV **TENANT'S GENERAL COVENANTS**

4.1 Covenants

The Tenant covenants with the Landlord as follows:

- (a) to pay to the Landlord or to its order in lawful money of Canada the Rent in the manner provided in this Lease;

- (b) to maintain for a period of seven (7) Lease Years, all books, records, invoices and other documents and papers in respect of any Lease Year as shall be reasonably necessary to enable the Landlord to audit and confirm the accuracy and completeness of any calculation or part thereof made or required to be made for any of the purposes of this Lease, provided that the Landlord shall give the Tenant ten (10) Business Days' Notice of the Landlord's intention to exercise its right to examine such books, records, invoices and other documents and records;
- (c) not to make any Disposition of this Lease, nor grant any Encumbrance relating to this Lease, nor make any other Disposition of any other nature or kind, except as expressly permitted by the Project Agreement or this Lease;
- (d) not to permit the Stadium to be used for a Prohibited Use;
- (e) with respect to the CFL Team and the Ottawa 67's, to require in the Sublease between the Tenant and the CFL Partnership and the Ottawa 67's Partnership, respectively:
 - (i) that the CFL Team and the Ottawa 67's actively carry on operations for the first eight (8) years of the Initial Term; and
 - (ii) that during the entire Term, the Frank Clair Stadium will be the CFL Team's sole "home field" location and the Civic Centre will be the Ottawa 67's sole "home ice" location, unless the CFL Team or the Ottawa 67's, respectively, cease to operate; and
- (f) to use its commercially reasonable efforts and diligently seek to ensure that the Stadium remains continuously and uninterruptedly available for programming, subject to the seasonal nature of elements of programming for the Stadium and subject to construction during a Renovation or Redevelopment.

ARTICLE V
TAXES AND UTILITY SERVICES

5.1 Taxes

- (a) The Tenant covenants and agrees to pay during the Term when due, and before any fine, penalty, interest or cost may be charged for the non-payment thereof, all Taxes (less, where applicable, any input tax credits that may be claimed by the Landlord under applicable Law) and all rates, duties, licence fees, assessments and all other similar or substitute charges of any kind and nature whatsoever, which shall during the Term be levied, rated, charged, assessed or imposed upon or become due and payable in respect of the portions of the Stadium Component or any part thereof or against or in respect of any property on the Stadium Lands owned or brought thereon by the Tenant or any Subtenant arising by reason of the occupancy, use or any business carried on thereon or therein during the Term.
- (b) The Tenant will indemnify and keep indemnified the Landlord throughout the Term from and against payment of all losses, costs, charges and expenses occasioned by or arising from the Taxes and other charges referred to in this Section 5.1.
- (c) The Tenant shall pay the Taxes and other charges referred to in this Section 5.1 to the appropriate Authority.

5.2 Contestation of Taxes

The Tenant shall have at any time the right to contest any Taxes, rates (including local improvement rates), duties, licence fees, assessments and other similar or substitute charges against the portions of the Stadium Component, provided that (i) such contestation will not involve any forfeiture, foreclosure, escheat, sale or termination of the Landlord's title to the Stadium Component or any part thereof or constitute a bona fide risk to the Landlord's title, (ii) all such proceedings shall be prosecuted with all due diligence and dispatch, and (iii) the amount in dispute shall be paid to the applicable Authority or into a court having proper jurisdiction, as

the Tenant may elect, unless the postponement of the payment of the amount in dispute is permitted under applicable Law until the dispute is determined. The Tenant will pay the cost of any such contestation and also pay all proper costs, penalties, interest or other charges payable as a result of or incidental to such contestation.

5.3 Utility Charges

- (a) Subject to paragraph (b) below, the Tenant covenants with the Landlord to pay, or to require Subtenants to pay, throughout the Term all Utility Charges when due.
- (b) The Tenant will indemnify and keep indemnified the Landlord from and against payment of all losses, costs, charges and expenses occasioned by or arising from any and all Utility Charges, provided that the Tenant shall not be required to indemnify the Landlord with respect to Utility Charges payable directly by Subtenants unless unpaid Utility Charges form a lien against the Landlord's title to the Stadium Component under applicable Law.

5.4 Evidence of Payment

Upon written request of the Landlord in any calendar year (which request shall be operative for the calendar year in respect of which the request is made), the Tenant shall forward to the Landlord, within thirty (30) days after the respective due dates, or such longer period as is reasonable in the circumstances, official receipts, photocopies thereof or other reasonably satisfactory evidence of the payments required to be paid by the Tenant in accordance with Section 5.1 and Section 5.3.

5.5 City Covenant Regarding Stadium

During the Term of this Lease, the City shall use reasonable efforts to maintain in force and effect a by-law designating the Stadium (other than the Stadium Retail Component) and the City's Portion of the Parking Structure as a municipal capital facility pursuant to Section 110 of the *Municipal Act, 2001* (Ontario). In the event such by-law is challenged or it is determined by a Authority that the by-law is not fully applicable, the City shall oppose the challenge or

determination in good faith, and shall exhaust all reasonable legal processes available to it in doing so.

ARTICLE VI **REPAIRS AND MAINTENANCE**

6.1 Standard of Repair and Maintenance

Subject to the responsibility of the Landlord to repair damage caused by its own act as prescribed in Section 6.2, the Tenant shall maintain and repair the Stadium to ensure that the Standard is maintained throughout the Term, at the Tenant's cost and expense. For clarity, the obligation contained in this Section 6.1 shall be applicable to the entire Stadium, including both the interior and the exterior thereof.

6.2 No Repair by Landlord

The Landlord shall not be required at any time during the Term to make any repairs or replacements of any nature whatsoever to or on any part of the Stadium, whether interior or exterior, structural or otherwise, except in circumstances where a repair or replacement is necessary solely as a direct result of the negligence or a wilful act of the Landlord.

6.3 General Maintenance of Site

The Tenant further covenants at its expense throughout the Term of this Lease:

- (a) to keep the whole of the Stadium Lands, including lawns, parking areas and sidewalks in, on or adjoining the Stadium, in a clean and orderly condition, free of accumulation of dirt, rubbish, ice or snow;
- (b) to keep and maintain the Stadium in accordance with the Standard; and
- (c) without limiting the generality of Sections 6.1 and 6.3(b) hereof, to comply with the lifecycle replacement and repair obligations set out in the Stadium Lifecycle Plan.

6.4 Fixtures and Equipment

The Tenant shall keep all fixtures and equipment (including the scoreboards/video displays and public address systems) used in the operation and maintenance of the Stadium in good order and repair and shall replace the same when necessary with items of similar utility and value.

6.5 Landscaping

The Tenant shall maintain all landscaping and exterior planting, installations and improvements on the Stadium Lands in accordance with the Standard. Any material change to landscaping and surface exterior improvements following the Lease Commencement Date is subject to Approval by the Landlord.

6.6 Lifecycle Plans

- (a) The Initial Lifecycle Plan as it relates to the Stadium has been based upon:
 - (i) the Stadium having an end of life of 40 years (the “**Stadium Life**”);
 - (ii) as a plan, looking forward to the Waterfall Expiry;
 - (iii) those additional Lifecycle Plan Principles that relate to the Stadium.

- (b) The Initial Lifecycle Plan as it relates to the Parking Structure has been based upon:
 - (i) the Parking Structure having a life in perpetuity;
 - (ii) as a plan, looking forward to the Waterfall Expiry;
 - (iii) those additional Lifecycle Plan Principles that relate to the Parking Structure.

- (c) All Subsequent Stadium Lifecycle Plans shall be based upon the principles described in Section 6.6(a) and all Subsequent Parking Structure Lifecycle Plans will be based upon the principles described in Section 6.6(b), unless the Landlord and the Tenant agree that it is appropriate to change any of those principles and provided that if this Lease is extended in accordance with Section 2.2, then the principles for Subsequent Stadium Lifecycle Plans during the extension term shall be reviewed and, if necessary, amended as part of the negotiations respecting the extension contemplated in Section 2.2(c).

- (d) Within ninety (90) days prior to December 31, 2019 and within ninety (90) days prior to the expiry of every fifth (5th) year of the Term thereafter and at such other times as is required pursuant to Section 6.6(e), a “**Subsequent Stadium Lifecycle Plan**” shall be obtained by the Tenant from a qualified independent engineer or inspector Approved by Landlord. A copy of such Subsequent Stadium Lifecycle Plan shall be provided to the Landlord. The Subsequent Stadium Lifecycle Plan shall be a financial and technical review and update of the prior Stadium Lifecycle Plan and include a physical analysis of each component comprising the Stadium, including a recommendation of repairs and replacements required during the following five (5) years by reference to the Standard (the “**Required Repairs**”), together with a reasonable estimate of the total cost of the Required Repairs and the annual amount (the “**Annual Stadium Contribution**”) payable on account thereof for the following five (5) years. The Subsequent Stadium Lifecycle Plan shall also determine by site inspection whether the Tenant is in default of its obligations pursuant to Sections 6.1, 6.3 and 6.5.

- (e) In the event that, at any time during the Term, the Tenant shall have committed an Event of Default with respect to the obligation contained in Section 6.1 in respect of the Stadium, and shall have failed to cure such Event of Default within the Cure Period, subject to Time Relief (a “**Repair Default**”), then without limiting the rights of the Landlord contained in this Lease or at Law:

- (i) if the Repair Default was not referred to or included in the then current Stadium Lifecycle Plan, a Subsequent Stadium Lifecycle Plan shall immediately be commissioned and obtained; and
- (ii) the Tenant shall forthwith remediate the matters in default in connection with the Repair Default.

In the event that a Subsequent Stadium Lifecycle Plan shall be required in accordance with Section 6.6(e)(i), then notwithstanding anything to the contrary in Section 6.6(d), thereafter new Subsequent Stadium Lifecycle Plans shall be obtained by the Tenant on the earlier of (A) within ninety (90) days of every fifth (5th) anniversary of the date of the most recent Subsequent Stadium Lifecycle Plan obtained under Section 6.6(e)(i), or (B) the occurrence of a subsequent Repair Default that is not referred to or included in the then current Stadium Lifecycle Plan.

- (f) The cost of each Subsequent Stadium Lifecycle Plan shall be paid by the Tenant.
- (g) The Tenant shall provide the Landlord with an annual report with respect to the implementation of the current Stadium Lifecycle Plan.
- (h) **“Subsequent Parking Structure Lifecycle Plans”** for the Parking Structure shall be established on the same basis as Subsequent Stadium Lifecycle Plans, in accordance with the terms of the Parking Reciprocal Agreement.

6.7 Stadium Reserve

- (a) In respect of each year of the Term following January 1, 2015, the Tenant shall deposit in the Stadium Trust Account (provided for in Section 6.7(b)) the following amounts (the **“Stadium Reserve”**), in equal consecutive monthly instalments on the first day of each calendar month during the year:

- (i) in respect of the first five (5) years following January 1, 2015, One Million Forty-Six Thousand One Hundred and Fourteen Dollars (\$1,046,114) per year, subject to such amount being confirmed in an update to the Initial Lifecycle Plan to be provided upon the Substantial Completion of the Stadium Improvements;
- (ii) subject to subparagraph (iii), in respect of each year following January 1, 2020, the Annual Stadium Contribution as required pursuant to the relevant Subsequent Stadium Lifecycle Plan; and
- (iii) the amounts, if any, payable under Section 6.10(c).

Any surplus remaining in the Stadium Reserve at the end of the currency of a Stadium Lifecycle Plan shall be utilized on account of the monthly payments falling due pursuant to the Subsequent Stadium Lifecycle Plan, save and except as provided in Section 6.10.

- (b) The Stadium Reserve shall be maintained in a segregated trust account in the name of the Tenant (the “**Stadium Trust Account**”), identified at the bank concerned as a trust account, for its intended purpose.
- (c) The amount in the Stadium Trust Account, together with interest earned thereon, shall be used solely for the lifecycle requirements of the relevant Stadium Lifecycle Plan (as distinct from obligations for payments with respect to maintenance, operations and other required repairs), in accordance with the definitions and determination of such matters as contained in the relevant Stadium Lifecycle Plan.

6.8 Parking Structure Reserve

- (a) In respect of each year of the Term following January 1, 2015, the Tenant shall deposit in the Parking Structure Trust Account provided for in Section 6.8(b) the

following amounts (the “**Parking Structure Reserve**”), in equal consecutive monthly instalments on the first day of each calendar month during the year:

- (i) in respect of the first five (5) years following January 1, 2015, Two Hundred and Fifty-Two Thousand, Three Hundred and Five Dollars (\$252,305) per year, subject to such amount being confirmed in an update to the Initial Lifecycle Plan to be provided upon the Substantial Completion of the Parking Structure;
 - (ii) subject to subparagraph (iii), in respect of each year following January 1, 2020, the annual amount payable by the Stadium Component Owner (as defined in the Parking Reciprocal Agreement) on account of a lifecycle reserve as provided for in the then current Subsequent Parking Structure Lifecycle Plan; and
 - (iii) the amounts, if any, payable under Section 6.10(c).
- (b) The Parking Structure Reserve shall be maintained in a segregated trust account in the name of the Shared Facilities Manager (as defined in the Parking Reciprocal Agreement) (the “**Parking Structure Trust Account**”), identified at the bank concerned as a trust account, for its intended purpose and all such amounts, together with interest earned thereon, shall be used for the proportionate share of the Stadium Component Owner (as defined in the Parking Reciprocal Agreement) of the lifecycle requirements of the then current Parking Structure Lifecycle Plan (as distinct from obligations for payments with respect to maintenance, operations and other required repairs), in accordance with the definitions and determination of such matters as contained in the relevant Parking Structure Lifecycle Plan.

6.9 Handling of Stadium Reserve Funds

- (a) Withdrawals from the Stadium Trust Account which are:

- (i) within annual amounts contained in the current Stadium Lifecycle Plan and with respect to the lifecycle requirements of the current Stadium Lifecycle Plan (as distinct from obligations for payments with respect to maintenance, operations and other required repairs); or
- (ii) not greater than ten percent (10%) in excess of the annual budgeted amount for any particular line item contained in the current Stadium Lifecycle Plan and not greater than five percent (5%) of the total annual budgeted amount contained in the current Stadium Lifecycle Plan,

shall be deemed to have the Approval of the Landlord. The Tenant shall provide a summary of those withdrawals made in each year which exceed the recommended amount contained in the current Stadium Lifecycle Plan for any item and the amount by which total withdrawals in that year exceed the total amount contained in the current Stadium Lifecycle Plan for Required Repairs in that year.

- (b) Withdrawals from the Parking Structure Trust Account shall be made in accordance with the Parking Reciprocal Agreement.
- (c) Any deficiency by the Tenant in making any required contribution to the Reserves (which is not otherwise advanced in accordance with the Waterfall provisions of Article XIII of the Project Agreement or by OSEG), or any use thereof other than for their intended purpose in accordance with Sections 6.7(c) and 6.9(a) or any default by the Shared Facilities Manager (as described in the Parking Reciprocal Agreement) of sections [6.4, 6.5 or 6.6] of the Parking Reciprocal Agreement, shall constitute an Event of Default under this Lease.
- (d) The Tenant hereby grants to the Landlord the Landlord's Security Interest.

6.10 Expiry of the Initial Term

- (a) Within ninety (90) days prior to the expiry of the penultimate year of the Initial Term:
- (i) the Tenant shall cause a special final Subsequent Stadium Lifecycle Plan to be performed which identifies:
 - (A) Required Repairs for the period until the expiry of the Initial Term only;
 - (B) any prior Required Repairs that were not completed;
 - (C) any Repair Defaults that were not remedied;(collectively, the “**Final Stadium Repair Obligations**”), and
 - (D) the total cost of the Final Stadium Repair Obligations (the “**Final Stadium Reserve Contribution**”); and
 - (ii) a Subsequent Parking Structure Lifecycle Plan shall be performed pursuant to the Parking Reciprocal Agreement that identifies:
 - (A) the repairs and replacements to the Parking Structure required for the period until the expiry of the Initial Term by reference to the Standard and any repairs and replacements required pursuant to previous Parking Structure Lifecycle Plans that were not completed (collectively, the “**Final Parking Structure Repair Obligations**”); and
 - (B) the total cost of the Final Parking Structure Repair Obligations.

