

Tenant may register a notice of lease which describes the parties, the Term, and contains the other minimum information required under the applicable legislation, but the notice of lease or caveat must be in form satisfactory to the Landlord, acting reasonably. The Landlord may, at the Landlord's expense, require the Tenant to execute promptly whatever document the Landlord requires for registration on the title to the Shopping Centre or any part of it in connection with this Lease.

Section 17.11 No Partnership

Nothing contained in this Lease or as a result of any acts of the parties hereto will be deemed to create any relationship between the parties other than that of Landlord, Tenant and, if applicable, Indemnifier.

Section 17.12 Quiet Enjoyment

If the Tenant performs its obligations under this Lease, it may hold and use the Premises without interference by the Landlord or any other Person claiming by, through or under the Landlord, subject however to the covenants, terms and conditions of this Lease.

Section 17.13 Retail Sales Tax

The Tenant consents to the Ontario Ministry of Finance releasing to the Landlord, at the Landlord's request from time to time, any information on its file relating to the Tenant's retail sales tax status, liabilities and assessments including the issuance of a certificate pursuant to Section 22 of the Retail Sales Tax Act (Ontario).

Section 17.14 Deposit

- (a) The Tenant has deposited with the Landlord the sum of **twelve thousand, three hundred and forty-nine dollars and thirteen cents (\$12,349.13) inclusive of GST (the "Deposit")**, receipt of which is hereby acknowledged by the Landlord, and which amount shall be applied by the Landlord towards the payment of the first and last months' Minimum Rent and Additional Rent due and payable by the Tenant under this Lease. The Deposit shall be held by the Landlord without liability or interest as security for the faithful performance by the Tenant of all of the terms, covenants and conditions of this Lease by the tenant to be kept, observed and performed.
- (b) If at any time during the Term the Rent or other sums payable by the Tenant to the Landlord hereunder are overdue and unpaid or if the Tenant fails to keep and perform any of the terms, covenants and conditions of this Lease to be kept, observed and performed by the Tenant, then, the Landlord, at its option, may, in addition to any and all other rights and remedies provided for in this Lease or by law, appropriate and apply the entire Deposit or so much thereof as is necessary to compensate the Landlord for loss or damage sustained or suffered by the Landlord due to such breach on the part of the Tenant. If the entire Deposit, or any portion thereof, is appropriated and applied by the Landlord for payment of overdue Rent or other sums due and payable to the Landlord by the Tenant hereunder, then the Tenant shall, upon written demand, forthwith remit to the Landlord a sufficient amount in case to restore the Deposit to the original sum deposited and the Tenant's failure to do so within five (5) days after receipt of such demand constitutes a breach of this Lease. If the Tenant complies with all the terms, covenants and conditions and promptly pays all of the Rent and other sums herein provided and payable by the Tenant to the Landlord, the Deposit shall be returned in full to the Tenant without interest within thirty (30) days after the end of the Term or within thirty (30) days after the earlier termination of the Term of this Lease, as the case may be.
- (c) The Landlord shall deliver the Deposit to any purchaser of the Landlord's interest in the Premises, the Shopping Centre, or any part thereof, if such interest is sold and thereupon the Landlord is discharged from any further liability with respect to the Deposit.

Section 17.15 Security Deposit

The Tenant will pay to the Landlord the amount of **five thousand, eight hundred and eighty dollars and fifty-three cents (\$5,880.53) inclusive of GST (the "Security Deposit")**, to be held by the Landlord as security for the Tenant's faithful performance of all the terms, covenants and conditions of this Lease to be kept, observed and performed by the Tenant. If the Tenant is at any time in default of any of its covenants, obligations and agreements under this Lease, then the Landlord may, in addition to all other rights and remedies available to it and without prior notice to the Tenant, appropriate and apply the entire Security Deposit, or so much thereof as the Landlord considers necessary to compensate the Landlord for loss or damage sustained or suffered by it due to or arising from such default. Upon written demand of the Landlord following any such appropriation, the Tenant shall pay to the Landlord an amount sufficient to restore the Security Deposit to the original amount. If the Tenant complies with all the terms, covenants and conditions of this Lease, the Security Deposit shall be returned to the Tenant without

interest within sixty (60) days after the expiration or earlier termination of this Lease, as the case may be, or at the Landlord's option may be applied to any Rent and Sales Taxes payable under this Lease at the end of the Term. The Landlord may deliver the Security Deposit to any purchaser of the Landlord's interest in the Shopping Centre or any part thereof, and thereupon the Landlord will be discharged from any further liability with respect to the Security Deposit.

Section 17.16 Planning Act

This Lease is entered into subject to the provisions of and compliance with the provisions of all applicable legislation dealing with planning restrictions. If the Term, including any extensions or renewals thereof, shall be expressed to extend for a period of excess of the maximum period for which a lease may be granted without the consent of the body having jurisdiction pursuant to such legislation ("Maximum Period"), then until any necessary consent to this Lease is obtained pursuant to the provisions of the applicable legislation, the Term together with any rights of extension or renewal pursuant to this Lease shall be conclusively deemed to extend for the Maximum Period less one (1) day from the Commencement Date; any application required to obtain any necessary consent pursuant to the applicable legislation shall be prosecuted by Tenant and Tenant shall be solely responsible for all costs of such application and all costs, levies and charges of any kind whatever which shall be charged or imposed as a result of the application for consent pursuant to the applicable legislation and to obtain such documents in respect of any application for consent pursuant to the applicable legislation and to obtain such consent. Tenant shall provide to Landlord copies of all applications, correspondence and other documents in respect of any application for consent pursuant to such legislation and shall keep Landlord informed of all matters relating to the prosecution of such application. Notwithstanding the foregoing, the Landlord shall have the right, at its option, to apply for any such consent and if Landlord does so, the Tenant shall bear the full cost thereof and shall be responsible for all costs, levies and other charges charged or imposed as a result of such application or in order to obtain such consent.

Section 17.17 Redevelopment

If at any time during the Term or any renewal the Landlord desires to renovate, alter, demolish and/or redevelop all or any part of the Shopping Centre (the "Redevelopment"), the Tenant agrees that if the Landlord determines in its sole discretion that it requires vacant possession of the Premises in connection therewith, then the Landlord shall be entitled, at its option, to terminate this Lease upon written notice to the Tenant without obligation or liability to the Tenant. Such termination notice shall be given at least six (6) months prior to the effective date of termination. On the effective date, (a) the Tenant shall deliver up vacant possession of the Premises in accordance with its obligations under this Lease, and (b) the Landlord shall reimburse the Tenant for the unamortized balance of the actual hard costs incurred by the Tenant in constructing its leasehold improvements at the Commencement Date (to the extent such costs are substantiated to the Landlord by copies of paid invoices satisfactory to the Landlord and calculated by amortizing such costs on a straight line basis over the shorter of the initial Term or a period of five (5) years from the Commencement Date) less the aggregate of any rental concessions conferred on the Tenant, any allowance or inducement paid by the Landlord to the Tenant or on its behalf, and any amounts then owing by the Tenant to the Landlord. If the Landlord does not elect to terminate this Lease in connection with a Redevelopment, then the Tenant shall, at Tenant's expense, upgrade and refurbish the Premises, which work shall, at Landlord's option, include the renovation and/or replacement of the Tenant's storefront and signage, and painting and upgrading of interior store fixtures and improvements, all in accordance with the Landlord's then current standard design criteria for refurbishment.

Section 17.18 Vacant Possession Condition

The Tenant acknowledges that the Premises are presently occupied by and subject to a lease in favour of a third party. Notwithstanding anything to the contrary, the Tenant's right to occupy the Premises is conditional upon the Landlord obtaining vacant possession of the Premises from said third party prior to the commencement of the Fixturing Period failing which the commencement of the Fixturing Period, the Commencement Date and all other relevant dates under this Lease shall be extended from time to time, by notice in writing from the Landlord.

Section 17.19 Option to Extend

If the Tenant:

- (i) pays the Rent as and when due and punctually observes and performs its covenants, obligations and agreements under and in accordance with the terms of this Lease;
- (ii) is not in breach or default under the terms of this Lease;

- (iii) gives the Landlord at least twelve (12) months prior to the expiry of the initial Term of its intention to extend the Term;
- (iv) is SHS Optical Ltd. and is itself in physical occupation of and conducting business in the whole of the Premises; and
- (v) the Tenant has paid Percentage Rent in each of the two (2) preceding Rental Years of not less than twenty-five percent (25%) of the annual Minimum Rent (the Landlord reserving, in its sole discretion, its right to waive compliance with any or all of the foregoing conditions to the Tenant's exercise of these options to extend such waiver to be evidenced by the Landlord's written acceptance of the Tenant's exercise of the extension option),

then the Tenant will have the right to extend the Term upon the expiry of the initial Term for a further period of five (5) years (the "Extended Term") upon the same terms and conditions as are set out in this Lease, except that:

- (a) there will be no further right to extend the Term;
- (b) any Fixturing Period or requirement on the Landlord's part to do any Landlord's Work or pay to the Tenant any construction allowance, inducement, loan or other amount in connection with this Lease or improvements installed in the Premises, set out in this Lease, shall not apply to the Extended Term and the Tenant agrees to take the Premises on an "as is" basis;
- (c) if the Landlord requires, the Tenant will promptly (1) execute a new net lease for the Extended Term on the Landlord's then current standard form of net lease for the Shopping Centre, which form may include the then current definitions and formulae for the sharing of the Landlord's costs and expenses of operating the Shopping Centre such by way of example those that are set out in Section 6.03, the allocation of Taxes and other costs and charges relating to the operation of the Shopping Centre, or (2) execute an extension agreement prepared by the Landlord at the Tenant's expense, giving effect to the Extended Term;
- (d) the Tenant agrees to refurbish the Premises at its own cost within the first six (6) months of the Extended Term, in accordance with the Landlord's then-current design criteria; and
- (e) (i) the annual Minimum Rent for the first year of the Extended Term shall be mutually agreed upon between the Landlord and the Tenant based upon the then-prevailing fair market net rental for similar premises in similar vicinities at the commencement of the Extended Term, provided that the Minimum Rent for the first year of the Extended Term shall in no event be less than the annual Minimum Rent and Percentage Rent payable by the Tenant for the last twelve (12) months of the initial Term, and if the parties are unable to agree on the Minimum Rent rate by no later than three (3) months prior to the expiry of the initial Term, at the Landlord's option either (1) this option to extend shall be null and void; or (2) the Minimum Rent shall be determined by a single arbitrator in accordance with the Arbitrations Act of Ontario as amended or replaced. If submitted to arbitration in accordance with the foregoing provisions, the arbitrator's decision shall be final and binding with no further appeal and the costs of the arbitration shall be shared equally by the parties unless the arbitrator determines that it is equitable to do otherwise in light of the circumstances. If the arbitration decision is not rendered prior to the commencement of the Extended Term, the Tenant shall pay Minimum Rent at the rate applicable to overholding as set out in Section 17.02 and within ten (10) days after the Minimum Rent for the Extended Term is determined, the Tenant shall pay to the Landlord any amount retroactively owing from the commencement of the Extended Term, together with interest thereon at the Stipulated Rate calculated from the first day of the Extended Term to the date of payment; and
 - (ii) if the Landlord has not deemed the option to extend null and void as set out in (i) above, the Minimum Rent for the second and subsequent Rental Years of the Extended Term will be the annual Minimum Rent payable for the immediately preceding Rental Year increased by the greater of (1) the Minimum Rent for the immediately preceding Rental Year increased by six percent (6%); or (2) the percentage increase in CPI from the last calendar month before the commencement of the then-current Rental Year.

Notwithstanding anything to the contrary, if the Tenant has made three (3) or more late payments of Rent at any time during the initial Term, then from and after the date of such third late payment, this Section and the Tenant's right to exercise the option to extend shall, at the Landlord's sole option, automatically be null and void and of no further force or effect without the requirement of the Landlord to notify the Tenant of the revocation of the option to extend the Term.

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

SIGNED, SEALED AND DELIVERED

in the presence of

J. Bergs

) FIRST CAPITAL (YORK MILLS)
) CORPORATION

(Landlord)

Per: *Monique M. Dubord* Monique M. Dubord
Authorized Signature Vice President

Per: *Marta O. Lewycky* Marta O. Lewycky
Authorized Signature Vice President, Legal Affairs

) I/We have authority to bind the corporation.

) SHS OPTICAL LTD.

(Tenant)

Per: *[Signature]*
Authorized Signature

Per: _____
Authorized Signature

) I/We have authority to bind the corporation.

SCHEDULE "A" - LEGAL DESCRIPTION

LEGAL DESCRIPTION FOR THE SHOPPING CENTRE LANDS

Part of Lot 11, in the Third Concession, East of Yonge Street
City of Toronto, as more particularly described as follows:

First:

Commencing at the south-westerly angle of said Lot 11;

Thence North eight degrees fifteen minutes thirty seconds West (N. 8° 15' 30" W) along the westerly limit of said Lot 11, three hundred and ten feet (310') to a point;

Thence North eighty-one degrees forty-four minutes thirty seconds East (N. 81° 4' 30" E) seventeen feet (17') to an iron pipe, being the place of beginning and being the easterly limit of Leslie Street as widened;

Thence North eighty-one degrees forty-four minutes thirty seconds East (N. 81° 4' 30" E) eleven feet nine and one-half inches (11' 9 1/2") to an iron pipe;

Thence South seventy-four degrees fifteen minutes thirty seconds East (S. 74° 15' 30" E) one hundred and twenty-three feet two inches (123' 2") to a stake;

Thence South eighty-eight degrees twenty minutes thirty seconds East (S. 88° 20' 30" E) fifty-three feet seven and one half inches (53' 7 1/2") to an iron pipe;

Thence South twenty-three degrees fifty-seven minutes East (S. 23° 57' E) one hundred feet (100') to a stake;

Thence South thirty-nine degrees thirty-one minutes East (S. 39° 31' E) one hundred and four feet eleven and one-half inches (104' 11 1/2") to an iron pipe in a line drawn parallel to and distant twenty-seven feet (27') measured northerly at right angles from the southerly limit of said Lot 11 and being the southerly limit of York Mills Road as widened;

Thence North seventy-four degrees East (N. 74° E) parallel to the southerly limit of said Lot 11 and being along the northerly limit of York Mills Road as widened, eight hundred and eleven feet seven inches (811' 7") to an iron bar planted in the westerly limit of a thirty feet (30') Pipe Line Right of Way;

Thence North twenty-eight degrees forty-eight minutes thirty seconds West (N. 28° 48' 30" W) along the westerly limit of said Right of Way, three hundred and ninety-nine feet eleven and one-half inches (399' 11 1/2") to an iron bar in a line drawn parallel to and distant three hundred and ninety feet (390') measured northerly at right angles from the northerly limit of York Mills Road as widened;

Thence South seventy-four degrees West (S. 74° W) nine hundred and thirty feet seven and one-half inches (933' 7 1/2") to an iron bar in the easterly limit of Leslie Street as widened;

Thence South eight degrees fifteen minutes thirty seconds East (S. 8° 15' 30" E) along the easterly limit of Leslie Street as widened, one hundred and thirteen feet two inches (113' 2") to the place of beginning.

As described in Instrument No. NY270577.

Secondly:

Part of Lot 11, in the Third Concession, East of Yonge Street, as more particularly described as follows:

Beginning at the southwest angle of the said Lot 11;

Thence north-easterly along the northerly limit of the original allowance for road between Lots 10 and 11, in the Third Concession, East of Yonge Street one thousand and ninety-eight feet six inches (1098' 6");

Thence to and along the easterly limit of the lands granted by Deed Number 270577 North York dated the 20th day of November, 1957, made by Bonart Investments Limited to Imperial Tobacco Sales Company of Canada, Limited, North twenty-eight degrees, forty-eight minutes thirty seconds West (N. 28° 48' 30" W) four hundred and twenty-seven feet seven and three-quarter inches (427' 3 3/4") to the northeast angle of the lands in the said Deed Number 270577 North York, being the point of commencement of the lands hereby granted;

Thence North twenty-eight degrees forty-eight minutes thirty seconds West (N. 28° 48' 30" W) fifty feet (50') to a point;

Thence south-west sixty-two feet (62') more or less to a point in the northerly limit of the lands in the said Deed Number 270577 North York;

Thence North seventy-four degrees East (N. 74° E) fifty feet (50') to the point of commencement.

As described in Instrument No. NY209858.

Third and Fourth:

Part of Lot 11 in the Third Concession East of Yonge Street, as more particularly described as follows:

Commencing at the south-westerly angle of said Lot 11;

Thence North 8 degrees 15 minutes 30 seconds West along the westerly limit of said Lot 11, three hundred and ten feet (310') to a point;

Thence North 81 degrees 44 minutes 30 seconds East seventeen feet (17') to an iron pipe, being the place of beginning and being the easterly limit of Leslie Street as widened;

Thence North 81 degrees 44 minutes 30 seconds East, eleven feet nine and one-half inches (11' 9 1/2") to an iron pipe;

Thence South 74 degrees 15 minutes 30 seconds East, one hundred and twenty-three feet two inches (123' 2") to a stake;

Thence South 88 degrees 20 minutes 30 seconds East, fifty-three feet seven and one-half inches (53' 7 1/2") to an iron pipe;

Thence North 23 degrees 57 minutes West, one hundred and three feet three and three-quarter inches (103' 3 3/4") to an iron pipe;

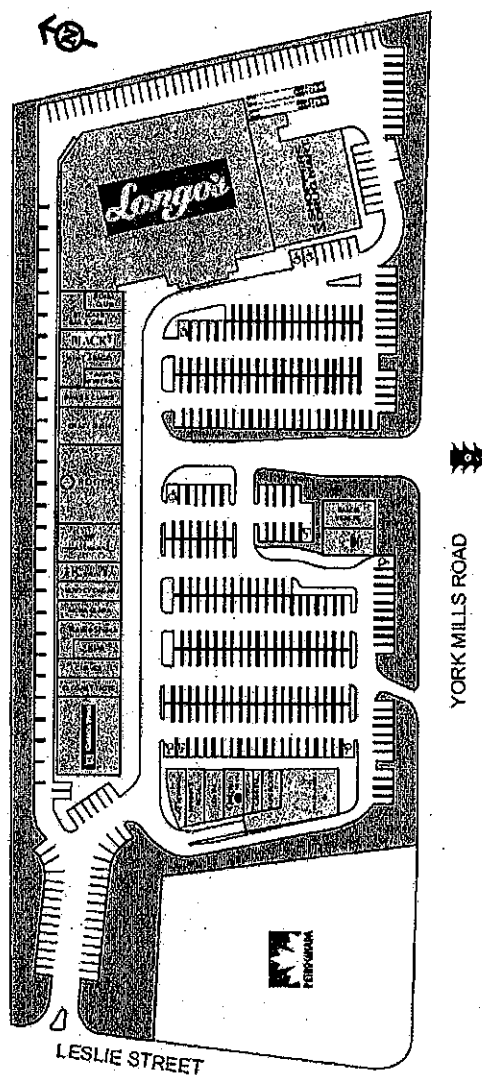
Thence South 74 degrees West parallel to the southerly limit of said Lot 11, one hundred and fifty feet six inches (150' 6") to an iron pipe in the easterly limit of Leslie Street as widened;

Thence South 8 degrees 15 minutes 30 seconds East along the easterly limit of Leslie Street as widened, twenty feet (20') to the place of beginning;

The hereinbefore described property contains by admeasurement, two hundred and twenty-seven one thousandths of an acre (0.227 ac)

As previously described in Instrument No. NY277457, registered April 3, 1958.

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For Leasing Enquiries Contact:
Rick Green
Director of Leasing, Central Canada
Tel: 1-877-504-4114
E-mail: rick.green@bkscopinc.ca

YORK MILLS GARDENS
TORONTO, ONTARIO

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**SCHEDULE "C" - CONSTRUCTION OF THE PREMISES
LANDLORD'S & TENANT'S WORK**

AS IS

The Tenant acknowledges that it accepts the Leased Premises in an "as is" condition and that all alterations, renovations, decorations or other work required in connection with the Leased Premises will be performed by the Tenant, at its sole cost and expense, and in accordance with this Schedule.

TENANT'S WORK

Prior to commencing with any renovations in or at the Leased Premises, the Tenant agrees to provide the Landlord with professional plans detailing their proposed renovations, including, but not limited to interior improvements, color schemes and materials.

All renovations are subject to the Landlord's prior written approval, which approval shall not be unreasonably withheld.

1. Permits

The Tenant shall, in a timely fashion, apply for and pay for its own building, renovation and occupancy permit(s) and any other permits or licenses required for the Tenant's Work and its occupancy of the Leased Premises. The Tenant will not commence its work prior to furnishing the Landlord with copies of all necessary permits and other approvals.

2. Submission

Within fifteen (15) business days following execution of this Offer, the Tenant will submit to the Landlord for its approval: (i) two white sets of each of its plans and drawings for its signage together with specifications for the finishing of the Leased Premises which plans and drawings must be prepared by a qualified designer, architect and engineer; and (ii) include floor plans, reflected ceiling fans, wall elevations, storefront elevation, sections details including any special facilities or installations which affect the Landlord's facilities; and (iii) complete mechanical and electrical drawings detailing any underfloor requirements, equipment connections and installations, water and sewage, HVAC distribution system, sprinkler mains and runs, electrical diagrams and panel schedules.

3. Fascia Signs

In the event that:

- (i) the Landlord's designated sign policy is box signage, then the fascia sign box and plastic face will be, (or has previously been), supplied and installed by the Landlord, and the Tenant will reimburse the Landlord for the cost of same by payment of a rental fee at a rate of \$3.25 per lineal foot per month, to be added to and collected as Minimum Rent.
- (ii) the Landlord's designated sign policy is individual illuminated letters or signage other than box signage, then the Tenant will purchase the signage directly from the Landlord's designated supplier or from the Landlord.
- (iii) the Landlord improves and/or modifies the façade at any time during the Term and/or any renewals or extensions thereof, then the Tenant will be required to immediately install, at its own expense, individual illuminated channel lettering on the new façade in a manner and design first approved in writing by the Landlord.

Fascia sign artwork will be supplied and installed by the Tenant. All Tenant signs will be in accordance with the Landlord's designated sign policy from time to time. Sign, shop drawings, indicating clearly size, finishes, colours and graphics to be submitted for written approval by Landlord prior to installation by Tenant. At Landlord's option, any sign installed without the Landlord's prior written approval may be removed immediately at the Tenant's expense and risk.

4. Approval

The Tenant acknowledges that any work undertaken by the Tenant without the Landlord's written approval may, in the discretion of the Landlord, be removed from the Leased Premises, or the Leased Premises be restored to the original condition, in either case, at the expense of the Tenant. Such work shall be performed by competent workmen whose labour union affiliations are not incompatible with those of the Landlord's contractors and subtrades.

5. Delays

If the Landlord's Project Manager determines that any delays caused by the Tenant or its contractors or the progress of the Tenant's Work have impeded or delayed that of the Landlord's general contractor or its subcontractors, or have otherwise resulted in a delay in the commencement or substantial completion of the Landlord's Work, then the Landlord's Project Manager shall establish the date that the Landlord's Work would otherwise have been substantially completed and that date shall be the date of substantial completion of the Landlord's Work for the purposes of Section 3 and all other purposes of this Offer. The cost of any delays incurred by the Landlord's contractor, due to the Tenant's Work, shall be paid for by the Tenant. In addition, if the Tenant fails to deliver plans and specifications

for the Tenant's Work to the Landlord, within the time limits required under this Offer, then the Landlord will have the right, at its sole option, upon five (5) days written notice to the Tenant, to retain an architect including the Landlord's project architect to prepare the Tenant's plans at the Tenant's expense.

6. Fixtures and Equipment

The Tenant will use only new or like new fixtures and equipment in the Leased Premises.

7. Sprinklers

If the Landlord provides a sprinkler main to the Leased Premises, the Tenant shall, at its expense, install a complete sprinkler system to the satisfaction of the governing authorities.

8. Additional Work

Any additional requirements of the Tenant over those specified in this Schedule "B" shall be the responsibility of the Tenant.

9. Fire Protection Equipment

Where occupancy includes cooking or hazardous process areas, the Tenant shall install and maintain a chemical or CO2 automatic fire protection system approved by the appropriate governmental authorities and notify the Landlord of any interruption to or flaw or defect in the system coming to the attention of the Tenant.

10. Utilities

The Tenant will pay for all charges for utilities consumed in the Leased Premises commencing from the date the Tenant or its agents or contractors occupy the Leased Premises to commence its work.

11. Work Performed by Landlord

For any additional work which the Landlord may perform on behalf of the Tenant, at its expense, the Landlord shall charge the Tenant fifteen percent (15%) of the cost of the work as a co-ordination fee. Any work, in addition to that outlined in "Landlord's Work" which the Landlord performs for the Tenant, shall not delay the Tenant's acceptance of the Leased Premises. All work performed and materials supplied by the Landlord as part of the Landlord's Work are to be in accordance with the Landlord's specifications and its choice of design and materials.

12. Alterations to Exterior

Any alterations to the exterior walls or roof of the Leased Premises which the Tenant may request shall be performed at the sole option of the Landlord by either the Tenant's or the Landlord's forces at the Tenant's expense.

13. Additional Costs

If as a result of any work undertaken by or on behalf of the Tenant, including the Tenant's Work, the Landlord's Project Manager determines in its discretion that the Landlord has incurred any additional costs or expenses due to additional or modified work required to be undertaken by the Landlord or its contractors, which deviates from the Landlord's plans and specifications for the Landlord's Work or for the Landlord's construction of other portions of the Shopping Centre, then the Tenant will, immediately upon invoicing, reimburse the Landlord (or at the Landlord's option, the Landlord's contractor) for such additional costs and expenses plus a fifteen percent (15%) co-ordination fee.

14. Roof

Tenant and its agents, employees and representatives shall not at any time be permitted on the roof.

15. Examination of Leased Premises

The Tenant will examine the Leased Premises before taking possession and unless the Tenant furnishes the Landlord with written notice specifying any defects within ten (10) days after taking possession, the Tenant will be deemed to have examined the Leased Premises and to have agreed that they are in good order.

16. Clean Up

The Tenant shall be responsible for all clean up of construction debris caused by its own contractors/subcontractors and other workmen involved in connection with the performance of the Tenant's Work. The Tenant shall provide its own garbage bins for the disposal of refuse and other debris relating to the Tenant's Work and will be prohibited from using the Landlord's bins. If the Tenant does not comply with these requirements and remedy any default to the



Landlord's satisfaction within twenty-four (24) hours of written notice, the Landlord has the right (but not the obligation) to arrange for the necessary clean up and bin rental, the cost of which, together with an administration fee of fifteen percent (15%) of such cost, shall be paid by the Tenant as Additional Rent.