- (b) The Tenant shall cause the Final Stadium Repair Obligations and Final Parking Structure Repair Obligations to be completed prior to the expiry of the Initial Term.
- (c) The Tenant shall deposit into the Stadium Reserve, the difference (if a negative number) between the then outstanding balance of the Stadium Reserve and the Final Stadium Reserve Contribution and the Tenant shall deposit in the Parking Structure Reserve, the difference (if a negative number) between the then outstanding balance of the Parking Structure Reserve and the portion of the cost of the Final Parking Structure Repair Obligation payable by the Stadium Owner (as defined in the Parking Reciprocal Agreement) as set out in the Subsequent Parking Structure Lifecycle Plan described in Section 6.10(a)(ii). In the event that the Final Stadium Repair Obligations and Final Parking Structure Repair Obligations have been fulfilled and thereafter on the expiry of the Initial Term there are surplus funds in the Reserves, such surplus shall be distributed in accordance with Article XIII of the Project Agreement. In the event that the Final Stadium Repair Obligations and Final Parking Structure Repair Obligations have not been fulfilled prior to the expiry of the Initial Term, the Landlord shall be entitled to any amount remaining in the Reserves and, in addition, the Tenant shall pay to the Landlord an amount equal to the shortfall, if any, of the amount remaining in the Reserves and the amount required to fulfill the Final Stadium Repair Obligations and Final Parking Structure Repair Obligations, as determined by the Landlord, acting reasonably.
- (d) In the event this Lease is extended in accordance with Section 2.2, the requirements of subsections 6.10(a) through 6.10(c) shall be performed in respect of the expiry of the extended term, *mutatis mutandis*, except that:
 - (i) any surplus funds in the Reserves at the expiry of the Initial Term shall be distributed in accordance with Article XIII of the Project Agreement; and

- (ii) any surplus funds in the Reserves at the expiry of the extended term described in subsection 6.10(c) shall be treated in a manner which shall be a subject of the negotiations contemplated in Section 2.2(c).
- (e) Notwithstanding the foregoing, in the event this Lease is terminated by the Landlord prior to the expiry of the Term, the full amount of the Reserves shall be distributed in accordance with Article XIII of the Project Agreement.

ARTICLE VII

RENOVATION OF STADIUM

7.1 Renovations

- (a) During the Term:
 - (i) subject to Section 7.1(a)(ii), the Tenant shall not undertake or permit any Renovations to the Stadium without the Landlord's Approval; and
 - (ii) notwithstanding the foregoing, the Tenant may undertake or permit Minor Renovations to the Stadium upon prior written Notice (with details thereof) to the Landlord, but without the Landlord's Approval.
- (b) Any unauthorized Renovations to the Stadium may be removed by the Landlord at the Tenant's sole expense.

7.2 Cost of Renovations and Redevelopment

All Renovations and Redevelopments shall be at the sole cost and expense of the Tenant.

7.3 Redevelopment

During the Term, the Tenant shall not Redevelop and shall not permit any Redevelopment of the Stadium without the prior approval of the Landlord, which approval may be withheld at the

Landlord's sole Discretion. In seeking approval, the Tenant shall provide proposed plans and specifications to the Landlord with respect to the proposed Redevelopment.

7.4 Prerequisites for Renovations and Redevelopment

- (a) Prior to commencing any Renovation of the Stadium (except for Minor Renovations) or any Redevelopment of the Stadium, the Tenant shall provide copies of proposed plans and specifications with respect to the intended Renovation or Redevelopment to the Landlord for review by the Landlord, and shall have received the Approval of the Landlord for such plans and specifications.
- (b) Prior to commencing construction of any Renovation or Redevelopment of the Stadium, the Tenant shall have procured all Permits and delivered copies of same to the Landlord.
- (c) There shall be no demolition of all or any part of the Stadium, except for purposes of a Renovation and Redevelopment of the Stadium in accordance with the provisions of this Lease.
- (d) The Tenant shall pay the reasonable third party costs of the Landlord in connection with the professional and/or consulting advice required by the Landlord with respect to consideration and the Approval of plans and specifications regarding the Renovation or Redevelopment of the Stadium.
- (e) Any project constituting a Redevelopment (but not a Renovation) of the Stadium shall be in compliance with the City's Public Art Program, as determined by Council.

7.5 Approval of Plans and Specifications – General

- (a) No construction, renovation, repair, addition or reconstruction of the Stadium, inclusive of any Renovation or Redevelopment, may occur at any time during the

Term, except in substantial conformity with the Final Plans and Specifications, as otherwise permitted with the Approval of the Landlord or as otherwise permitted by the provisions of this Article VII, and shall be in conformity with the Design and Plan Requirements.

- (b) No right of Approval of the Landlord, or Approval granted by the Landlord, for any plans and specifications for a Renovation or Redevelopment shall entail any responsibility on the part of the Landlord as to the accuracy or sufficiency of any of the plans and specifications or their compliance with applicable Law.

7.6 Construction Activities During the Term

During any construction activities which occur during the Term:

- (a) the Tenant will, prior to commencing construction, take such steps as are necessary to ensure Safety Requirements with respect to the Stadium;
- (b) construction will be carried on in accordance with applicable by-laws of the City; and
- (c) the Tenant agrees to make reasonable efforts to reduce construction noise and activities as much as is feasible.

7.7 Inspection

Subject to the rights of the Subtenants respecting reasonable notice or times for inspections within their demised premises, the Landlord and its authorized representatives, including any architect or engineer duly licensed in the Province of Ontario or other consultant from time to time retained by the Landlord, shall have the right to enter onto or upon the Stadium at any reasonable time on reasonable Notice to the Tenant during the Term for the purpose of inspection and ascertaining whether any Renovation or Redevelopment conforms with any plans and specifications Approved by the Landlord in accordance with this Lease or as otherwise permitted by the provisions of this Article VII and with all other provisions of this Lease.

7.8 Construction Liens

- (a) In connection with any construction activities, which for clarity include any Redevelopment or Renovation, and all other work made by or for the Tenant with respect to the Stadium, the Tenant shall comply with every applicable Law affecting the same as a result of the actions of the Tenant, including the *Construction Lien Act* (Ontario) (including any provision requiring or enabling the retention by way of holdback of portions of any sums payable) and, except as to any such holdback, shall promptly pay all accounts relating thereto.
- (b) Whenever any construction or other lien for work, labour, services or materials supplied to or for the Tenant or for the cost of which the Tenant may be in any way liable or liens therefor shall be filed or any Encumbrance related thereto shall attach, the Tenant shall, within fifteen (15) days after receipt of Notice thereof, procure and register the discharge thereof, including any certificate of action registered in respect of any lien, by payment or in such other manner as may be required or permitted by applicable Law, and failing which the Landlord may make any payments required into a Court of competent jurisdiction pursuant to applicable Law to procure and register the discharge of any such liens or Encumbrances, including any certificate of action registered in respect of any lien. The Landlord shall be entitled to be reimbursed by the Tenant and its right to reimbursement shall not be affected or impaired if the Tenant shall then or subsequently establish or claim that any lien or Encumbrance so discharged was without merit or excessive or subject to any abatement, set-off or defence.
- (c) The Landlord and the Tenant agree that any work done in, on or about the Stadium during the Term by or on behalf of the Tenant shall not be done and shall be deemed not to have been done at the request of the Landlord.

7.9 Renovation and Redevelopment Insurance

For any Renovation or Redevelopment having a reasonably estimated cost in excess of \$500,000, Adjusted for Inflation, the Landlord may, depending on the size and complexity of the Renovation or Redevelopment, require the Tenant to obtain prior to commencing the Renovation or Redevelopment and to maintain in full force and effect during the Renovation or Redevelopment, at the Tenant's cost and expense unless otherwise stated, any one or more of the following insurance coverages (without derogating from the insurance coverage requirements under Article XII, but without duplication of any of those requirements):

- (a) builder's all-risk insurance coverage including earthquake and flood for the full replacement cost of such Renovation or Redevelopment. Such insurance shall include hard costs; soft costs; expediting expenses; debris removal; transit; unnamed storage locations; professional fees; fire fighting expenses; blanket by-laws; delayed opening; and testing and commissioning. The policy shall be issued in the name of the Landlord, the Tenant and the contractor. The policy, at the option of the Tenant, shall be maintained by the contractor and at the contractor's sole expense. The deductible shall be no greater than \$25,000 for direct damage; \$50,000 for flood; and three percent (3%) of the property insured or \$100,000, whichever is greater (or five percent (5%) of the property insured or \$250,000, whichever is greater, if the foregoing deductible option is not available on commercially reasonable terms) for earthquake. In lieu of the foregoing insurance coverage, depending on the size and nature of the Renovation or Redevelopment, the Landlord will accept an installation floater insurance policy covering materials (including labour) and supplies being intended for installation in connection with such Renovation or Redevelopment, while such materials and supplies are in transit and during the Renovation or Redevelopment;
- (b) boiler and machinery coverage issued on a comprehensive form for all objects, including production machinery (if applicable), for the full replacement cost of such Renovation or Redevelopment, including existing structure. Such insurance shall include soft costs; expediting expenses; water damage; Hazardous

Substance; delayed opening; professional fees; and testing and commissioning. The policy shall be issued in the name of the Landlord, the Tenant and the contractor. The deductible shall be no greater than \$25,000 for direct damage, and shall be the sole responsibility of the contractor;

- (c) project specific or general wrap-up liability or, for a Renovation or Redevelopment having a reasonably estimated cost equal to or less than \$1,000,000, Adjusted for Inflation, commercial general liability insurance issued on an occurrence basis for an amount of not less than \$10,000,000 per occurrence and \$10,000,000 annual aggregate for all sums which the Tenant or contractor shall become obligated to pay by reason of liability imposed by Law for damages arising out of or in connection with all operations of the Tenant or contractor, its agents, officers, employees or other Persons for whom the Tenant or contractor is legally responsible relating to their obligations with respect to such Renovation or Redevelopment. Such insurance shall include bodily injury and property damage, including loss of use; products, broad form completed operations; premises, property and operations; personal injury; blanket contractual liability; non-owned automobile; broad form property damage; owners and contractors protective; occurrence property damage; medical payments; employees as additional insured(s); contingent employer's liability and voluntary compensation for employees not covered by the *Workplace Safety and Insurance Act, 1997* (Ontario); and cross liability and severability of interest clauses. Such insurance:
 - (i) shall include twenty-four (24) month completed operations;
 - (ii) shall not contain any exclusions or limitations in respect of shoring, underpinning, raising or demolition of any building or structure, pile driving, caisson work or collapse of any structure or land from any cause;
 - (iii) shall cover the use of explosives, if applicable, and the contractor shall be solely responsible for all damage, loss or costs resulting directly or indirectly from such use;

- (iv) shall have a deductible not exceeding \$25,000, which shall be sole responsibility of the Tenant or contractor. The policy, at the option of the Tenant, shall be maintained by the contractor and at the contractor's sole expense;
 - (v) shall add the Tenant, its agents, officers, and employees and the Landlord, its elected officials, agents, officers and employees as additional insured with respect to the operations of the contractor; and
 - (vi) shall be non-contributing and apply as primary and not as excess of any insurance available to the Landlord or the Tenant, and shall contain a waiver of subrogation in favour of the Landlord and the Tenant;
- (d) automobile liability insurance with respect to owned or leased vehicles used directly or indirectly in the performance of such Renovation or Redevelopment covering liability for bodily injury, death and damage to property with a limit of not less than \$5,000,000 inclusive for each and every loss;
- (e) where applicable, professional liability (errors and omissions) insurance coverage to a limit of not less than \$5,000,000. If such insurance is written on a claims made basis, the coverage shall be maintained for a period of two (2) years subsequent to completion (to the same extent as a “contract” being “substantially performed” in accordance with the *Construction Lien Act* (Ontario)) of the Renovation or Redevelopment. The deductible shall be no greater than \$25,000;
- (f) environmental impairment liability insurance with a limit of not less than \$5,000,000 per incident and annual aggregate, including third party bodily injury and property damage, including on-site and off-site clean-up and including newly existing conditions only. If such insurance is issued on a claims made basis, such insurance shall be maintained for a period of two (2) years subsequent to completion (to the same extent as a “contract” being “substantially performed” in accordance with the *Construction Lien Act* (Ontario)) of the Renovation or

Redevelopment. The deductible shall be no greater than \$25,000 and be the sole responsibility of the contractor. Such insurance shall add the Tenant, its agents, officers and employees and the Landlord, its elected officials, agents, officers and employees as additional insured with respect to the operations of the contractor. Such insurance shall be non-contributing and apply as primary and not as excess of any insurance available to the Landlord or Tenant and shall contain a waiver of subrogation in favour of the Landlord and the Tenant; and

- (g) such additional insurance as the Landlord reasonably requires to insure against any added risks attendant in connection with such Renovation or Redevelopment. The Landlord shall be an additional insured or beneficiary in any such coverage. Such requirement shall be in addition to those set out in this Lease.

The insurance policies prescribed in this Section 7.9 shall not be cancelled unless the insurer notifies the Landlord and the Tenant in writing at least thirty (30) days prior to the effective date of the cancellation. The Landlord, acting reasonably and in accordance with applicable industry standards, may revise the insurance requirements prescribed herein in connection with any Renovation or Redevelopment at any time during the Term, including the minimum amount of each of such insurance coverages.

7.10 Renovation and Redevelopment Security

In addition to complying with the other requirements of this Lease, prior to commencing any Redevelopment or Renovation having a reasonably estimated cost exceeding \$250,000, Adjusted for Inflation:

- (a) the Tenant or the contractor shall obtain a surety and performance bond or bonds for fifty percent (50%) of labour and materials and fifty percent (50%) of performance issued by a duly licensed company authorized to transact the business of suretyship in the Province of Ontario or other financial guarantees or assurances satisfactory to the Landlord, acting reasonably, to cover the cost of completion of the Renovation or Redevelopment. The Landlord shall be named

as joint obligee in any bond and shall have the right to Approve the form of bond and identity of its issuer. The bond shall be referenced to the Required Contracts, which must provide for the completion of the work in accordance with the plans and specifications Approved by the Landlord for such Renovation or Redevelopment. The Architect or another qualified professional shall certify that the work can be done for the amount of the Required Contracts, which certificate may rely upon the certificate of a quantity surveyor as to costs, and if it does not, the Tenant shall retain a quantity surveyor to verify the costs as estimated and contained in the Required Contracts. Unless otherwise agreed in writing by the Landlord, before commencing construction of the Renovation or Redevelopment, there must exist one or more construction contracts which in the aggregate provide for all aspects of the Renovation or Redevelopment, including the completion of shoring and excavation, all structural elements, cladding and plumbing, electrical and mechanical systems of the Stadium (the “**Required Contracts**”);

- (b) the Tenant shall furnish to the Landlord evidence satisfactory to the Landlord, acting reasonably, of the terms and conditions of equity to be provided to cover the estimated cost of the Renovation or Redevelopment;
- (c) the Tenant shall furnish to the Landlord a contract or contracts constituting the Required Contracts in assignable form and made with a reputable and responsible contractor(s), in accordance with the plans and specifications for the Renovation or Redevelopment Approved by the Landlord in accordance with this Lease;
- (d) as security for the Tenant’s obligations, the Tenant shall furnish to the Landlord an assignment of the Required Contracts furnished in accordance with Section 7.10(c), by its terms to be effective at the option of the Landlord upon any termination of this Lease or upon the Landlord’s re-entry upon the Stadium Component following an Event of Default by the Tenant prior to the complete performance of such Required Contracts. Such assignment shall become operative at the option of the Landlord by Notice in writing to the Tenant upon

the termination of this Lease or upon the commencement of re-entry and shall include the benefit of all payments made on account of the Required Contracts (including payments made prior to the effective date of such assignment) and, in the case of such action by the Landlord, if requested by the contractor thereunder, the Landlord shall assume all obligations accruing under the Required Contracts from and after the effective date thereof; and

- (e) the Tenant shall furnish to the Landlord an agreement from the Architect or other preparer that any plans and specifications for the Renovation or Redevelopment Approved in accordance with this Lease may be used by the Landlord, following an Event of Default by the Tenant, without payment or claim by the Tenant or Architect.