17. Grease Disposal and Storage

Where occupancy includes cooking which results in the Tenant requiring temporary storage and disposal of greases, oil or similar matter, the Tenant agrees to construct a secure storage facility in a location to be specified by the Landlord. The cost for construction and maintaining the storage facility will be borne solely by the Tenant and subject to the Landlord's approval as to design and fabrication. The right to this exterior storage facility is subject to governmental and regulatory approval.

18. Tender Right

The Tenant hereby grants the Landlord and/or the Landlord's designated contractor(s), the right to tender for all or a portion of the Tenant's Work. The Tenant will furnish the Landlord or its designated contractor(s), with detailed plans, specifications and working drawings for the completion of the Tenant's work, which are of sufficient detail to allow the preparation of a tender bid. The Tenant agrees that it will accept the Landlord's (or its designated contractor's) bid if it is the lowest tender, and will otherwise advise the Landlord of any lower tender which the Tenant is prepared to accept and the Landlord will have the option for a period of five (5) business days thereafter to match such tender price in which case, it will then be awarded the construction contract for the Tenant's Work. If the Landlord or its designated contractor is awarded the contract for the Tenant's Work, the Tenant covenants to execute a formal construction contract prepared by the Landlord or contractor within five (5) days following submission of the contract to the Tenant.

19. No Warranties

The Tenant will satisfy itself that the Leased Premises in the Shopping Centre are adequately zoned for the Tenant's business purposes and that building, occupancy and all other necessary permits and other governmental approvals will be available for the Tenant's Work and proposed use. The Tenant further acknowledges that the Landlord makes no representations, warranties or other claims respecting any of the foregoing matters.

20. Construction Liens

If any construction or similar lien is made, filed or registered against title to the Shopping Centre lands (or part of it) or against the Tenant's leasehold interest, as a result of any work, materials or services supplied or performed by or on behalf of the Tenant or otherwise in respect of the Leased Premises, then the Tenant will discharge it forthwith at the Tenant's expense. If the Tenant fails to discharge the lien, then in addition to any other right or remedy of the Landlord, the Landlord may elect to discharge the lien by paying the amount claimed to be due (and any additional amounts as may be required at law or otherwise) into Court or directly to the lien claimant and the amount paid by the Landlord and all costs and expenses including all solicitor's fees incurred as a result of the lien including the costs of procuring its discharge will be immediately paid by the Tenant to the Landlord.

SCHEDULE "D" - RULES AND REGULATIONS

1. The Tenant will:

- (a) keep the inside and outside of all glass in the doors and windows of the Premises clean;
- (b) keep all exterior storefront surfaces of the Premises clean;
- (c) replace promptly, at its expense, any cracked or broken window glass of the Premises;
- (d) maintain the Premises at its expense, in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests;
- (e) keep any garbage, trash, rubbish or refuse in ratproof containers within the interior of the Premises until removed;
- (f) remove garbage, trash, rubbish and refuse at its expense on a regular basis as prescribed by the Landlord and if the Tenant uses perishable articles or generates wet garbage, the Tenant shall provide refrigerated storage facilities suitable to the Landlord;
- (g) keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the Premises, and
- (h) cause its employees, agents, and contractors to park only in the parts of the Common Elements, if any, designated by the Landlord as employee parking.

2. The Tenant will not:

- (a) commit or permit waste upon or damage to the Premises or any nuisance or other act that disturbs the quiet enjoyment of other tenants or occupants of the Shopping Centre;
- (b) do anything that may damage the Shopping Centre or permit odours, vapours, steam, water, vibrations, noises or other undesirable effects to come from the Premises;
- (c) place or maintain any merchandise or other articles in any vestibule or entry of the Premises, on the adjacent footwalks or elsewhere on the exterior of the Premises or the Common Elements;
- (d) permit accumulations of garbage, trash, rubbish or other refuse within or outside the Premises;
- (e) distribute handbills or other advertising matter to Persons in the Shopping Centre other than in the Premises;
- (f) permit the parking of delivery vehicles so as to interfere with the use of any driveway, walkway, parking facilities, mall or other area of the Shopping Centre;
- (g) receive, ship, load or unload articles of any kind including merchandise supplies, materials, debris, garbage, trash, refuse and other chattels except through service access facilities designated from time to time by the Landlord;
- (h) use the plumbing facilities for any other purposes than those for which they are constructed;
- (i) use any part of the Premises for lodging, sleeping or any illegal purposes;
- (j) cause or permit any machines selling merchandise, rendering services or providing, however operated, entertainment to be present on the Premises unless consented to in advance in writing by the Landlord;
- (k) solicit business and display merchandise except in the Premises, nor do or permit anything to be done in or on the Common Elements or the Shopping Centre that hinders or interrupts the flow of traffic to, in and from the Shopping Centre or obstructs the free movement of Persons in, to or from the Shopping Centre;
- (l) permit on the Premises any transmitting device or erect an aerial on any exterior walls of the Premises or any of the Common Elements, or use travelling or flashing lights, signs or television or other audio-visual or mechanical devices that can be seen outside of the Premises, or loudspeakers, television, phonographs, radios or other audio-visual or mechanical devices that can be heard outside of the Premises; or
- (m) allow or cause to be done any act in or about the Common Elements or the Shopping Centre which in the Landlord's opinion hinders or interrupts the Shopping Centre's flow of traffic or in any way obstructs the free movement of parties doing business in the Shopping Centre.

SCHEDULE "E" - PRE-AUTHORIZED PAYMENT PLAN AUTHORIZATION

NAME OF OWNER OR OF HEAD OFFICE ACCOUNT RECEIVABLE NUMBER

NAME AND NUMBER OF STORE DATE OF LEASE MONTHLY CHARGES

ADDRESS OF STORE DATE OF LAST PAYMENT

HEAD OFFICE ADDRESS BANK ACCOUNT NUMBER

TRANSITORY NUMBER BANK & BRANCH

NAME SHOWN IN BANK RECORDS

SIGNATURE OF TREASURER

REQUEST FOR PARTICIPATION IN THE PRE-AUTHORIZED PAYMENT PLAN

I hereby authorize _____ (hereinafter called the "Company") and/or [insert name of Landlord's Bank] to debit my account at the financial institution designated hereunder, in accordance with the AUTHORIZATION TO PAY shown below, for the purpose of paying the sums due in virtue of _____

Please enclose a specimen cheque from your bank, your "Caisse Populaire" or a trust company.

AUTHORIZATION TO PAY

NAME OF BANK

BRANCH AND ADDRESS

I hereby request you and give you authorization to pay and debit my account at your branch or at any other branch of your institution where my account may be transferred, all cheques drawn on your institution in my name and payable to the order of _____ that will be presented to you for payment or any sums specified on any magnetic tape or any other computer tape for remittance to _____ or [insert name of Landlord's Bank].

In consideration of your services for the purposes hereof, it is agreed that your handling of each cheque and/or computer tape and your rights with regard to these cheques shall be the same as if they had been signed personally by me, requesting you and giving you authorization to pay sums and to credit such sums to the said beneficiary by debiting them to my account and any default in payment shall not give rise to any responsibility on your part regardless of the loss or damage incurred.

If the financial institution mentioned above is not a bank to which the banking Laws of Canada apply, the word "cheque" as it is used in the present authorization shall include any "order" which would be defined as a cheque in Article 165 of the Law on letters of exchange (Canada).

Any delivery to you of the present authorization shall constitute delivery by the undersigned.

Made at _____, this _____ day of _____ 200_____.

(The signature must conform to that which appears on the signature records of the financial institution concerned).

Authorized Signature

viii

RUTHERFORD VILLAGE SHOPPING CENTRE LEASE

BASIC TERMS

1. LANDLORD: Shiplake Investments (Rutherford) Ltd.
2. LANDLORD'S ADDRESS: c/o Shiplake Management Company
Suite 1600 - 20 Eglinton Avenue West
Toronto, ON M4R 2H1
Fax No.: (416) 482-1508

Attention: Mr. Steven Latner
3. TENANT: S.H.S. Optical Limited
4. TENANT'S ADDRESS: At the Premises
5. TENANT'S TRADE NAME: Great Glasses
6. USE: The retail sale of: eyeglasses, contact lenses and associated items.
7. PREMISES: Unit No. D-3, Building D, as shown cross-hatched on Schedule "B-1". The Premises are municipally known as Unit 20, 9200 Bathurst Street, Thornhill, Ontario, L4J 8W1.
8. RENTABLE AREA: Approximately 1,200 square feet, plus or minus five percent (5%).
9. FIXTURING PERIOD: A period of up to thirty (30) days, beginning on May 1, 2005 and expiring on the earlier of thirty (30) days later and the date the Tenant begins carrying on business in any part of the Premises, subject to the provisions of Rider No. 1, Paragraph 2.
10. TERM: For a period of ten (10) years beginning on the expiry of the Fixturing Period (the "Commencement Date") and ending on the day before the ten (10th) anniversary of the Commencement Date, if that date is the first day of a calendar month, or if that date is not the first day of a calendar month, the first day of the first calendar month following the calendar month in which the Commencement Date occurs.
11. MINIMUM RENT:

Lease Year 1 - Twenty-Three Dollars (\$23.00) per square foot of the Rentable Area of the Premises per annum.

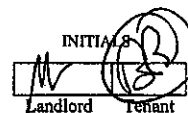
Lease Year 2 - Twenty-Four Dollars (\$24.00) per square foot of the Rentable Area of the Premises per annum.

Lease Year 3 - Twenty-Five Dollars (\$25.00) per square foot of the Rentable Area of the Premises per annum.

Lease Year 4 - Twenty-Six Dollars (\$26.00) per square foot of the Rentable Area of the Premises per annum.

Lease Year 5 - Twenty-Seven Dollars (\$27.00) per square foot of the Rentable Area of the Premises per annum.

Lease Years 6 to 10 - Thirty Dollars (\$30.00) per

INITIALS

Landlord Tenant

- square foot of the Rentable Area of the Premises per annum.
12. PERCENTAGE RENT RATE: None
13. INITIAL PROMOTION FUND: None
14. PROMOTION FUND PAYMENT: None
15. ADVERTISING PAYMENT: The greater of One Thousand, One Hundred and Fifty Dollars (\$1,150.00) per annum, or One Dollar and Fifteen Cents (\$1.15) per square foot of Rentable Area of the Premises.
16. DEPOSIT: Twelve Thousand and Ninety-One Dollars (\$12,091.00) to be applied and held in accordance with Section 2.8.
17. INDEMNIFIER: Mr. Bruce Bergez
18. OPTION: Two (2) further periods of five (5) years each, subject to the terms and conditions set forth in Rider No. 1, Paragraph 1.
19. EXCLUSIVE: Rider No. 1, Paragraph 3

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



	
Landlord	Tenant

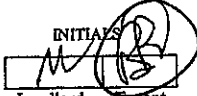
TABLE OF CONTENTS

ARTICLE I	GRANT, TERM AND INTENT	1
1.1	Premises	1
1.2	Use of Common Areas	1
1.3	Term of Lease	1
1.4	Net Lease Intent	2
ARTICLE II	RENT AND DEPOSIT	2
2.1	Minimum Rent	2
2.2	Percentage Rent	2
2.3	Reports by Tenant	2
2.4	Tenant's Records	2
2.5	Right to Examine Books	2
2.6	Audit	2
2.7	Rent Past Due	2
2.8	Deposit	2
2.9	Prc-Authorized Payments/Postdated Cheques	3
ARTICLE III	TAXES	3
3.1	Taxes Payable by Landlord	3
3.2	Taxes Payable by Tenant	3
3.3	GST Payable by Tenant	4
3.4	Business Taxes and Other Taxes of Tenant	4
ARTICLE IV	OPERATING COSTS, HVAC AND UTILITIES	5
4.1	Operating Costs Payable by Tenant	5
4.2	Heating, Ventilating and Air Conditioning	5
4.3	Utilities	6
ARTICLE V	PROMOTION FUND AND ADVERTISING	6
5.1	Opening Promotion	6
5.2	Promotion Fund	6
5.3	Merchants' Association	6
5.4	Advertising	6
ARTICLE VI	CONDUCT OF BUSINESS BY TENANT	6
6.1	Use of Premises	6
6.2	Conduct and Operation of Business	7
6.3	Prohibited Activities	9
6.4	Radius Clause	9
6.5	Hazardous Substances	9
ARTICLE VII	FIXTURES, ALTERATIONS AND REPAIRS AND LANDLORD'S CONTROL OF SHOPPING CENTRE	9
7.1	Installations by the Tenant	9
7.2	Maintenance and Repair by the Tenant	10
7.3	Signs, Awnings, Canopies	10
7.4	Surrender of Premises	10
7.5	Tenant to Discharge all Liens	11
7.6	Rules and Regulations	11
7.7	Maintenance and Repair by the Landlord	11
7.8	Operation and Control of Shopping Centre by Landlord	12
7.9	Right to Relocate	12
7.10	Landlord's Right to Enter Premises	13
7.11	Demolition	13
ARTICLE VIII	INSURANCE AND INDEMNITY	13
8.1	Tenant's Insurance	13
8.2	Increase in Insurance Premium	14
8.3	Landlord's Insurance	15
8.4	Loss or Damage	15



INITIALS

	
Landlord	Tenant

8.5	Indemnification of the Landlord	16
ARTICLE IX	DAMAGE, DESTRUCTION AND EXPROPRIATION.....	16
9.1	Total or Partial Destruction of Premises	16
9.2	Total or Partial Destruction of Shopping Centre.....	16
9.3	Abatement of Rent	17
9.4	Expropriation Awards	17
ARTICLE X	STATUS STATEMENT, SUBORDINATION AND ATTORNMENT	17
10.1	Status Statement	17
10.2	Subordination and Attornment	17
10.3	Power of Attorney	17
10.4	Sale by Landlord	17
10.5	Financial Information	17
ARTICLE XI	TRANSFERS BY TENANT.....	18
11.1	Consent Required	18
11.2	Conditions of Consent.....	18
11.3	Landlord's Option	19
11.4	No Advertising of Premises	19
ARTICLE XII	DEFAULT OF TENANT.....	19
12.1	Right to Re-Enter	19
12.2	Right to Relet	20
12.3	Legal Expenses.....	20
12.4	Bankruptcy	21
12.5	Landlord May Perform Tenant's Covenants	21
12.6	Waiver of Exemptions from Distress	21
12.7	General Security Agreement	21
12.8	Remedies Cumulative	22
ARTICLE XIII	MISCELLANEOUS.....	22
13.1	Overholding.....	22
13.2	Successors	22
13.3	Waiver	22
13.4	Accord and Satisfaction	22
13.5	Entire Agreement	22
13.6	No Partnership.....	23
13.7	Force Majeure	23
13.8	Notices.....	23
13.9	Place for Payment of Rent.....	23
13.10	Approval in Writing	23
13.11	Registration	23
13.12	Governing Law.....	24
13.13	Captions and Section Numbers	24
13.14	Partial Invalidity.....	24
13.15	No Option.....	24
13.16	Limitation on Length of Term.....	24
13.17	Time To Be of the Essence	24
13.18	Quiet Enjoyment	24
13.19	Tenant Partnership	24
13.20	Limitation of Landlord's Liability	24
13.21	Riders and Schedules	25
RIDER NO. 1	26
SCHEDULE OF DEFINITIONS	28
SCHEDULE "A"	1
SCHEDULE "B"	1
SCHEDULE "B-1"	1

INITIALS

Landlord Tenant

SCHEDULE "C".....	2
SCHEDULE "D".....	1
SCHEDULE "E".....	1
SCHEDULE "F".....	1
APPENDIX "A".....	1

INITIAL	
	
Landlord	Tenant

THIS INDENTURE made this 20th day of April, 2005.

B E T W E E N:

SHIPLAKE INVESTMENTS (RUTHERFORD) LTD.

(hereinafter called the "Landlord")

OF THE FIRST PART

- and -

S.H.S. OPTICAL LIMITED

(hereinafter called the "Tenant")

OF THE SECOND PART

W I T N E S S E T H T H A T :

**ARTICLE I
GRANT, TERM AND INTENT**

1.1 Premises

In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord demises and leases to the Tenant and the Tenant leases from the Landlord, the Premises. The Tenant acknowledges that all fixtures and improvements in the Premises at the Possession Date shall remain the property of the Landlord.

1.2 Use of Common Areas

The use and occupation by the Tenant of the Premises shall entitle the Tenant to the use in common with all others entitled thereto of the Common Areas, subject however, to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as prescribed from time to time by the Landlord.

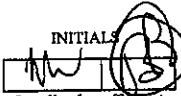
1.3 Term of Lease

TO HAVE AND TO HOLD the Premises for and during the Term, save as hereinafter provided for earlier termination.

PROVIDED THAT NOTWITHSTANDING ANYTHING TO THE CONTRARY, if the Landlord is unable to deliver vacant possession of the Premises to the Tenant for any reason, including but not limited to the holding over or retention of possession of any other tenant or occupant, or the lack of completion of any repairs, improvements or alterations required to be completed before the Tenant's occupancy of the Premises, then the time for commencement of the Term shall be extended to correspond with the period of delay and the Tenant shall not be entitled to any abatement or diminution of Rent (except that Rent shall not commence to be payable until possession of the Premises is given by the Landlord to the Tenant) nor shall the validity of this Lease or the parties' respective obligations hereunder be affected. However, if the Landlord does not give vacant possession of the Premises to the Tenant within six (6) months of the Commencement Date of this Lease, then the Landlord may, at its option, terminate this Lease by written notice to the Tenant and in such event this Lease shall be null and void and of no effect whatsoever. Any deposit paid by the Tenant to the Landlord shall be returned without interest or deduction, and neither party shall have any further liability to the other.

Forthwith upon the Commencement Date being determined in accordance with the foregoing, the Tenant shall execute an acknowledgement of same on the form attached hereto as Schedule "F".

The Tenant shall pay all Minimum Rent and Additional Rent calculated on a per diem basis, from the Commencement Date to the last day of the month in which the Commencement Date occurs and

INITIALS

Landlord Tenant

thereafter all payments of Rent shall be made on the first day of each month throughout the Term unless otherwise specified herein.

1.4 Net Lease Intent

The Tenant acknowledges and agrees that it is intended that this Lease is a completely carefree net lease to the Landlord, except as expressly herein set out, that the Landlord is not responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Premises, or the use and occupancy thereof, or the contents thereof, or the business carried on therein, and the Tenant shall pay all charges, impositions, costs and expenses of every nature and kind relating to the Premises except as expressly herein set out.

**ARTICLE II
RENT AND DEPOSIT**

2.1 Minimum Rent

The Tenant covenants and agrees to pay unto the Landlord from and after the Commencement Date (subject to Rider No. 1, Paragraph 5) a Minimum Rent for the Premises payable in equal consecutive monthly installments in advance on or before the first day of each month, without any prior demand therefor and without any deduction, abatement or set-off whatsoever, the amounts calculated in accordance with Paragraph 11 of the Basic Terms.

Upon the delivery of an Architect's certificate establishing the Rentable Area of the Premises, the Minimum Rent and all other Rent dependent upon the area of the Premises (including retroactively, if applicable) shall be adjusted to give effect thereto.

2.2 Percentage Rent

Intentionally Deleted

2.3 Reports by Tenant

Intentionally Deleted

2.4 Tenant's Records

Intentionally Deleted

2.5 Right to Examine Books

Intentionally Deleted

2.6 Audit

Intentionally Deleted

2.7 Rent Past Due

If the Tenant fails to pay, when the same is due and payable, any Minimum Rent, Percentage Rent, Additional Rent or other amount payable by the Tenant under this Lease, such unpaid amounts shall bear interest from the due date thereof to the date of payment, compounded monthly at the rate equal to four (4) percentage points in excess of the Prime Rate, or at the Landlord's option, at the maximum annual rate permitted by law.

2.8 Deposit

The Tenant has provided or will provide to the Landlord the Deposit set out in Paragraph 16 of the Basic Terms. The Landlord will apply part of the Deposit towards the payment of Minimum Rent for the second and last three months of the Term except that the Landlord may apply all or part of the amount retained for application towards the last three month's Minimum Rent as compensation for any loss or

INITIALS
Landlord Tenant

damage arising from the breach by the Tenant of any provision of this Lease. This right will not be construed to limit the Landlord's other rights under this Lease or at law or to limit the amount recoverable by the Landlord for damages in respect of breaches by the Tenant of this Lease. If the Landlord uses all or part of the Deposit for the last month's Minimum Rent as provided above, the Tenant will, upon notification by the Landlord, pay to the Landlord the amount required to reimburse it for the amounts so applied. The Landlord will not be required to pay interest to the Tenant on any of the amounts paid to the Landlord or retained by it under this Section. The Landlord may deliver the aforesaid Deposit to any purchaser of the Landlord's interest in the Shopping Centre or any part thereof, whereupon the Landlord will immediately be discharged from any further liability with respect to the Deposit. The Tenant will not assign or encumber its interest in the Deposit except in connection with a permitted Transfer, in which case the Tenant's interest in the Deposit will be deemed to have been assigned to the permitted Transferee as of the date of the Transfer. In the event of any bankruptcy, insolvency, winding up or other creditor's proceeding, the Deposit shall be the absolute property of the Landlord.

2.9 Pre-Authorized Payments/Postdated Cheques

The Tenant shall participate in a pre-authorized payment plan whereby the Landlord will be authorized to debit the Tenant's bank account each month or from time to time during each Lease Year in an amount equal to the Minimum Rent and Additional Rent payable on a monthly basis, and, if applicable, generally any amount payable provisionally pursuant to the provisions of this Lease on an estimated basis. The Tenant shall sign a form of application which is the same or similar to Schedule "E" to give full force and effect to the foregoing within five (5) days of presentation.

In lieu of the pre-authorized payment plan referred to above, the Landlord shall be entitled to require the Tenant to present at the beginning of each Lease Year a series of monthly postdated cheques for each such Lease Year for the aggregate of the monthly payments of Minimum Rent and Additional Rent payable on a monthly basis, and, if applicable, generally any amount payable provisionally pursuant to the provisions of this Lease on an estimated basis.

ARTICLE III TAXES

3.1 Taxes Payable by Landlord

The Landlord shall pay all Taxes which are levied, rated, charged or assessed against the Shopping Centre or any part thereof subject always to the provisions of this Lease regarding payment of Taxes by the Tenant. However, the Landlord may defer payment of any such Taxes or defer compliance with any statute, law, by-law, regulation or ordinance in connection with the levying of any such Taxes in each case to the fullest extent permitted by law, so long as it diligently prosecutes any contest or appeal of any such Taxes.

3.2 Taxes Payable by Tenant

- (a) The Tenant shall during the Term pay, as Additional Rent, without any deduction, abatement or set-off whatsoever, all Taxes levied, laid or assessed on or against the Premises. In addition to and without any duplication of the Taxes levied or assessed against the Premises, the Tenant shall also pay a share of all Taxes levied, rated, charged or assessed from time to time against the Common Areas.
- (b) In the event that a separate tax bill is issued by any lawful taxing authority, then the Taxes payable by the Tenant in respect of the Premises (and, if set out in such separate tax bill, the Common Areas) will be determined on the basis of such separate tax bill and shall be paid by the Tenant when due directly to the taxing authority having jurisdiction. If there is no such separate tax bill, then at the Landlord's option (i) the Taxes payable by the Tenant in respect of the Premises shall be calculated on the basis of the assessed value of the Premises, and the Taxes payable by the Tenant in respect of the Common Areas shall be the Tenant's Proportionate Share of all Taxes in respect of the Common Areas, or (ii) if the Landlord elects or is not able to charge on the basis of assessed value, then the Tenant shall pay in lieu thereof (a) its Proportionate Share, prior to deducting any discounts, exemptions or rebates which the Landlord may be entitled to for any reason, including, but not limited to those received on account of vacancies in the Shopping Centre, of all Taxes levied, rated, charged or assessed from time to time against the

INITIALS

Landlord _____
Tenant

Shopping Centre, including the Common Areas, or (b) such amount as is allocated to the Tenant with respect to the Premises and Common Areas by the Landlord, acting fairly and reasonably, taking into account practices relevant to multi-use developments consistent with benefits derived by the tenants of each component of the Shopping Centre.


- (c) Notwithstanding any other provisions of this Section 3.2, the Landlord may, at its option, estimate the amount of Taxes payable by the Tenant during a particular Lease Year and the Tenant shall, at the request of the Landlord, pay one-twelfth of such estimate to the Landlord together with the monthly payment of Minimum Rent, with appropriate adjustments to be made between the Landlord and the Tenant within one hundred and twenty (120) days after the end of each Lease Year.
- (d) In any suit or proceeding of any kind or nature arising or growing out of the failure of the Tenant to keep any covenant contained in this Article, the certificate or receipt of the department, officer or bureau charged with collection of the Taxes, showing that the tax, assessment or other charge affecting the Premises is due and payable or has been paid, shall be prima facie evidence that such tax, assessment or other charge was due and payable as a lien or charge against the Premises or that it has been paid as such by the Landlord.
- (e) The Tenant will be prohibited from contesting or appealing any Taxes for the Premises or the Shopping Centre unless: (i) there are separate assessments for the Premises; and (ii) if such contest or appeal by the Tenant shall, in the Landlord's opinion, involve any material risk to the Shopping Centre, then the contest or appeal shall not be undertaken without there being first deposited with the Landlord security in form and amount satisfactory to the Landlord in respect of such risk as the Landlord may reasonably require to be held by the Landlord as an indemnity to pay such Taxes upon conclusion of the contest or appeal and all costs thereof that may be imposed upon the Landlord, the Premises or the Shopping Centre. No such contest shall defer or suspend the Tenant's obligations to pay the Taxes as herein provided pending the contest or appeal.
- (f) The Tenant upon request of the Landlord will promptly exhibit to the Landlord all paid bills for Taxes, which bills after inspection by the Landlord shall be returned to the Tenant.
- (g) Any Taxes relating to a fiscal period of the taxing authority, a part of which is within the Term and a part of which is prior to the commencement of the Term or subsequent to the expiration or earlier termination of the Term, shall, whether or not such Taxes shall be assessed, levied, imposed or become a lien upon the Premises, or shall become payable during the Term, be apportioned and adjusted between the Landlord and the Tenant as of the date of commencement, expiration or termination of the Term, as the case may be.
- (h) If the Tenant designates that Taxes go to support separate schools, the Tenant shall pay the difference, if any, between the rate for separate and public schools to the Landlord, together with any other payment pursuant to this Section 3.2.

3.3 GST Payable by Tenant

The Tenant shall pay to the Landlord all GST on Rent and any other GST imposed by the applicable legislation on the Landlord or Tenant with respect to this Lease, in the manner and at the times required by the applicable legislation. Such amounts are not consideration for the rental of space or the provision by the Landlord of any service under this Lease, but shall be deemed to be Rent and the Landlord shall have all of the same remedies for and rights of recovery of such amounts as it has for recovery of Rent under this Lease. If a deposit is forfeited to the Landlord, or an amount becomes payable to the Landlord due to a default or as consideration for a modification of this Lease, and the applicable legislation deems a part of the deposit or amount to include GST, the deposit or amount will be increased and the increase paid by the Tenant so that the Landlord will receive the full amount of the forfeited deposit or other amount payable without encroachment by any deemed GST portion.

3.4 Business Taxes and Other Taxes of Tenant

The Tenant shall pay as Additional Rent to the lawful taxing authorities or to the Landlord, as it may direct, and shall discharge in each Lease Year, when the same becomes due and payable:

INITIALS

Landlord Tenant

- (a) all taxes, rates, duties, assessments and other charges that are levied, rated, charged or assessed against or in respect of: (i) all improvements, equipment and facilities of the Tenant on or in the Premises or the Shopping Centre or any part or parts thereof or (ii) the Landlord on account of its ownership of or interest in the items referred to in subparagraph (i); and
- (b) every tax and license fee which is levied, rated, charged or assessed against or in respect of: (i) any business carried on in the Premises or in respect of the use or occupancy thereof or any other part of the Shopping Centre by the Tenant and any subtenant, licensee, or other occupant of the Premises, or (ii) the Landlord on account of its ownership thereof or interest therein, in respect of any business referred to in subparagraph (i);

whether in any case any such taxes, rates, duties, assessments or license fees are rated, charged or assessed by any federal, provincial, municipal or other body. If there are not separate tax bills provided for such taxes, the Landlord is entitled to allocate them to the Tenant using the methods referred to in subsection 3.2(b).

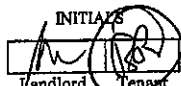
ARTICLE IV OPERATING COSTS, HVAC AND UTILITIES

4.1 Operating Costs Payable by Tenant

- (a) In each Lease Year, the Tenant shall pay to the Landlord, as Additional Rent, its Proportionate Share of the Operating Costs incurred by the Landlord during such Lease Year. The Tenant acknowledges that Operating Costs may be allocated or attributed by the Landlord directly to or between the various components of the Shopping Centre including the retail, office and storage areas, as well as the other buildings, if any, comprising part of the Shopping Centre and that the Landlord may adjust Operating Costs and/or the Tenant's Proportionate Share fraction in accordance with practices relevant to multi-use commercial developments on a basis consistent with the benefits derived by the tenants of each component of the Shopping Centre and having regard to the nature of the particular costs and expenses being allocated.
- (b) The Additional Rent to be paid under this Section 4.1 shall be paid by monthly installments in advance on the first day of each and every month throughout the Term, without any deduction, abatement or set-off whatsoever, in an amount to be reasonably fixed from time to time by the Landlord as an estimate of actual expenses. The Landlord shall within one hundred and twenty (120) days of the end of each Lease Year submit to the Tenant a statement setting out the Operating Costs and the Tenant's Proportionate Share thereof. To the extent that the Tenant's Proportionate Share is greater than the amount actually paid by it, the Tenant shall forthwith upon receipt of the said statement pay such difference to the Landlord. In the event that the Tenant's Proportionate Share is less than the amount actually paid, such excess payment shall at the option of the Landlord, be retained by the Landlord to be applied to the next succeeding installment or installments of Additional Rent due or may be refunded by the Landlord to the Tenant.

4.2 Heating, Ventilating and Air Conditioning

The Tenant shall heat and cool the Premises at its own expense with heating, ventilating and/or air-conditioning equipment installed by the Landlord. In the event that the Landlord elects to maintain, repair and replace the heating, ventilating and/or air conditioning system and equipment serving the Premises (which election the Landlord shall be entitled to make at any time throughout the Term) then the Tenant shall pay monthly in advance, as Additional Rent, the Landlord's costs and expenses of all repairs, replacements to and maintenance and operation of the heating, ventilating and air conditioning equipment and systems which serve the Premises. If the Landlord elects to maintain, repair and replace the heating, ventilating and/or air conditioning system and equipment serving the Premises and other portions of the Shopping Centre, all costs and expenses incurred by the Landlord shall be included in Operating Costs and the Tenant shall pay its Proportionate Share of such costs pursuant to Section 4.1 above. Such costs and expenses shall, without limitation, include depreciation or amortization on such equipment and facilities and all repairs and replacements thereto, the cost of which is not charged in full in the year in which the cost is incurred, interest or carrying charges calculated at two (2) percentage points above the Prime Rate on the undepreciated or unamortized portion of the costs of such equipment and facilities, repairs and replacements and an administration fee of fifteen percent (15%) of all of the foregoing costs. If the Premises are served by a heating, ventilating and air conditioning system which serves more than

INITIALS

 Landlord Tenant

one premises in the Shopping Centre, then the Tenant shall be obligated to pay a share only of the foregoing costs and expenses. The Tenant's share of all such costs and expenses shall be equitably determined by the Landlord upon the advice of a qualified engineer and such costs or expenses shall be allocated amongst the tenants served by the said heating, ventilating and air conditioning equipment and facilities. The foregoing costs and expenses shall exclude the cost of fuel and electricity consumed by the use of such equipment to the extent only that such costs and expenses are charged separately to and paid by the Tenant pursuant to other provisions of this Lease.

4.3 Utilities

During the Fixturing Period and the Term (and any renewal or extension thereof) the Tenant shall be solely responsible for and promptly pay all charges for heat, water, gas, electricity or any other utility used or consumed in the Premises on the basis of separate meters, if available. If there are no separate meters, the Tenant shall pay to the Landlord: (a) all charges for heat, water, gas, electricity or any other utility used or consumed in the Premises on the basis of an equitable allocation as determined by the Landlord; (b) the Landlord's costs of determining the Tenant's share of the costs of all utilities including, but not limited to, professional, engineering and consulting fees; and (c) an administration fee of fifteen percent (15%) of the total of (a) and (b). If so required by the Landlord or by the utility company, separate meters shall be installed in the Premises at the Tenant's expense.

ARTICLE V PROMOTION FUND AND ADVERTISING

5.1 Opening Promotion

Intentionally Deleted.

5.2 Promotion Fund

Intentionally Deleted.

5.3 Merchants' Association

If and when an association or corporation of merchants or tenants (the "Association") is formed comprising tenants of the Shopping Centre, the Tenant shall forthwith become a member of such Association or if such an Association has already been formed, the Tenant shall forthwith become a member thereof and the Tenant shall retain its membership in such Association during the entire Term and shall abide by all rules, regulations, by-laws, decisions, directions, dues and assessments of the Association. Such Association shall in no way affect the rights of the Landlord and any by-laws, rules and regulations of such Association shall at all times be subject to the prior approval of the Landlord.

5.4 Advertising

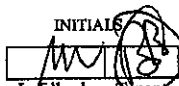
The Tenant shall participate in any cooperative advertising initiated by the Landlord in connection with the Shopping Centre, from time to time whenever required by the Landlord in its sole discretion, with the aggregate cost to the Tenant of such participation in each calendar year being at least equal to the aggregate of the charges payable by the Tenant pursuant to Section 5.2.

ARTICLE VI CONDUCT OF BUSINESS BY TENANT

6.1 Use of Premises

- (a) The Premises shall be used continuously, actively and diligently for the sole purpose specified in Paragraph 6 of the Basic Terms and for no other purpose.

The Tenant will not use or permit or suffer the use of the Premises or any part thereof for any other business or purpose. In connection with the business to be conducted by the Tenant on the Premises, the Tenant shall only use the advertised name specified in Paragraph 5 of the Basic Terms and will not change the advertised name of the business to be operated in the Premises without the prior written consent of the Landlord.

INITIALS

Landlord Tenant

The Tenant shall not introduce new product lines, or offer new services to its customers without first obtaining the written consent of the Landlord. The Tenant acknowledges that it would be reasonable for the Landlord to withhold its consent if the introduction by the Tenant of such product line or service would compete with the business of other tenants in the Shopping Centre or infringe on exclusive covenants already granted by the Landlord.

Unless otherwise specifically set out in this Lease to the contrary, nothing contained in this Lease shall; (i) confer upon the Tenant the exclusive right to sell or provide in the Shopping Centre any of the products or services permitted to be sold or provided from the Premises pursuant to this Section 6.1; nor (ii) prevent the Landlord from leasing any other premises in the Shopping Centre to any other tenant(s) carrying on a business which is similar in whole or in part to the business permitted to be carried on from the Premises pursuant to this Section 6.1.

- (b) The Tenant acknowledges that its continued occupancy of the Premises and the regular conduct of its business therein are of utmost importance to neighbouring tenants and to the Landlord in the renting of space in the Shopping Centre, the renewal of other leases therein, the efficient and economic supply of services and utilities, the maintenance of Percentage Rent, and in the character and quality of the other tenants in the Shopping Centre. The Tenant therefore covenants and agrees that throughout the Term it will occupy the entire Premises, comply strictly with the provisions of Section 6.2 and not vacate or abandon the Premises at any time during the Term. The Tenant acknowledges that the Landlord is executing this Lease in reliance thereupon and that the same is a material element inducing the Landlord to execute this Lease. The Tenant further agrees that if it vacates or abandons the Premises or fails to so conduct its business therein, or uses or permits or suffers the use of the Premises for any purpose not specifically herein authorized and allowed, the Tenant will be in breach of the Tenant's obligations under this Lease, and then, without constituting a waiver of the Tenant's obligations or limiting the Landlord's remedies under this Lease, all Rent reserved in this Lease will immediately become due and payable to the Landlord unless guaranteed to the satisfaction of the Landlord. The Landlord will have the right, without prejudice to any other rights which it may have under this Lease or at law, to obtain an injunction requiring the Tenant to comply with the provisions of this Section 6.1(b)


6.2 Conduct and Operation of Business

The Tenant shall occupy the Premises from and after the Commencement Date and thereafter shall conduct continuously and actively the business set out in Section 6.1, in the whole of the Premises. In the conduct of the Tenant's business pursuant to this Lease the Tenant shall:

- (a) operate its business with due diligence and efficiency and maintain an adequate staff to properly serve all customers; own, install and keep in good order and condition free from liens or rights of third parties, fixtures and equipment of first class quality; and carry at all times such stock of goods and merchandise of such size, character and quality as will produce the maximum volume of sales from the Premises consistent with good business practices;
- (b) conduct its business in the Premises during such hours and on such days as the Landlord from time to time requires or permits and at no other time. However the Tenant is not required or permitted to carry on its business during any period prohibited by any law regulating the hours of business. If the Tenant fails to open on the Commencement Date or during the days and/or hours required by the Landlord, then in addition to all other amounts of Rent payable under this Lease the Tenant shall pay as Additional Rent to the Landlord upon demand as liquidated damages and not as a penalty, an amount equal to two hundred dollars (\$200.00) per day for each and every day that the Tenant is in default;
- (c) keep displays of merchandise in the display windows (if any) of the Premises, and keep the display windows and signs (if any) in the Premises well-lit during the hours the Landlord designates from time to time;
- (d) stock in the Premises only merchandise the Tenant intends to offer for retail sale from the Premises, and not use any portion of the Premises for office, clerical or other non-selling purposes except minor parts reasonably required for the Tenant's business in the Premises;

INITIALS
Landlord Tenant

- (e) abide by all rules and regulations and general policies formulated by the Landlord from time to time relating to the delivery of goods to the Premises;
- (f) not allow or cause to be committed any waste upon or damage to the Premises or any nuisance or other act or thing which disturbs the quiet enjoyment of any other tenant in the Shopping Centre or which unreasonably disturbs or interferes with or annoys any third party, or which may damage the Shopping Centre;
- (g) not allow or cause to be done any act in or about the Common Areas or the Shopping Centre which in the Landlord's opinion hinders or interrupts the Shopping Centre's flow of traffic in any way obstructs the free movement of parties doing business in the Shopping Centre;
- (h) not allow or cause business to be solicited in any part of the Shopping Centre other than the Premises, nor display any merchandise outside the Premises at any time without the prior written consent of the Landlord;
- (i) use the name designated for the Shopping Centre by the Landlord from time to time and all insignia or other identifying names and marks designated by the Landlord in connection with the advertising of the business conducted in the Premises. Notwithstanding the foregoing the Tenant will not acquire any rights in such names, marks or insignia and upon the Landlord's request the Tenant will abandon or assign to the Landlord any such rights which the Tenant may acquire by operation of law and will promptly execute any documents required by the Landlord to give effect to this subparagraph (i);
- (j) not install or allow in the Premises any transmitting device nor erect any aerial on the roof of any building forming part of the Shopping Centre or on any exterior walls of the Premises or in any of the Common Areas. Any such installation shall be subject to removal by the Landlord without notice at any time and such removal shall be done and all damage as a result thereof shall be made good, in each case, at the cost of the Tenant, payable as Additional Rent on demand;
- (k) not use any travelling or flashing lights or signs or any loudspeakers, television, phonograph, radio or other audio-visual or mechanical devices in a manner so that they can be heard or seen outside of the Premises, without the prior written consent of the Landlord. If the Tenant uses any such equipment without receiving the prior written consent of the Landlord, the Landlord shall be entitled to remove such equipment without notice at any time and such removal shall be done and all damage as a result thereof shall be made good, in each case, at the cost of the Tenant, payable as Additional Rent on demand;
- (l) not install or allow in the Premises any equipment which will exceed or overload the capacity of any utility, electrical or mechanical facilities in the Premises or of which the Landlord has not approved. If the Tenant requires additional utility, electrical or mechanical facilities, the Landlord may in its sole discretion if they are available elect to install them at the Tenant's expense and in accordance with plans and specifications to be approved in advance in writing by the Landlord;
- (m) not bring upon the Premises any machinery, equipment, article or thing that by reason of its weight, size or use, might in the opinion of the Landlord damage the Premises or overload the floors of the Premises. Any such machinery, equipment, article or thing shall be subject to removal by the Landlord without notice at any time and such removal shall be done and all damage as a result thereof shall be made good, in each case, at the cost of the Tenant, payable as Additional Rent on demand;
- (n) observe and comply with all federal, provincial or municipal laws pertaining to or affecting the Premises, the Tenant's use of the Premises or the conduct of any business in the Premises, or the making of any repairs, replacements, alterations, additions, changes, substitutions or improvements of or to the Premises, and the regulations of any insurance underwriters in respect of the insurance maintained by the Landlord in respect of the Shopping Centre, and carry out all modifications to the Premises and the Tenant's conduct of business in or use of the Premises which may be required by any such authorities.

INITIALS

 Landlord Tenant

6.3 Prohibited Activities

- (a) The Tenant acknowledges that it is only one of many tenants in the Shopping Centre and that therefore the Tenant shall conduct its business in the Premises in a manner consistent with the best interests of the Shopping Centre as a whole.
- (b) The Landlord shall have the right to cause the Tenant to discontinue and the Tenant shall thereupon forthwith discontinue the sale of any item, merchandise, commodity or the supply of any service or the carrying on of any business, any of which is either prohibited by this Section 6.3 or which the Landlord determines is not directly related to the business set out in Section 6.1. The Tenant will not allow or cause the use of any part of the Premises for any of the following businesses or activities:
 - (i) the sale of secondhand goods or surplus articles, insurance salvage stock, fire sale stock or bankruptcy stock;
 - (ii) the sale of food, except as may be specifically permitted by the provisions of Section 6.1;
 - (iii) an auction, bulk sale (other than a bulk sale made to an assignee or sublessee pursuant to a permitted assignment or subletting hereunder), liquidation sale, "going out of business" or bankruptcy sale, or warehouse sale;
 - (iv) any advertising or selling procedures which would, or any sale or business conduct or practice which would, because of the merchandising methods or quality of operation likely to be used, in either case in the Landlord's opinion, tend to lower the character of the Shopping Centre or harm or tend to harm the business or reputation of the Landlord or reflect unfavourably on the Shopping Centre, the Landlord or other tenants in the Shopping Centre or tend to confuse, deceive, mislead or be fraudulent to the public; or
 - (v) mail order business, a department store or junior department store.

6.4 Radius Clause

Intentionally Deleted.

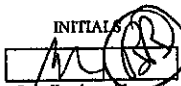
6.5 Hazardous Substances

The Tenant covenants and agrees to utilize the Premises and operate its business in a manner so that no part of the Premises or surrounding lands are used to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process any Hazardous Substances, except in strict compliance with all applicable federal, provincial and municipal statutes, by-laws and regulations, including, without limitation, environmental, land use and occupational and health and safety laws, regulations, requirements, permits, statutes, by-laws and regulations. Further the Tenant hereby covenants and agrees to indemnify and save harmless the Landlord and those for whom the Landlord is in law responsible from any and all losses, costs, claims, damages, liabilities, expenses or injuries caused or contributed to by any Hazardous Substances which are at any time located, stored or incorporated in any part of the Premises. The Tenant hereby agrees that the Landlord or its authorized representatives shall have the right at the Tenant's expense, payable as Additional Rent within fifteen (15) days of receipt of an invoice therefor, to conduct such environmental site reviews and investigations as it may deem necessary for the purposes of ensuring compliance with this Section 6.5. The Tenant's obligations pursuant to this Section 6.5 shall survive the expiration or earlier termination of the Term.

ARTICLE VII FIXTURES, ALTERATIONS AND REPAIRS AND LANDLORD'S CONTROL OF SHOPPING CENTRE

7.1 Installations by the Tenant

All equipment, fixtures and improvements installed by the Tenant in the Premises shall be new or completely reconditioned. The Tenant shall not make any alterations, additions or improvements or install or cause to be installed any trade fixtures, exterior signs, floor covering, interior or exterior lighting,

INITIALS

Landlord Tenant

plumbing fixtures, shades or awnings or make any changes to the store front without first obtaining the Landlord's written approval and consent. The Tenant shall present to the Landlord plans and specifications in form, content and such detail as the Landlord may reasonably require for such work at the time approval is sought. The Tenant covenants that any work that may be done in respect of the Premises by or on behalf of the Tenant shall be done in such a manner as not to conflict or interfere with any work being done or about to be done by the Landlord in or about the Shopping Centre, whether such conflict or interference shall arise in relation to labour unions or otherwise and the Tenant shall obtain all requisite permits, licenses and inspections in respect of any such work done by or on the Tenant's behalf. Notwithstanding anything herein contained, the Tenant shall make no alterations, additions or improvements that are of a structural nature or that would lessen the value or Rentable Area of the Premises or the Shopping Centre, or would interfere with the usage of the Common Areas.

All alterations, decorations, additions and improvements made by the Tenant or made by the Landlord on the Tenant's behalf by agreement under this Lease shall immediately upon installation or affixation become the property of the Landlord without compensation therefor to the Tenant, but the Landlord shall be under no obligation to repair, maintain or insure the alterations, decorations, additions or improvements. Such alterations, decorations, additions and improvements shall not be removed from the Premises without prior consent in writing from the Landlord. Upon expiration of this Lease, the Tenant shall, at the option of the Landlord, remove all trade fixtures and personal property and shall remove all such alterations, decorations, additions and improvements and restore the Premises as required by the Landlord. For clarity, the Tenant shall not remove any fixtures or improvements unless requested by the Landlord.

7.2 Maintenance and Repair by the Tenant

The Tenant will at all times keep the Premises (including exterior entrances and all glass and show windows) and all partitions, doors, fixtures, equipment and appurtenances thereof (including lighting, heating and plumbing fixtures, and the electrical and mechanical systems) in good order, condition and repair (including periodic painting or redecorating and preventative maintenance as determined by the Landlord and including such repairs or replacements as are required to keep the Premises in good repair and condition). All aforesaid maintenance, repairs, restorations and replacements shall be in quality and class equal to the original work or installations.

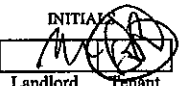
The Tenant shall, subject to Section 4.2, throughout the Term, operate, maintain, repair, replace when necessary and regulate the heating, ventilating and air conditioning equipment within or installed by or on behalf of the Tenant for the Premises in such a manner as to maintain such reasonable conditions of temperature and humidity within the Premises as are determined by the Landlord or its Architect so that no direct or indirect appropriation of the heating, ventilating or air conditioning from the Common Areas shall occur. The Tenant shall comply with such stipulations and with all rules and regulations of the Landlord pertaining to the maintenance and operation of such equipment.

7.3 Signs, Awnings, Canopies

The Tenant will not place or suffer to be placed or maintained on any exterior door, wall or window of the Premises any sign, awning or canopy or advertising matter or other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Premises without first obtaining the Landlord's written approval and consent. The Tenant further agrees to maintain such sign, awning, canopy, decoration, lettering, advertising matter or other thing as may be approved in good condition and repair at all times; and in addition to the foregoing, the Tenant shall maintain any signs or displays of its goods or wares which may be seen from the exterior of the Premises in a manner which is in keeping with the character of the Shopping Centre of which the Premises form a part and which is designed to enhance the business of the Tenant.

7.4 Surrender of Premises

Subject to Article IX, the Tenant will leave the Premises in good repair, reasonable wear and tear only excepted. Without limiting the generality of the foregoing, at the expiration or earlier termination of the Term the Tenant shall surrender the Premises in the same condition as the Premises were in upon delivery of possession thereto under this Lease, reasonable wear and tear only excepted, and shall surrender all keys for the Premises to the Landlord at the place then fixed for the payment of Rent and shall inform the Landlord of all combinations on locks, safes and vaults, if any, in the Premises. Should

INITIALS

Landlord Tenant

the Tenant fail to remove its personal property, such personal property shall be deemed to be abandoned by the Tenant any may be appropriated, sold or otherwise disposed of by the Landlord without notice or obligation to compensate the Tenant or to account therefor. The Tenant's obligations to observe or perform this covenant shall survive the expiration or earlier termination of the Term of this Lease. The Tenant acknowledges that the Tenant shall not remove any fixtures or leasehold improvements from the Premises unless requested by the Landlord.

7.5 Tenant to Discharge all Liens

The Tenant will ensure that no construction or other lien or charge, or notice thereof, is registered or filed against:

- (a) the Shopping Centre or any part of it;
- (b) any interest in all or part of the Shopping Centre of the Landlord, the Mortgagee or any owner of the Shopping Centre; or
- (c) the Tenant's interest in the Premises or any of the leasehold improvements in the Premises;

by any person claiming by, through, under or against the Tenant or its contractors or subcontractors. If such a lien or charge or notice thereof is registered or filed and the Tenant fails to discharge it within five (5) days after written notice from the Landlord, the Landlord may discharge it by paying the amount claimed to be due into court or directly to the claimant and the Tenant will pay to the Landlord as Additional Rent on demand all costs (including legal fees) incurred by the Landlord in connection therewith, together with an administrative overhead charge of fifteen percent (15%) thereon.

7.6 Rules and Regulations

The Tenant will comply with the Rules and Regulations. Landlord reserves the right from time to time to amend or supplement the Rules and Regulations. Notice of such amendments and supplements, if any, shall be given to the Tenant, and the Tenant agrees thereupon to comply with and observe all such amendments and supplements, provided that no Rule or Regulation shall contradict any provision of this Lease. The Landlord shall not be responsible to the Tenant for non-observance or violation of any of the provisions of such Rules and Regulations by any other tenant of the Shopping Centre or of the terms of any other lease of premises in the Shopping Centre and the Landlord shall be under no obligation to enforce any such provisions. All Rules and Regulations shall be enforced against the Tenant in a non-discriminatory manner.

7.7 Maintenance and Repair by the Landlord

The Landlord shall, subject to the other provisions of this Lease, maintain and repair or cause to be maintained and repaired, the structure of the Shopping Centre, including without limitation, the foundations; exterior weather walls, subfloor, roof, bearing walls and structural columns and beams of the Shopping Centre, and all costs and expenses incurred by the Landlord shall be included in Operating Costs and the Tenant shall pay its Proportionate Share of such costs pursuant to Section 4.1 above. If, however, the Landlord is required to maintain or repair any structural portions or any other portion of the Premises or the Shopping Centre by reason of the negligent acts or omissions of the Tenant, its employees, agents, invitees, suppliers, agents and servants of suppliers, licensees, concessionaires or subtenants, the Tenant shall pay on demand as Additional Rent, the Landlord's costs for making such maintenance or repairs, together with an administrative fee of fifteen percent (15%) of such costs.

The Landlord shall also be entitled, at its option, to do the maintenance, repair and replacement, or cause to be maintained, repaired and replaced, the heating, ventilating and air conditioning systems and equipment serving the Premises, in which case and only in which case, the Tenant shall pay to the Landlord, as Additional Rent, the costs so incurred by the Landlord, all in accordance with the provisions of Section 4.2.

INITIALS
Landlord Tenant

7.8 Operation and Control of Shopping Centre by Landlord

The Landlord shall operate the Shopping Centre in such manner as would a prudent landlord and in keeping with standards prevailing from time to time for similar shopping centres having regard to size, age and location.

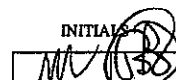
The Shopping Centre and the Common Areas are at all times subject to the exclusive control and management of the Landlord. Without limiting the generality of the foregoing, the Landlord has the right in its control, management and operation of the Shopping Centre and by the establishment of rules and regulations and general policies with respect to the operation of the Shopping Centre or any part thereof at all times throughout the Term to construct, maintain and operate lighting facilities and heating, ventilating and air conditioning systems; provide supervision and policing services for the Shopping Centre; close all or any portion of the Shopping Centre to such extent as may in the opinion of the Landlord's counsel be legally sufficient to prevent a dedication thereof or the accrual of any rights to any third party or the public; grant, modify and terminate easements or other agreements pertaining to the use and maintenance of all or any part of the Shopping Centre; obstruct or close off all or any part of the Shopping Centre for the purpose of maintenance, repair or construction; employ all personnel, including supervisory personnel and managers necessary for the operation, maintenance and control of the Shopping Centre; use any part of the Common Areas from time to time for merchandising, display, decorations, entertainment and structures designed for retail selling or special features or promotional activities; designate the areas and entrances and the times in, through and at which loading and unloading of goods shall be carried out; control, supervise and generally regulate the delivery or shipping of merchandise, supplies and fixtures to and from the Premises and other portions of the Shopping Centre; designate and specify the kind of container to be used for garbage and refuse in the manner and the times and places at which same is to be placed for collection (if the Landlord for the more efficient and proper operation of the Shopping Centre provides or designates a commercial service for the pickup and disposal of refuse and garbage instead of or in addition to the service provided by the municipality, the Tenant shall use same at the Tenant's cost); designate areas where the Tenant and its employees may park in the Shopping Centre and impose reasonable rules and regulations to enforce such limits on parking; from time to time change the area, level, location, arrangement or use of the Shopping Centre or any part thereof; construct other buildings or improvements in the Shopping Centre and make changes to any part of the Shopping Centre; and do and perform such other acts in and to the Shopping Centre as in the use of good business judgment the Landlord determines to be advisable for the more efficient and proper operation of the Shopping Centre.

Notwithstanding anything to the contrary, if as a result of the exercise by the Landlord of any of its rights as set out in this Section 7.8, the Common Areas are diminished or altered in any manner whatsoever, the Landlord is not subject to any liability nor is the Tenant entitled to any compensation or diminution or abatement of Rent nor is any alteration or diminution of the Common Areas deemed constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease.