ARTICLE VIII **RIGHT OF ENTRY TO INSPECT**

8.1 Inspection

- (a) The Tenant agrees to permit the Landlord and its agents or employees to enter on the Stadium at all reasonable times to view the state of repair thereof, subject to the rights of Subtenants. The Landlord agrees to provide the Tenant with reasonable Notice in writing of such inspection of the Stadium, excepting in the event of Emergency on which occurrence the Landlord shall be entitled to enter the Stadium without notice to the Tenant.
- (b) In the event that the Landlord or its agents or employees, acting reasonably, shall find any material failure to repair in accordance with Section 6.1, the Tenant agrees that on the receipt of written Notice of same, the Tenant shall, within a reasonable period of time and no later than thirty (30) days thereafter, make such repairs and replacements as the Landlord may reasonably require in such Notice in conformity with the obligations of the Tenant pursuant to Section 6.1, provided that if such repairs cannot reasonably be completed within the said thirty (30) day period, the Tenant will not be in breach of this provision or of Section 6.1 if it

commences such repair within the said thirty (30) day period and proceeds diligently thereafter to complete such repair.

8.2 Failure to Repair

- (a) The Tenant's failure or neglect to repair as required by a Notice given under Section 8.1 within the time specified in Section 8.1 shall constitute an Event of Default.
- (b) In the event that the Landlord exercises its right under Section 15.6 to perform and carry out the repairs or replacements specified in a Notice delivered pursuant to Section 8.1, the Landlord's exercise of such right shall be subject to the reasonable rights of the Subtenants respecting prior notice and time with respect to repairs within the demised premises. In exercising its right, the Landlord shall not be liable for any inconvenience, disturbance, loss of business or other damage resulting therefrom unless due to the Landlord's negligence, and all payments and costs incurred by the Landlord thereby shall be recoverable by the Landlord as Rent reserved and in arrears under this Lease. Nothing herein shall imply any duty upon the part of the Landlord to do any such repairs or any work and the performance thereof by the Landlord shall not constitute a waiver of the Tenant's default in failing to perform the same.

ARTICLE IX USE, NUISANCE AND WASTE

9.1 Use

- (a) Subject to the terms and conditions of this Lease and the exclusion of Prohibited Uses, the Tenant shall have the right to use the Stadium for all uses as are permitted in accordance with Law.
- (b) Notwithstanding the provisions of subparagraph (a), no use nor Sublease shall interfere with or change the primary purpose of Frank Clair Stadium from a venue

for professional football contests nor the primary purpose of the Civic Centre as an arena to accommodate the Ottawa 67's or a successor OHL hockey team.

- (c) Notwithstanding anything contained in subparagraph (a) or otherwise in this Lease to the contrary, no Prohibited Use shall be permitted in any portion of the Stadium Component.

9.2 Naming

- (a) Except as provided in this Section 9.2, the Tenant may establish one or more names to be used in conjunction with the Stadium Component or parts of it (each, a "**Name**"), each of which shall:
 - (i) be subject to the Approval of the Landlord;
 - (ii) be subject to any restrictions in applicable City policies in effect at the time of the execution of the Naming Agreement and to applicable Law;
 - (iii) with respect to those parts of the Stadium currently known as Frank Clair Stadium or the Civic Centre (but not a part of Frank Clair Stadium or the Civic Centre), not include alcohol or the name of an alcoholic product or the name of a manufacturer or distributor of alcoholic products; and
 - (iv) not be required to contain the words "Lansdowne" or "Lansdowne Park".
- (b) Each Naming Agreement shall be subject to the Approval of the Landlord. Notwithstanding the foregoing, no Naming Agreement shall have a term that exceeds the Initial Term, unless this Lease is extended for an extension term under Section 2.2 and the extension agreement entered into in accordance with Section 2.2 expressly provides the terms and conditions pursuant to which the Tenant may enter into a Naming Agreement for the extension term, in which event no Naming Agreement shall have a term that extends beyond the expiry of the extension term.

- (c) The Tenant shall be entitled to all revenues attributable to the Name and the Naming Agreement and which shall be included in Net Cash Flow as contemplated in Section 5.6(d)(ii) of the Project Agreement.
- (d) To the extent that there are intellectual property rights associated with the Name (other than intellectual property rights belonging to the sponsor providing the Name), such intellectual property rights shall remain in the ownership of the Landlord on termination of this Lease and the use thereof during the Term as provided for in this Lease shall be by way of license for the limited uses contemplated herein and in the Project Agreement.
- (e) Notwithstanding this Section 9.2:
 - (i) the naming of the Stadium Component shall be subject to Sections 2.14 and 5.6 of the Project Agreement;
 - (ii) the Landlord acknowledges that there is no requirement for “Lansdowne” to be used in the Name of all or part of the Stadium provided that any gateway signage with respect to the Total Lands shall indicate the name “Lansdowne Park” or such other name as the Landlord may determine in its Discretion, as a reference to the Urban Park;
 - (iii) each of the Components and/or any part of the Site (other than the Urban Park) shall be permitted to have its own name or names. In addition, two (2) or more of such Components shall be permitted to be identified by a joint name; and
 - (iv) the Stadium Retail Component shall be permitted to have its own name or names pursuant to the Retail Lease.

9.3 Programming

- (a) Except as hereinafter provided and subject to the terms of this Lease, the Tenant shall have the exclusive right, power, authority and obligation to direct all aspects of the operation, management and control of the income or revenue producing activities at the Stadium Component at all times during the Term and to retain all revenue derived therefrom.
- (b) The Landlord and the Tenant shall mutually agree, each acting reasonably, upon a standard for Events to be held at the Stadium, taking into account the public nature of the Stadium and the location of the Stadium on lands owned by the City and adjoining the Urban Park (the “**Events Standard**”). All Events held at the Stadium shall comply with the Events Standard.
- (c) The Tenant shall furnish the Landlord with an Event Schedule as far as possible in advance of scheduled dates. The Landlord may request that the Tenant consult with and/or discuss a proposed Event contained within the Event Schedule prior to the Tenant entering into a binding agreement with regard to any such Event, to the extent possible given negotiation and/or contractual requirements.
- (d) The Landlord shall have the authority to prohibit a proposed Event by giving a Notice in writing to the Tenant within a period of five (5) Business Days after the Tenant first provides the Landlord with the name of a proposed Event, pursuant to the Event Schedule or otherwise, if the Landlord determines, acting reasonably, that the proposed Event would be contrary to applicable Law or this Lease or would violate the Events Standard. The Landlord shall have no liability to the Tenant arising from the timely giving of a Notice prohibiting a proposed Event and the resultant prohibition of the Event.
- (e) The Landlord shall be entitled to make bookings for special sports and cultural events that are of community interest and which, in the Discretion of the Landlord, are unable to pay the market rental rates established by the Tenant from

time to time for events being held at the Stadium. Bookings for such events shall be made not more than one (1) month in advance and shall be at preferred rates that are not less than eighty-five percent (85%) of the market rental established by the Tenant from time to time for events being held at the Stadium. The number of dates, the preferred rates and the other relevant terms for such bookings shall be mutually agreed upon from time to time between the Landlord and the Tenant, each acting reasonably.

- (f) The City shall be entitled to use the Stadium (for clarity, either or both of Frank Clair Stadium and the Civic Centre) once in each calendar year during the Term for an Event, at no fee or charge to the City, except that the Tenant may recover from the City its costs and expenses incurred in connection with such event, including the costs of cleaning and security services.

9.4 Music

The Tenant shall be responsible for any music played at the Stadium during the Term, whether live, recorded, taped or otherwise, and shall comply with applicable Law, including copyright laws and municipal noise by-laws.

9.5 Signage and Advertising

- (a) Subject to the provisions of this Section 9.5, the Tenant shall have the exclusive right to erect, display and maintain Signage for the duration of the Term and to retain all revenue derived therefrom.
- (b) All exterior Signage on the Stadium Component, and permanent interior Signage within the Stadium Component which is observable outside of the Stadium, including from the sidewalk adjoining the Stadium, shall be subject to and comply with the terms of the Site Plan Agreement, and the signage policy that is approved as part of the fulfillment of the Site Plan conditions (collectively the “**Signage Policy**”), as amended from time to time by agreement between the City and OSEG. In the event that no Signage Policy shall be approved as part of the Site

Plan conditions, the City's by-law of general application governing signage in the City of Ottawa shall prevail.

- (c) All exterior and interior Signage shall comply with all relevant City policies (including the City's restrictions on tobacco advertising and the Bilingualism By-Law and Policy) and all exterior and interior Signage shall be subject to and comply with any other applicable Law of any Authority in existence from time to time relating to public advertising and signage.
- (d) No advertising material whatsoever (including handbills, leaflets and like material):
 - (i) for events to occur at a location that is not on the Site may be distributed or offered to any person on the Site; and
 - (ii) for events occurring on the Site may be distributed or offered to any person on the Urban Park,by the Tenant, its agents or employees without the Landlord's Approval.
- (e) The Signage shall be the sole responsibility of the Tenant, and the content, nature and quality of the Signage and all marketing, promotions and activities of the Tenant in conjunction with the Stadium and Events to be held at the Stadium shall be consistent with the Standard and shall not include any Prohibited Use.
- (f) The Tenant shall cooperate in good faith with the Landlord in respect of all Signage and all marketing (within or outside the Stadium), promotions and activities in respect of the Stadium and Events to be held at the Stadium and make available to the Landlord, at the Landlord's request from time to time, all intended copy, logos, graphics, photographs and other material contemplated in connection with any Signage, marketing, promotions and activities of the Tenant in conjunction with the Stadium and Events to be held at the Stadium.

9.6 Subleases and Revenue from Subleases

Subject to the Tenant complying with the provisions of this Article IX, Section 13.2 and other provisions contained in this Lease, the Tenant shall have the exclusive right to enter into Subleases and receive the revenue therefrom. In connection with the foregoing and subject to the provisions of this Article IX and Section 13.2:

- (a) Advertising Concession. the Tenant shall have the exclusive right to commercial advertising sales throughout the Stadium Component for the duration of the Term and to retain all revenue derived therefrom;
- (b) Private Boxes. the Tenant shall have the exclusive right, at its sole cost and expense, to lease all private boxes in the Stadium for the duration of the Term and to retain all revenue derived therefrom;
- (c) Pouring Rights. the Tenant shall have the exclusive pouring rights (soft drinks, beer, wine and liquor) for the Stadium for the duration of the Term and to retain all revenue derived therefrom;
- (d) Concessions. the Tenant shall exclusively hold all concession privileges in the Stadium Component for the duration of the Term and shall retain all revenue derived therefrom;
- (e) Programs and Souvenirs. the sale of all programs and souvenirs, including all novelties, clothing and other similar items, in the Stadium Component shall be the exclusive privilege of the Tenant for the duration of the Term and the Tenant shall be entitled to retain all revenue derived therefrom;
- (f) Broadcast Rights. during the Term,
 - (i) all television, radio and internet broadcasting rights, privileges and revenue in respect of any Events taking place at the Stadium shall belong to the Tenant; and

- (ii) following Substantial Completion of the Stadium Improvements, the Tenant shall be solely responsible, at its expense, to provide the required cabling and broadcasting facilities, including all appropriate equipment, in order to accommodate television, radio and/or internet broadcasting of any Events taking place at the Stadium; and

- (g) Tickets/Box Office.
 - (i) the Tenant shall be responsible, at its sole expense, for the printing, selling and distribution of all tickets for each Event held at the Stadium; and
 - (ii) the Tenant may dedicate space within the Stadium for the operation of a box office.

9.7 Nuisance

The Tenant covenants and agrees that it will not use or occupy the Stadium or suffer or permit the same to be used or occupied for:

- (a) any unlawful purpose;
- (b) any dangerous or noxious trade or business; or
- (c) any purpose which constitutes a public nuisance which may endanger the general public or neighbouring properties, tenants or tenements.

Without limiting the provisions of Section 9.4 and without limiting the generality of Section 9.7(c), the Tenant covenants and agrees that it will not operate the public address systems located within the Stadium in a manner so as to constitute, in the Discretion of the City, a public nuisance to the general public or neighbouring properties or tenements.

9.8 Waste

The Tenant further agrees not to commit or knowingly suffer to be committed any waste, damage, disfigurement or injury to the Stadium or any part thereof nor to knowingly permit or suffer any overloading of the floors in any part of the Stadium. Notwithstanding the foregoing, nothing in this Section shall derogate from the Tenant's rights and obligations expressed herein with respect to Renovations and Redevelopment.

9.9 Staff

- (a) The Tenant shall be responsible for the provision of the appropriate staff necessary to control the operation of the Stadium for the duration of the Term.
- (b) The Tenant shall sufficiently train its employees to provide an acceptable level of service to the patrons and shall be responsible to ensure its employees:
 - (i) are neatly and cleanly clad, orderly and polite in their conduct and speech;
 - (ii) do not consume any beer, wine, spirits with liquor or illicit drugs within the Stadium while on duty; and
 - (iii) are fluent in either or both official languages so as to provide a bilingual service to the general public and the patrons of the Stadium.
- (c) The Tenant shall at all times pay or cause to be paid any assessment or compensation required pursuant to the *Workplace Safety and Insurance Act, 1997* (Ontario) and upon failure to do so, the Landlord may pay such assessment or compensation to the Workplace Safety and Insurance Board and shall be entitled to reimbursement from the Tenant. The Tenant shall provide to the Landlord a certificate of clearance issued by the Workplace Safety and Insurance Board prior to the Lease Commencement Date and thereafter as requested by the Landlord.

9.10 Parking

- (a) The Tenant shall:
 - (i) use and permit others to use the City's Portion of the Parking Structure only for the parking of motor vehicles; and
 - (ii) enter into the Parking Reciprocal Agreement.
- (b) The Tenant shall be a party to the Parking Reciprocal Agreement which, *inter alia*, shall provide that OSEG shall be the parking manager, until it resigns or is removed in accordance therewith, and in such capacity may on its own behalf, or may enter into a parking management agreement with a Parking Operator to, operate and maintain all of the parking spaces within the Parking Structure and surface parking, as Approved by the City.
- (c) The Tenant shall have the right to utilise the portion of the hard-surface area in the Urban Park as designated by the City for parking in connection with the Events at the Stadium, on terms and conditions satisfactory to the Landlord in its Discretion.

9.11 Police, Security and Safety Requirements

- (a) The Tenant shall provide a security force that is identifiable and in such numbers that is reasonably required for:
 - (i) the protection of the public within the Stadium against such events as fighting, rowdyism, hooliganism, crowding, bottle throwing and drunkenness;
 - (ii) routine patrol of the Stadium's perimeter to protect against unauthorized entry and the taking of necessary action upon discovery of such unauthorized entry;

- (iii) ticket taking;
 - (iv) routine patrol of the Stadium's facilities to ensure that all persons have the necessary admission tickets; and
 - (v) the taking of necessary action upon the discovery of any unlawful conduct by the patrons within the Stadium.
- (b) The Landlord shall make the necessary arrangements at the Tenant's sole cost and expense when the service of members of the Ottawa Police Services are deemed necessary by either the Landlord or Tenant for the protection of the public or to maintain order.
- (c) The Tenant shall comply with all Safety Requirements requested by the Landlord from time to time.

9.12 Transportation Matters

- (a) The Tenant shall:
 - (i) implement and comply with, at its own expense, the Transportation Impact Matters in relation to the Stadium in accordance with the obligations and requirements set out in the Transportation Plan and Site Plan Agreement related to Events, including participation in the TMA;
 - (ii) enter into a Transportation Management Agreement with each Subtenant requiring the Subtenant to implement and pay for, at its own expense, applicable Transportation Impact Matters in relation to the Stadium; and
 - (iii) without limiting the generality of the foregoing, pay the cost under agreements negotiated and/or entered into by the City with third parties providing services with respect to applicable Transportation Impact Matters, provided that the City agrees to consult with the Tenant with

respect to the terms of any such agreements entered into after the execution of this Lease and further provided that, so long as the Tenant shall consult with the City with respect to the terms of any such agreements, the Tenant shall be responsible for negotiating and entering into agreements directly with third parties for off-site parking and the Tenant may negotiate and enter into agreements directly with third parties for shuttle services.