7.9 Right to Relocate

The purpose of the site plan attached hereto as Schedule "B" is to show the approximate location of the Premises only. The Landlord reserves the right upon ninety (90) days' prior written notice to (a) rearrange the boundaries and dimensions of the Premises; and (b) relocate the Premises within the Shopping Centre to premises of substantially the same Rentable Area as the Premises if in the Landlord's opinion such a rearrangement or relocation would be for the betterment of the Shopping Centre having regard to the establishment of new tenancies in the Shopping Centre or having regard to the expansion or renovation of the Shopping Centre. In the event that the Landlord elects to relocate the Premises for any reason, then the Landlord shall pay the Tenant's reasonable moving costs and shall reimburse the Tenant for its leasehold improvements (excluding the Tenant's trade fixtures) in the Premises on the basis of their undepreciated capital cost at the time of relocation provided that there shall not be any payment required on account of goodwill, loss of profits or loss of business. Minimum Rent and Additional Rent with respect to the rearranged or relocated Premises shall be increased or reduced proportionately to any increase or reduction in the area of the Premises as rearranged or relocated. The Tenant shall be responsible for the cost of leasehold improvements in the Premises as relocated.

The exercise by the Landlord of any of its rights under this Section 7.9 shall not constitute a breach by the Landlord of any of its obligations under this Lease nor shall the exercise of any such rights be deemed to be constructive or actual eviction, or a breach of the covenant for quiet enjoyment. The Tenant shall not have the right to object to any decisions made or actions taken by the Landlord pursuant

INITIALS

Landlord Tenant

to Section 7.9, and the Tenant shall not have any claim or rights against the Landlord, nor shall it be entitled to any payment, (except as stated above in this Section 7.9) compensation or damages from the Landlord as a result of any decisions or actions.

7.10 Landlord's Right to Enter Premises

(a) It is not a re-entry or a breach of quiet enjoyment if the Landlord or its authorized representatives enter the Premises at reasonable times to:

- (i) examine them;
- (ii) make permitted or required repairs, alterations, improvements or additions to the Premises (including the pipes, conduits, wiring, ducts, columns and other installations in the Premises) or the Shopping Centre or adjacent property; or
- (iii) excavate land adjacent or subjacent to the Premises;

in each case (to the extent reasonably possible in the circumstances) without unreasonably interfering with the Tenant's business operations in the Premises, and the Landlord may take material into and on the Premises for those purposes. Rent will not abate or be reduced while the repairs, alterations, improvements or additions are being made. The Landlord will take reasonable steps to minimize any interruption of business resulting from any entry.

- (b) At any time during the Term, the Landlord may exhibit the Premises to prospective purchasers and during the six (6) months prior to the expiration of the term of this Lease, the Landlord may exhibit the Premises to prospective tenants and place upon the Premises the usual notices "To Let" or "For Sale" which notices the Tenant shall permit to remain where placed without molestation.
- (c) If the Tenant shall not be personally present to open and permit an entry into the Premises, at any time, when for any reason an entry therein shall be necessary or permissible, the Landlord or the Landlord's agents may enter the same by a master key, or may forcibly enter the same, without rendering the Landlord or such agents liable therefor, and without in any manner affecting the obligations and covenants of this Lease.
- (d) Nothing in this Section contained, however, shall be deemed or construed to impose upon the Landlord any obligation, responsibility or liability whatsoever for the care, maintenance or repair of the Shopping Centre or any part thereof, except as otherwise in this Lease specifically provided.

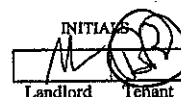
7.11 Demolition

If the Landlord, in its sole and absolute discretion, requires vacant possession of the Premises in order to reconstruct or redevelop all or a substantial part of the Shopping Centre, or to change the use of all or a substantial part of the Shopping Centre, or to demolish all or any portion of the Shopping Centre, the Landlord may terminate this Lease by giving not less than ninety (90) days' notice in writing to the Tenant. In the event of such termination, the Tenant shall deliver up vacant possession of the Premises in accordance with the provisions of this Lease and will execute all documents and other assurances as are reasonably required to give effect to the provisions of this Article VII. Upon the date of termination, any necessary adjustments in Rent shall be made between the Landlord and the Tenant.

ARTICLE VIII INSURANCE AND INDEMNITY

8.1 Tenant's Insurance

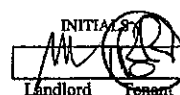
- (a) The Tenant shall throughout the Term, at its own cost and expense, take out and keep in full force and effect and in the names of the Tenant, the Landlord and the Mortgagee as their respective interests may appear, the following insurance;

INITIALS

Landlord Tenant

- (i) All risks (including flood and earthquake) insurance upon property of every description and kind owned by the Tenant or for which the Tenant is legally liable (including, without limitation, signs and plate glass) and which is located within the Shopping Centre in an amount of not less than the full replacement cost thereof;
 - (ii) broad form boiler and machinery insurance on a blanket repair and replacement basis with limits for each accident in the amount of not less than the replacement cost of all leasehold improvements and of all boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus owned or operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant in the Premises;
 - (iii) business interruption insurance in such amounts as will reimburse the Tenant for direct or indirect loss of earnings attributable to all perils insured against by the Tenant hereunder;
 - (iv) public liability and property damage insurance including personal injury liability, tenant legal liability, contractual liability and owners' protective insurance coverage with respect to the Premises and the Tenant's use thereof and the Tenant's use of the Common Areas. Such policies shall be written on a comprehensive basis within inclusive limits of not less than Five Million Dollars (\$5,000,000) or such higher limits as the Landlord or the Mortgagee may reasonably require from time to time with provisions for severability of interest and cross-liability;
 - (v) any other form of insurance as the Tenant or the Landlord or the Mortgagee may reasonably require from time to time in form, in amounts and for insurance risks against which a prudent tenant would insure.
- (b) All policies required to be written on behalf of the Tenant pursuant to this Section 8.1 shall contain the Mortgagee's standard mortgage clause, and shall contain a waiver of any subrogation rights which the Tenant's insurers may have against the Landlord and against those for whom the Landlord is in law responsible, whether any such damage is caused by the act, omission or negligence of the Landlord or those for whom the Landlord is in law responsible. All policies will have deductibles not greater than three percent (3%) of the amount insured and will be primary and not call into contribution or be in excess of any other insurance available to the Landlord or any additional insureds.
- (c) All policies shall be taken out with insurers acceptable to the Landlord and shall be in a form satisfactory from time to time to the Landlord. The Tenant agrees that certificates of insurance on the Landlord's standard form or if required by the Landlord or the Mortgagee certified copies of each such insurance policy will be delivered to the Landlord as soon as practicable after the placing of the required insurance. All policies shall contain an undertaking by the insurers to notify the Landlord and the Mortgagee in writing not less than thirty (30) days prior to any material change, cancellation or termination thereof.
- (d) The Tenant agrees that if the Tenant fails to take out or keep in force any such insurance referred to in this Section 8.1, or should any such insurance not be approved by either the Landlord or the Mortgagee and should the Tenant not rectify the situation immediately after written notice by the Landlord to the Tenant, the Landlord has the right without assuming any obligation in connection therewith to effect such insurance at the sole cost of the Tenant and all outlays by the Landlord shall be immediately paid by the Tenant to the Landlord as Additional Rent without prejudice to any other rights and remedies of the Landlord under this Lease.

8.2 Increase in Insurance Premium

The Tenant will not allow or cause anything to occur in the Premises which shall cause any increase of premium for any insurance on the Premises or the Shopping Centre or any part thereof above the rate for the least hazardous type of occupancy legally permitted in the Premises. If the Tenant is in default under this Section 8.2 the Tenant shall pay any resulting additional premium on any insurance policies taken out or maintained by the Landlord, including any additional premium on any rental income insurance policy that may be carried by the Landlord. If notice of cancellation shall be given respecting any insurance policy or if any insurance policy upon the Premises or the Shopping Centre or any part thereof shall be cancelled or refused to be renewed by an insurer by reason of the use or occupation of the

INITIALS

 Landlord Tenant

Premises or any part thereof or the acts or omissions of the Tenant, the Tenant shall forthwith remedy or rectify such use or occupation upon request to do so in writing by the Landlord, and if the Tenant shall fail to do so within twenty-four (24) hours of such written request, the Landlord shall have the right to enter the Premises and rectify the situation, without liability to the Tenant for any loss or damage occasioned by such entry and rectification, or shall be entitled to hold the Tenant liable for any damage or loss resulting from such cancellation or refusal, or the Landlord may at its option determine this Lease forthwith by leaving upon the Premises notice in writing of its intention to do so, and thereupon Rent and any other payments for which the Tenant is liable under this Lease shall be apportioned and paid in full to the date of such determination of the Lease, and together with an amount equal to the Minimum Rent payable for a period of one (1) year as liquidated damages, and the Tenant shall immediately deliver up possession of the Premises to the Landlord. In determining whether increased premiums are the result of the Tenant's use of the Premises, a schedule issued by the organization making the insurance rate on the Premises, showing the various components of such rate, shall be conclusive evidence of the several items and charges which make the fire insurance rate of the Premises. Bills for such additional premiums shall be rendered by the Landlord to the Tenant at such times as the Landlord may elect, and shall be due from and payable by the Tenant when rendered, and the amount thereof shall be deemed to be and be paid as Additional Rent.

8.3 Landlord's Insurance

The Landlord shall at all times throughout the Term carry: (a) insurance on the Shopping Centre (including equipment used for the maintenance and operation of the Shopping Centre) and the machinery, boilers and equipment contained therein and owned by the Landlord or for which the Landlord has assumed responsibility; and (b) public liability and property damage insurance with respect to the Landlord's operations in the Shopping Centre; against such perils, in such reasonable amounts and with such reasonable deductibles as would be carried by a prudent owner of a reasonably similar shopping centre, having regard to size, age and location, as determined by the Landlord from time to time, and shall also carry such other form or forms of insurance as the Landlord or the Mortgagee reasonably considers advisable including but not limited to rental income insurance.

Notwithstanding the Landlord's covenant herein and the Tenant's contribution to the cost of the Landlord's insurance premiums; (i) the Tenant is not relieved of any liability arising from or contributed to by its negligence or its willful acts or omissions; (ii) no insurable interest or other benefit (including an implied waiver of subrogation from the Landlord's insurers) is conferred upon the Tenant under the Landlord's insurance policies; and (iii) the Tenant has no right to receive proceeds from the Landlord's insurance policies.

8.4 Loss or Damage

The Landlord shall not be liable for any death or injury arising from or out of any occurrence in, upon, at or relating to the Shopping Centre, or damage to property of the Tenant or of others located on the Premises, nor shall it be responsible for any loss of or damage to any property of the Tenant or others from any cause whatsoever, whether or not any such death, injury, loss or damage results from the negligence of the Landlord, its agents, servants or employees or other persons for whom the Landlord is in law responsible. Without limiting the generality of the foregoing, the Landlord shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Premises or from the pipes, appliances, plumbing works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever. The Landlord shall not be liable for any such damage caused by other tenants or persons in the Shopping Centre or by occupants of adjacent property thereto, or the public, or caused by construction or by any private, public or quasi-public work. All property of the Tenant kept or stored on the Premises shall be so kept or stored at the risk of the Tenant only and the Tenant shall indemnify the Landlord and save it harmless from any claims arising out of any damages to the same, including, without limitation, any subrogation claims by the Tenant's insurers. In no event shall the Landlord be liable for any injury to the Tenant, its servants, agents, employees, customers and invitees or for any injury or damage to the Premises or to any property of the Tenant, or to any property of any other person, firm or corporation on or about the Premises caused by an interruption, suspension or failure in the supply of any utilities to the Premises.

INITIALS
Landlord Tenant

8.5 Indemnification of the Landlord

The Tenant will indemnify the Landlord, registered owners and Mortgagees of the Shopping Centre and save them harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Premises, the occupancy or use by the Tenant of the Premises or any part thereof, or occasioned wholly or in part by any act or omission of the Tenant, its agents, contractors, employees, servants, licensees, or concessionaires or invitees. In case the Landlord, registered owners or Mortgagees shall, without fault on their part, be made a party to any litigation commenced by or against the Tenant, then the Tenant shall protect and hold them harmless and shall pay all costs, expenses and solicitors' and counsel fees on a solicitor and client basis incurred or paid by them in connection with such litigation.

ARTICLE IX DAMAGE, DESTRUCTION AND EXPROPRIATION

9.1 Total or Partial Destruction of Premises

If, during the Term, the Premises are expropriated or totally or partially destroyed or damaged by any cause in respect of which the Landlord is insured, the following provisions shall have effect:

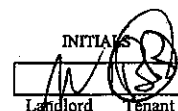
- (a) if the Premises are rendered partially unfit for occupancy by the Tenant, Minimum Rent only shall abate in part only, in the proportion that the part of the Premises rendered unfit for occupancy by the Tenant bears to the whole of the Premises or if the Premises are rendered wholly unfit for occupancy by the Tenant the Rent hereby reserved shall be suspended in either event until the day following a reasonable period (taking into account the extent of the Tenant's restoration) following completion of the Landlord's restoration;
- (b) notwithstanding the provisions of subparagraph (a), if the Premises in the opinion of the Architect shall be incapable of being rebuilt and/or repaired or restored with reasonable diligence within 180 days of the happening of such destruction or damage, then the Landlord may at its option terminate this Lease by notice in writing to the Tenant given within thirty (30) days of the date of such destruction or damage and in the event of such notice being so given this Lease shall cease and become null and void from the date of such destruction or damage and the Tenant shall immediately surrender the Premises and all interest therein to the Landlord and the Rent shall be apportioned and shall be payable by the Tenant only to the date of such destruction or damage and the Landlord may re-enter and repossess the Premises discharged of this Lease.

If the Premises are capable of being rebuilt and/or repaired or restored within 180 days of the happening of such damage or destruction or if within the period of thirty (30) days referred to in Section 9.1(b) the Landlord shall not give notice terminating this Lease, the Landlord shall with reasonable promptitude proceed to rebuild and/or repair or restore the Premises to the extent of the Landlord's repair obligations under the Lease and the Tenant shall immediately upon substantial completion of the Landlord's work and, within a reasonable period determined by the Landlord, (given the extent of the Tenant's restoration) complete the restoration of the Premises.

The certificate of the Architect shall bind the parties as to the (i) extent to which the Premises are unfit for occupancy; (ii) time required to rebuild and/or repair or restore the Premises; and (iii) due completion of repairs.

9.2 Total or Partial Destruction of Shopping Centre

In the event that a substantial portion of the Shopping Centre shall be expropriated or damaged or destroyed by fire or other cause, or in the event the costs as estimated by the Landlord of repairing, restoring or rebuilding will exceed by \$250,000 or more the proceeds of insurance available to the Landlord, notwithstanding that the Premises may be unaffected, the Landlord shall have the right, to be exercised by notice in writing delivered to the Tenant within sixty (60) days from and after said occurrence, to elect to cancel and terminate this Lease. Upon the giving of such notice to the Tenant, the Term of this Lease shall expire upon the third (3rd) day after such notice is given, and the Tenant shall vacate the Premises and surrender the same to the Landlord.

INITIALS

Landlord Tenant

9.3 Abatement of Rent

Notwithstanding anything hereinbefore contained, all abatements of Rent set out in this Article IX shall be limited to an amount equal to the amount which the Landlord collects under any rental income insurance.

9.4 Expropriation Awards

The Landlord and the Tenant will co-operate with each other if there is an expropriation of all or part of the Premises or the Shopping Centre, so that each may receive the maximum award that it is entitled to at law. To the extent, however, that a part of the Shopping Centre, other than the Premises, is expropriated, the full proceeds that are paid or awarded as a result, will belong solely to the Landlord, and the Tenant will assign to the Landlord any rights that it may have or acquire in respect of the proceeds or awards and will execute the documents that the Landlord reasonably requires in order to give effect to this intention.

ARTICLE X STATUS STATEMENT, SUBORDINATION AND ATTORNMENT

10.1 Status Statement

Within five (5) days after request, the Tenant will sign and deliver to the Landlord or anyone with or proposing to take an interest in all or part of the Shopping Centre, a status statement or certificate, stating that this Lease is in full force and effect, any modifications to this Lease, the commencement and expiry dates of this Lease, the date to which Rent has been paid, the amount of any prepaid Rent or deposits held by the Landlord, whether there is any existing default and the particulars, and any other information reasonably required by the party requesting it.

10.2 Subordination and Attornment

This Lease is subordinate to every existing and future ground lease, mortgage, charge, trust deed, financing, refinancing or collateral financing against the Premises or the Shopping Centre and to the instruments of, as well as the charge or lien resulting from any of them and any renewals or extensions of or advances under them (collectively, "encumbrances"). The Tenant will, on request, attorn to and recognize as landlord the holder of any such encumbrance or any transferee or dispossesee of the Shopping Centre or of an ownership or equity interest in the Shopping Centre. The Tenant will, within five (5) days after request, sign and deliver any reasonably requested document confirming the subordination or the attornment. The form and content of the document will be determined by the party requesting it.

10.3 Power of Attorney

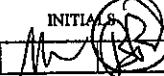
The Tenant hereby irrevocably appoints the Landlord as the attorney for the Tenant with full power and authority to execute and deliver in the name of the Tenant any instruments or certificates required to carry out the intent of Sections 10.1 and 10.2 which the Tenant shall have failed to sign and deliver within five (5) days after the date of a written request by the Landlord to execute such instruments.

10.4 Sale by Landlord

If the Landlord transfers or disposes of all or any part of the Shopping Centre or the Landlord's interest under this Lease, then to the extent that the transferee or dispossesee agrees with the Landlord to assume its obligations under this Lease, the Landlord will be released from them, except for existing defaults as of the date of the transfer or disposition.

10.5 Financial Information

The Tenant shall, upon request, provide the Landlord with such information as to the Tenant's or any Indemnifier's financial standing and corporate organization as the Landlord or Mortgagee may require from time to time.

INITIALS

Landlord Tenant

**ARTICLE XI
TRANSFERS BY TENANT**

11.1 Consent Required

The Tenant will not allow or cause a Transfer, without the prior written consent of the Landlord in each instance which consent may not be unreasonably withheld, subject however to the provisions of Section 11.3. Notwithstanding any statutory provisions to the contrary, the Landlord's consent shall not be deemed to have been unreasonably withheld where the Landlord refuses consent to a Transfer within twenty-four (24) months of either the Commencement Date or a previous Transfer. Without limiting the generality of the foregoing, no Transfer shall be effective and no consent shall be given unless the following provisions have been complied with:

- (a) there is no default of the obligations of the Tenant under this Lease;
- (b) the Tenant shall have given at least thirty (30) days' prior written notice of the proposed Transfer and the effective date thereof to the Landlord;
- (c) a duplicate original of the documents affecting the Transfer shall be given to the Landlord within thirty (30) days after the execution and delivery thereof;
- (d) the Transferee, except in the case of a Transfer described in subsection (iv) of the definition of Transfer, shall have assumed in writing with the Landlord the due and punctual performance and observance of all the agreements, provisions, covenants and conditions hereof on the Tenant's part to be performed or observed from and after the effective date of the Transfer.

The Tenant acknowledges that the factors governing the granting of the Landlord's consent to any Transfer may include, without limitation, the restrictive clauses entered into with other tenants by the Landlord, the financial background, business history and the capability of the proposed Transferee in the Tenant's line of business, and the nature of the business practices of the proposed Transferee. In particular, consideration shall be given as to whether the proposed Transferee will operate as a "cut-rate" bargain or discount store, or a business of an obnoxious nature which may tend to lessen traffic or lower the reputation or merchandising image of the Shopping Centre or its tenants. The consent by the Landlord to any Transfer shall not constitute a waiver of the necessity for such consent to any subsequent Transfer. If a Transfer takes place, the Landlord may collect rent from the Transferee, and apply the net amount collected to the Rent herein reserved, but no such action shall be deemed a waiver of the requirement to obtain consent or the acceptance of the Transferee as tenant, or a release of the Tenant or any Indemnifier from the further performance by the Tenant of covenants on the part of the Tenant herein contained. Notwithstanding any Transfer, the Tenant shall remain fully liable under this Lease and shall not be released from performing any of the obligations of the Tenant under this Lease.



Any Transfer, if consented to by the Landlord, may at the Landlord's option be documented by the Landlord or its solicitors, and any and all legal costs and the Landlord's then standard fee with respect thereto or to any documents reflecting the Landlord's consent to the Transfer shall be payable by the Tenant on demand as Additional Rent.

11.2 Conditions of Consent

If the Tenant receives consent under Section 11.1, it shall be subject to the following conditions:

- (a) at the Landlord's option, the annual Minimum Rent will be increased as of the effective date of the Transfer by an amount (the "Excess Amount") equal to the Current Minimum Rent multiplied by the percentage increase in the C.P.I. between the month in which the Commencement Date occurs and the month immediately preceding the month in which the effective date of the Transfer occurs.

If it is stated in Paragraph 11 of the Basic Terms of this Lease that the annual Minimum Rent is to increase at specified times, the Excess Amount will be added to such increased annual Minimum Rent. Further, the Tenant and the Transferee shall promptly execute an agreement prepared by the Landlord or its solicitors amending Paragraph 11 of the Basic Terms in order to provide for the payment of the revised annual Minimum Rent during the remainder of the Term and all costs with respect thereto shall be paid by

INITIAL	
	
Landlord	Tenant

the Tenant to the Landlord as Additional Rent on demand. All of the other terms, covenants and conditions of this Lease shall remain as herein specified;

- (b) if the Tenant shall receive from any Transferee of this Lease, either directly or indirectly, any consideration for the Transfer of this Lease, either in the form of cash, goods or services, the Tenant shall forthwith pay an amount equal to such consideration to the Landlord as Additional Rent forthwith upon receipt of same; and
- (c) in the event of any Transfer by virtue of which the Tenant receives a rent in the form of cash, goods or services which is higher than the Rent payable hereunder to the Landlord for the portion of the Premises so transferred, the Tenant shall pay any such excess rent to the Landlord as Additional Rent forthwith upon receipt of same.

If this Lease is disaffirmed, disclaimed, repudiated, rejected or terminated as a result of court proceedings or otherwise, in connection with the insolvency or bankruptcy of any Transferee, then at the Landlord's option the original Tenant named in this Lease will enter into a lease (the "Remainder Period Lease") with the Landlord, containing the same terms and conditions as this Lease modified, however, by increasing the Minimum Rent based on the formula in this Section 11.2 and by changing the Term of the Remainder Period Lease so that it commences on the date of the disaffirmation, disclaimer, repudiation, rejection or termination, and expires on the date on which this Lease would have expired had the disaffirmation, disclaimer, repudiation, rejection or termination not occurred.

11.3 Landlord's Option

If the Tenant requests the Landlord's consent to a Transfer, then notwithstanding anything in this Lease or any statute or law to the contrary, the Landlord shall always have the option to cancel this Lease by written notice given to the Tenant within sixty (60) days following receipt by it of the Tenant's request for the Landlord's consent to the Transfer. If the request for consent is to a sublease or parting with possession of a portion (but not all) of the Premises, the Landlord's election to cancel this Lease shall apply only with respect to such portion and in such event the Tenant shall, at its sole expense, arrange for partitioning of the Premises so as to separate the portion being transferred from the remainder of the Premises. If the Landlord elects to cancel this Lease, the Tenant will notify the Landlord in writing within seven (7) days thereafter of the Tenant's intention either to refrain from the Transfer or to accept the cancellation of this Lease as aforesaid. If the Tenant fails to deliver its notice within the seven (7) day period or the Tenant accepts such cancellation, this Lease will be terminated upon the date stipulated by the Landlord in its notice of cancellation, to be not less than thirty (30) days after the date the Landlord's notice is given, and the Tenant shall deliver up possession of the Premises to the Landlord on such date leaving same in the state of repair required pursuant to this Lease. If the Tenant advises the Landlord within the seven (7) day period that it intends to refrain from the Transfer, then the Landlord's election to cancel this Lease will be void.

11.4 No Advertising of Premises

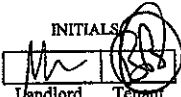
The Tenant shall not print, publish, post, display or broadcast any notice or advertisement to the effect that the Premises are for lease or for sale or otherwise advertise the proposed sale or lease of the whole or any part of the Premises and shall not permit any broker or other party to do any of the foregoing, unless the complete text and format of any such notice, advertisement or offer is first approved in writing by the Landlord. Without in any way restricting or limiting the Landlord's right to refuse any text or format on other grounds, any text or format proposed by the Tenant shall not contain any reference to the rental rate of the Premises.

ARTICLE XII DEFAULT OF TENANT

12.1 Right to Re-Enter

When

- (a) the Tenant shall be in default in the payment of any Rent whether lawfully demanded or not and such default shall continue for a period of five (5) consecutive days; or

INITIALS

Landlord Tenant

- (b) the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease (other than its covenant to pay Rent) and such default shall continue for a period of fifteen (15) consecutive days or such longer or shorter period as the Landlord, acting reasonably, determines after written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied;

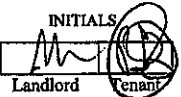
then and in any of such cases the then current month's Rent, together with the Rent for the three (3) months next ensuing shall immediately become due and payable, and at the option of the Landlord, the Term shall become forfeited and void, and the Landlord may without notice or any form of legal process whatsoever forthwith re-enter upon the Premises or any part thereof in the name of the whole and repossess and enjoy the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding, provided, however, that such forfeiture shall be wholly without prejudice to the right of the Landlord to recover arrears of rent or damages for any antecedent default by the Tenant of its covenants, obligations or agreements under this Lease or any term or condition of this Lease and provided further that notwithstanding any such forfeiture the Landlord may subsequently recover from the Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely determined. In addition, the Landlord shall have the right to remove and sell the Tenant's good and chattels and trade fixtures and apply the proceeds thereof to Rent due under the Lease.

12.2 Right to Relet

Should the Landlord elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Premises, and relet the Premises or any part thereof as agent for the Tenant for such term or terms (which may be for a term extending beyond the Term of this Lease) and at such rental or rentals and upon such other terms and conditions as the Landlord in its sole discretion may deem advisable; upon each reletting all rentals received by the Landlord from such reletting shall be applied; first, to the payment of any indebtedness other than rent due hereunder from the Tenant to the Landlord; second, to the repayment of any costs and expenses of such reletting, including brokerage fees and solicitors' fees and of costs of such alterations and repairs; third, to the payment of Rent due and unpaid hereunder, and the residue, if any, shall be held by the Landlord and applied in payment of future Rent as the same may become due and payable hereunder. If such Rent received from such reletting during any month be less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency to the Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to the Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, the Landlord may at any time thereafter elect to terminate this Lease for such previous breach. Should the Landlord at any time terminate this Lease for any breach, in addition to any other remedies it may have, it may recover from the Tenant all damages it may incur by reason of such breach, including the cost of recovering the Premises, and including the worth at the time of such termination of the excess, if any, of the amount of Rent and charges equivalent to Rent reserved in this Lease for the remainder of the Term hereof over the then reasonable rental value of the Premises for the remainder of the Term hereof, all of which amounts shall be immediately due and payable from the Tenant to the Landlord. In determining the Rent which would be payable by the Tenant hereunder, subsequent to default, the annual Rent for each year of the unexpired Term shall be equal to the Minimum Rent payable hereunder; together with all Additional Rent which would have been payable during the calendar year in which this Lease was terminated, pro-rated over a full calendar year, if required.