ARTICLE X
COMPLIANCE WITH LAWS, ORDERS AND REGULATIONS

10.1 Compliance with Laws

The Tenant covenants that it will throughout the Term and at its own cost and expense:

- (a) promptly comply with and observe the provisions of all applicable Laws; and
- (b) observe and comply with the requirements of all policies of public liability, fire and other insurance at any time in force with respect to the Stadium and any equipment used in connection therewith.

10.2 Compliance with Bilingualism By-Laws and Policies

- (a) The Tenant covenants to adhere to, and to obtain a covenant within each Sublease requiring each such Subtenant to adhere to, at its own expense, the Bilingualism By-Law and Policy, particularly with respect to recognizing the equality of both official language groups, and the Tenant agrees to ensure that this spirit shall govern the management of the Stadium.
- (b) In recognition of the Bilingualism By-Law and Policy, and without reducing its obligations in subparagraph (a) above, the Tenant will ensure the following in respect of the Stadium during the Term:

- (i) all activities (other than media advertising) to promote services, programs and Events are in both official languages;
- (ii) all documents published in respect thereof that are addressed to the public are in both official languages; and
- (iii) all internal and external signs and way-finding signage therein are bilingual or make use of international symbols.

ARTICLE XI
INDEMNIFICATION AND LIABILITY OF LANDLORD

11.1 Tenant Indemnity

The Tenant shall indemnify and keep the Landlord Indemnified Parties, in their capacity as Landlord, indemnified at all times from and against all claims, liabilities, damages, losses, demands, causes of action, suits, judgments and costs (including legal fees) of any nature or kind whatsoever at any time suffered by, incurred by, brought against or made against the Landlord Indemnified Parties or any of them out of or in the course of or in connection with the use or occupation of the Stadium Component, including the use, occupation or construction, demolition and removal of structures or improvements from time to time located on the Stadium Lands, or any act or omission of the Tenant, its employees, agents, occupants, contractors, invitees or those for whom it is in Law responsible, or any breach of any representation, warranty or covenant of the Tenant (including by its employees, agents, occupants, contractors, invitees or those for whom it is in Law responsible) under this Lease or any document, instrument or agreement delivered pursuant to this Lease, except to the extent arising out of or resulting from the wilful acts or negligence of the Landlord (or its employees, agents, contractors or those for whom it is in Law responsible), including:

- (a) any damage to or loss of property occasioned by the use or occupation of the Stadium;

- (b) any injury to any Person or Persons, including death resulting at any time therefrom, occurring in or about the Stadium or any part thereof and arising from or occasioned by any cause whatsoever, except where such injury results from any wilful act or negligence of the Landlord; and
- (c) any failure on the part of the Tenant to perform or comply with any of the covenants, agreements, terms or conditions contained in this Lease on its part to be performed or complied with.

11.2 No Representation by Landlord

- (a) Subject to Section 11.2(c), the Tenant acknowledges and agrees that it has entered into this Lease on an “as is where is” basis and that the Landlord has made no representations or warranties of any nature or kind whatsoever to the Tenant with respect to the Stadium Component or otherwise and the Tenant is relying solely on its own investigation with respect thereto, including:
 - (i) its environmental condition, state of repair, deficiencies and encroachments from and onto other parts of the Site; and
 - (ii) all existing buildings, fixtures, structures, infrastructure, equipment, improvements, installations or inclusions of any kind, whether below grade or above grade, and whether apparent on a visual inspection of the Stadium Lands or otherwise, and whether or not within the knowledge or imputed knowledge of the Landlord, its officers, employees, agents, representatives, contractors or elected and appointed officials (collectively, the “**Existing Improvements**”).
- (b) The Landlord has not made, does not make and shall not be required to provide any warranty or representation with respect to the physical or environmental condition of the Stadium Component or with respect to the condition or existence of any improvements thereon, including the condition of the soil or groundwater,

both surface and subsurface, or the existence of any Hazardous Substance in, on, under or in the vicinity of the Stadium Lands, or with respect to any deficiencies or encroachments affecting the Stadium Lands (environmental or otherwise).

- (c) Subject to Sections 11.2(d) and 11.2(e), the Landlord shall have no liability or obligation with respect to the value, state or condition (including in respect of environmental matters or Hazardous Substance) of the Stadium Component or with respect to the existence, location, value, state or condition (including in respect of environmental matters or Hazardous Substance) of any Existing Improvements.
- (d) Notwithstanding the foregoing, the Landlord shall be responsible for (i) all remediation costs relating to environmental conditions on or in the Stadium Component (including within Existing Improvements) in existence prior to Commencement of Construction, whether discovered before or after the Commencement of Construction, together with any delay costs resulting therefrom, and (ii) all costs relating to archaeological conditions on or in the Stadium Component in existence prior to Commencement of Construction, whether discovered before or after the Commencement of Construction, together with any delay costs resulting therefrom.
- (e) In addition, during the Initial Term, the Landlord shall be responsible for:
 - (i) monitoring costs relating to the containment of Hazardous Substances on the Stadium Lands, including within improvements on the Stadium Lands;
 - (ii) maintenance costs within the Stadium respecting environmental matters due to the containment rather than the removal, in accordance with the Final Plans and Specifications, of Hazardous Substances that are within the Stadium prior to the Commencement of Construction of the Stadium Improvements; and

- (iii) without limiting the generality of subparagraph (d), any future remediation required at Law as a result of the Landlord's decision to contain, rather than remove, Hazardous Substances on the Site (including within improvements on the Site).

11.3 Certificate of Property Use

- (a) Without limiting the generality of Section 11.2, the Tenant acknowledges that the Landlord is in the process of obtaining a certificate of property use ("**CPU**") in respect of Parts ● on the reference plan attached hereto as Schedule B ("**Zone C**") as required under the *Environmental Protection Act* (Ontario). Zone C is comprised of the majority of the Urban Park lands and small portions of the Stadium Lands, being Part ● on the reference plan attached hereto as Schedule B (the "**Berm Lands**") and being Part ● on the reference plan attached hereto as Schedule B (the "**Parking Structure Entrance Lands**"). The CPU shall be registered on title to Zone C, which includes the Berm Lands and the Parking Structure Entrance Lands.
- (b) The Tenant shall provide, obtain and register any postponement agreements or other agreements that the Ministry of Environment (Ontario) or the Landlord may require to ensure that the CPU has priority on title to the Berm Lands and the Parking Structure Entrance Lands to this Lease and, if applicable, to all Subleases, Encumbrances or other agreements related to, derived from or affecting this Lease.
- (c) The Tenant acknowledges receipt of a copy of the draft CPU and the terms therein respecting the Landlord's inspection, monitoring and reporting obligations in respect of Zone C in accordance with the terms and conditions of the CPU.
- (d) The Landlord hereby reserves for the Term of this Lease a right of free and unimpeded access in favour of the Landlord, its successors and assigns, its workers, servants, agents, employees, contractors and subcontractors, with

vehicles, machinery, supplies and equipment, to enter upon and to pass over, under, along and across the Berm Lands and the Parking Structure Entrance Lands at all times and for all purposes and things necessary for or incidental to allow the Landlord to perform its obligations under the CPU.

- (e) The Tenant covenants, promises and agrees not to disturb or interfere in any way with the Berm Lands without the prior written Approval of the Landlord (which Approval, for greater certainty, shall not derogate from or waive the Landlord's right to indemnification pursuant to Section 11.1) and shall not prevent the Landlord's access to the Berm Lands in accordance with Section 11.3(d). In all other respects, the Tenant shall have the right to fully use and enjoy the Berm Lands, subject always to the rights hereby granted to the Landlord.

11.4 Indemnity on Default

Without limitation of the rights of the Landlord under this Lease and at Law, the Tenant covenants and agrees to pay, and to indemnify the Landlord against, all legal costs and charges, including counsel fees on a solicitor and his own client basis, which are incurred by the Landlord:

- (a) in obtaining possession of the Stadium Component after an Event of Default by the Tenant hereunder;
- (b) in obtaining vacant (except as otherwise expressly provided by the provisions of this Lease) possession of the Stadium Component upon expiration or other termination of the Term; or
- (c) in enforcing any covenant or agreement of the Tenant herein contained.

11.5 Indemnity for Utilities and Works

In addition to and without derogation from Section 11.1, and except to the extent arising out of or resulting from the wilful acts or negligence of the Landlord, its employees, agents, contractors

or those for whom it is in Law responsible, the Landlord shall not be liable for any injury or damage to any property of any Person, or to any Person, happening on, in or about the Stadium Component, for any injury or damage to the Stadium, for any failure of water supply, gas or electric current or any other utility or service, nor for any injury or damage to any property or any Person or to the Stadium caused by or resulting from any such failure, nor for interference with light or other incorporeal hereditaments by any Person or caused by any public or quasi-public work.

11.6 Liability of Landlord

The liability of the Landlord under this Lease, all other Material Agreements (as defined in the Project Agreement) and the Project Agreement shall be subject to the provisions of Article XIX of the Project Agreement, including the limitation of the Landlord's total aggregate liability thereunder to the amount of fifty million dollars (\$50,000,000), Adjusted for Inflation, subject to the exclusions from such limitation on liability as are provided in the Project Agreement.

ARTICLE XII **INSURANCE**

12.1 Tenant's Insurance

Subject to Sections 12.10 and 12.11, the Tenant shall at all times during the Term and such other times, if any, as the Tenant occupies the Stadium, at the Tenant's cost and expense, in the name of the Tenant and in respect of the Stadium Component, take out and keep in full force and effect the following insurance policies:

- (a) all risks (including sewer back-up, flood and earthquake) property insurance in an amount equal to one hundred percent (100%) of the full replacement cost, with the same site limitation deleted. Such insurance shall be written on a stated amount co-insurance basis and shall include:
 - (i) the Stadium, including the foundation;

- (ii) all property owned by the Tenant or for which the Tenant is legally liable located on the Stadium Component, including leasehold improvements, chattels, furniture, stock, office equipment, equipment, fixtures, all internal and external plate glass, contents and signs, but excluding all property of any Subtenant;
 - (iii) extra expense insurance in such amounts as will reimburse the Tenant for extra expense incurred arising out of prevention of access to the Stadium Component or any part of it;
 - (iv) coverage for contingent liability from the enforcement of building by-laws, including the demolition and replacement of undamaged portions of the buildings or structures, cost of demolition and clearing of site and increased costs of construction, which coverage shall be in excess of and not included in the limit of liability applicable to building debris removal; and
 - (v) debris removal;
- (b) business interruption insurance in an amount sufficient to cover any and all obligations to the Landlord respecting Rent for a period of not less than twenty-four (24) months and amounts receivable by the Tenant from loss of revenue due to damage and destruction for a period of not less than twenty-four (24) months, including profit insurance and rental income insurance;
- (c) professional fees insurance in the amount of not less than \$100,000;
- (d) comprehensive boiler and machinery insurance on all insurable objects, including production machinery (if applicable), located on the Stadium Component which are under the Tenant's care, custody and control, with the basis of loss settlement being repair or replacement cost, with the same site limitation deleted. Such coverage shall include business interruption, extra expense to the extent indicated

in Section 12.1(a)(iii) and 12.1(b) of this Lease and blanket by-laws, and shall also include water damage; Hazardous Substance; ammonia contamination; and professional fees;

- (e) commercial general liability insurance issued on an occurrence basis for an amount of not less than \$10,000,000 per occurrence and \$10,000,000 annual aggregate, for any negligent acts or omissions by the Tenant or for those whom the Tenant is legally liable. Such insurance shall:
 - (i) include bodily injury and property damage, including loss of use; premises, property and operations; personal and advertising injury; blanket contractual liability; owners' and contractors' protective; products liability; broad form completed operations; incidental medical malpractice; non-owned automobile; employer's liability including volunteer compensation; occurrence property damage; liquor liability (if applicable); and cross liability and severability of interests clauses;
 - (ii) not contain a deductible of greater than \$25,000, which shall be the sole responsibility of the Tenant; and
 - (iii) add the Landlord, its elected officials, agents, officers and employees as additional insured with respect to the operations of the Tenant. This insurance shall be non-contributing and apply as primary and not as excess of any insurance available to the Landlord; and
- (f) if applicable, standard owner's automobile liability insurance providing third party liability insurance on all owned or leased vehicles used directly or indirectly by the Tenant, covering third party liability for bodily injury, death and damage to property with a limit of not less than \$5,000,000 inclusive for each and every loss.

With regards to the policies in subparagraphs (a) to (d), (i) the deductible shall be no greater than \$25,000 for direct damage; \$50,000 for flood; and three percent (3%) of the

property insured or \$100,000, whichever is greater (or five percent (5%) of the property insured or \$250,000, whichever is greater, if the foregoing deductible option is not available on commercially reasonable terms) for earthquake and shall be the responsibility of the Tenant; and (ii) the insurance shall name the Landlord as an additional named insured and loss payee with respect to the insurance, as the interest of the Landlord may appear. Property and boiler and machinery insurance policies shall contain provisions for settling joint loss disputes.

12.2 Failure to Maintain Insurance

- (a) The Tenant shall provide the Landlord not less than thirty (30) days' prior Notice of any cancellation of any policies of insurance required under this Article XII. If the Tenant fails to obtain and keep in force the aforesaid policies of insurance, or should any such insurance not be Approved by the Landlord, the Landlord shall provide a written Notice to the Tenant specifying a period of time for the Tenant to obtain and keep in force such insurance policies as required by this Article XII, except where payments must be made in order to maintain any of such insurance policies, in which case the Landlord may proceed to obtain such policies without giving the Tenant such Notice. If the Tenant fails to obtain such policies within the period of time as specified in the Notice, or payments must be made in order to maintain such policies, the Landlord may obtain such policies and shall give the Tenant a written Notice setting out the amount and dates of payment of all costs and expenses incurred by the Landlord in connection therewith to the date of such Notice. Any sum so expended by the Landlord shall be due and payable on demand without prejudice to any other rights or recourse of the Landlord hereunder.
- (b) No such insurance taken out by the Landlord 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.

- (c) If the Tenant fails to obtain and keep in force the insurance required by this Lease and if any similar insurance maintained by the Landlord shall be called into contribution at either or both of their option and, as a consequence thereof, the Landlord's cost of effecting such insurance increases, any such additional cost shall be payable by the Tenant to the Landlord forthwith upon production of reasonable proof of such additional cost, without prejudice to any other rights of the Landlord as a result of Tenant's failure to keep such insurance in place.

12.3 Increase in Insurance Premiums and Cancellation of Insurance

The Tenant agrees that it will use commercially reasonable efforts to cause its employees, agents, occupants and invitees not to keep in or upon the Stadium Component any article or substance which may be prohibited by the insurance policies mentioned above or do or omit, or permit to be done or omitted, anything which will cause any increase in the insurance premiums or the cancellation of any insurance policy. If any insurance policy should be cancelled or the coverage reduced or a threat of cancellation or reduction of coverage made by reason of anything arising out of the use or occupation of the Stadium Component by the Tenant, whether or not the first sentence of this Section has been complied with, and if Tenant fails to remedy the condition giving rise to such cancellation, reduction or threat upon ten (10) days' Notice thereof by the Landlord, the Landlord may enter the Stadium Component and remedy the condition at the sole cost and expense of Tenant, which cost and/or expense shall be payable to the Landlord forthwith on demand as Rent in arrears, and in addition or in the alternative, may exercise any other remedy available to it.

12.4 Payment of Premiums

The Tenant shall duly and punctually pay all premiums under the aforesaid insurance policies as they become due and payable. In the event of default of payment by the Tenant, the Landlord may pay same and the amount so paid shall be forthwith payable as Rent.

12.5 Evidence of Insurance

Upon execution of this Lease, the Tenant shall deliver to the Landlord evidence of the insurance required hereby in the form of certificates of insurance, in form and detail satisfactory to the Landlord, acting reasonably, signed by an authorized representative of the insurer. Certificates of insurance evidencing renewal or replacement of policies shall be delivered to the Landlord fifteen (15) days prior to the expiration of the current policies, without demand having to be made therefor by the Landlord. If, due to unusual circumstances, the Tenant is delayed in renewal of insurance policies, it shall keep the Landlord informed as to its efforts and progress in achieving renewal or replacement insurance.