12.3 Legal Expenses

In case suit shall be brought for recovery of possession of the Premises, for the recovery of Rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of the Tenant to be kept or performed and a breach shall be established, the Tenant shall pay to the Landlord all expenses incurred therefor, including reasonable solicitors' and counsel fees on a solicitor and his client basis.

INITIALS

Landlord Tenant

12.4 Bankruptcy

The Tenant covenants and agrees that if the Term or any of the goods and chattels of the Tenant on the Premises shall be at any time during the Term seized or taken in execution or attachment by any creditor of the Tenant or if a receiver, interim receiver or receiver and manager is appointed for the assets or business of the Tenant or if the Tenant shall make any assignment for the benefit of creditors or any bulk sale or, becoming bankrupt or insolvent, shall take the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors or if any order shall be made for the winding up of the Tenant, or if the Premises shall without the written consent of the Landlord become and remain vacant for a period of fifteen (15) days, or be used by any other persons than such as are entitled to use them under the terms of this Lease, or if the Tenant shall without the written consent of the Landlord abandon or attempt to abandon the Premises or to sell or dispose of goods or chattels of the Tenant or to remove them or any of them from the Premises so that there would not in the event of such abandonment, sale or disposal be sufficient goods on the Premises subject to distress to satisfy the Rent above due or accruing due, then and in every such case the then current month's Rent and the next ensuing three (3) months' Rent shall immediately become due and be paid and the Landlord may re-enter and take possession of the Premises as though the Tenant or the servants of the Tenant or any other occupant of the Premises were holding over after the expiration of the Term and the Term shall, at the option of the Landlord, immediately without any notice or opportunity for cure provided to the Tenant, become forfeited and determined, and in every one of the cases above such accelerated Rent shall be recoverable by the Landlord in the same manner as the Rent hereby reserved and as if Rent were in arrears and the said option shall be deemed to have been exercised if the Landlord or its agents given notice to the Tenant as provided for herein.

12.5 Landlord May Perform Tenant's Covenants

If the Tenant shall fail to perform any of its covenants or obligations under or in respect of this Lease, the Landlord may from time to time at its discretion, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things upon or in respect of the Premises or any part thereof as the Landlord may consider requisite or necessary.

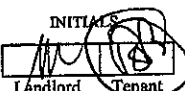
All expenses incurred and expenditures made by or on behalf of the Landlord under this Section, together with an administrative fee equal to fifteen (15%) percent thereon, shall be forthwith paid by the Tenant to the Landlord on demand as Additional Rent.

12.6 Waiver of Exemptions from Distress

Notwithstanding any statutory provision or rule of law to the contrary: (a) none of the inventory, furniture, equipment or other property at any time owned by the Tenant is exempt from distress; and (b) no lack of compliance with any requirement concerning the day of the week, time of day or night, method of entry, giving of notice, appraising of goods, or anything else, will render any distress unlawful where the Tenant owes arrears of Rent at the time of the distress.

12.7 General Security Agreement

The Tenant hereby grants to the Landlord a security interest (the "Security Interest") in all inventory, fixtures, equipment, furniture and chattels of the Tenant situate on or about the Premises from time to time (the "Collateral") to secure the payment of all Rent payable pursuant to this Lease and the fulfilment of the other obligations of the Tenant under this Lease. The Tenant confirms and agrees that the Security Interest is complete and valid without the necessity of any other or further documentation in respect thereof and is intended to constitute a security agreement as defined in the personal property security legislation of the Province and of each other province of Canada in which the Tenant has present personal property or obtains after acquired personal property, as applicable. This security agreement is separate from and shall survive the termination, expiry, repudiation, disaffirmance or disclaimer of this Lease. Upon default by the Tenant of its obligations pursuant to this Lease, the Landlord shall be entitled at its sole option (and without any obligation so to do), to exercise any remedies available to it as a secured party under the Act in respect of the Collateral. The Security Interest is given in addition to, and not as an alternative to, and the rights and remedies afforded to the Landlord thereunder may be exercised by the Landlord without prejudice, to any of the Landlord's other rights and remedies under this Lease and at law including, without limitation, the Landlord's right of distress. The Tenant covenants and agrees that all Collateral located on the Premises from time to time shall be owned by the Tenant and except in the ordinary course of the Tenant's business, the Tenant shall not at any time without the prior written

INITIALS

Landlord Tenant

consent of the Landlord, such consent not to be unreasonably withheld, dispose of all or any part of the Collateral.

12.8 Remedies Cumulative

No reference to nor exercise of any specific right or remedy by the Landlord will prejudice or preclude the Landlord from exercising or invoking any other remedy in respect thereof, whether allowed at law or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but the Landlord may from time to time exercise any one or more of such remedies independently or in combination.

ARTICLE XIII MISCELLANEOUS

13.1 Overholding

If the Tenant remains in possession of the Premises after the end of the Term and without the execution and delivery of a new lease, there shall be no tacit renewal of this Lease and the Term hereby granted, and the Tenant shall be deemed to be occupying the Premises as a Tenant from month to month at monthly rent payable in advance on the first day of each month equal to the sum of:

- (a) one and one half (1 1/2) times the Minimum Rent payable during the last month of the Term; and
- (b) intentionally deleted;
- (c) one-twelfth of the Additional Rent payable by the Tenant for the Lease Year immediately preceding the last Lease Year of the Term;

and otherwise upon the same terms and conditions as are set forth in this Lease, except as to duration of Term, and any right of renewal mutatis mutandis.

13.2 Successors

This Lease applies to the successors and assigns of the Landlord and, if Article XI is complied with, the heirs, executors, administrators and permitted successors and permitted assigns of the Tenant. If there is more than one party named as Tenant, they are jointly and severally liable under this Lease.

13.3 Waiver

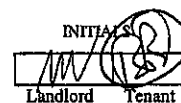
Failure by the Landlord to require performance of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained. The subsequent acceptance of Rent hereunder by the Landlord shall not be deemed to be a waiver of any preceding breach by the Tenant of any term, covenant or condition of this Lease, other than the failure of the Tenant to pay the particular rent so accepted, regardless of the Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No covenant, term or condition of this Lease shall be deemed to have been waived by the Landlord, unless such waiver be in writing by the Landlord.

13.4 Accord and Satisfaction

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

13.5 Entire Agreement

This Lease sets forth all the covenants, promises, agreements, conditions and understandings between the Landlord and the Tenant concerning the Premises and there are no covenants, promises,

INITIALS

Landlord Tenant

agreements, conditions or representations, either oral or written, between them other than are herein and in the said schedules and rider, if any, set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon the Landlord or the Tenant unless reduced to writing and signed by them.

13.6 No Partnership

The Landlord does not, in any way or for any purpose, become a partner of the Tenant in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with the Tenant.

13.7 Force Majeure

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labour troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Notwithstanding anything herein contained, the provisions of this Section 13.7 shall not operate to excuse the Tenant from the prompt payment of Minimum Rent, Additional Rent or any other payments required by the terms of this Lease, nor entitle the Tenant to compensation for any inconvenience, nuisance or discomfort thereby occasioned.

13.8 Notices

Any notice herein provided or permitted to be given by the Tenant to the Landlord shall be sufficiently given if delivered personally to the party being given such notice or to a responsible employee of the party being given such notice, or if transmitted by telecopier or if mailed in Canada, registered and postage prepaid, addressed to the Landlord at the address set forth in the Basic Terms and any notice herein provided or permitted to be given by the Landlord to the Tenant shall be sufficiently given if delivered personally to the party being given such notice or to a responsible employee of the party being given such notice, or if transmitted by telecopier or if mailed in Canada, registered and postage prepaid, addressed to the Tenant at the Premises or at its head office. Any such notice given as aforesaid shall be conclusively deemed to have been given on the day on which such notice is delivered or transmitted or on the third day that there is postal delivery following the day on which such notice is mailed, as the case may be. Either party may at any time give notice in writing to the other of any change of address of the party giving such notice and from and after the giving of such notice the address therein specified shall be deemed to be the address of such party for the giving of notices hereunder. The word "notice" in this paragraph shall be deemed to include any request, statement or other writing in this Lease provided or permitted to be given by the Landlord to the Tenant or by the Tenant to the Landlord. If there is more than one party named as Tenant, notice to one shall be deemed sufficient as notice to all. Electronic mail or any other electronic communications between the parties shall not be considered proper notice under this Lease.

13.9 Place for Payment of Rent

The Tenant shall pay the Rent, including all Additional Rent, at the office of the Landlord specified in Section 13.8, or at such place or places as the Landlord may designate from time to time by notice in writing.

13.10 Approval in Writing

Wherever the Landlord's consent is required to be given hereunder or wherever the Landlord must approve any act or performance by the Tenant, such consent or approval, as the case may be, shall be given in writing by the Landlord before same shall be deemed to be effective.

13.11 Registration

The Tenant shall not register this Lease without the written consent of the Landlord. However, upon the request of either party hereto the other party shall join in the execution of a caveat, notice or short form of lease for the purpose of registration. Said caveat, notice or short form of this Lease shall

INITIALS
Landlord Tenant

describe the parties, the Premises and the Term and shall be prepared and registered at the expense of the Tenant. Upon the expiration of the Term or other termination of this Lease, the Tenant shall promptly cause any caveat, notice or short form of lease registered by the Tenant to be discharged.

13.12 Governing Law

The Lease is to be governed by and construed according to the laws of the Province.

13.13 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections or articles or of this Lease, nor in any way affect this Lease.

13.14 Partial Invalidity

If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease and/or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be separately valid and enforceable to the fullest extent permitted by law.

13.15 No Option

The submission of this Lease for examination does not constitute a reservation of or option for the Premises and this Lease becomes effective as a Lease only upon execution and delivery thereof by the Landlord and the Tenant.

13.16 Limitation on Length of Term

The Lease is entered into subject to the express condition that it is to be effective to create any interest in land only if the provisions of any statute relating to the severance of land or interests in land by conveyance or otherwise (as it may from time to time be amended) are complied with. The Landlord and Tenant agree, as a separate and distinct agreement, that if pursuant to any statute consent is requisite to the validity of this Lease, either party may apply for such consent and until unconditional consent has been obtained, the Term of this Lease or any renewal thereof will not extend beyond the period permitted without consent pursuant to any such statute, with no further right on the part of Tenant to extend the term, notwithstanding any other provision of this Lease.

13.17 Time To Be of the Essence

Time shall be of the essence of this Lease.

13.18 Quiet Enjoyment

The Landlord covenants with the Tenant for quiet enjoyment.

13.19 Tenant Partnership

If the Tenant is or shall become a partnership, each person who is a member, or shall become a member of, such partnership or successor thereof shall be and continue to be jointly and severally liable for the performance and observance of all covenants, provisos, conditions and agreements on the part of the Tenant to be observed and performed, whether or not such person ceases to be a member of such partnership or successor thereof.

13.20 Limitation of Landlord's Liability

The Tenant will look solely to the interest of the Landlord in the Shopping Centre for the collection or satisfaction of any money or judgment which the Tenant may recover against the Landlord, and the Tenant will not look for the collection or satisfaction of any such money or judgment to the

personal assets of any person who is at any time a partner, joint venturer or co-tenant in the Shopping Centre.

13.21 Riders and Schedules

Rider No.1, the Schedule of Definitions, and Schedules "A", "B", "B-1", "C", "D", "E" and "F" attached hereto form part of this Lease.

IN WITNESS WHEREOF the Landlord and the Tenant have signed and sealed this Lease as of the day and year first above written.

SIGNED, SEALED AND DELIVERED
in the presence of

**SHIPLAKE INVESTMENTS
(RUTHERFORD) LTD.**

(Landlord)

PER: 

PER:

I/We have authority to bind the corporation.

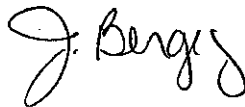
S.H.S. OPTICAL LIMITED

(Tenant)

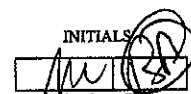
PER: 

PER:

I/We have authority to bind the corporation.



G:\S\Shiplake Investments (Rutherford) Ltd\Rutherford Village, SHS Optical Ltd, Lease 0501488\Docs\Great Glasses Lease v01.DOC

INITIALS

Landlord Tenant

RIDER NO. 1

TO A LEASE MADE BETWEEN

S.H.S. Optical Limited as Tenant and Shiplake Investments (Rutherford) Ltd. as Landlord, dated April 20, 2005 for Rutherford Village Shopping Centre.

1. OPTION TO EXTEND

Provided the Tenant has not been in default and is not then in default under this Lease, the Tenant shall have the option to extend the Term of this Lease for two (2) further terms of five (5) years each (the "First Extension Term" and "Second Extension Term") upon the same terms and conditions as set out in this Lease except that (i) the Tenant will accept the Premises on an "as-is" basis with no Landlord's Work to be performed and no inducements or allowances payable by the Landlord and no rent free or fixturing period to be provided, (ii) there shall be no further right to extend the Term, and (iii) the annual Minimum Rent shall be as set out in this paragraph 1. The annual Minimum Rent payable during the Extension Term will be at a rent to be negotiated and agreed upon and failing agreement at least 360 days prior to the expiry of the initial Term or First Extension Term, the rent will be determined by arbitration in accordance with the *Arbitration Act*, 1991 (Ontario), as amended from time to time, but in either case said rental rate shall be not less than the previous rental rate during the immediately prior Term or First Extension Term, as the case may be. Said option to extend is to be exercised by the Tenant by giving notice in writing to the Landlord not later than fifteen (15) months prior to the expiration of the initial Term, and failing exercise within the time provided such option to be null and void.

2. FIXTURING PERIOD

The Fixturing Period shall be a maximum period of thirty (30) days as set out in item 9 of the Basic Terms of this Lease, and shall commence on the Possession Date, subject to the last sentence of this Paragraph 2. During the Fixturing Period the Tenant will conduct and complete all items of work that are required to properly complete the Premises for the Tenant's use and occupancy for the business purpose described in item 6 of the Basic Terms. During the Fixturing Period the Tenant shall not be required to carry on any business in the Premises or pay any Minimum Rent, but the Tenant shall be responsible for the payment of all Additional Rent, including its share of Taxes, Operating Costs and all utilities consumed in the Premises. In all other respects all terms of this Lease shall apply as if the Term commenced on the commencement of the Fixturing Period.

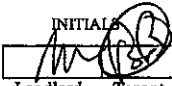
Notwithstanding the commencement of the Fixturing period, the Tenant shall not be entitled to possession of the Premises until the Lease has been fully executed and the Tenant has provided evidence of the Tenant's insurance required under Section 8.1 of this Lease.

3. EXCLUSIVE

(a) Provided that the Tenant:

- (i) pays the Rent as and when due and punctually observes and performs its covenants, obligations and agreements under and in accordance with the terms of this Lease;
- (ii) is not in breach or default under the terms of this Lease; and
- (iii) is S.H.S. Optical Limited and is itself in occupation of and conducting business in the whole of the Premises and operating under the business name of Great Glasses;

then the Landlord covenants that during the Term and any renewal thereof it shall not use or lease or permit to be used or leased any premises in the Shopping Centre as it is constituted as of the date of this Lease, to a tenant for the primary business of an optical store, or the primary business of an optometrist provided that an optometrist is registered in writing with the Landlord and is actively practicing in the Premises (the "Exclusive Use"). Notwithstanding anything herein to the contrary, the Tenant specifically acknowledges and agrees that: (i) the restrictive covenant in this Paragraph 3 shall not apply to any of the existing or other confirmed tenants of the Shopping

INITIALS

Landlord Tenant

Centre as of April 13, 2005, or any of their permitted subtenants or assignees, (ii) the restrictive covenant in this Paragraph 3 shall not prohibit the Landlord from leasing premises in the Shopping Centre to other eye doctors or specialists that are not optometrists, and (iii) except for the Exclusive Use, nothing herein shall confer upon the Tenant the exclusive right to sell or provide in the Shopping Centre any of the products or services permitted to be sold or provided from the Premises pursuant to Section 6.1(a) of this Lease.

- (b) The Landlord is not obliged to enforce the restrictive covenant in this Paragraph 3 against any person, if by doing so it shall be in breach of any laws, rules, regulations or enactments from time to time in force and no provision of this Lease is intended to apply or to be enforceable to the extent that it would give rise to any offence under the *Competition Act* (Canada) as from time to time amended or substituted by any other statute. The Tenant further acknowledges that the restrictive covenant in this Paragraph 3 has been granted by the Landlord at the request and insistence of the Tenant. The Tenant shall indemnify and hold harmless the Landlord from any loss, injury or damage suffered by the Landlord in connection with such restrictive covenant, including but not limited to all expenses incurred in enforcing other leases or agreements or in connection with any claims, actions or proceedings brought with respect to such restrictive covenant, whether of a criminal or civil nature, and the Tenant covenants that it will reimburse the Landlord forthwith upon request of all such expenses including legal fees on a substantial indemnity basis.

4. INDEMNIFIER



It is understood and agreed that Mr. Bruce Bergez will perform each and every obligation of the Tenant under the Lease (including the payment of Rent) and further agrees to enter into an Indemnity Agreement substantially in the form attached hereto as Appendix "A", immediately upon execution of this Lease.

5. MINIMUM RENT FREE PERIOD

Notwithstanding anything to the contrary contained in this Lease, so long as this Lease has been fully executed and the Tenant is not in default hereunder, no Minimum Rent will be due or owing for the first month of the initial Term (the "Minimum Rent Free Period"). During the Minimum Rent Free Period the Tenant shall be responsible for the payment of all Additional Rent and all utilities consumed in the Premises.

6. PYLON SIGN

- (a) If space is available on an existing pylon sign, and such space is acceptable to the Tenant, conducive to the image and to the marketing needs of the Tenant and for the purpose of maximizing Gross Receipts, the Tenant shall have the option of representation on the Landlord's pylon sign (on Bathurst Street or Rutherford Road) in a location to be mutually agreed upon, at the then current rental rate set by the Landlord;
- (b) If space is unavailable on an existing pylon sign, the Tenant shall be identified by number on the Landlord's priority waiting list, and a copy of such list will be provided to the Tenant, for representation on the Landlord's pylon sign(s).

INITIALS	
	
Landlord	Tenant

SCHEDULE OF DEFINITIONS

In this Lease:

"Additional Rent" means all and any monies required to be paid by the Tenant to the Landlord or any other person under or pursuant to the terms of this Lease, save only for Minimum Rent.

"Advertising Payment" means the amount specified in Paragraph 15 of the Basic Terms.

"Architect" shall mean the architect from time to time named by the Landlord or at the option of the Landlord, the Landlord's general contractor. Any certificate provided by the Architect and called for by the terms of this Lease shall be final and binding on the parties hereto.

"Basic Terms" means the terms set out at the beginning of this Lease.

"Building Common Areas" means the areas of the Building that provide services to rentable premises but which are not included in the Useable Area of any rentable premises; this area includes, without limitation, main and auxiliary lobbies, atrium spaces, concierge areas, security desks, vending areas, food service facilities, mail rooms, fire control rooms, fully enclosed courtyards outside exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Notwithstanding the foregoing, it is understood and agreed that for Buildings B, C, and D (shown on the site plan of the Shopping Centre attached hereto as Schedule "B"), the Building Common Areas shall be restricted to fully enclosed mechanical and electrical rooms.

"Commencement Date" means a date determined in accordance with Paragraph 10 of the Basic Terms.

"Common Areas" means those areas, facilities, utilities, improvements, equipment and installations in the Shopping Centre which from time to time are not designated or intended by the Landlord to be leased to tenants of the Shopping Centre, and those areas, facilities, utilities, improvements, equipment and installations which serve or are for the benefit of the Shopping Centre whether or not located in, adjacent to or near the Shopping Centre and which are designated from time to time by the Landlord as part of the Common Areas. Without limiting the generality of the foregoing, Common Areas includes all Building Common Areas, all parking areas and parking garages, all entrances and exits thereto and all structural elements thereof, employee parking areas, access roads, truck courts, driveways, truckways, delivery passages, the roof, exterior weather walls, exterior and interior structural elements and bearing walls in the building and improvements comprising the Shopping Centre, package pick-up stations, loading and related areas, pedestrian sidewalks, landscaped and planted areas, bus kiosks, if any, roadways and stops, signs, equipment and fixtures, stairways, ramps, electrical, telephone, meter, valve, mechanical, mail storage service and janitor rooms and galleries, fire prevention, security and communication systems, columns, pipes, electrical, plumbing, drainage, any central system for the provision of heating, ventilating or air conditioning to leasable premises or any enclosed Common Areas and all other installations, equipment or services located therein or related thereto as well as the structures housing the same. If applicable, Common Areas further include any such interior areas, facilities, utilities, improvements, equipment and installations, including but not limited to all open and enclosed malls, courts and arcades, public seating and service areas, corridors, furniture, first aid and/or information stations, storage facilities, elevators, public washrooms, and music systems.

"C.P.I." means the Consumer Price Index (All Items) for the city in which the Shopping Centre is located or if there is no Consumer Price Index for that city, for the Greater Toronto Area (or if unavailable, for the City of Toronto, and if the Consumer Price Index is no longer published, any index published in substitution for the Consumer Price Index or any other replacement index reasonably designated by the Landlord) published by Statistics Canada (or by any successor thereof or any other governmental agency, including a provincial agency).

"Deposit" means the sum specified in Paragraph 16 of the Basic Terms.

"Fixturing Period" means the period described in Paragraph 9 of the Basic Terms, during which the Tenant shall (a) occupy the Premises for the purpose of fixturing and installing its inventory, at its own risk, free of the payment of Minimum Rent only, and (b) be a tenant in the Premises subject to the same

INITIALS
Landlord Tenant

covenants and agreements as are contained in this Lease, mutatis mutandis, including, without limitation, the obligation to pay Additional Rent and utilities payable hereunder.

"Gross Receipts" means the total of all gross sales and receipts from all business conducted upon or from the Premises, whether or not by the Tenant, and whether for cash, cheques, credit, charge account, exchange or otherwise, and shall include, but not be limited to, amounts received or receivable from the sale of goods or services and the amount of all orders taken or received at the Premises regardless of where they are filled, whether such sales be made at a sales desk or counter, over the telephone or by any vending device. Interest, installment, finance charges and deposits will be included, and bank or collection agency charges and uncollectible amounts or bad debts will not be deducted. A credit or installment sale will be considered as a sale for the full price in the month in which it takes place. Gross Receipts shall not include:

- (a) sales for which the customer has received a refund, provided that the original sale was included in Gross Receipts;
- (b) sales of merchandise in exchange for returned merchandise, but only to the extent the original sale of the returned merchandise was included in Gross Receipts;
- (c) GST and any other sales, use, excise or gross receipts tax directly on sales and collected from customers at the point of sale, provided that the amount thereof is added to the selling price and shown and/or collected as a separate item, and paid by the Tenant to such governmental authority;
- (d) delivery charges;
- (e) transfers of merchandise between stores of the Tenant or returned to suppliers of the Tenant, but only if such transfer or return is not for the purpose of reducing Gross Receipts.

"GST" means goods and services taxes, harmonized sales taxes (where applicable), value-added taxes, multi-stage taxes, business transfer taxes or other similar taxes however they are characterized.

"Hazardous Substances" means any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, PCB's or any other substances or materials that are declared or defined to be hazardous, toxic, contaminants or pollutants in or pursuant to any applicable federal, provincial or municipal statute, by-law or regulation.

"Indemnifier" means a person who has executed or agreed to execute an indemnity agreement in the form attached hereto as Appendix "A".

"Initial Promotion Fund" – Intentionally Deleted.

"Landlord" means the party named in Paragraph 1 of the Basic Terms and includes the Landlord and its successors and assigns.

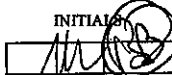
"Lease" means this indenture of lease and includes any riders and schedules hereto and shall also include any agreements entered into which have the effect of amending this indenture from time to time.

"Lease Year" shall mean a period of twelve (12) consecutive full calendar months. The first Lease Year starts on the Commencement Date, but if that date does not occur on the first day of a calendar month, the first Lease Year will end on the first anniversary of the last day of the calendar month in which the Commencement Date occurs. The last Lease Year of the Term shall terminate upon the expiration or earlier termination of this Lease, as the case may be.

"Minimum Rent" means the annual minimum rent payable by the Tenant under Section 2.1.

"Mortgagee" means any mortgagee, chargee or hypothecary creditor (including any trustee for bondholders) of the Shopping Centre or any part thereof.

"Operating Costs" means the total cost and expense incurred in owning, operating, maintaining, managing and administering the Shopping Centre and the Common Areas, excluding only the original

INITIALS

Landlord Tenant

acquisition costs and financing and mortgage charges, but specifically including without limiting the generality of the foregoing, any capital or place of ownership taxes levied against the Landlord or any owners of the Shopping Centre on account of their interest in the Shopping Centre, in an amount equitably allocated to the Shopping Centre by the Landlord; gardening and landscaping charges; the cost and expenses of taking out the insurance described in Section 8.3; cleaning, snow removal, garbage and waste collection and disposal; lighting, electricity, public utilities, loud speakers, public address and musical broadcasting systems and any telephone answering service used in or serving the Shopping Centre, and the cost of electricity and maintenance for any signs designated by the Landlord as part of the Common Areas; policing, security, supervision and traffic control; the cost of providing the operation, maintenance, repair, administration and supervision of the Shopping Centre, including, without limitation, wages, salaries, benefits or other compensation for employees, agents or contractors of the Landlord performing services rendered in connection therewith and a property manager and other supervisory personnel, in each case whether on or off site, elevator operators, porters, cleaners and other janitorial staff, watchmen and other security personnel, carpenters, engineers, consultants and maintenance personnel; management office rent imputed to the Shopping Centre by the Landlord, acting reasonably, and all costs relating to such management office, including, without limitation, utilities, telephone services, stationery, office supplies and other general office expenses; the cost of providing additional parking or other Common Areas for the benefit of the Shopping Centre, whether such costs be Taxes or other type of costs; the costs and expenses of environmental site reviews and investigations, removal and/or clean-up of Hazardous Substances from the Common Areas; the cost of the rental of any equipment and signs and the cost of supplies used in the maintenance and operation of the Shopping Centre and the Common Areas; accounting and audit fees incurred in the preparation of the statements required to be prepared and supplied by the Landlord under the terms of this Lease; legal, consultant or other professional fees incurred in connection with managing, operating and maintaining the Shopping Centre; sales and excise taxes on goods and services provided by the Landlord to manage, operate or maintain the Shopping Centre and its equipment; costs incurred in connection with inspection and servicing of elevators, electrical distribution and mechanical equipment and the costs of supplies and equipment used in connection therewith; costs associated with a pest control program; heating, ventilating and air conditioning of the Common Areas; all repairs and replacements to and maintenance and operation of the Shopping Centre and the Common Areas; depreciation or amortization of the costs of any modifications, replacements or additions to the Shopping Centre and any maintenance and cleaning equipment, master utility meters, and all other fixtures, equipment, machinery, and facilities serving or comprising the Shopping Centre or the Common Areas, which are not charged fully in the Lease Year in which they are incurred, from the earlier of the date when the cost was incurred or the Commencement Date, at rates on the various items determined from time to time by the Landlord in accordance with sound accounting principles; interest calculated at two (2) percentage points above the Prime Rate upon the undepreciated or unamortized portion of the costs referred to above; and an administration and management fee of fifteen percent (15%) of the total of all of the above costs, excluding only interest on undepreciated or unamortized costs.

"Percentage Rent" Intentionally Deleted.

"Premises" means the premises described in Paragraph 7 of the Basic Terms and shown cross-hatched in red on the Unit Layout Plan attached hereto as Schedule "B-1". Save as mentioned below, the boundaries of the Premises shall extend from the top surface of the structural subfloor to the bottom surface of the structural ceiling. If the Premises have no ceiling abutting the demising walls, but rather are open to the ceiling of the Shopping Centre building, the boundaries of the Premises extend from the top surface of the structural subfloor to the height of the demising walls.

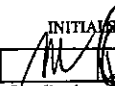

"Prime Rate" means the annual rate of interest from time to time publicly quoted by any Canadian chartered bank designated by the Landlord as its reference rate of interest for determining rates of interest chargeable in Toronto on Canadian dollar demand loans to commercial customers.

"Promotion Fund" means the fund described in Section 5.2.

"Promotion Fund Payment" means the amount specified in Paragraph 14 of the Basic Terms.

"Proportionate Share" means a fraction, the numerator of which is the Rentable Area of the Premises and the denominator of which is the Rentable Area of the Shopping Centre.

"Province" means the Province of Ontario.

INITIALS	
	
Landlord	Tenant

"Rent" means all Minimum Rent, Percentage Rent and Additional Rent payable pursuant to the terms of this Lease.

"Rentable Area of the Premises" means the area computed by multiplying the Useable Area of the Premises by a fraction, the numerator being the sum of (i) the Useable Area of all rentable premises in the Building in which the Premises is situated, and (ii) the aggregate floor area of the Building Common Areas in the Building in which the Premises is situated (the latter shall be calculated from the inside surface of exterior glass or walls, as the case may be, including washrooms, telephone, electrical and janitorial closets, columns, projections and elevator lobbies but excluding elevation shafts, stairs, flues, stacks, pipe shafts and vertical ducts with their own enclosing walls used in common), and the denominator being the aggregate Useable Area of all rentable premises in the Building in which the Premises is situated.

"Rentable Area of the Shopping Centre" means the total Rentable Area of all rentable premises in the Shopping Centre set aside for leasing by the Landlord from time to time, excluding the area (other than the area of the Premises and of other premises which are of the same category of space as the Premises) occupied by the following categories of space: (a) separate storage areas; (b) free-standing buildings and the area demised pursuant to any land leases; (c) governmental or quasi-governmental agencies; (d) the area of any single store with a Rentable Area in excess of 10,000 square feet; (e) basements or mezzanine areas forming part of rentable premises; and (f) theatres, cinemas, sports, health, fitness, recreational or day-care facilities. Provided however that the Landlord shall credit to Operating Costs any contributions received in respect of such Operating Costs from the occupants of any of the areas excluded from the Rentable Area of the Shopping Centre in accordance with this definition. Provided further that in determining the fraction that is the Tenant's Proportionate Share, if the Premises consists of any of the foregoing excluded categories, the Rentable Area of that category will be included in the Rentable Area of the Shopping Centre.

"Rules and Regulations" means the rules and regulations adopted and promulgated by the Landlord from time to time acting reasonably and in such manner as would a prudent landlord of a reasonably similar shopping centre, including those listed on Schedule "D".

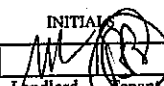
"Shopping Centre" means the lands and premises known as the Rutherford Village Shopping Centre, municipally known as 9200 Bathurst Street, as more particularly described in Schedule "A" attached hereto, as such lands and premises may be altered, expanded or reduced from time to time and the buildings, improvements, equipment and facilities erected thereon or situate from time to time therein.

"Taxes" means all the total of: (a) all duties, real property taxes, charges, assessments and payments (including local improvement and commercial concentration taxes), from time to time levied, assessed or imposed upon the Shopping Centre or any part thereof or upon the Landlord by reason of its ownership of the Shopping Centre, by any taxing authority, and any other amounts that may be imposed in lieu of or in addition to them, whether against the Landlord or the Tenant and whether or not similar, in existence at the Commencement Date, or within the contemplation of the parties; (b) all consulting, appraisal, legal and other costs reasonably incurred in attempting to minimize or reduce those amounts; and (c) an administration fee calculated at fifteen percent (15%) of the costs referred to above. Taxes shall also include any penalties, late payment or interest charges imposed by any municipality or other taxing authority as a result of the Tenant's late payments of any taxes or installments thereof. Taxes shall in every instance be calculated on the basis of the total Rentable Area of the Shopping Centre being assessed as fully leased and operational.

"Tenant" means the party named as Tenant in Paragraph 3 of the Basic Terms.

"Term" means the period set out in Paragraph 10 of the Basic Terms.

"Transfer" means, (i) an assignment, sale, conveyance, sublease, or other disposition of this Lease or the Premises, or any part of them or any interest in this Lease (whether by operation of law or otherwise), or in a partnership that is a Tenant under this Lease, (ii) a mortgage, charge or debenture (floating or otherwise) or other encumbrance of this Lease or the Premises or any part of them, or of any interest in this Lease or of a partnership, or partnership interest, where the partnership is a Tenant under this Lease, (iii) a parting with or sharing of possession of all or part of the Premises, and (iv) a transfer or issue by sale, assignment, bequest, inheritance, operation of law or other disposition, or by subscription of all or part of the corporate shares of the Tenant or an "affiliate" (as that term is defined on the date of this Lease

INITIALS

Landlord Tenant

under the Canada Business Corporations Act) of the Tenant which results in a change in the effective voting control of the Tenant. "Transferor" and "Transferee" have meanings corresponding to the definition of "Transfer" set out above, (it being understood that for a Transfer described in clause (iv) the Transferor is the person that has effective voting control before the Transfer and the Transferee is the person that has effective voting control after the Transfer).

"Useable Area of the Premises" means the floor area of the Premises bound by (i) the exterior face of all exterior walls, doors and windows, (ii) the exterior face of all interior walls, doors and windows separating the Premises from Building Common Areas, if any; and (iii) the centre line of all interior walls separating the Premises from adjoining rentable premises, without deduction for columns or projections, but after making the same exclusions as are made in calculating the Rentable Area.

INITIALS



Landlord Tenant

SCHEDULE "A"

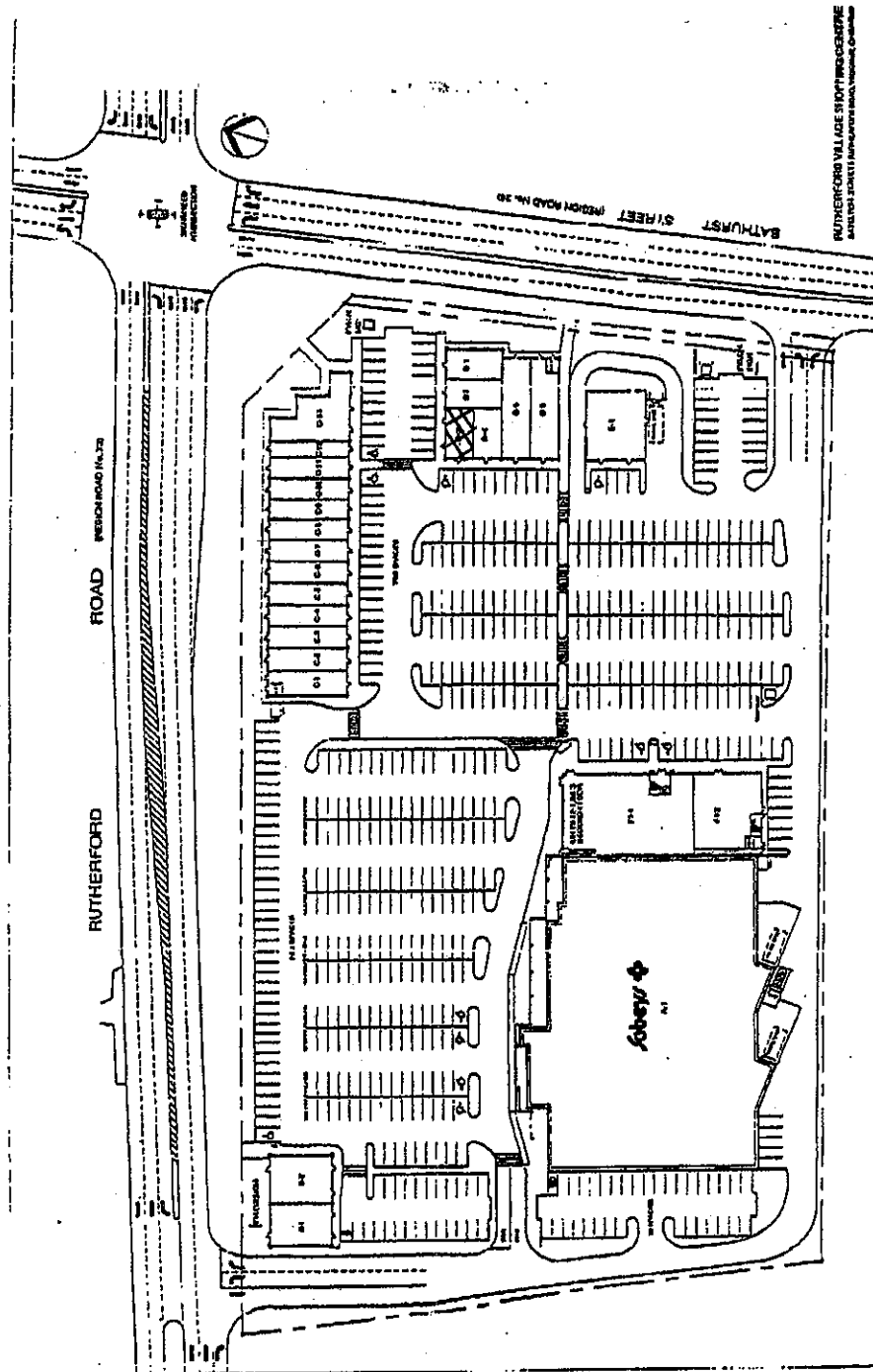
LEGAL DESCRIPTION

Part of Lot 15, Concession 2 (Part 1, 65R-22769)

A-1

INITIAL	
	
Landlord	Tenant

PLAN OF SHOPPING CENTRE



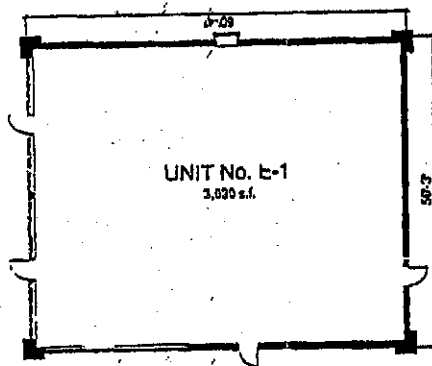
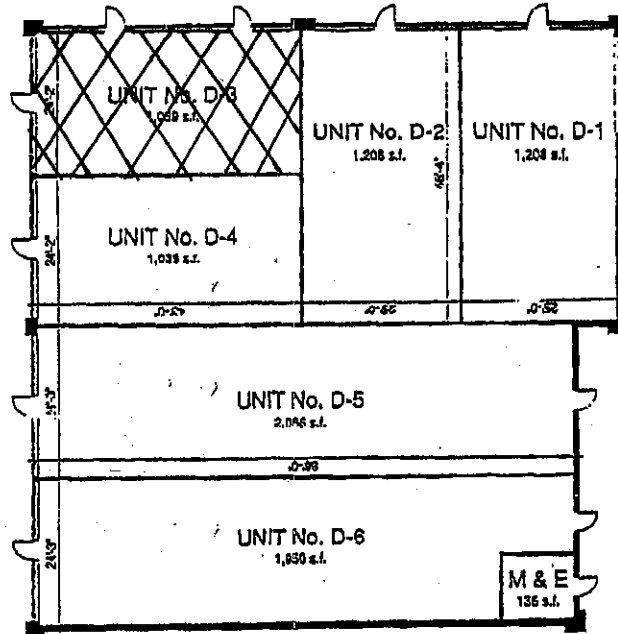
B-1

INITIALS

Landlord Tenant

SCHEDULE "B-1

UNIT LAYOUT PLAN



B1-1

INITIALS
Landlord Tenant

SCHEDULE "C"

LANDLORD'S AND TENANT'S WORK

CONSTRUCTION OF PREMISES

Landlord's Obligation

Any equipment or work other than those items specifically enumerated as Landlord's Work which the Landlord installs or constructs in the Premises on the Tenant's behalf shall be paid for by the Tenant as Additional Rent within fifteen (15) days after receipt of a bill therefor, at cost plus fifteen percent (15%) for overhead and supervision.

Tenant's Obligation

The Tenant shall at its cost and expense complete or cause the completion of all items of work described as Tenant's Work herein prior to the Commencement Date in accordance with the plans and specifications which have been submitted to and approved by the Landlord. All work performed by the Tenant with respect to the Premises shall:

- (a) be done in accordance with the design criteria set down by the Landlord or its authorized representatives with respect to the external and internal appearance of the Premises;
- (b) be done as expeditiously as reasonably possible;
- (c) be done in such manner as will not interfere unreasonably with work being done by the Landlord upon the Premises or any other portion of the Shopping Centre;
- (d) be done in compliance with such reasonable rules and regulations as the Landlord or its agents or contractors may make;
- (e) be carried out by competent workers under the supervision of one or more professional contractor(s) and designer(s), who shall be subject to prior written approval of the Landlord (such approval not to be unreasonably withheld or delayed), and be subject to the reasonable supervision of the Landlord or its agents or contractors; and
- (f) be done at the risk of the Tenant.

Landlord's Work

The Tenant acknowledges that it has examined the Premises and accepts them in their present state and condition. The Landlord shall provide all fixtures, furnishings, millwork and floor coverings as seen and photographed on April 11, 2005, provided that copies of such photographs are delivered to the Landlord and excluding any phone system that may have been in the Premises. All fixtures, furnishings, millwork and floor coverings remain the property of the Landlord.

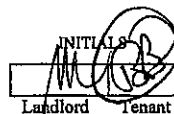
Tenant's Work

The Tenant shall perform all construction required to ready the Premises for the conduct of the Tenant's business therein, at its sole cost and expense, and in accordance with the provisions of this Schedule "C", the design criteria and all authorities having jurisdiction. The Tenant shall be responsible for securing all permits at its expense.

OTHER PROVISIONS

Performance of Tenant's Work

The following provisions are in addition to, and do not waive the provisions of any general covenants between the Tenant and the Landlord as may be contained in the Lease:

INITIALS

Landlord Tenant

- A. Before doing any item of Tenant's Work, Tenant shall secure and demonstrate to the Landlord on demand, all necessary permits. Upon completion, Tenant shall secure all applicable certificates of completion and occupancy.
- B. All work by the Tenant within the Premises shall be completed in new materials. Materials and workmanship shall be of a uniformly high quality and used and/or performed in accordance with the very best standards of practice and shall not be in contravention of any governing codes or regulations and shall be subject to the approval of the Landlord and/or its Architect. Any damage to the Premises or the Shopping Centre caused by the Tenant or any of its employees, contractors or workmen shall be repaired forthwith by the Landlord at the expense of the Tenant.
- C. Under no circumstances will the Tenant, its employees, its contractors or its contractors' employees enter onto any roof of the Shopping Centre or make any opening in the roof.
- D. The Tenant and his contractor(s) shall not impose a greater load on any concrete floor than the design live load of the Premises uniformly distributed. No unusual loads may be suspended from the underside of roof structure.
- E. Tenant shall maintain the Premises in a reasonably clean and orderly manner and shall be responsible for the cost of removing from the Shopping Centre all excess materials, trash and cartons resulting from Tenant's Work and stocking of the Premises. Should the Tenant fail to regularly clean up construction material, trash and cartons, the Landlord may remove such materials and charge the costs to the Tenant.
- F. The Tenant shall not allow any liens or notices thereof to be placed against the Premises or the Shopping Centre. Failure to discharge any liens or notices thereof within five (5) days of notice by the Landlord to do so, shall constitute a default under the Lease.
- G. Under no circumstances will the Tenant, its employees, its contractors or its contractors' employees add to or delete from or otherwise alter the existing building structure.

Exhaust and Odours

- (a) Objectionable odours from the Premises shall, at the Tenant's expense, be exhausted in such a manner as precludes their escaping into any Common Areas or other rental areas, or short-circuiting into any fresh-air vents.
- (b) Where Tenant requests a total exhaust rate greater than allowed for in the design criteria, the Tenant shall provide a make-up air system in accordance with Landlord's specifications, sized in the amount of the excess and shall waive right to demand of the Landlord the ambient design conditions specified in the design package provided to the Tenant by the Landlord, if any.
- (c) Tenant's air-handling equipment may not under any circumstances draw air from any Common Areas or exhaust into such areas.
- (d) Garbage refrigeration equipment must be installed in the Premises by the Tenant if perishable items are handled.

Complete Drawings by Tenant (as applicable)

The Tenant shall submit to the Landlord complete drawings and specifications for the Premises, to be prepared by qualified designers and confirming to each of good engineering practice, the outline drawings provided to the Tenant by the Landlord, if any, and the provisions of this Schedule "C".

Such complete drawings and specifications shall show at least the following:



STORE SUBMISSION REQUIREMENTS

The Tenant shall provide complete working plans and specifications in the following form:

- (a) Floor plan: Scale $\frac{1}{4}" = 1'0"$.
- (b) Reflecting ceiling: Scale $\frac{1}{4}" = 1'0"$.
- (c) Store front and show window elevation and sections: $\frac{1}{4}" = 1'0"$.
- (d) Store front and show window details: Scale $3" = 1'0"$.
- (e) Interior elevations: Scale $\frac{1}{4}" = 1'0"$.
- (f) Interior finishing schedule.
- (g) Plans or sketches showing location of equipment that Tenant intends to install, complete with catalogue sheets, specifications and sketches of same showing gas, water and electrical consumption, motor horsepower and electric characteristics, controls and any other requirements necessary to provide direction to contractor to complete installation.
- (h) Sign as outlined in Sign Directive
- (i) Expansion joint details (if applicable)
- (j) Any other special facilities or installations that affect the building
- (k) Specifications and identification of materials.
- (l) Specification of colour to include colour chips.
- (m) Specification and locations of any store front lighting to be placed in Landlord's ceiling for sign lighting or store front lighting.
- (n) Sprinkler and other fire protection devices.
- (o) Underfloor electrical or plumbing.
- (p) Electrical wiring plan.
- (q) Ductwork for connection to Landlord's air conditioning system, toilet exhaust system and any other ventilation system required by the Tenant.
- (r) One complete set of as built drawings and maintenance manual as approved by the designer within fifteen (15) days of occupancy.

All required drawings and specifications shall be submitted for approval within a reasonable time and in any event within fifteen (15) days of written request for by the Landlord therefor. No Tenant's Work may proceed prior to the Landlord's written approval, which will not be unreasonably withheld nor unduly delayed.

ALL TENANT DRAWINGS MUST BE IN TRACING OR SEPIA FORM TO FACILITATE REPRODUCTION BY THE LANDLORD.

INITIALS	
	
Landlord	Tenant

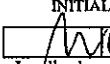

SCHEDULE "D"

RULES AND REGULATIONS

1. All loading and unloading of goods shall be done only at such times, in the areas, and through the entrances, designated for such purposes by the Landlord.
2. The delivery or shipping of merchandise, supplies and fixtures to and from the Premises shall be subject to such controls as in the judgment of the Landlord are necessary for the proper operation of the Premises and/or the Shopping Centre.
3. All garbage and refuse shall be kept in the kind of containers specified by the Landlord and shall not be burned in or about the Premises.
4. No radio, television, telegraphic or telephone or similar device and no water pipe, gas pipe or electric wire shall be installed or connected without obtaining in each instance the written consent of the Landlord. All such connections shall be installed in accordance with the Landlord's direction and without such direction no boring or cutting for wires or pipes shall be permitted.
5. The Tenant and its employees, suppliers and other persons not customers having business with the Tenant, shall park their cars only in those portions of the parking area designated for that purpose by the Landlord. Within five (5) days after taking possession of the Premises the Tenant shall furnish the Landlord with the automobile license numbers of the Tenant and its employees and shall thereafter notify the Landlord of any changes within five (5) days after such changes occur. Should the Tenant, its employees, suppliers and other persons not customers having business with the Tenant park vehicles in areas not allocated for that purpose, the Landlord shall have the right to remove the said trespassing vehicles and the Tenant shall save harmless the Landlord from any and all damages therefrom and the Tenant shall pay the costs of such removal.
6. The plumbing facilities shall not be used for any other purpose than that for which they are intended, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant.
7. The Tenant shall use at the cost of the Tenant such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require.
8. The Tenant, its employees or agents, shall not mark, paint, drill or in any way deface any walls, ceilings, partitions, floors, wood, stone or iron without the written consent of the Landlord.
9. Except as permitted in the lease to which these rules and regulations are annexed, the Tenant shall not permit any cooking in the Premises without the written consent of the Landlord.
10. No mall, sidewalk, entry, passageway, elevator or staircase shall be obstructed or used by the Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees for any purpose other than ingress to and egress from the Premises.
11. The Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees shall not bring in or take out, position, construct, install or move any safe or other heavy equipment or furniture without first obtaining the consent in writing of the Landlord. In giving such consent, the Landlord shall have the right in its sole discretion, to prescribe the weight permitted and the position thereof, and the use and design of planks, skids or platforms to distribute the weight thereof. All damage done to the Shopping Centre by moving or using any such safe, heavy equipment or furniture shall be repaired at the expense of the Tenant. The moving of all equipment and furniture shall occur only during those hours when the Shopping Centre shall not be open for business or any other time consented to by the Landlord and the persons employed to move the same in and out of the Premises shall be acceptable to the Landlord.

INITIALS
Landlord Tenant

12. All persons entering and leaving the building in which the Premises are situated at any time other than during normal business hours shall register in the books kept by the Landlord and the Landlord will have the right to prevent any person from entering or leaving such building unless provided with a key to the premises to which such person seeks entrance or a pass in a form to be approved by the Landlord. Any persons without such key or passes will be subject to the surveillance of the employees and agents of the Landlord. The Landlord shall be under no responsibility for failure to enforce this rule.
13. The Tenant shall not place or cause to be placed any additional locks upon any doors of the Premises without the approval of the Landlord and subject to any conditions imposed by the Landlord.
14. No one shall use the Premises for sleeping apartments or residential purposes, or for the storage of personal effects or articles other than those required for the purposes permitted by the lease to which these rules and regulations are annexed.
15. Subject to the Landlord's providing such service, the Tenant shall permit window cleaners to clean the windows of the Premises from time to time and at reasonable times.
16. Any hand trucks, carryalls or similar appliances used in any building in the Shopping Centre shall be equipped with rubber tires, side guards and such other safeguards as the Landlord shall require.
17. No animals or birds shall be brought into the Premises except as permitted by the lease to which these rules and regulations are annexed.
18. Except as permitted in the lease to which these rules and regulations are annexed, the Tenant shall not permit the delivery of any food or beverage to the Premises without the approval of the Landlord.
19. The Tenant shall not solicit business in the common areas or distribute any handbills or other advertising matter in the common areas or in automobiles parked in the parking areas.
20. The Tenant shall keep the Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
21. The Tenant shall not keep or display any merchandise on or otherwise obstruct the common areas adjacent to the Premises.
22. The Tenant shall not use or permit any part of the Premises to be used in such a manner as to cause annoying noises or vibrations or offensive odours.
23. The Tenant shall keep its display windows and signs lit in a manner satisfactory to the Landlord until 11:00 p.m. local time, on each evening except if prevented by reasons beyond the control of the Tenant or unless otherwise approved by the Landlord.

INITIALS	
	
Landlord	Tenant

SCHEDULE "E"

APPLICATION FOR AGREEMENT

HEAD OFFICE OR PROPRIETOR'S NAME	ACCOUNT RECEIVABLE NUMBER	
STORE NAME AND NUMBER	DATE OF LEASE	MONTHLY CHARGES
STORE ADDRESS	DATE OF LAST PAYMENT	
HEAD OFFICE ADDRESS	BANK ACCOUNT NUMBER	
TRANSIT NUMBER	BANK AND BRANCH	
NAME IN WHICH ACCOUNT STANDS IN BANK RECORDS		
SIGNING OFFICER SIGNATURE		

REQUEST FOR PRE-AUTHORIZED PAYMENTS

I authorize Landlord ● (hereinafter referred to as the "Company") and/or ● to debit the account of the undersigned maintained with the financial institution indicated above, monthly, in accordance with the PAYMENT AUTHORIZATION below, for the purpose of paying monthly rentals as noted above.

"PLEASE ENCLOSE AN UNSIGNED SAMPLE CHEQUE FROM YOUR BANK OR TRUST COMPANY"

AUTHORIZATION TO HONOUR PAYMENTS

NAME OF BANK: ●

ADDRESS: ●

You are hereby requested and authorized to pay and debit my/our account at your office, or at another branch of your institution if it is transferred there; all cheques drawn on you on my behalf and made payable to the Company or drawn on you by ●, and all amounts specified on any magnetic or computer produced paper tapes requesting you to pay the Company or ●.

In consideration of your acting as aforesaid, it is agreed that your treatment of each cheque and/or tape and your rights with respect to it shall be the same as if it were signed by the undersigned personally, authorizing and requesting you to pay and credit such amount to the said Company or ●, debiting my account and failure to pay shall give no liability on your part, regardless of the loss or damage.

If the financial institution indicated above is not a bank in which THE BANK ACT OF CANADA applies, "cheque" as used in this authorization shall include an "Order" that would be a cheque within the meaning of section 165 in THE BILLS OF EXCHANGE ACT (CANADA).

Any delivery of this authorization to you will constitute delivery by the undersigned.

(The signature appearing below must be the same as the signature appearing in the signature file of the financial institution identified above.)

DATE: ●, 200●.