12.6 Fire Protection Systems

The Tenant shall ensure that the Stadium is equipped with fire protection systems in compliance with applicable Building Codes, the *Fire Protection and Prevention Act, 1997* (Ontario) and all other applicable Laws governing same, subject to any “grandfathering” permitted by such Laws. The Tenant shall permit the Landlord to inspect the Tenant’s records relating to fire safety and compliance with applicable Building Codes and the *Fire Protection and Prevention Act, 1997* (Ontario) during regular business hours upon forty-eight (48) hours’ advance Notice.

12.7 Additional Insurance

- (a) The Tenant shall also, at the Tenant’s cost and expense, take out and maintain, without duplication of coverage, any other form of insurance as the Landlord should reasonably require from time to time, in form, in amounts and for insurance risks against which a prudent owner would insure, provided that such insurance is generally purchased by prudent owners of similar facilities in the Province of Ontario.
- (b) The Tenant also shall be permitted to purchase such other insurance as it sees fit, provided, however, that such additional insurance shall not conflict with those required to be purchased under this Lease.

12.8 Insurance Terms and Conditions

(a) Waiver of Subrogation

The Tenant shall use its commercially reasonable efforts to ensure all policies of insurance required to be taken out by the Tenant in accordance with this Article XII shall contain a waiver of any subrogation rights that the Tenant's insurers may have against the Landlord and against those for whom it is in Law responsible, whether any such damage is caused by the act, omission or negligence of the Landlord or those for whom it is in Law responsible.

(b) Approval of Insurers

All policies of insurance required to be taken out by the Tenant shall be placed with insurers licensed and authorized to do business in the Province of Ontario and having an AM Best Rating of A- or better.

(c) Notice of Material Change or Cancellation

Each policy of insurance required under Section 12.1 shall contain an endorsement requiring the insurers to notify the Landlord in writing, by registered mail, at least thirty (30) days prior to any cancellation of the insurance coverage. The Tenant shall additionally use its commercially reasonable efforts to have included in each policy of insurance required under Section 12.1 an endorsement requiring the insurers to notify the Landlord in writing, by registered mail, at least thirty (30) days prior to any material change in the policy that restricts or reduces the insurance coverage.

(d) Breach of Conditions

The Tenant shall use its commercially reasonable efforts to ensure that each policy of insurance required under Section 12.1 will contain a waiver in favour of the Landlord of any breach of a policy condition or warranty such that the

insurance policy in question will not be invalidated in respect of the interest of the Landlord by reason of a breach of any condition or warranty contained in such policies.

(e) **Deductibles**

Unless otherwise specified in this Lease, the Parties agree that insurance policies may be subject to deductible amounts, such amounts to be subject to the Approval of the City Clerk and Solicitor and the City Treasurer, acting reasonably, and which amounts shall be borne by the Tenant.

(f) **Primary Coverage**

The insurance policies required under Section 12.1 shall be primary and shall not call into contribution any insurance available to the Landlord.

(g) **Limits of Insurance**

The Landlord, acting reasonably, may require the limits of the insurance policies provided by the Tenant to be increased from time to time in accordance with generally applicable industry standards.

(h) **Compliance with Insurance Policies**

The Tenant shall not violate or permit to be violated any of the conditions or provisions of any insurance policy and, to the extent obtainable on commercially reasonable terms, all policies required to be obtained by the Tenant shall contain agreements by the insurers that no act or omission by the Tenant shall impair or affect the rights of the insureds to receive and collect the proceeds under the policy.

12.9 Adjustment

Any loss for which recovery is made under any policies of insurance taken out pursuant to Section 12.1 shall be adjusted with the insurance company or companies:

- (a) by the Tenant, if the loss is less than twenty-five percent (25%) of the amount of insurance coverage for such losses; or
- (b) by the Landlord and the Tenant jointly, if the loss equals or exceeds twenty-five percent (25%) of the amount of insurance coverage for such losses.

The proceeds of such insurance shall be paid to the Tenant, if they are less than twenty-five percent (25%) of the amount of insurance coverage for such losses. If the proceeds of such insurance as so adjusted are equal to or greater than twenty-five percent (25%) of the amount of insurance coverage for such losses and are paid out other than on a completed cost basis, they shall be paid (i) to a trustee mutually agreed between the Parties (the “**Insurance Trustee**”), to be used by the Insurance Trustee pursuant to Section 14.2, or (ii) in accordance with such alternate arrangement for the payment of proceeds as the Parties may mutually agree, each acting reasonably. Any policies of insurance maintained hereunder pursuant to Section 12.1 shall provide that the loss, if any, thereunder shall be adjusted and paid as hereinbefore provided.

12.10 Scope of Insurance Coverage

In the event that any insurance required to be obtained by the Tenant is no longer available from any reputable North American insurer or is no longer available on commercially reasonable terms (the “**Excluded Insurance Coverage**”), then the Tenant shall not be obligated to obtain the Excluded Insurance Coverage during such period of time as the Excluded Insurance Coverage is no longer available from any reputable North American insurer or no longer available on commercially reasonable terms.

12.11 Landlord Obtaining Insurance

- (a) The Landlord may, at its option, insure the Stadium Component with respect to the matters referred to in subparagraphs (a), (b), (c) and (d) of Section 12.1, and in such event, insurance coverage obtained by the Landlord (the “**Landlord’s Insurance**”) shall be excluded from the obligation of the Tenant to insure as provided for in Section 12.1. In such event, the cost of the Landlord’s Insurance (or the reasonable allocation of such cost in the event that the Landlord’s Insurance is effected by way of a blanket policy insuring more than one facility) shall be paid by the Tenant.

- (b) The Landlord’s Insurance (if any) shall:
 - (i) name the Tenant as an additional named insured and loss payee with respect to the Landlord’s Insurance, as the interest of the Tenant may appear and property, boiler and machinery insurance policies shall contain provisions for settling joint loss disputes;

 - (ii) to the extent obtainable on commercially reasonable terms, contain a waiver of any subrogation rights that the Landlord’s insurers may have against the Tenant and against those for whom it is in Law responsible, whether any such damage is caused by the act, omission or negligence of the Tenant or those for whom it is in Law responsible;

 - (iii) contain an endorsement requiring the insurers to notify the Tenant in writing, by registered mail, at least thirty (30) days prior to any cancellation of the insurance coverage and the Landlord shall additionally use its commercially reasonable efforts to have included in each policy of Landlord’s Insurance an endorsement requiring the insurers to notify the Tenant in writing, by registered mail, at least thirty (30) days prior to any material change in the policy that restricts or reduces the insurance coverage;

- (iv) to the extent obtainable on commercially reasonable terms, contain a waiver in favour of the Tenant of any breach of a policy condition or warranty such that the insurance policy in question will not be invalidated in respect of the interest of the Tenant by reason of a breach of any condition or warranty contained in such policies;
 - (v) be primary; and
 - (vi) to the extent obtainable on commercially reasonable terms, contain agreements by the insurers that no act or omission by the Landlord shall impair or affect the rights of the insureds to receive and collect the proceeds under the policy.
- (c) If the Landlord elects to obtain any Landlord's Insurance, the Landlord shall deliver to the Tenant evidence of the Landlord's Insurance in the form of certificates of insurance, in form and detail satisfactory to the Tenant, acting reasonably, signed by an authorized representative of the insurer and shall deliver certificates of insurance evidencing renewal or replacement of the Landlord's Insurance fifteen (15) days prior to the expiration of the current policies, without demand having to be made therefor by the Tenant.

ARTICLE XIII
DISPOSITIONS, SUBLETTING AND ENCUMBRANCES

13.1 Dispositions

During the Initial Term:

- (a) there shall be no Disposition of issued Securities of the Tenant or its general partner, including any Disposition of issued Securities of the Tenant which results in a Change of Control of the Tenant or its general partner, and there shall be no other transaction that results in a Change of Control of the Tenant or its general

partner, in each case except as expressly permitted under, and subject to the terms of, the Project Agreement; and

- (b) there shall be no Disposition of all or any material portion of the assets of the Tenant or of any interest in all or any material portion of the assets of the Tenant (including in each case, this Lease), without the approval of the Landlord, in its Discretion.

13.2 Subletting

The Tenant may from time to time during the Term enter into subleases, licenses, concessions and occupancy agreements or agreements for subleases, licenses, concessions and occupancy agreements with respect to the Stadium Component (collectively, “**Subleases**” and individually, a “**Sublease**”) in the prudent course of the Tenant’s business in respect of the Stadium Component, at rents or other compensation (collectively in this Section 13.2, “**rent**”) and on such terms and conditions and with such Subtenant as the Tenant, acting reasonably, considers appropriate having regard to all circumstances at the time of entering into a Sublease, provided that:

- (a) the Tenant shall not enter into a Sublease the purpose or result of which is to circumvent the limitations on Disposition set out in Section 13.1 or the restriction on Encumbrances set out in Section 13.9;
- (b) except for the Subleases to the CFL Partnership and the Ottawa 67’s Partnership or as otherwise permitted under the terms of the Project Agreement, each Sublease shall be made with a Subtenant that is at Arm’s Length to the Tenant on Arm’s Length terms and conditions which are commercially reasonable and reflective of prevailing market conditions at the time the Sublease is entered into or, if applicable, renewed by the Tenant and the Subtenant, or which Subtenant and terms and conditions have been Approved by the Landlord;

- (c) the Subleases to the CFL Partnership and the Ottawa 67's Partnership shall be on terms and conditions that have been Approved by the Landlord;
- (d) every Sublease entered into by the Tenant prior to the expiry of the Initial Term shall expire on or before the expiry of the Initial Term;
- (e) the Subtenant's permitted uses of the sublet premises shall comply with the provisions of Section 9.1 and otherwise with the provisions of this Lease and the remaining terms of the Sublease shall be in compliance with this Lease;
- (f) the Tenant covenants and agrees that each Sublease shall provide that:
 - (i) it is subject to this Lease;
 - (ii) subject to Section 13.2(f)(iii), the Subtenant will not pay rent or other sums under its Sublease with the Tenant for more than three (3) months in advance (in addition to the final month's rent of the Sublease term as a security deposit), except as Approved by the Landlord;
 - (iii) any rent or other sums payable by a Subtenant pursuant to its Sublease may be paid more than three (3) months in advance on the condition that such payments are held in a trust account. The Tenant shall not be permitted to withdraw funds from such trust account more than (3) months in advance of the date upon which such funds are due to the Tenant under the Sublease; and
 - (iv) the Subtenant shall attorn to the Landlord and, at the request of the Subtenant, the Landlord shall execute and deliver a non-disturbance agreement in consideration thereof in form satisfactory to the Landlord, acting reasonably;

- (g) the Tenant shall provide the Landlord with copies of all Subleases entered into during each Lease Year, within a period of fifteen (15) days following such Lease Year. In addition, the Landlord shall be entitled to inspect copies of all existing Subleases at the offices of the Tenant during regular business hours upon reasonable prior written Notice to the Tenant at any time prior to the expiry of the Term. Copies of each Sublease provided by the Tenant to the Landlord shall, at the Tenant's option, be either a signed original copy or a notarially certified true copy of such Sublease. The Landlord acknowledges that any and all financial information contained in the Subleases which the Tenant delivers to the Landlord in accordance with its obligations set out in this subparagraph, and any and all financial information contained in the Subleases which the Landlord may inspect, are designated by the Tenant as "strictly confidential";
- (h) no Sublease shall release or impair the continuing obligations of the Tenant hereunder or purport to extend beyond the Term hereof, without the prior written consent of the Landlord; and
- (i) the Tenant shall not enter into any Sublease, the terms and conditions of which are contrary to the requirements of this Section 13.2 or otherwise in this Lease.

13.3 Tenant Sublease Obligations

Upon the termination of this Lease, whether pursuant to an Event of Default, expiry of the Term or otherwise, any and all financial obligations of the Tenant to a Subtenant pursuant to a Sublease which have arisen or accrued prior to the termination of this Lease shall be for the account of the Tenant and in no event shall the Landlord be responsible for the payment of such obligations.

13.4 Liability of Tenant

In the event of a permitted Disposition of this Lease by the Tenant, whether in accordance with the provisions of the Project Agreement or that is approved by the Landlord under Section 13.1(b), the Tenant shall not be released from any obligations or liabilities hereunder for five (5)

years following such Disposition, unless the Landlord, in its Discretion, elects to release the Tenant.

13.5 Acknowledgement of Security Interest

Any transferee of an interest in this Lease shall in writing acknowledge the existence and priority of the Landlord's Security Interest.

13.6 No Conveyance

Any Disposition contemplated in Section 13.1 which does not comply with the requirements of Section 13.1 shall not confer or convey any estate in the Tenant, the Stadium Component or any interest under this Lease on or to the assignee or transferee, and shall be absolutely void.

13.7 Landlord's Assignment

- (a) Subject to Section 13.7(b), the Landlord shall not, without the prior consent of the Tenant in its Discretion, assign all or any portion of this Lease.
- (b) Notwithstanding the provisions of Section 13.7(a), the Landlord may, without the prior consent of the Tenant, assign all or any portion of this Lease to a corporation established by the City pursuant to Section 203 of the *Municipal Act, 2001* (Ontario) and O. Reg. 599/06, all the shares of which are owned by the City or a successor entity to the City, or a wholly owned subsidiary of such a corporation, or to another municipal, provincial or federal entity, including a successor entity to the City.
- (c) An assignment by the Landlord pursuant to Section 13.7(b) shall relieve the Landlord from all rights, obligations and liabilities hereunder as it relates to the portion of this Lease so assigned, provided that the assignee assumes such rights, obligations and liabilities of the Landlord hereunder. For greater certainty, no assignment relieves the Landlord from any obligation or liabilities arising pursuant to Section 16.2.

13.8 Encumbrances

The Tenant shall not Encumber or permit to be Encumbered:

- (a) any of its Securities or the Securities of its general partner;
- (b) its interest in this Lease or the Stadium Component; or
- (c) during the Initial Term, any interest in or any portion of its other assets, except to enter into an arrangement with an institutional lender to obtain an operating line of credit on such terms as may be approved by the Landlord, in its Discretion acting in good faith.

13.9 Heritage Easement

- (a) The Tenant acknowledges the registration of a Heritage Easement Agreement under the *Ontario Heritage Act* (Ontario) on April 22, 1996 as Instrument Number N739843 (the “**OHT Easement**”) against part of the Total Lands. As a condition of the Heritage Approval (as defined in the Project Agreement), the Ontario Heritage Trust (formerly the Ontario Heritage Foundation) has requested that a new and enhanced heritage conservation easement agreement (the “**New OHT Easement**”) be executed which shall supersede and replace the OHT Easement and the OHT Easement shall be released upon registration of the New OHT Easement.
- (b) The Tenant further acknowledges receipt of a copy of the New OHT Easement and the terms therein respecting regulated activities within the Setting Lands, the Views and the Framing Lands which form part of the New OHT Easement Lands.
- (c) The Tenant shall:

- (i) provide, obtain and register any postponement agreements or other agreements that the Ontario Heritage Trust or the Landlord may require to ensure that the New OHT Easement is a first encumbrance on title to the New OHT Easement Lands in priority to this Lease and to all mortgages, charges, subleases and other encumbrances or agreements related to, derived from or affecting this Lease; and
- (ii) comply with the requirements of the New OHT Easement within the Setting Lands, the Views and the Framing Lands and in this regard, it shall not, nor shall it permit its Subtenants to, undertake any of the regulated activities within the Setting Lands, the Views and the Framing Lands without the prior written approval of the Landlord in its Discretion and the Ontario Heritage Trust.

ARTICLE XIV
DAMAGE OR DESTRUCTION

14.1 Restoration After Damage

- (a) If, during the Term, Building Damage occurs, then the Tenant will promptly at its sole cost and expense repair, restore and rebuild the Stadium as nearly as possible to the condition it was in immediately before such Building Damage.
- (b) Notwithstanding subparagraph (a), if any Building Damage shall occur in the five (5) years preceding the expiry of the Term and if such Building Damage is Significant Damage, then the Tenant may, at its option, by written Notice to the Landlord given within sixty (60) days from the occurrence of the Significant Damage, decline to repair, restore or rebuild the Stadium and may thereby terminate this Lease, and this Lease shall terminate as of the date of receipt of such Notice by the Landlord. On termination of this Lease under this Section 14.1, all proceeds of insurance required hereunder to be placed by the Tenant for fire or other casualty causing such Building Damage shall belong absolutely to the Landlord and the Tenant shall forthwith execute or obtain all

necessary releases in respect of the insurance moneys and shall pay to the Landlord the amount of any deductible respecting such insurance. Notwithstanding termination of this Lease pursuant to this Section 14.1, there shall be no adjustment, abatement or refund of Rent for the period prior to the termination of this Lease. All proceeds of business interruption insurance payable for the period prior to the Waterfall Expiry Date (as defined in the Project Agreement) shall be distributed in accordance with the Waterfall provisions of Article XIII of the Project Agreement.

- (c) If, within sixty (60) days after the date of any Building Damage which occurs in the five (5) years preceding the expiry of the Term, the Landlord and the Tenant are unable to agree as to whether there is Significant Damage which has rendered the Stadium unfit for use or occupancy for the purposes permitted hereunder, then in such event the matter shall be determined by the Dispute Resolution Procedure.

- (d) Notwithstanding subparagraph (a), in the event that any Building Damage shall occur that is not covered by (i) the Tenant's insurance policies as required under this Lease (but subject to the provisions of this Lease with respect to Excluded Insurance Coverage), or (ii) the Landlord's Insurance, if the Landlord shall have exercised its option to insure contained in Section 12.11, then the Landlord may, at its option:
 - (i) provide funds to cover the Building Damage not so insured, in which event the Tenant shall cause the Stadium to be rebuilt; or

 - (ii) terminate this Lease in accordance with Section 16.2 hereof and Section 22.1 of the Project Agreement. For clarity, if this Lease is terminated for convenience in accordance with Section 16.2 hereof and Section 22.1 of the Project Agreement, Sections 22.1(b)(iii) (as it relates to the Stadium only) and (iv) of the Project Agreement will not apply.

14.2 Insurance Proceeds

In the event of damage or destruction of the Stadium, the insurance proceeds, subject to Article XII and Section 14.1, will be paid (i) to the Insurance Trustee, or (ii) in accordance with such alternate arrangement for the payment of proceeds as the Parties may mutually agree, each acting reasonably, in all cases for the benefit of the Landlord and the Tenant, as their interests may appear. The Insurance Trustee shall hold the insurance proceeds in trust for the purpose of applying the same to the payment of the cost of repairing, restoring or rebuilding the Stadium (the “**Restoration Work**”). Such insurance proceeds shall be disbursed by the Insurance Trustee to the Tenant as the Restoration Work progresses upon the request of the Tenant, subject to the holdback requirements of the *Construction Lien Act* (Ontario), provided such request is accompanied by:

- (a) a certificate of the Architect stating to the reasonable satisfaction of the Insurance Trustee that the sum requested is justly due to the contractor, sub-contractors, suppliers of material, labourers, engineers, architects or other Persons rendering services or providing materials for the Restoration Work, or is justly required to reimburse the Tenant for expenditures made in connection with the Restoration Work, and when added to all sums previously paid out by the Insurance Trustee does not exceed the value of the Restoration Work on the date of such certificate, provided, however, that the Insurance Trustee shall at all times have sufficient funds to pay for the reasonably estimated cost of completing the Restoration Work; and
- (b) there shall be furnished to the Insurance Trustee evidence satisfactory to it, that, as of the date thereof, there has not been filed any vendor’s, construction, labourer’s or material supplier’s statutory or other similar lien affecting the Stadium Component which has not been discharged of record, except such as will be discharged upon payment of the amount then requested to be disbursed.

Upon the completion of the Restoration Work and payment in full therefor by the Tenant, the Insurance Trustee shall, upon receipt by the Insurance Trustee of proof satisfactory to it that the

Restoration Work has been paid for in full and that there are no outstanding lien claims arising from the Restoration Work, transfer to the Tenant any insurance proceeds then remaining in the possession of the Insurance Trustee. The Insurance Trustee may from time to time deduct from the insurance proceeds deposited with it such reasonable amount as it may charge as fees and disbursements for its administration of the insurance proceeds. If the insurance proceeds are insufficient to pay for the entire cost of the Restoration Work, the Tenant shall pay the deficiency, subject to the provisions of Section 14.1(d). The Tenant may close and cease to operate such parts of the Stadium, as and during the period it may deem necessary, to effect repairs and/or rebuilding to the Stadium or those parts of it.

ARTICLE XV **DEFAULT**

15.1 Events of Default

For the purposes of this Lease, an “**Event of Default**” means any of the following events or circumstances:

- (a) the Tenant committing a breach of any of its obligations, covenants, terms or conditions contained in this Lease (not otherwise specifically referred to in this Section 15.1);
- (b) the occurrence of any of the following events in respect of the Tenant:
 - (i) any arrangement or composition with or for the benefit of creditors being entered into by or in relation to the Tenant;
 - (ii) any proceedings with respect to the Tenant being commenced under the *Companies’ Creditors Arrangement Act* (Canada) and, if not initiated by the Tenant, not being dismissed by a court of competent jurisdiction within thirty (30) days;

- (iii) a receiver, receiver/manager or other Encumbrance holder taking possession of or being appointed over, or any distress, execution or other process being levied or enforced upon, the whole or any material part of the assets of the Tenant, subject to the right of the Tenant to dispute same;
 - (iv) the Tenant making an assignment for the benefit of its creditors, being declared bankrupt or committing an act of bankruptcy, becoming insolvent, making a proposal or otherwise taking advantage of provisions for relief under the *Bankruptcy and Insolvency Act* (Canada) or similar legislation in any jurisdiction, or any other type of insolvency proceedings being commenced by or against the Tenant under the *Bankruptcy and Insolvency Act* (Canada) or otherwise and, if commenced against the Tenant, not being stayed within thirty (30) days of its commencement; or
 - (v) a petition being filed (and not being contested in good faith using all reasonable efforts for a period not exceeding thirty (30) days), or a resolution being passed or an order being made for the winding-up, liquidation or dissolution of the Tenant, subject to the right of the Tenant to dispute same;
- (c) the occurrence of an event defined as an “Event of Default” which is committed by the tenant under the Retail Lease or by OSEG or a Member (as that term is defined in the Project Agreement) under the Project Agreement and such “Event of Default” is not cured within the applicable cure period set out in the Retail Lease or Project Agreement (as applicable);
 - (d) the occurrence of a Disposition not permitted in accordance with this Lease;
 - (e) the occurrence of a matter defined as an Event of Default elsewhere in this Lease;

- (f) the Tenant defaulting in the payment of Rent expressly reserved hereunder or any part thereof or defaulting in the payment of any other charge or amount required to be paid by the Tenant hereunder or any part thereof;
- (g) any insurance policy which the Tenant is required to maintain under this Lease is cancelled or not renewed by any insurer by reason of any particular use or occupation of the Stadium Component;
- (h) at any time within the first eight (8) years of the Initial Term or at any time after the first eight (8) years of the Initial Term during which the CFL Partnership is actively carrying on the operations of the CFL Team, the CFL Partnership defaults in the payment of rent under its Sublease with the Tenant and does not cure its default within the applicable cure period set out in that Sublease; within the first eight (8) years of the Initial Term, the CFL Partnership ceases to operate the CFL Team (either voluntarily or because its right to operate the CFL Team is revoked or otherwise terminated by the CFL); the CFL Partnership defaults in any of its material obligations under the CFL Agreement (as that term is defined in the Project Agreement) and does not cure its default within the applicable cure period set out in CFL Agreement (if any); or the CFL Partnership effects a Disposition of all or any material portion of its assets or an interest in all or any material portion of its assets (including the CFL Team or its Sublease) except as permitted under the Project Agreement or the limited partnership agreement for the CFL Partnership; or
- (i) at any time within the first eight (8) years of the Initial Term or at any time after the first eight (8) years of the Initial Term during which the Ottawa 67's Partnership is actively carrying on the operations of the Ottawa 67's, the Ottawa 67's Partnership defaults in the payment of rent under its Sublease with the Tenant and does not cure its default within the applicable cure period set out in that Sublease; within the first eight (8) years of the Initial Term, the Ottawa 67's Partnership ceases to operate the Ottawa 67's (either voluntarily or because its right to operate the Ottawa 67's is revoked or otherwise terminated by the

OHL); or the Ottawa 67's Partnership effects a Disposition of all or any material portion of its assets or an interest in all or any material portion of its assets (including the Ottawa 67's or its Sublease) except as permitted under the Project Agreement or the limited partnership agreement for the Ottawa 67's Partnership.

15.2 Landlord Termination Right

- (a) If an Event of Default is not remedied before the expiry of the applicable Cure Period referred to in Section 15.4, then at any time after the expiry of that applicable Cure Period while an Event of Default is in existence, the Landlord may terminate this Lease in its entirety by Notice to the Tenant with immediate effect, and all Rent owing shall immediately become due and payable.

- (b) Following termination of this Lease in accordance with the provisions of this Lease, the Landlord shall be entitled to lawfully enter into and upon the Stadium Component or any part thereof in the name of the Tenant and to re-enter the same to have, repossess and enjoy as the owner of the whole, and the Tenant shall quit and surrender the Stadium Component to the Landlord. Any such termination of this Lease by the Landlord shall be wholly without prejudice to the right of the Landlord to recover arrears of Rent and damages for any antecedent Event of Default by the Tenant hereunder and for loss of Rent and any other matter whatsoever suffered by reason of this Lease having been prematurely terminated or from an Event of Default, provided that the Landlord has made commercially reasonable efforts to mitigate any such damages resulting therefrom.

15.3 Notification

The Tenant will notify the Landlord of the occurrence, and details, of any Event of Default and of any event or circumstance which is likely, with the passage of time or otherwise, to constitute or give rise to an Event of Default, in either case promptly on Tenant becoming aware of its occurrence. However, a failure to provide such Notice shall not derogate from the rights of the Landlord as provided in this Lease.

15.4 Cure Period

On the occurrence of an Event of Default, or any time thereafter while it is subsisting, the Landlord may serve a Default Notice on the Tenant requiring the Tenant, at the Tenant's option:

- (a) in the case of an Event of Default other than pursuant to Section 15.1(c), to remedy or cause to be remedied the Event of Default referred to in the Default Notice within the thirty (30) day period following receipt by the Tenant of the Default Notice; provided that with respect to a non-monetary Event of Default, if such Event of Default is not capable of being remedied within such thirty (30) day period, then the period to remedy the Event of Default shall be extended to such greater period than thirty (30) days as shall be reasonable in the circumstances, as Approved by the Landlord, provided that the Tenant proceeds and continues diligently to cure the Event of Default during such extended period of time;
- (b) in the case of a non-monetary Event of Default other than pursuant to Section 15.1(c), to put forward within ten (10) days of the Default Notice a reasonable program (set out, if appropriate, in stages) for remedying the Event of Default, which program shall be subject to the approval of the Landlord in its Discretion. The program will specify in reasonable detail the manner in, and the latest date by, which such Event of Default is proposed to be remedied and during the cure period specified in the program as approved by the Landlord, the Tenant shall continually and diligently use its commercially reasonable best efforts to remedy the Event of Default; or
- (c) in the case of an Event of Default pursuant to Section 15.1(c), to remedy or cause to be remedied the Event of Default within the period provided therefor in the Retail Lease or the Project Agreement, as applicable;

(the applicable cure period determined in accordance with the foregoing provisions of this Section 15.4 being the "**Cure Period**").

15.5 Right of Self Help

- (a) In the event that there shall be an Event of Default, upon and after the expiry of the applicable Cure Period for such Event of Default and while such Event of Default is subsisting, the Landlord may, on ten (10) Business Days' prior Notice, enter into and upon the Stadium Component or appoint an agent on behalf of the Landlord to enter upon the Stadium Component to rectify the matter in default or appoint a Receiver to enter upon the Stadium Component to rectify the default.
- (b) If the Landlord shall appoint a Receiver in accordance with Section 15.5(a), the Receiver shall be deemed to be the agent of Tenant and not of the Landlord and the Landlord shall not in any way be responsible for any misconduct or negligence on the part of the Receiver, save for acts of gross negligence or fraud.
- (c) In order to facilitate the rights of the Landlord contained in this Section 15.5, on the Lease Commencement Date, Tenant shall assign to the Landlord, as collateral security subsequent to security granted to any surety with respect to a performance bond, all of the right, title and interest of Tenant in and to all existing and future contracts and all design drawings, documents and specifications (collectively, the "**Project Documents**"), not otherwise assigned to the Landlord, which Project Documents shall provide for the collateral assignment to the Landlord or which drawings, plans and specifications shall provide a license to the Landlord to utilize same in the event that the Landlord or its agent or Receiver requires same to enforce the collateral security provided herein.

15.6 Landlord's Right to Perform Tenant's Covenants

In the event that there shall be an Event of Default, upon and after the expiry of the applicable Cure Period for such Event of Default (or such shorter time period as may be expressly provided elsewhere in this Lease) and while such Event of Default is subsisting, the Landlord shall have the right, but not the obligation, and without thereby waiving or releasing the Tenant from any obligations of the Tenant in this Lease contained:

- (a) to make any payment required to be made by the Tenant pursuant to this Lease;
- (b) to effect any insurance coverage required to be obtained and maintained by the Tenant and pay premiums therefor;
- (c) to perform any other act on the part of the Tenant to be made and performed hereunder; or
- (d) in the event of an Event of Default of the Tenant pursuant to Section 8.2(a), to enter on the Stadium Component and at the Tenant's expense perform and carry out the repairs or replacements specified in the Notice delivered to the Tenant pursuant to Section 8.1(b),

in such manner and to such extent as the Landlord may reasonably deem desirable, and in exercising any such rights may pay necessary and incidental costs and expenses, employ legal counsel and incur and pay legal counsel fees.

15.7 Landlord May Follow Chattels

In case of removal by the Tenant of the goods or chattels of the Tenant from the Stadium Component, the Landlord may follow the same for thirty (30) days in the same manner as is provided for in the *Commercial Tenancies Act* (Ontario).

15.8 Landlord May Re-let

If the Landlord does not exercise its option under Section 15.2 to terminate this Lease, it may upon and after the expiry of the applicable Cure Period of the Event of Default, while such Event of Default is subsisting, re-enter the Stadium Component without terminating this Lease, make such alterations and repairs as may be necessary in order to re-let the Stadium Component and re-let the Stadium Component or any part thereof as agent for the Tenant, for such period or periods (which may extend beyond the Term) and at such rental or rentals and upon such other terms and conditions as the Landlord in its Discretion may deem advisable. Upon each such re-letting, all rentals received by the Landlord from such re-letting shall be applied: first, to the

payment of any indebtedness other than Rent due from the Tenant to the Landlord; second, to the payment of any costs and expenses of such re-letting, including brokerage fees and solicitors' fees, and of the costs of alterations and repairs performed in connection with such re-letting; and third, to the payment of Rent due and unpaid. Notwithstanding any such re-letting without termination, the Landlord may at any time thereafter elect to terminate this Lease. No such re-entry or taking of possession by the Landlord shall be construed as an election on its part to terminate this Lease unless, at the time of or subsequent to such re-entry or taking of possession, a written Notice of such intention has been given to the Tenant or unless the termination thereof is decreed by a court of competent jurisdiction.

15.9 Right to Distrain

The Tenant waives and renounces the benefit of any present or future statute purporting to limit or qualify the Landlord's right to distrain and agrees with the Landlord that upon the occurrence of an Event of Default, the Landlord shall, after the expiry of the applicable Cure Period and while such Event of Default is subsisting, in addition to the other rights reserved to it, have the right to enter the Stadium Component or appoint an agent of the Landlord to enter the Stadium Component, either by force or otherwise, without being liable for any prosecution therefor and to take possession of any goods and chattels whatever on the Stadium Component, save and except any such goods and chattels which are owned by any Subtenant, and to sell the same at public sale without notice and apply the proceeds of such sale on account of the Rent or in satisfaction of the breach of any covenant, obligation or agreement of the Tenant under this Lease and the Tenant shall remain liable for the deficiency, if any. Notwithstanding anything contained in Law, none of the goods and chattels of the Tenant at any time during the continuance of the Term shall be exempt from levy by distress for Rent and the Tenant hereby waives all and every benefit that it could or might have pursuant to Law. Upon any claim being made for such exemption by the Tenant, or on distress being made by the Landlord, this provision may be pleaded as an estoppel against the Tenant in any action brought to test the right to the levying of distress upon any such goods.