AUTHORIZED SIGNATURE(S)

E-1

INITIALS
Landlord Tenant

SCHEDULE "F"

ACKNOWLEDGEMENT

TO:	[LANDLORD] (the "Landlord")
RE:	Lease dated [DATE] made between the Landlord and [TENANT] (the "Tenant") with respect to certain premises described in the Lease (the "Premises") situate in the complex municipally known as [ADDRESS].

The undersigned hereby certifies, confirms and acknowledges that: (i) the Term of the Lease commenced on the ● day of ●, 200●; (ii) Rent commenced on the ● day of ● 200●; and (iii) the Lease shall end at midnight on the ● day of ●, 200●, unless sooner terminated or extended as therein provided. The "Commencement Date" provided herein shall be used to determine the option period(s) if any, and for other purposes.

Tenant acknowledges and agrees that:

- (i) the Rentable Area of the Premises is ●, and
- (ii) the Useable Area of the Premises is ●.

Tenant further agrees that as of the ● day of ●, 200●, the Landlord has fully and timely complied with and performed each and every of its obligations as set forth in the Lease and that the Tenant has no claim(s) or cause(s) of action against the Landlord whatsoever and has no right to any setoff(s) against any and all sums due to the Landlord.

Dated the ● day of ●, 200●.

[TENANT]

Per: _____

Name _____

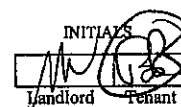
Title: _____

Per: _____

Name _____

Title: _____

I/We have the authority to bind the Corporation.

INITIALS

Landlord Tenant

APPENDIX "A"

INDEMNITY AGREEMENT

THIS AGREEMENT is dated •.

B E T W E E N:

SHIPLAKE INVESTMENTS (RUTHERFORD) LTD.

(the "Landlord")

- and -

Indemnifier

(the "Indemnifier")

In order to induce the Landlord to sign the lease between the Landlord, as landlord, and • as tenant (the "Tenant"), dated •, (the "Lease"), the Indemnifier agrees with the Landlord that:

1. (a) Throughout the Term of the Lease and any extension or renewal, the Indemnifier will (i) promptly pay all Rent and any other amounts payable by the Tenant under the Lease, whether to the Landlord or anyone else; (ii) promptly perform each and every obligation of the Tenant under the Lease; and (iii) indemnify and protect the Landlord from any losses or costs incurred by the Landlord (including legal fees) if the Tenant fails to pay the Rent or other amounts or to perform any of its obligations under the Lease.

(b) Even if there is an Early Termination, the Indemnifier will remain obligated under this Agreement throughout the Term and any renewals or extensions as though the Early Termination had not occurred. An "Early Termination" means a disaffirmance, disclaimer, repudiation, rejection or termination of the Lease (as a result of court proceedings or otherwise), or a surrender of the Lease which the Landlord did not accept in writing, which occurs prior to the originally specified expiry date of the Term or renewal or extension. If there is an Early Termination, the Indemnifier will, at the Landlord's option, become the Landlord's tenant on the terms of the Lease.
2. This indemnity is absolute and unconditional. The Indemnifier's obligations under this Agreement will not be affected by (a) any modifications to the Tenant's rights or obligations under the Lease; (b) the fact that the Landlord does not enforce any of the terms of the Lease; (c) any Transfer of the Lease by the Tenant or by any trustee, receiver or liquidator; (d) any consent which the Landlord gives to any Transfer; (e) any waiver by the Tenant of its rights under the Lease; (f) any additional security accepted by the Landlord from the Tenant; (g) the expiry of the Term or any extension or renewal thereof; (h) the release or discharge of the Tenant by the Landlord or in any receivership, bankruptcy, winding-up or other creditors' proceedings or by operation of law; or (i) lack of notice of any of the foregoing. The Indemnifier's obligations will not be affected by any repossession of the Premises by the Landlord, except that if the Landlord re-lets the Premises then the payments received by the Landlord (after deducting all costs and expenses of repossessing and reletting the Premises) will be credited by the Landlord against the Indemnifier's obligations under this Agreement.
3. The Landlord is not required to notify the Indemnifier that the Landlord has accepted this Agreement or that the Tenant has failed to perform any of its obligations under the Lease. Nevertheless, if the Landlord wishes to send any notice to the Indemnifier, it will deliver it or mail it by prepaid registered mail addressed to the Indemnifier at its head office address or, at the Landlord's option, at the Premises. Any notice will be considered to have been given on the day it was delivered, or if mailed, three (3) days after the date it was mailed. The Indemnifier may notify the Landlord in writing of a substitute address for the above address. If two or more parties

INITIALS

Landlord Tenant

are named as Indemnifier, the Landlord may give any notice to be given to the Indemnifier to only one of the parties, and in doing so both of them will be considered to have been notified.

4. If there is a default under the Lease or under this Agreement, the Landlord will not be required to (a) proceed against or pursue anything against the Tenant first; (b) proceed against any security of the Tenant held by the Landlord; or (c) pursue any other remedy whatsoever. The Indemnifier is not a mere guarantor; the Indemnifier is primarily responsible for the Tenant's obligations under the Lease.
5. Even though the Landlord may have already taken action against the Indemnifier under this Agreement because of a default under the Lease, and whether or not that action has succeeded or been completed, the Landlord may take further action against the Indemnifier under this Agreement if there is any further default under the Lease.
6. This indemnity can only be modified in writing, signed by both the Indemnifier and the Landlord.
7. If two or more parties are named as Indemnifier, each party is responsible for the obligations of the Indemnifier, both individually and together with the others.
8. All of the terms of this Agreement apply to the Indemnifier and to his or her heirs, executors, administrators, personal legal representatives, successors and assigns, and may be enforced by the Landlord, its successors and assigns, and any holder of any mortgage or charge over all or any part of the lands on which the Premises are located. This Agreement may be assigned by the Landlord free of any equities.
9. The expressions "Rent", "Term", "Transfer" and "Premises" used in this Agreement have the meanings they are given in the Lease.
10. This Agreement will be governed by the laws of the Province in which the Shopping Centre is located.

THE LANDLORD AND INDEMNIFIER HAVE SIGNED BELOW, to confirm the terms of this Agreement.

LANDLORD: Shiplake Investments (Rutherford) Ltd.

Per: _____ c/s

Per: _____

Witness

INDEMNIFIER: ●

Per: _____

Name: _____ c/s

Address: _____ Per: _____

* (I/We have authority to bind the Corporation.)

INITIALS
Landlord Tenant

INDEMNITY AGREEMENT

THIS AGREEMENT is dated April 20th, 2005.

BETWEEN:

SHIPLAKE INVESTMENTS (RUTHERFORD) LTD.

(the "Landlord")

- and -

BRUCE BERGEZ

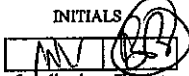
(the "Indemnifier")

In order to induce the Landlord to sign the lease between the Landlord, as landlord, and S.H.S. Optical Limited, as tenant (the "Tenant"), dated April 20th, 2005, (the "Lease"), the Indemnifier agrees with the Landlord that:

1. (a) Throughout the Term of the Lease and any extension or renewal, the Indemnifier will (i) promptly pay all Rent and any other amounts payable by the Tenant under the Lease, whether to the Landlord or anyone else; (ii) promptly perform each and every obligation of the Tenant under the Lease; and (iii) indemnify and protect the Landlord from any losses or costs incurred by the Landlord (including legal fees) if the Tenant fails to pay the Rent or other amounts or to perform any of its obligations under the Lease.

(b) Even if there is an Early Termination, the Indemnifier will remain obligated under this Agreement throughout the Term and any renewals or extensions as though the Early Termination had not occurred. An "Early Termination" means a disaffirmance, disclaimer, repudiation, rejection or termination of the Lease (as a result of court proceedings or otherwise), or a surrender of the Lease which the Landlord did not accept in writing, which occurs prior to the originally specified expiry date of the Term or renewal or extension. If there is an Early Termination, the Indemnifier will, at the Landlord's option, become the Landlord's tenant on the terms of the Lease.
2. This indemnity is absolute and unconditional. The Indemnifier's obligations under this Agreement will not be affected by (a) any modifications to the Tenant's rights or obligations under the Lease; (b) the fact that the Landlord does not enforce any of the terms of the Lease; (c) any Transfer of the Lease by the Tenant or by any trustee, receiver or liquidator; (d) any consent which the Landlord gives to any Transfer; (e) any waiver by the Tenant of its rights under the Lease; (f) any additional security accepted by the Landlord from the Tenant; (g) the expiry of the Term or any extension or renewal thereof; (h) the release or discharge of the Tenant by the Landlord or in any receivership, bankruptcy, winding-up or other creditors' proceedings or by operation of law; or (i) lack of notice of any of the foregoing. The Indemnifier's obligations will not be affected by any repossession of the Premises by the Landlord, except that if the Landlord re-lets the Premises then the payments received by the Landlord (after deducting all costs and expenses of repossessing and reletting the Premises) will be credited by the Landlord against the Indemnifier's obligations under this Agreement.
3. The Landlord is not required to notify the Indemnifier that the Landlord has accepted this Agreement or that the Tenant has failed to perform any of its obligations under the Lease. Nevertheless, if the Landlord wishes to send any notice to the Indemnifier, it will deliver it or mail it by prepaid registered mail addressed to the Indemnifier at its head office address or, at the Landlord's option, at the Premises. Any notice will be considered to have been given on the day it was delivered, or if mailed, three (3) days after the date it was mailed. The Indemnifier may notify the Landlord in writing of a substitute address for the above address. If two or more parties are named as Indemnifier, the Landlord may give any notice to be given to the Indemnifier to only one of the parties, and in doing so both of them will be considered to have been notified.

AA-1

INITIALS

Landlord Tenant

4. If there is a default under the Lease or under this Agreement, the Landlord will not be required to (a) proceed against or pursue anything against the Tenant first; (b) proceed against any security of the Tenant held by the Landlord; or (c) pursue any other remedy whatsoever. The Indemnifier is not a mere guarantor; the Indemnifier is primarily responsible for the Tenant's obligations under the Lease.
5. Even though the Landlord may have already taken action against the Indemnifier under this Agreement because of a default under the Lease, and whether or not that action has succeeded or been completed, the Landlord may take further action against the Indemnifier under this Agreement if there is any further default under the Lease.
6. This indemnity can only be modified in writing, signed by both the Indemnifier and the Landlord.
7. If two or more parties are named as Indemnifier, each party is responsible for the obligations of the Indemnifier, both individually and together with the others.
8. All of the terms of this Agreement apply to the Indemnifier and to his or her heirs, executors, administrators, personal legal representatives, successors and assigns, and may be enforced by the Landlord, its successors and assigns, and any holder of any mortgage or charge over all or any part of the lands on which the Premises are located. This Agreement may be assigned by the Landlord free of any equities.
9. The expressions "Rent", "Term", "Transfer" and "Premises" used in this Agreement have the meanings they are given in the Lease.
10. This Agreement will be governed by the laws of the Province in which the Shopping Centre is located.

THE LANDLORD AND INDEMNIFIER HAVE SIGNED BELOW, to confirm the terms of this Agreement.

LANDLORD: Shiplake Investments (Rutherford) Ltd.

Per: _____ c/s

Per: _____

INDEMNIFIER

BRUCE BERGEZ

Witness

J. Berge
Name: Joanne Berge
Address: 286 York Rd
Dunsmuir, BC
V9K 6E8

G:\S\Shiplake Investments (Rutherford) Ltd\Rutherford Village, SHS Optical Ltd, Lease 0501488\Docs\Indemnity Agreement v01.DOC

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RIOCAN

CLARKSON VILLAGE

LEASE

BETWEEN:

RIOCAN (CLARKSON) INC.

(LANDLORD)

- and -

SHS OPTICAL LTD.

(TENANT)

INDEX

SPECIAL PROVISIONS.....	1
ARTICLE I DEFINITIONS	3
1.01 DEFINITIONS	3
ARTICLE II GRANT, TERM AND INTENT	6
2.01 LEASED PREMISES	6
2.02 USE OF COMMON AREAS	6
2.03 FIXTURING PERIOD AND TERM - SEE SCHEDULE "G" - OPTION TO EXTEND TERM	6
2.04 NET LEASE INTENT	6
2.05 CONSTRUCTION OF THE LEASED PREMISES	6
ARTICLE III RENT AND DEPOSIT	7
3.01 MINIMUM RENT - SEE SCHEDULE "G" - MINIMUM RENT FREE PERIOD	7
3.02 PERCENTAGE RENT - INTENTIONALLY DELETED	7
3.03 REPORTS BY TENANT - INTENTIONALLY DELETED	7
3.04 TENANT'S RECORDS - INTENTIONALLY DELETED	7
3.05 RIGHT TO EXAMINE BOOKS - INTENTIONALLY DELETED	7
3.06 AUDIT - INTENTIONALLY DELETED	7
3.07 RENT PAST DUE	7
3.08 SECURITY DEPOSIT	7
3.09 PRE-AUTHORIZED PAYMENTS/POSTDATED CHEQUES	7
ARTICLE IV TAXES.....	8
4.01 TAXES PAYABLE BY LANDLORD	8
4.02 TAXES PAYABLE BY TENANT	8
4.03 GST PAYABLE BY TENANT	9
4.04 BUSINESS TAXES AND OTHER TAXES OF TENANT	9
ARTICLE V OPERATING COSTS, MANAGEMENT FEE, HVAC AND UTILITIES.....	9
5.01 OPERATING COSTS PAYABLE BY TENANT	9
5.02 MANAGEMENT FEE	10
5.03 HEATING, VENTILATING AND AIR CONDITIONING	10
5.04 UTILITIES	10
ARTICLE VI PROMOTION FUND AND ADVERTISING - INTENTIONALLY DELETED	10
ARTICLE VII CONDUCT OF BUSINESS BY TENANT	10
7.01 USE OF LEASED PREMISES - SEE SCHEDULE "G" - EXCLUSIVE COVENANT	10
7.02 CONDUCT AND OPERATION OF BUSINESS	11
7.03 PROHIBITED ACTIVITIES	12
7.04 RADIUS CLAUSE	12
7.05 HAZARDOUS SUBSTANCES	12
ARTICLE VIII FIXTURES, ALTERATIONS AND REPAIRS	13
8.01 INSTALLATIONS BY THE TENANT	13
8.02 MAINTENANCE AND REPAIR BY THE TENANT	13
8.03 SIGNS, AWNINGS, CANOPIES	13
8.04 SURRENDER OF LEASED PREMISES	14
8.05 TENANT TO DISCHARGE ALL LIENS	14
8.06 RULES AND REGULATIONS	14
8.07 MAINTENANCE AND REPAIR BY THE LANDLORD	14
8.08 OPERATION AND CONTROL OF SHOPPING CENTRE BY LANDLORD	14
8.09 RIGHT TO RELOCATE	15
8.10 LANDLORD'S RIGHT TO ENTER LEASED PREMISES	15
ARTICLE IX INSURANCE AND INDEMNITY	16
9.01 TENANT'S INSURANCE	16
9.02 INCREASE IN INSURANCE PREMIUM	16
9.03 LANDLORD'S INSURANCE	17
9.04 LOSS OR DAMAGE	17
9.05 INDEMNIFICATION OF THE LANDLORD	17
ARTICLE X DAMAGE, DESTRUCTION AND EXPROPRIATION.....	18
10.01 TOTAL OR PARTIAL DESTRUCTION OF LEASED PREMISES	18
10.02 TOTAL OR PARTIAL DESTRUCTION OF SHOPPING CENTRE	18
10.03 ABATEMENT OF RENT	18
10.04 EXPROPRIATION AWARDS	18

ARTICLE XI STATUS STATEMENT, SUBORDINATION AND ATTORNMENT	18
11.01 STATUS STATEMENT.....	18
11.02 SUBORDINATION AND ATTORNMENT	19
11.03 POWER OF ATTORNEY	19
11.04 SALE BY LANDLORD	19
11.05 FINANCIAL INFORMATION	19
ARTICLE XII TRANSFERS BY TENANT.....	19
12.01 TRANSFER DEFINED	19
12.02 CONSENT REQUIRED	19
12.03 CONDITIONS OF CONSENT	20
12.04 LANDLORD'S OPTION.....	20
12.05 NO ADVERTISING OF LEASED PREMISES	21
ARTICLE XIII DEFAULT OF TENANT	21
13.01 RIGHT TO RE-ENTER	21
13.02 RIGHT TO RELET	21
13.03 LEGAL EXPENSES	22
13.04 BANKRUPTCY	22
13.05 LANDLORD MAY PERFORM TENANT'S COVENANTS	22
13.06 WAIVER OF EXEMPTIONS FROM DISTRESS	22
13.07 GENERAL SECURITY AGREEMENT	22
ARTICLE XIV MISCELLANEOUS.....	23
14.01 OVERHOLDING	23
14.02 SUCCESSORS.....	23
14.03 WAIVER	23
14.04 ACCORD AND SATISFACTION	23
14.05 ENTIRE AGREEMENT.....	23
14.06 NO PARTNERSHIP	23
14.07 FORCE MAJEURE	24
14.08 NOTICES.....	24
14.09 PLACE FOR PAYMENT OF RENT	24
14.10 APPROVAL IN WRITING	24
14.11 REGISTRATION	24
14.12 GOVERNING LAW.....	24
14.13 CAPTIONS AND SECTION NUMBERS	25
14.14 BROKERAGE COMMISSIONS	25
14.15 PARTIAL INVALIDITY	25
14.16 NO OPTION.....	25
14.17 TIME TO BE OF THE ESSENCE	25
14.18 QUIET ENJOYMENT.....	25
14.19 NON-LIABILITY.....	25
14.20 INTERNET SHOPPING PROGRAM.....	25
14.21 PRIVACY POLICY	25
14.22 SCHEDULES	26
SCHEDULE "A" - LEGAL DESCRIPTION.....	A-1
SCHEDULE "B" - PLAN OF THE SHOPPING CENTRE	B-1
SCHEDULE "C" - LANDLORD'S AND TENANT'S WORK.....	C-1
SCHEDULE "D" - RULES AND REGULATIONS	D-1
SCHEDULE "E" - PRE-AUTHORIZED PAYMENT PLAN AUTHORIZATION.....	E-1
SCHEDULE "F" - PROHIBITED USES.....	F-1
SCHEDULE "G" - ADDITIONAL PROVISIONS	G-1
APPENDIX "A" - INDEMNITY AGREEMENT	APP-A-1

THIS INDENTURE made this 19th day of June, 2006.

BETWEEN:

RIOCAN (CLARKSON) INC.

herein called the "Landlord"

OF THE FIRST PART

- and -

SHS OPTICAL LTD.

herein called the "Tenant"

OF THE SECOND PART

SPECIAL PROVISIONS

The following are certain special provisions, which are part of, and are referred to in subsequent provisions of this Lease. Any conflict or inconsistency between these special provisions and the provisions contained elsewhere in this Lease will be resolved in favour of the provisions contained elsewhere in this Lease.

(a) **Shopping Centre**

Clarkson Village, in the City of Mississauga, in the Province of Ontario, described legally in Schedule "A" attached hereto (the "Shopping Centre") and outlined in black on the plan attached hereto as Schedule "B".

(b) **Leased Premises (Section 2.01)**

Those premises in the Shopping Centre containing a Rentable Area of approximately one thousand, four hundred and six (1,406) square feet, as shown cross-hatched in black on the plan attached as Schedule "B" hereto (the "Leased Premises"), and designated as Unit No. 7A.

(c) **Fixturing Period (Section 2.03)**

The Fixturing Period shall be the period commencing on June 1, 2006 (the "Possession Date") and expiring ninety (90) days following the Possession Date.

In the event that Fixturing Period has not occurred by May 30, 2008, then this Lease shall be null and void and any deposits paid by the Tenant shall be returned to the Tenant, without interest or bonus.

(d) **Term (Section 2.03)**

The term of this Lease shall be the period of ten (10) years (the "Term"), commencing on the date (the "Commencement Date"), which is the earlier of: (i) the day immediately following the expiry of the Fixturing Period; or (ii) the day the Tenant opens for business to the public in any part of the Leased Premises.

(e) **Use of the Leased Premises (Section 7.01)**

The Tenant will use the Leased Premises solely for the purpose of conducting the principal business of the retail sale of eyeglasses, contact lenses and associated items under the advertised name "Great Glasses".

(f) **Minimum Rent (Section 3.01)**

Annual rates payable during the Term shall be based upon the following annual rates per square foot of the Rentable Area of the Leased Premises and are payable in accordance with the terms of this Lease:

<u>Years</u>	<u>Annual Rate per square foot</u>	<u>Annual Minimum Rent</u>	<u>Monthly Instalments</u>
1 - 5	\$22.00	\$30,932.00	\$2,577.67
6 - 10	\$24.00	\$33,744.00	\$2,812.00

(g) **Percentage Rent (Section 3.02) - Intentionally deleted.**

(h) **Tax and Operating Cost Estimates (Sections 4.02 and 5.01 respectively)**

The Landlord estimates that the Tenant's share of Taxes for the 2006 Lease Year will be **Five Dollars and Forty-One Cents (\$5.41)** per square foot of the Rentable Area of the Leased Premises, and that the Tenant's Proportionate Share of Operating Costs for the 2006 Lease Year will be **Three Dollars and Seventy-One Cents (\$3.71)** per square foot of the Rentable Area of the Leased Premises.

Notwithstanding the foregoing, the Tenant releases the Landlord and its representatives from and against any damages or liabilities caused or contributed to by the fact that the actual Tenant's share of Taxes or the actual Tenant's Proportionate Share of Operating Costs payable in respect of the 2006 Lease Year and any subsequent Lease Year may be higher than the estimates set out herein.

(i) **Advance Rent and Security Deposit (Section 3.08)**

The sum of **Five Thousand, One Hundred and Fifty-Five Dollars and Thirty-Four Cents (\$5,155.34)** plus GST, of which the sum of **Two Thousand, Five Hundred and Seventy-Seven Dollars and Sixty-Seven Cents (\$2,577.67)** plus GST is to be held by the Landlord, without interest, for application on account of the first month's instalment of Minimum Rent, with the balance, in the amount of **Two Thousand, Five Hundred and Seventy-Seven Dollars and Sixty-Seven Cents (\$2,577.67)** plus GST, to be held by the Landlord without interest as a security deposit (the "Security Deposit") pursuant to the terms of this Lease.

(j) **Tenant's Address (Section 14.08)**

286 York Road
Dundas, Ontario L9H 6L8

(k) **Landlord's Address (Section 14.08)**

Riocan (Clarkson) Inc.
The Exchange Tower
130 King Street West, Suite 700
Toronto, Ontario M5X 1E2

with a copy to:

RioCan Property Services
Lawrence Square
700 Lawrence Avenue West, Suite 315
Toronto, Ontario M6A 3B4

(l) **Indemnifier**

Bruce Bergez

(m) **Indemnifier's Address**

286 York Road
Dundas, Ontario L9H 6L8

(n) **Additional Provisions (Schedule "G")**

1. **Option to Extend Term**
2. **Minimum Rent Free Period**
3. **Tenant Allowance**
4. **Exclusive Covenant**
5. **Pylon Sign**

**ARTICLE I
DEFINITIONS**

1.01 Definitions

In this Lease:

(i) "Additional Rent" means all and any monies required to be paid by the Tenant to the Landlord under or pursuant to the terms of this Lease, save only for Minimum Rent.

(ii) "Architect" shall mean the architect from time to time named by the Landlord or at the option of the Landlord, the Landlord's general contractor. Any certificate provided by the Architect and called for by the terms of this Lease shall be final and binding on the parties hereto.

(iii) "Commencement Date" means a date determined in accordance with the provisions of paragraph (d) of the Special Provisions.

(iv) "Common Areas" means those areas, facilities, utilities, improvements, equipment and installations in the Shopping Centre which from time to time are not designated or intended by the Landlord to be leased to tenants of the Shopping Centre, and those areas, facilities, utilities, improvements, equipment and installations which serve or are for the benefit of the Shopping Centre whether or not located in, adjacent to or near the Shopping Centre and which are designated from time to time by the Landlord as part of the Common Areas. Without limiting the generality of the foregoing, Common Areas includes all parking areas and parking garages, all entrances and exits thereto and all structural elements thereof, employee parking areas, access roads, truck courts, driveways, truckways, delivery passages, the roof, exterior weather walls, exterior and interior structural elements and bearing walls in the building and improvements comprising the Shopping Centre, package pick-up stations, loading and related areas, pedestrian sidewalks, landscaped and planted areas, bus kiosks, if any, roadways and stops, signs, equipment and fixtures, stairways, ramps, electrical, telephone, meter, valve, mechanical, mail storage service and janitor rooms and galleries, fire prevention, security and communication systems, columns, pipes, electrical, plumbing, drainage, any central system for the provision of heating, ventilating or air conditioning to leasable premises or any enclosed Common Areas and all other installations, equipment or services located therein or related thereto as well as the structures housing the same. Common Areas further include any such interior areas, facilities, utilities, improvements, equipment and installations, including but not limited to all open and enclosed malls, courts and arcades, public seating and service areas, corridors, furniture, first aid and/or information stations, auditoria, conference rooms, nurseries, childcare play areas and related kitchen and storage facilities, escalators, elevators, public washrooms, music systems and any Food Court.

(v) "C.P.I." means the Consumer Price Index (All Items) for Canada (or any index published in substitution for the Consumer Price Index or any other replacement index reasonably designated by the Landlord, if it is no longer published) published by Statistics Canada (or by any successor thereof or any other governmental agency, including a provincial agency).

(vi) "Food Court" means those portions of the Common Areas designated by the Landlord from time to time for use in support of the operations of any group of premises providing quick food service to customers of the Shopping Centre and includes, without limiting the generality of the foregoing, public table and seating areas, waste collection facilities and other areas, facilities and equipment intended for such use.

(vii) "Gross Receipts" - **Intentionally deleted.**

(viii) "GST" means goods and services taxes, value-added taxes, multi-stage taxes, business transfer taxes or other similar taxes however they are characterized.

(ix) "Hazardous Substances" means any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, PCB's or any other substances or materials that are declared or defined to be hazardous, toxic, contaminants or pollutants in or pursuant to any applicable federal, provincial or municipal statute, by-law or regulation.

(x) "Indemnifier" means a person, if any, referred to in paragraph (i) of the Special Provisions, who has executed or agreed to execute the Indemnity Agreement that is attached to this Lease as Appendix "A".

(xi) "Landlord" includes the Landlord and its successors and assigns.

(xii) "Lease" means this indenture of lease and includes any riders and schedules hereto and shall also include any agreements entered into which have the effect of amending this indenture from time to time.