15.10 Alternative Remedies

Except as otherwise expressly provided in this Lease, all of the rights and remedies of the Landlord under this Lease are cumulative and not alternative and all rights and powers reserved to the Landlord may be exercised by either the Landlord or its duly authorized agents or representatives. In addition to the right to terminate as a result of an Event of Default and any other rights pursuant to this Lease or at Law, upon and after the expiry of the applicable Cure Period in connection with an Event of Default and while such Event of Default is subsisting, the Landlord may, either separately or simultaneously:

- (a) bring any proceedings in the nature of specific performance, injunction or other equitable remedy, it being acknowledged by each of the Parties that damages at Law may be an inadequate remedy for a default or breach of this Lease;
- (b) on behalf of the Tenant, remedy such Event of Default, and also bring any action at law or otherwise to be reimbursed by the Tenant for any monies expended to remedy such Event of Default and any other expenses incurred by the Landlord, together with interest at the Default Interest Rate, *mutatis mutandis*; or
- (c) bring any action at Law as may be necessary or advisable in order to recover damages.

15.11 Landlord Costs

- (a) The Tenant will reimburse the Landlord for all reasonable costs incurred by the Landlord in exercising any of its rights (including any relevant increased administrative expenses and actual legal expenses) under this Article XV. All sums paid by the Landlord in accordance with Section 15.6, together with interest thereon at the Default Interest Rate from the date of the making of such expenditure by the Landlord, shall be deemed to be Rent and shall be payable and recoverable hereunder as Rent in arrears.

- (b) In addition, in the event that the Landlord exercised any of its rights contained in this Article XV, the Tenant will reimburse the Landlord for all costs incurred by the Landlord in connection therewith, together with an administrative fee of fifteen percent (15%) on costs incurred and together with the fees and expenses incurred by any Receiver appointed by the Landlord in accordance with Section 15.5.

15.12 Acceptance of Rent and Non-Waiver

No receipt of monies by the Landlord from the Tenant after the cancellation or termination of this Lease in any lawful manner shall reinstate, continue or extend the Term or affect any Notice previously given to the Tenant or operate as a waiver of the right of the Landlord to enforce the payment of Rent then due or thereafter falling due or operate as a waiver of the right of the Landlord to recover possession of the Stadium Component by proper suit, action, proceedings or other remedy; it being agreed that, after the service of a Notice to terminate this Lease and the expiration of the time therein specified or after the commencement of any suit, action, proceeding or other remedy or after a final order or judgment for possession of the Stadium Component, the Landlord may demand, receive and collect any monies due or thereafter falling due without in any manner affecting such Notice, suit, action, proceeding, order or judgment; and any and all such monies so collected shall be deemed payments on account of the use and occupation of the Stadium Component or, at the election of the Landlord, on account of the Tenant's liability hereunder.

15.13 Interest on Arrears

If any amount due and payable by the Tenant to the Landlord as Rent or otherwise under this Lease remains unpaid for a period of fifteen (15) days, the Tenant shall pay the Landlord interest on the amount outstanding from time to time at the Default Interest Rate. Interest will be calculated and compounded monthly from and including the day following the 15th day that a payment of Rent or other payment is due and payable and shall be paid monthly until payment in full is received by the Landlord. The obligation of the Tenant to pay interest in accordance with

this Section is without prejudice to any of the other remedies available to the Landlord, at Law or otherwise.

ARTICLE XVI **TERMINATION**

16.1 Termination

Upon completion of the Term or earlier termination of this Lease:

- (a) any balance in Reserves shall be paid or transferred in accordance with Section 6.10 or 6.10(e) (as applicable);
- (b) the Tenant's interest in all fixtures and in all equipment forming part of the Stadium or required for use in connection with the structural and functional operation of the Stadium (excluding all chattels, equipment, appliances and furniture of the Tenant relating to the Tenant's use of the Stadium in accordance with Section 9.1 and not required for purposes of such operation) shall be delivered and conveyed to the Landlord without cost; and
- (c) all master keys, codes, passes and other systems to the Stadium Component shall be provided without cost to the Landlord.

16.2 Termination Pursuant to Project Agreement

Notwithstanding anything in this Lease to the contrary, both the Landlord and OSEG may terminate this Lease in accordance with the provisions of Article XX, XXI and/or XXII of the Project Agreement.

ARTICLE XVII **SURRENDER**

17.1 Surrender

Subject to and in accordance with the provisions of Schedule C and subject to the rights of Subtenants, the Tenant shall at the expiration or sooner termination of this Lease peaceably surrender and yield up to the Landlord, without compensation (unless otherwise provided elsewhere in this Lease or the Project Agreement), all and every part of the Stadium Component and all structures, fixtures and equipment which are then on the Stadium Lands, and all appurtenances, installations, alterations, repairs, additions and replacements thereto at the time of surrender, all in the state of repair prescribed by Section 6.1, and the Reserves to the extent the Landlord is entitled thereto pursuant to Section 6.10 or 6.10(e) (as applicable), provided that any Subtenant may remove any improvements made by or for the Subtenant on or within a reasonable time after the end of the Term, provided that such removal may be effected without damage to the Stadium, and in the event of any damage resulting therefrom, the Tenant shall make or cause to be made good the same at its own cost and expense.

ARTICLE XVIII **TENANT OVERHOLDING**

18.1 Overholding

The Parties mutually covenant that if, at the expiration of the Term, the Tenant shall remain in occupation of the Stadium Component, neither such occupation nor the acceptance or non-acceptance of any rental payments by the Landlord shall, in the absence of further and other agreements in writing between the Parties, constitute the Tenant other than a tenant from month to month whose tenancy is terminable by either the Landlord or the Tenant on six (6) months' written Notice to the other; such tenancy shall be subject to all applicable terms and conditions of this Lease, except as to duration of the Term and the Rent to be paid shall be one hundred and fifty percent (150%) of the Fair Market Value Rent (the "**Overholding Rent**") payable in monthly instalments in advance. The Landlord shall have the right to establish the Fair Market Value Rent, but in the event that the Tenant is in disagreement with the Fair Market Value Rent established by the Landlord, the Tenant may refer the Dispute for determination pursuant to the

Dispute Resolution Procedure. Until any such Dispute has been finally determined pursuant to the Dispute Resolution Procedures, the Tenant shall pay the Overholding Rent based on the Fair Market Value Rent as established by the Landlord when due pursuant to this Section 18.1 and the Parties shall effect any necessary adjustment between them following the determination of the Dispute pursuant to the Dispute Resolution Procedure.

ARTICLE XIX **WAIVER**

19.1 Waivers

No waiver of any provision of this Lease is binding unless it is in writing and signed by all the Parties to this Lease, except that any provision which does not give rights or benefits to a particular Party may be waived in writing, signed only by that Party who has rights under, or holds the benefit of, the provision being waived, if that Party sends a copy of the executed waiver to the other Party. No failure to exercise, and no delay in exercising, any right or remedy under this Lease will be deemed to be a waiver of that right or remedy. No waiver of any breach of any provision of this Lease will be deemed to be a waiver of any subsequent breach of that provision or of any similar provision. For further certainty, the failure of the Landlord or the Tenant to insist on one or more occasions upon the strict performance of any of the covenants, terms or conditions of this Lease shall not be construed as a waiver or a relinquishment for the future of such covenant, term or condition and the acceptance of Rent by the Landlord with knowledge of the breach by the Tenant of any covenant, term or condition of this Lease shall not be deemed a waiver of such breach.

ARTICLE XX **QUIET ENJOYMENT**

20.1 Quiet Enjoyment

The Landlord covenants with the Tenant that the Tenant shall and may peaceably possess and enjoy the Stadium Component for the Term hereby granted without any hindrance, interruption or disturbance from the Landlord or any Person or Persons claiming by, from or under the Landlord, subject to the terms and conditions of this Lease.

ARTICLE XXI
EXPROPRIATION

21.1 Expropriation

If, during the Term, the Stadium Component or any portion thereof shall be Expropriated by any Expropriating Authority, then the following provisions shall apply:

- (a) the Landlord or the Tenant acting separately or together may make representations to the Expropriating Authority concerning the Expropriation and may, to the extent that it is legally possible to do so, appeal the decision of the Expropriating Authority, and if the Tenant is required by applicable Law to have the consent or permission of the Landlord in order to take advantage of the provisions of this subparagraph, then the Landlord hereby grants such consent or permission to the Tenant and shall, forthwith upon receiving a written request from the Tenant, deliver to the Tenant such written evidence of its consent or permission as may be required by the Tenant in order to take advantage of its rights under this subparagraph to the fullest extent possible;
- (b) if the whole of the Stadium Component shall be Expropriated by the Expropriating Authority, then at the option of the Tenant signified by written Notice to that effect delivered to the Landlord, this Lease shall cease and terminate on the day when possession of the Stadium Component or any part thereof shall be taken by the Expropriating Authority and the Tenant shall be liable for Rent and for any other amounts payable hereunder only up to the day when possession of the Stadium Component or any part thereof shall be taken by the Expropriating Authority;
- (c) if only part of the Stadium Component shall be taken by the Expropriating Authority and the Landlord and the Tenant, acting reasonably, agree that the remainder of the Stadium Component which is not taken by the Expropriating Authority is no longer capable of being operated for the purpose for which it is operated at that time in a commercially reasonable manner, then at the option of

the Tenant signified by written Notice to that effect delivered to the Landlord, this Lease shall cease and terminate on the day when possession of the Stadium Component or any part thereof shall be taken by the Expropriating Authority and the Tenant shall be liable for Rent and for any other amounts payable hereunder only up to the day when such possession shall be taken by the Expropriating Authority;

- (d) any compensation or damages paid by the Expropriating Authority in respect of such Expropriation shall be paid to Landlord and Tenant as determined in accordance with the provisions of the *Expropriations Act* (Ontario); and
- (e) in the event of a temporary Expropriation, the Tenant shall remain liable under this Lease.

For the purposes of this Section 21.1, the definition of Expropriating Authority shall exclude the City, except in situations where the City Expropriates a non-material part(s) of the Stadium Component for purposes such as road widening and utility pole installations.

21.2 Dispute

In the event of any Dispute between the Landlord and the Tenant as to any matter to be agreed upon by the Landlord and the Tenant in accordance with Section 21.1(c), such Dispute shall be determined by the Dispute Resolution Procedure.

ARTICLE XXII NOTICES

22.1 Notices

Any Notice to a Party must be given in writing. A Notice may be given by delivery to an individual or electronically by fax or electronic mail, and will be validly given if delivered to the following address or if transmitted by fax or electronic mail to the following fax number or email address, addressed to the following Party:

If to the Landlord: Real Estate Partnership and Development Office
110 Laurier Avenue West
Ottawa, Ontario
K1P 1J1

Attention: Gordon MacNair, Director
Fax: 613-560-6051
Email: gordon.macnair@ottawa.ca

with a copy to: City Clerk & Solicitor Department
110 Laurier Avenue West
Ottawa, Ontario
K1P 1J1

Attention: M. Rick O'Connor, City Clerk & Solicitor
Fax: 613-580-2416
Email: rick.oconnor@ottawa.ca

If to the Tenant: c/o Ottawa Sports and Entertainment Group
300-180 Kent Street
Ottawa, Ontario
K1P 0B6

Attention: Bronwen Heins
Fax: 613-788-2758
Email: bronwenheins@oseg.ca

with a copy to: Soloway Wright LLP
366 King Street East, Suite 510
Kingston, Ontario
K7K 6Y3

Attention: Beth Gearing
Fax: 1-800-263-4213
Email: bgearing@solowaywright.com

or to any other address, fax number, email address or individual that the Party designates.

Any Notice:

- (a) if validly delivered or if validly transmitted electronically and received before 5:00 p.m. on a Business Day, will be deemed to have been given on that Business Day; and

- (b) if validly delivered or if validly transmitted electronically and received after 5:00 p.m. on a Business Day or if validly delivered or if validly transmitted electronically and received on a day that is not a Business Day, will be deemed to have been given on the first Business Day after the date of delivery or transmission.

Any Notice permitted or required to be given by the Landlord may be given by the City Clerk and Solicitor and the City Treasurer, his or her successor, or his or her designate(s) from time to time. However, the City Clerk and Solicitor and the City Treasurer specifically reserve the right to submit the issue of the giving of any Notice, or of the contents of any Notice, to Council for its determination.

ARTICLE XXIII **DISPUTE RESOLUTION PROCEDURE**

23.1 Dispute Resolution Procedure

Except for any Excluded Dispute or as otherwise provided in this Lease, any Dispute arising out of or in connection with this Lease shall be resolved in accordance with the Dispute Resolution Procedure.

ARTICLE XXIV **MISCELLANEOUS**

24.1 Excavation

If any excavation shall be made or contemplated for building or other purposes upon property adjacent to the Stadium Component at the request of the Landlord, the Tenant either:

- (a) shall afford to the Persons causing or authorized to cause such excavation the right to enter upon the Stadium Component for the purpose of doing such work as the Landlord, acting reasonably, shall consider to be necessary to preserve any of the walls or structures on the Stadium Component from injury or damage and to

support any of the same by proper foundations, provided such do not impair or unduly restrict construction and operation of the Stadium Component, or

- (b) shall, at the expense of the Landlord, do or cause to be done all such work as may be necessary to preserve any of the walls or structures of the Stadium Component from injury or damage and to support the same by proper foundations.

24.2 Consequences of Force Majeure

Whenever the Landlord or the Tenant having used its commercial reasonable efforts to mitigate or prevent the consequence of a Force Majeure, including any time delay resulting therefrom (including, where possible, establishing a contingency plan on commercially reasonable terms which allow such Party's normal operations to be resumed within a reasonable time thereafter), shall be unable to fulfill or shall be restricted in fulfilling any obligation under this Lease (other than the payment of Rent or other moneys) because of Force Majeure (except lack or shortage of funds), and shall have provided Notice to the other Party hereto of the occurrence of such Force Majeure within fifteen (15) days of its occurrence, the period of time within which such obligation is required to be fulfilled hereunder by such Party shall be extended by the amount of time during which such circumstance continues to exist (determined as herein) and operates directly to prevent or delay the fulfilment thereof ("**Time Relief**"). For clarity, it is acknowledged that the provisions of this Section 24.2 shall apply with respect to all time periods referenced in this Lease.

24.3 Non Arm's Length Contracts

Notwithstanding anything to the contrary contained in this Lease, and without derogation from specific provisions contained in this Lease, any agreement or arrangement entered into by the Tenant with a non-Arm's Length Person (a "**Non-Arm's Length Agreement**") shall contain terms and conditions consistent with agreements entered into with Persons dealing at Arm's Length ("**Market Terms and Conditions**") and shall require the City's prior Approval with respect to such conformity with Market Terms and Conditions. Notwithstanding the foregoing, where both the revenue received and expense expended in accordance with a Non-Arm's Length

Agreement are included in the Closed System pursuant to the Project Agreement and where a copy of such Non-Arm's Length Agreement is provided to the Landlord, such Non-Arm's Length Agreement shall not be required to be on Market Terms and Conditions.

24.4 No Partnership or Agency

The Parties expressly disclaim any intention to create a partnership or joint venture or to constitute the other Party as its agent. Nothing in this Lease shall constitute the Parties partners or joint venturers nor constitute one Party as the agent of the other Party.

24.5 Acknowledgment

Each of the Landlord and the Tenant agrees to provide to the other, within thirty (30) days after receipt of written request from the Tenant or the Landlord, as the case may be, a statement in writing certifying:

- (a) that this Lease is unmodified and in full force and effect, or if there have been modifications of this Lease, that this Lease is in full force and effect as modified and identifying the modifications;
- (b) the dates to which the Rent has been paid hereunder; and
- (c) that, so far as the maker of the statement knows, the Party who requested the statement is not in default under the provisions of this Lease or, if in default, the particulars thereof.

24.6 No Right of Set-Off

The Tenant expressly waives the benefits of Section 35 of the *Commercial Tenancies Act* (Ontario) permitting the Tenant to claim a set-off against Rent for any cause whatsoever.

24.7 Registration

All registration costs required to be paid in order to cause this Lease to be properly registered in the appropriate Land Registry Office in Ontario shall be paid by the Tenant. Any such registration shall be in a form Approved by the Landlord. The Tenant shall not register this Lease on title to any portion of the Total Lands other than the Stadium Component, as the latter is described in the R-Plan deposited in the applicable Land Titles Office.

24.8 Amendments

No amendment, supplement, restatement or termination of any provision of this Lease is binding unless it is in writing and signed by each Party to this Lease at the time of the amendment, supplement, restatement or termination.

24.9 City as Municipality

- (a) Nothing in this Lease derogates from, interferes with or fetters the exercise by the City of all of its rights and responsibilities as a municipality or imposes any obligations on the City in its role as a municipality, and the City shall not be prevented from or prejudiced in carrying out its statutory rights and responsibilities (whether discretionary or mandatory). Nothing contained in this Lease derogates from, interferes with or fetters the exercise by the City's officers, employees, agents, representatives or elected and appointed officials of all of their rights and responsibilities or imposes any obligations on the City's officers, employees, agents, representatives or elected and appointed officials, other than as expressly set out in this Lease.

- (b) No communication or dealing between the Tenant and any department, committee, body, officer, employee, agent, representative or elected or appointed official of the City shall be deemed to be a communication or dealing under the provisions of this Lease between the Tenant and the Landlord as Parties to this Lease, or to effect the Landlord with notice of any such communication or dealings. It is intended and agreed that the Landlord acts solely in its capacity as

landlord under this Lease and any communication or dealing between the Landlord and the Tenant as Parties to this Lease will only be effective if delivered in accordance with the Notice provisions set out in this Lease. No communication or dealing between the Landlord as a Party to this Lease and the Tenant as a Party to this Lease will relieve the Tenant from the responsibility of discharging its lawful obligations to the City imposed by Law or in any other lawful manner separate and apart from the obligation of the Tenant imposed by this Lease.

- (c) Any of the rights and obligations of the Landlord under this Lease may be exercised and performed, respectively, by the City Clerk and Solicitor and the City Treasurer from time to time, or by his or her successors and designate(s) from time to time.
- (d) Nothing contained in this Lease shall derogate from the obligations of the Tenant and the rights of the City as a planning authority pursuant to the *Planning Act* (Ontario), including obligations of the Tenant to enter into agreements respecting Section 41 of the *Planning Act* (Ontario).

24.10 Review, Approval, Inspection or Audit by the Landlord

If any review, approval, inspection, examination or audit is provided, performed or made by or on behalf of the Landlord under, pursuant to or in respect of this Lease, then with the exception of any express written consent or approval by the Landlord of a specific act or conduct by the Tenant that, in the absence of such consent or approval, would constitute a breach by the Tenant of any of its obligations under this Lease:

- (a) such review, approval, inspection, examination or audit will be for general compliance only; and
- (b) no such review, approval, inspection, examination or audit now or in the future, and whether or not negligent on the part of the Landlord (including the Landlord Indemnified Parties):

- (i) shall relieve or exempt the Tenant from any of its obligations under this Lease or at Law;
- (ii) shall constitute a waiver or release by the Landlord of any duty or liability owed by the Tenant to the Landlord under this Lease or of any indemnity given by the Tenant to the Landlord under this Lease; or
- (iii) shall create or impose any requirement, liability, covenant, agreement or obligation on the Landlord except as otherwise expressly provided above.

24.11 Employees

- (a) The Parties acknowledge that the City will be solely responsible, and shall indemnify the Tenant, for any severance costs or benefits, if applicable, that may be payable to the City's employees as a result of the ceasing of City operations at Lansdowne Park. If any of these employees become employees of the Tenant, then the Tenant shall be solely responsible for any severance costs or benefits that may be payable to such employees that relate solely to the period from and after their employment by the Tenant.

24.12 Access to Information

- (a) Each Party will hold in confidence any Confidential Information, provided that the provisions of this Section will not restrict either Party from passing such information to its Affiliates, professional advisors, an assignee pursuant to Article XIII, provided such Affiliates, advisors, assignee, as applicable, are subject to similar confidentiality obligations. The provisions of this Section will not restrict the Tenant from providing Confidential Information to contractors and sub-contractors and actual or potential lenders and insurers to enable the Tenant to perform (or cause to be performed) its rights and obligations under this Lease, provided such Persons are subject to similar confidentiality obligations as provided herein.

- (b) The obligation to maintain the confidentiality of the Confidential Information does not apply to Confidential Information:
- (i) which the other Party confirms in writing is not required to be treated as Confidential Information;
 - (ii) which is or comes into the public domain otherwise than through any disclosure prohibited by this Lease;
 - (iii) to the extent any Person is required to disclose such Confidential Information by Law, including the *Municipal Freedom of Information and Protection of Privacy Act* (Ontario) or any other applicable Law (provided that such Person shall promptly advise the other Party of such requirement in respect of any particular Confidential Information prior to disclosing same and, if permitted under applicable Law, provide it with an opportunity to dispute the disclosure of Confidential Information); and
 - (iv) to the extent consistent with any City policy the details of which have been provided to the Tenant in writing prior to the disclosure of the Confidential Information to the City and subject to the Tenant's confirmation in writing that the Confidential Information is not required to be treated as such.
- (c) The Tenant acknowledges that information provided to the Landlord is subject to disclosure under the *Municipal Freedom of Information and Protection of Privacy Act* (Ontario) and that any confidential, proprietary, commercial, scientific or similar information, the disclosure of which would reasonably cause the Tenant injury, should be identified as such when provided to the Landlord. In respect of such information, the Tenant shall also provide the City with the rationale setting forth reasons why such information should not be released under this legislation or successor legislation in the event that the City receives a request to release such information under this legislation or successor legislation.

24.13 Approvals

Where, by a provision of this Lease, an approval, consent or agreement of a Party, including an Approval (hereinafter in this Section individually or collectively referred to as an “**approval**”) is required, unless the contrary is expressly provided in this Lease:

- (a) receipt of a written request for approval shall be required;
- (b) the Party whose approval is required will, within ten (10) Business Days (or such longer period of time as shall be mutually agreed upon between the Parties in writing) after receipt of a request for approval, accompanied in all cases by reasonable detail if the circumstances require, notify the requesting Party in writing either that it approves or that it withholds its approval, setting forth in reasonable detail its reasons for withholding;
- (c) if the notification referred to in Section 24.13(b) is not given within the applicable period of time, the Party whose approval is requested will be deemed conclusively to have given its approval in writing;
- (d) the determination by a Party of whether to provide an approval shall be made in good faith;
- (e) an approval may not be unreasonably withheld or delayed; and
- (f) a Dispute as to whether or not the approval has been unreasonably withheld or whether or not such approval ought to have been provided in accordance with the requirements of this Lease shall be resolved by the Dispute Resolution Procedure.

24.14 Further Assurances

Each Party will promptly execute and deliver all further documents and take all further action reasonably necessary or appropriate to give effect to the provisions and intent of this Lease.

24.15 Successors and Assigns

- (a) This Lease enures to the benefit of and binds the Parties and their respective successors and permitted assigns according to the purport and intent of their respective covenants and agreements.
- (b) If at any time or from time to time the Tenant makes any Disposition of this Lease in accordance with Article XIII, the Tenant shall ensure that the assignee enters into an agreement in form and in substance satisfactory to the Landlord, and subject to the Landlord's Approval, whereby it assumes all liabilities and obligations of the Tenant hereunder and acknowledges the Landlord's Security Interest.

24.16 Counterparts

This Lease and all documents contemplated by or delivered under or in connection with this Lease may be executed and delivered in any number of counterparts with the same effect as if all Parties had signed and delivered the same document and all counterparts will be construed together to be an original and will constitute one and the same agreement.

24.17 Delivery by Fax and Electronic Mail

Any Party may deliver an executed copy of this Lease by fax or electronic mail, but that Party will immediately dispatch by delivery to the other Party an originally executed copy of this Lease.

IN WITNESS WHEREOF the Parties hereto have duly executed this Lease as of the date hereof.

CITY OF OTTAWA
(Landlord)

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have authority to bind the Corporation

**LANSDOWNE STADIUM GP INC. in its
capacity as General Partner of
LANSDOWNE STADIUM LIMITED
PARTNERSHIP**
(Tenant)

Per: _____
Name: John Ruddy
Title: President

Per: _____
Name: Roger Greenberg
Title: Executive Vice-President

I/We have authority to bind the Corporation

Schedule A

Dispute Resolution Procedure

Except as otherwise provided in this Lease, any Dispute in respect of this Lease shall be resolved as follows:

- (a) the Parties shall attempt to resolve such Dispute by negotiations, which shall be initiated by one of them giving to the other written Notice containing details of the Dispute and the other shall provide written reply thereto within ten (10) Business Days;
- (b) if, for any reason, the Dispute remains unresolved after the expiration of the aforesaid ten (10) Business Day period, either Party may provide a written request to the other Party that the Dispute be resolved by referral to arbitration between the Parties pursuant to the *Arbitration Act, 1991* (Ontario). The arbitration shall be conducted by a single arbitrator, the place of arbitration shall be Ottawa, Ontario, and the language of the arbitration shall be English. If the Parties cannot agree upon the appointment of the single arbitrator within ten (10) Business Days of receipt of the request to arbitrate, either Party may apply to a Judge of the Ontario Superior Court of Justice in Ottawa, Ontario, to appoint same. A decision of the arbitrator shall be final and binding on the Parties and there shall be no appeal therefrom; and
- (c) the time limits referred to in this Schedule may be abridged or extended by mutual agreement of the Parties.

Except for any action necessary to enforce the award of the arbitrator, or any actions initiated by the insurer of a Party, and subject to the provision of paragraph (b), the provisions of this Schedule are a complete defence to any suit, action or other proceeding instituted in any court or before any administrative tribunal with respect to any Dispute arising under or in connection with this Lease.

The Parties shall continue to fulfill their respective obligations in respect of this Lease during the Dispute Resolution Procedure.

This Schedule shall survive any termination of this Lease.

Schedule B
Urban Park, Site and Components
[NTD: Updated sketch to be provided by surveyors for closing]

Schedule C Surrender Schedule

1. Transition and Close Out of Agreement

- 1.1 All documents, legal or otherwise, requiring transfer as part of the reversion phase will be delivered to the Landlord on or before the termination of this Lease.
- 1.2 The final Subsequent Stadium Lifecycle Plan will be performed in accordance with Section 6.10(a) of this Lease.
- 1.3 The Tenant shall arrange for the stand-alone operation of the building automation system at the Stadium not less than thirty (30) days prior to the transfer of ownership. For the purposes of this Schedule, stand-alone operation means:
 - 1.3.1 the building automation system is disconnected from any off-premises network, not owned and operated by the City;
 - 1.3.2 the building automation system is capable of controlling and monitoring the Stadium consistent with the established profile of operation implemented during this Lease;
 - 1.3.3 an appropriate operator workstation interface has been provided by the Tenant on-site and is operating normally; and
 - 1.3.4 the Landlord has been provided with unrestricted access (including password authority at the System Administrator level) to the building automation system for the Stadium and to the full range of system features and capabilities associated with the installed hardware and software on the site.

2. Reversion Phase

2.1 Stadium Reversion

2.1.1 The reversion of the Stadium will be conducted through typical legal channels on the date agreed upon by the Parties. The Landlord's and the Tenant's legal representatives will be required to co-ordinate the activity to ensure completion of the transfer by the due date taking into consideration all required Landlord approval processes.

2.2 Responsibility for Building Operations Staff

2.2.1 The Tenant's building operations staff will not be transferred to any City-owned facility as part of this Lease. Nothing herein constitutes an offer of employment to any staff or contractor employed/contracted by the Tenant.

2.2.2 The Tenant's building operations staff will be required to familiarize and train a minimum of two (2) Landlord employees in the entire operation of the Stadium. The Tenant's staff will be required to familiarize Landlord staff with all aspects of the site, including contracts, maintenance agreements, policies, procedures, obligations, upcoming work, the life cycle program and items requiring attention. The Tenant hereby commits to a thirty (30) day commitment to training and orientation for Landlord staff.

2.2.3 With the Landlord's designated staff in attendance, the Tenant shall spend twenty-four (24) hours (three (3) eight (8) hour days) of continuous supervision of plant operations. During this period, the Landlord's representatives will be in attendance for instruction in operation and maintenance under the Tenant's supervision.

2.3 Code Compliance and Due Diligence Inspection

2.3.1 Prior to the expiry of this Lease, the Landlord shall, at its expense, arrange for a comprehensive due diligence inspection of the Stadium by an appropriate consultant or team of consultants retained for that purpose. The due diligence inspection shall be conducted not less than ninety (90) days prior to the date of termination of this Lease and shall include, but not be limited to, the following elements:

- Architectural/Structural/Envelope Systems
- Accessibility Compliance
- Site Condition and Landscape
- Mechanical Systems
- Electrical Systems
- Life-safety Systems
- Vertical Transportation Systems

2.3.2 Prior to the scheduled date(s) of the due diligence inspection, the Tenant shall ensure that all appropriate manuals, certificates, drawings, records and other documents are on-site, properly bound, displayed or stored and that these documents are legible and made available to the consultant team and/or Landlord personnel engaged in the inspection process.

2.3.3 Prior to the scheduled date(s) of the due diligence inspection, the Tenant shall ensure that readable lamacoid plates are provided on all electrical and mechanical equipment. The lamacoid plate layout, condition, wording and accuracy will be confirmed by the Landlord during the due diligence inspection.

2.3.4 At the conclusion of the due diligence inspection, and upon receipt of a final report from the consulting team, the Landlord will advise the Tenant in writing of any deficient condition which prevents safe and proper occupancy, or is in violation of prevailing code or legislation, subject to any “grandfathering”

permitted by such code or legislation. The Tenant shall be required to correct such identified deficient conditions to the satisfaction of the Landlord, and at the sole expense of the Tenant, prior to the expiry of this Lease.

2.4 Utility Account Transfer

2.4.1 The Tenant shall arrange for the transfer of all utility accounts into the name of the Landlord to be effective on the last day of the Term. Any agreement struck with a utility company during the course of this Lease should be transferable to the Landlord without penalty or cost.

2.5 Transfer of Records

2.5.1 All maintenance records, manuals, drawings, performance logs and site documentation related to the Stadium will be transferred to the Landlord on the Lease termination date and will become the property of the Landlord.

2.5.2 The Tenant will provide a plastic laminated and framed schematic flow diagram with all valves marked and tagged as installed in mechanical equipment rooms and other spaces throughout the Stadium.

2.5.3 The Tenant shall provide three (3) complete operation and maintenance equipment manuals for the Stadium to be turned over to the Landlord at the end of this Lease. All manuals will be bound and labelled and will include all requisite certificates, inspection reports and other documentation as otherwise described herein.

2.5.4 All records will be in a good state of repair, will be accurate, up-to-date and materially complete prior to the expiry of this Lease. Any documentation requiring replacement to meet this requirement will be provided at the sole cost of the Tenant.

2.5.5 A list of pertinent contact names and numbers will be provided by the Tenant to the Landlord at the conclusion of this Lease.

2.6 Transfer of Existing Service and Maintenance Agreements

2.6.1 The Tenant shall ensure that all existing service and maintenance agreements established for the Stadium expire normally, without penalty or automatic renewal, on or prior to the termination of this Lease.

2.6.2 The Tenant shall provide the Landlord with a comprehensive listing of all existing service and maintenance agreements, including the name of each service vendor, and the terms, conditions and schedules associated with each agreement, at the start of the final Lease Year.

2.6.3 The Landlord shall undertake negotiations for new service and maintenance contracts on its own initiative and with implementation dates coincident with the termination of this Lease.

Schedule D

Heritage Easement Matters

[NTD: Updated sketch to be provided by surveyors for closing]