(xiii) "Leased Premises" means the premises leased to the Tenant as referred to and described in paragraph (b) of the Special Provisions. Save as mentioned below, the boundaries of the Leased Premises shall be determined by the Landlord's architect and measured from: (a) the exterior face of all exterior walls, doors and windows; (b) the exterior face of all interior walls, doors and windows separating the Leased Premises from the Common Areas and facilities of the Shopping Centre, if any; and (c) the centre line of all interior walls separating the Leased Premises from adjoining leasable premises. Such exact area shall be used for all calculations of Minimum Rent and Additional Rent. The Leased Premises extend from the top surface of the structural subfloor to the bottom surface of the structural ceiling. If the Leased Premises have no ceiling abutting the demising walls, but rather are open to the ceiling of the Shopping Centre building, the boundaries of the Leased Premises extend from the top surface of the structural subfloor to the height of the demising walls.

(xiv) "Lease Year" shall mean a period of time, the first Lease Year commencing on the Commencement Date and ending on the 31st day of December in the calendar year of the Commencement Date. Thereafter Lease Years shall consist of consecutive periods of twelve calendar months ending in each case on December 31st, save for the last Lease Year of the Term which shall terminate upon the expiration or earlier termination of this Lease, as the case may be.

(xv) "Minimum Rent" means the annual minimum rent as set out in paragraph (f) of the Special Provisions, payable by the Tenant pursuant to Section 3.01.

(xvi) "Mortgagee" means any mortgagee, chargee or hypothecary creditor (including any trustee for bondholders) of the Shopping Centre or any part thereof.

(xvii) "Operating Costs" means the total cost and expense incurred in owning, operating, maintaining, managing and administering the Shopping Centre and the Common Areas, excluding only the original acquisition costs and financing and mortgage charges, but specifically including without limiting the generality of the foregoing, all Taxes not recovered from tenants of the Shopping Centre; any capital or place of ownership taxes levied against the Landlord or any owners of the Shopping Centre on account of their interest in the Shopping Centre, in an amount equitably allocated to the Shopping Centre by the Landlord; gardening and landscaping charges; the cost and expenses of taking out the insurance described in Section 9.03; cleaning, snow removal, garbage and waste collection and disposal; a rental charge imposed by the Landlord, in its sole discretion, for the non-leasable service areas serving the Shopping Centre, including any enclosed garbage, utility, transformer, electrical, telephone or storage room or rooms; lighting, electricity, public utilities, loud speakers, public address and musical broadcasting systems and any telephone answering service used in or serving the Shopping Centre, and the cost of electricity and maintenance for any signs designated by the Landlord as part of the Common Areas; policing, security, supervision and traffic control; salaries and benefits of all supervisory and other personnel employed in connection with the Shopping Centre and management office rent imputed to the Shopping Centre by the Landlord; the cost of providing additional parking or other Common Areas for the benefit of the Shopping Centre, whether such costs be land rent, Taxes or other type of costs; the costs and expenses of environmental site reviews and investigations, removal and/or clean-up of Hazardous Substances from the Common Areas; the cost of the rental of any equipment and signs and the cost of supplies used in the maintenance and operation of the Shopping Centre and the Common Areas; accounting and audit fees incurred in the preparation of the statements required to be prepared and supplied by the Landlord under the terms of this Lease; heating, ventilating and air conditioning of the Common Areas; all repairs and replacements to and maintenance and operation of the Shopping Centre and the Common Areas; depreciation or amortization of the costs, including repair and replacement, of all maintenance and cleaning equipment, master utility meters, and all other fixtures, equipment, and facilities serving or comprising the Shopping Centre or the Common Areas, which are not charged fully in the Lease Year in which they are incurred, from the earlier of the date when the cost was incurred or the Commencement Date, at rates on the various items determined from time to time by the Landlord in accordance with sound accounting principles; interest calculated at two (2) percentage points above the Prime Rate upon the undepreciated or unamortized portion of the costs referred to above; and an administration fee of fifteen percent (15%) of the total of all of the above costs, excluding only Taxes, insurance and the management fee referred to in Section 5.02 hereof. Provided however if the Shopping Centre is a multi-use commercial development, the Landlord may adjust the costs set out above and/or the Tenant's proportionate share fraction in accordance with practices relevant to multi-use commercial developments on a basis consistent with the benefits derived by the tenants of each component of the Shopping Centre and having regard to the nature of the particular costs and expenses being allocated.

(xviii) "Percentage Rent" - Intentionally deleted.

(xix) "Prime Rate" means the annual rate of interest from time to time publicly quoted by any Canadian chartered bank designated by the Landlord as its reference rate of interest for determining rates of interest chargeable in Toronto on Canadian dollar demand loans to commercial customers.

(xx) "Proportionate Share" means a fraction, the numerator of which is the Rentable Area of the Leased Premises and the denominator of which is the Rentable Area of the Shopping Centre.

(xxi) "Rent" means all Minimum Rent and Additional Rent payable pursuant to the terms of this Lease.

(xxii) "Rentable Area of the Leased Premises" means the area expressed in square feet of all floors of the Leased Premises measured from:

- (i) the exterior face of all exterior walls, doors and windows;
- (ii) the exterior face of all interior walls, doors and windows separating the Leased Premises from Common Areas, if any; and
- (iii) the centre line of all interior walls separating the Leased Premises from adjoining leasable premises.

The Rentable Area of the Leased Premises includes all interior space whether or not occupied by projections, structures or columns, structural or non-structural, and if the store front of the Leased Premises is recessed from the lease line, the area of such recess for all purposes (including, without limitation, the calculation of Rent) shall be deemed to lie within the Rentable Area of the Leased Premises. If the Leased Premises have the benefit of the use of any common loading areas, utility rooms, hallways or other Common Areas (in common with other tenants in the Shopping Centre), the area of the Leased Premises shall be grossed-up to include a reasonable portion of such Common Areas. Provided, however, that:

- (1) if the Leased Premises are a kiosk, then for the purposes of determining the fraction that is the Tenant's Proportionate Share, the Rentable Area of the Leased Premises shall be multiplied by a factor of 2; and
- (2) if the Leased Premises are storage premises, then for the purposes of determining the fraction that is the Tenant's Proportionate Share, the Rentable Area of the Leased Premises shall be multiplied by a factor of 1/2.

(xxiii) "Rentable Area of the Shopping Centre" means the area in square feet of all rentable premises in the Shopping Centre set aside for leasing by the Landlord from time to time, except for any store occupying an area in excess of 15,000 square feet, any theatre, kiosks, gas bar, library, post office or other governmental agency or office, any premises located on a floor generally designated by the Landlord for use or occupancy by office tenants or for office purposes (whether or not such premises are in fact used by an office tenant or for office purposes), any premises not fronting on or having access to the enclosed mall (if any), and any basements or mezzanines, storage areas or free-standing buildings. Provided however that the Landlord shall credit to Operating Costs any contributions received in respect of such Operating Costs from the occupants of any of the areas excluded from the Rentable Area of the Shopping Centre in accordance with this definition. Provided further that in determining the fraction that is the Tenant's Proportionate Share, if the Leased Premises consists of any of the foregoing excluded categories, the Rentable Area of that category will be included in the Rentable Area of the Shopping Centre.

(xxiv) "Rules and Regulations" means the rules and regulations adopted and promulgated by the Landlord from time to time acting reasonably and in such manner as would a prudent landlord of a reasonably similar shopping centre, including those listed on Schedule "D".

(xxv) "Shopping Centre" means the lands and premises referred to in paragraph (a) of the Special Provisions, as such lands and premises may be altered, expanded or reduced from time to time and the buildings, improvements, equipment and facilities erected thereon or situate from time to time therein.

(xxvi) "Taxes" means all duties, real property taxes, charges, assessments and payments, from time to time levied, assessed or imposed upon the Shopping Centre or any part thereof or upon the Landlord by reason of its ownership of the Shopping Centre, by any taxing authority. Taxes shall also include any penalties, late payment or interest charges imposed by any municipality or other taxing authority as a result of the Tenant's late payments of any taxes or instalments thereof.

(xxvii) "Tenant" means the party named as Tenant in this Lease.

(xxviii) "Term" means the period referred to in paragraph (d) of the Special Provisions.

ARTICLE II GRANT, TERM AND INTENT

The Tenant hereby agrees to and with the Landlord to lease the Leased Premises in the Shopping Centre on the following terms, covenants and conditions:

2.01 Leased Premises

In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord demises and leases to the Tenant and the Tenant leases from the Landlord, the Leased Premises. The Leased Premises are presently designated, and contain a Rentable Area, as described in paragraph (b) of the Special Provisions.

2.02 Use of Common Areas

The use and occupation by the Tenant of the Leased Premises shall entitle the Tenant to the use in common with all others entitled thereto of the Common Areas, subject however, to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as prescribed from time to time by the Landlord.

2.03 Fixturing Period and Term - See Schedule "G" - Option to Extend Term

The Term of this Lease shall be the period referred to in paragraph (d) of the Special Provisions.

During the Fixturing Period referred to in paragraph (c) of the Special Provisions, the Tenant shall work diligently to complete all of the Tenant's Work and to install its fixtures and inventory and to open for business within the Leased Premises. Prior to commencing any work within the Leased Premises, the Tenant must deliver to the Landlord a certificate confirming that its contractor has obtained general liability insurance in the form acceptable to the Landlord and in accordance with the Landlord's general requirements, naming both the Landlord and its property manager as additional named insureds. During the Fixturing Period, the Tenant shall be bound by all terms, covenants and conditions contained in this Lease, save and except for those requiring the payment of Minimum Rent and Additional Rent payable herein (save for any Additional Rent arising by virtue of the default of the Tenant under this Lease and save for the obligation of the Tenant to pay for all utility charges used by the Tenant or consumed in the Leased Premises during the Fixturing Period).

In the event the Tenant fails to take possession and to open the Leased Premises for business fully fixtured, stocked and staffed on the Commencement Date, then the Landlord shall, in addition to any and all remedies herein provided, have the option to terminate this Lease upon notice to the Tenant and to recover from the Tenant the cost of all work done by the Landlord pursuant to Schedule "C" hereof and/or on the Tenant's behalf, without prejudice to any of the Landlord's rights or remedies hereunder or at law.

Forthwith upon the Commencement Date being determined in accordance with the foregoing, the Tenant shall execute an acknowledgement of same on Landlord's usual form.

2.04 Net Lease Intent

The Tenant acknowledges and agrees that it is intended that this Lease is a completely carefree net lease to the Landlord, except as expressly herein set out, that the Landlord is not responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Leased Premises, or the use and occupancy thereof, or the contents thereof, or the business carried on therein, and the Tenant shall pay all charges, impositions, costs and expenses of every nature and kind relating to the Leased Premises except as expressly herein set out.

2.05 Construction of the Leased Premises

The Landlord and the Tenant hereby agree to observe and comply with the general provisions set forth in Schedule "C" attached hereto which sets out any Landlord's Work and Tenant's Work.

The Landlord is not obligated to proceed with or complete the construction of the Shopping Centre or any part thereof for any reason whatsoever as determined in its sole discretion. If the Landlord decides not to proceed with or complete the construction of that portion of the Shopping Centre which contains the Leased Premises, the Landlord shall so notify the Tenant in writing and thereupon this Lease shall terminate and each of the parties hereto shall be relieved and discharged from any and all liability and responsibility hereunder and any deposit being held by the Landlord shall be returned to the Tenant without interest or deduction, so long as the Tenant is not then in default.

**ARTICLE III
RENT AND DEPOSIT**

3.01 Minimum Rent - See Schedule "G" - Minimum Rent Free Period

The Tenant covenants and agrees to pay unto the Landlord from and after the Commencement Date a Minimum Rent for the Leased Premises payable in equal consecutive monthly instalments in advance on or before the first day of each month, without any prior demand therefor and without any deduction, abatement or set-off whatsoever, as set out in paragraph (f) of the Special Provisions hereof.

The said Minimum Rent is calculated on the basis of the Leased Premises having a Rentable Area as described in paragraph (b) of the Special Provisions hereof at an annual charge per square foot of the Rentable Area of the Leased Premises as described in paragraph (f) of the Special Provisions hereof. Upon the delivery of an Architect's certificate establishing the Rentable Area of the Leased Premises, the Minimum Rent shall be adjusted to give effect thereto.

The Tenant shall pay all Rent calculated on a per diem basis, from the Commencement Date to the last day of the month in which the Commencement Date occurs, and thereafter all Rent payments shall be made on the first day of each month throughout the Term unless otherwise specified herein.

3.02 Percentage Rent - Intentionally Deleted

3.03 Reports by Tenant - Intentionally Deleted

3.04 Tenant's Records - Intentionally Deleted

3.05 Right to Examine Books - Intentionally Deleted

3.06 Audit - Intentionally Deleted

3.07 Rent Past Due

If the Tenant fails to pay, when the same is due and payable, any Minimum Rent, Additional Rent or other amount payable by the Tenant under this Lease, such unpaid amounts shall bear interest from the due date thereof to the date of payment, compounded monthly at the rate equal to four (4) percentage points in excess of the Prime Rate, or at the Landlord's option, at the maximum annual rate permitted by law.

3.08 Security Deposit

The Security Deposit referred to in paragraph (i) of the Special Provisions shall be held by the Landlord throughout the Term as security for the Tenant's due performance of all its obligations hereunder, including, without limitation, its obligation to take possession, open for business, and execute any acknowledgements required by any mortgagee(s) of the Shopping Centre, all in accordance with the terms of this Lease. In the event the Tenant becomes in default under the terms hereof, the Landlord shall be entitled to retain the Security Deposit paid hereunder on account of the Landlord's liquidated damages and not as a penalty, provided that such retention shall be without prejudice to the Landlord's right to seek further and other remedies as it may be entitled to in law. This right will not be construed to limit the Landlord's other rights under this Lease or at law or to limit the amount recoverable by the Landlord for damages in respect of breaches by the Tenant of this Lease. If the Landlord uses all or part of the Security Deposit as provided above, the Tenant will, upon notification by the Landlord, pay to the Landlord the amount required to reimburse it for the amounts so applied. The Landlord will not be required to pay interest to the Tenant on any of the amounts paid to the Landlord or retained by it under this Section. The Landlord may deliver the aforesaid Security Deposit to any purchaser of the Landlord's interest in the Shopping Centre or any part thereof, whereupon the Landlord will immediately be discharged from any further liability with respect to the Security Deposit.

The Tenant will not assign or encumber its interest in the Security Deposit except in connection with a permitted Transfer, in which case the Tenant's interest in the Security Deposit will be deemed to have been assigned to the permitted Transferee as of the date of the Transfer.

3.09 Pre-Authorized Payments/Postdated Cheques

The Tenant shall participate in a pre-authorized payment plan whereby the Landlord will be authorized to debit the Tenant's bank account each month or from time to time during each Lease Year in an amount equal to the Minimum Rent and Additional Rent payable on a monthly basis, and, if applicable,

generally any amount payable provisionally pursuant to the provisions of this Lease on an estimated basis. The Tenant shall sign a form of application which is the same or similar to Schedule "E" to give full force and effect to the foregoing within five (5) days of presentation.

In lieu of the pre-authorized payment plan referred to above, the Landlord shall be entitled to require the Tenant to present at the beginning of each Lease Year a series of monthly post-dated cheques for each such Lease Year for the aggregate of the monthly payments of Minimum Rent and Additional Rent payable on a monthly basis, and, if applicable, generally any amount payable provisionally pursuant to the provisions of this Lease on an estimated basis.

ARTICLE IV TAXES

4.01 Taxes Payable by Landlord

The Landlord shall pay all Taxes which are levied, rated, charged or assessed against the Shopping Centre or any part thereof subject always to the provisions of this Lease regarding payment of Taxes by the Tenant. However, the Landlord may defer payment of any such Taxes or defer compliance with any statute, law, by-law, regulation or ordinance in connection with the levying of any such Taxes in each case to the fullest extent permitted by law, so long as it diligently prosecutes any contest or appeal of any such Taxes.

4.02 Taxes Payable by Tenant

(i) The Tenant shall during the Term pay, as Additional Rent, all Taxes levied, laid or assessed on or against the Leased Premises. In addition to and without any duplication of the Taxes levied or assessed against the Leased Premises, the Tenant shall also pay a share of all Taxes levied, rated, charged or assessed from time to time against the Common Areas.

(ii) In the event that a separate tax bill is issued by any lawful taxing authority, then the Taxes payable by the Tenant in respect of the Leased Premises (and, if set out in such separate tax bill, the Common Areas) will be determined on the basis of such separate tax bill. If there is no such separate tax bill, then at the Landlord's option: (i) the Taxes payable by the Tenant in respect of the Leased Premises shall be calculated on the basis of the assessed value of the Leased Premises, and the Taxes payable by the Tenant in respect of the Common Areas shall be the Tenant's Proportionate Share of all Taxes in respect of the Common Areas, or (ii) if the Landlord elects or is not able to charge on the basis of assessed value, then the Tenant shall pay in lieu thereof its Proportionate Share of all Taxes levied, rated, charged or assessed from time to time against the Shopping Centre, including the Common Areas.

(iii) All Taxes shall be paid by the Tenant to the Landlord upon receipt of an invoice for the Taxes from the Landlord or the taxing authority having jurisdiction.

(iv) In the case of assessments for local improvements or betterments which are assessed or imposed during the Term and which may by law be payable in instalments, the Tenant shall only be obligated to pay such instalments as same fall due during the Term, together with interest on deferred payments, on condition that the Tenant shall take such steps as may be prescribed by law to convert the payment of the assessment into instalment payments. Such payments of instalments and any interest thereon shall be made before any fine, penalty, interest or cost may be added thereto for non-payment of any instalment or interest thereon.

(v) In any suit or proceeding of any kind or nature arising or growing out of the failure of the Tenant to keep any covenant contained in this Article, the certificate or receipt of the department, officer or bureau charged with collection of the Taxes, showing that the tax, assessment or other charge affecting the Leased Premises is due and payable or has been paid, shall be prima facie evidence that such tax, assessment or other charge was due and payable as a lien or charge against the Leased Premises or that it has been paid as such by the Landlord.

(vi) The Tenant shall have the right to contest or review by legal proceedings or in such manner as the Tenant in its opinion shall deem advisable (which proceedings or other steps taken by the Tenant shall be conducted diligently at its own expense and free of expense to the Landlord) any and all Taxes levied, assessed or imposed upon or against the Leased Premises or Taxes in lieu thereof required to be paid by the Tenant hereunder. No such contest shall defer or suspend the Tenant's obligations to pay the Taxes as herein provided pending the contest, but if by law it is necessary that such payment be suspended to preserve or perfect the Tenant's contest, then the contest shall not be undertaken without there being first deposited with the Landlord a sum of money equal to twice the amount of the Taxes that are the subject of the contest, to be held by the Landlord as an indemnity to pay such Taxes upon conclusion of the contest and all costs thereof that may be imposed upon the Landlord or the Leased Premises.

(vii) The Tenant upon request of the Landlord will promptly exhibit to the Landlord all paid bills for Taxes, which bills after inspection by the Landlord shall be returned to the Tenant.

(viii) Any Taxes relating to a fiscal period of the taxing authority, a part of which is within the Term and a part of which is prior to the commencement of the Term or subsequent to the expiration or earlier termination of the Term, shall, whether or not such Taxes shall be assessed, levied, imposed or become a lien upon the Leased Premises, or shall become payable during the Term, be apportioned and adjusted between the Landlord and the Tenant as of the date of commencement, expiration or termination of the Term, as the case may be.

(ix) If the Tenant designates that Taxes go to support separate schools, the Tenant shall pay the difference, if any, between the rate for separate and public schools to the Landlord, together with any other payment pursuant to this Section 4.02.

(x) Notwithstanding any other provisions of this Section 4.02, the Landlord may, at its option, estimate the amount of Taxes payable by the Tenant during a particular Lease Year and the Tenant shall, at the request of the Landlord, pay one-twelfth of such estimate to the Landlord together with the monthly payment of Minimum Rent, with appropriate adjustments to be made between the Landlord and the Tenant within one hundred and twenty (120) days after the end of each Lease Year.

4.03 GST Payable by Tenant

The Tenant shall pay to the Landlord all GST on Rent and any other GST imposed by the applicable legislation on the Landlord or Tenant with respect to this Lease, in the manner and at the times required by the applicable legislation. Such amounts are not consideration for the rental of space or the provision by the Landlord of any service under this Lease, but shall be deemed to be Rent and the Landlord shall have all of the same remedies for and rights of recovery of such amounts as it has for recovery of Rent under this Lease. If a deposit is forfeited to the Landlord, or an amount becomes payable to the Landlord due to a default or as consideration for a modification of this Lease, and the applicable legislation deems a part of the deposit or amount to include GST, the deposit or amount will be increased and the increase paid by the Tenant so that the Landlord will receive the full amount of the forfeited deposit or other amount payable without encroachment by any deemed GST portion.

4.04 Business Taxes and Other Taxes of Tenant

The Tenant shall pay as Additional Rent to the lawful taxing authorities or to the Landlord, as it may direct, and shall discharge in each Lease Year, when the same becomes due and payable:

(a) all taxes, rates, duties, assessments and other charges that are levied, rated, charged or assessed against or in respect of: (i) all improvements, equipment and facilities of the Tenant on or in the Leased Premises or the Shopping Centre or any part or parts thereof or (ii) the Landlord on account of its ownership of or interest in the items referred to in subparagraph (i); and

(b) every tax and license fee which is levied, rated, charged or assessed against or in respect of: (i) any business carried on in the Leased Premises or in respect of the use or occupancy thereof or any other part of the Shopping Centre by the Tenant and any subtenant, licensee, or other occupant of the Leased Premises, or (ii) the Landlord on account of its ownership thereof or interest therein, in respect of any business referred to in subparagraph (i);

whether in any case any such taxes, rates, duties, assessments or license fees are rated, charged or assessed by any federal, provincial, municipal or other body. If there are not separate tax bills provided for such taxes, the Landlord is entitled to allocate them to the Tenant using the methods referred to in subsection 4.02(ii).

ARTICLE V

OPERATING COSTS, MANAGEMENT FEE, HVAC AND UTILITIES

5.01 Operating Costs Payable by Tenant

(i) In each Lease Year, the Tenant shall pay to the Landlord, as Additional Rent, its Proportionate Share of the Operating Costs incurred by the Landlord during such Lease Year. The Tenant acknowledges that Operating Costs may be allocated or attributed by the Landlord directly to or between the various components of the Shopping Centre including the retail, office and storage areas, as well as to the enclosed mall and the other buildings, if any, comprising part of the Shopping Centre and that the Landlord may adjust Operating Costs and/or the Tenant's Proportionate Share fraction in accordance with practices relevant to multi-use commercial developments on a basis consistent with the benefits derived by the tenants of each component of the Shopping Centre and having regard to the nature of the particular costs and expenses being allocated.

(ii) The Additional Rent to be paid under this Section 5.01 shall be paid by monthly instalments in advance on the first day of each and every month throughout the Term in an amount to be reasonably fixed from time to time by the Landlord as an estimate of actual expenses. The Landlord shall within one hundred and twenty (120) days of the end of each Lease Year submit to the Tenant a statement setting out the Operating Costs and the Tenant's Proportionate Share thereof. To the extent that the Tenant's Proportionate Share is greater than the amount actually paid by it, the Tenant shall

forthwith upon receipt of the said statement pay such difference to the Landlord. In the event that the Tenant's Proportionate Share is less than the amount actually paid, such excess payment shall at the option of the Landlord, be retained by the Landlord to be applied to the next succeeding instalment or instalments of Additional Rent due or may be refunded by the Landlord to the Tenant.

5.02 Management Fee

The Tenant shall pay to the Landlord, as Additional Rent, an annual property management fee in the amount of five percent (5%) of the total annual Minimum Rent payable by the Tenant to the Landlord under this Lease, at the times and in the manner described in Section 5.01(ii), mutatis mutandis.

5.03 Heating, Ventilating and Air Conditioning

In the event that the Landlord elects to maintain, repair and replace the heating, ventilating and/or air conditioning system and equipment serving the Leased Premises (which election the Landlord shall be entitled to make at any time throughout the Term, notwithstanding the Tenant's obligation to do so) then the Tenant shall pay monthly in advance, as Additional Rent, the Landlord's costs and expenses of all repairs, replacements to and maintenance and operation of the heating, ventilating and air conditioning equipment and systems which serve the Leased Premises. Such costs and expenses shall, without limitation, include depreciation or amortization on such equipment and facilities and all repairs and replacements thereto, the cost of which is not charged in full in the year in which the cost is incurred, interest or carrying charges calculated at two (2) percentage points above the Prime Rate on the undepreciated or unamortized portion of the costs of such equipment and facilities, repairs and replacements and an administration fee of fifteen percent (15%) of all of the foregoing costs. If the Leased Premises are served by a heating, ventilating and air-conditioning system which serves more than one premises in the Shopping Centre, then the Tenant shall be obligated to pay a share only of the foregoing costs and expenses. The Tenant's share of all such costs and expenses shall be equitably determined by the Landlord upon the advice of a qualified engineer and such costs or expenses shall be allocated amongst the tenants served by the said heating, ventilating and air conditioning equipment and facilities. The foregoing costs and expenses shall exclude the cost of fuel and electricity consumed by the use of such equipment to the extent only that such costs and expenses are charged separately to and paid by the Tenant pursuant to other provisions of this Lease.

5.04 Utilities

The Tenant shall be solely responsible for and promptly pay all charges for heat, water, gas, electricity or any other utility used or consumed in the Leased Premises on the basis of separate meters, if available. If there are no separate meters, the Tenant shall pay: (a) all charges for heat, water, gas, electricity or any other utility used or consumed in the Leased Premises on the basis of an equitable allocation as determined by the Landlord; (b) the Landlord's costs of determining the Tenant's share of the costs of all utilities including, but not limited to, professional, engineering and consulting fees; and (c) an administration fee of fifteen percent (15%) of the total of (a) and (b). If so required by the Landlord or by the utility company, separate meters shall be installed in the Leased Premises at the Tenant's expense.

ARTICLE VI PROMOTION FUND AND ADVERTISING

- Intentionally Deleted

ARTICLE VII CONDUCT OF BUSINESS BY TENANT

7.01 Use of Leased Premises - See Schedule "G" - Exclusive Covenant

The Tenant shall occupy the Leased Premises throughout the Term and the Leased Premises shall be continuously, actively and diligently operated, fully fixtured, stocked and staffed on such days and during such hours as the Landlord determines from time to time, solely for the purpose of conducting the business described in paragraph (e) of the Special Provisions, and for no other purpose. The Tenant shall satisfy itself that the zoning of the lands comprising the Shopping Centre permit the use as set out above.

The Tenant will not use or permit or suffer the use of the Leased Premises or any part thereof for any other business or purpose. In connection with the business to be conducted by the Tenant on the Leased Premises, the Tenant shall only use the advertised name set out in paragraph (e) of the Special Provisions and will not change the advertised name of the business to be operated in the Leased Premises without the prior written consent of the Landlord.

The Tenant acknowledges that the Landlord has granted exclusive covenants to other tenants of the Shopping Centre, and accordingly the Tenant shall not introduce new product lines, or offer new services to its customers without first obtaining the written consent of the Landlord. The Tenant

acknowledges that it would be reasonable for the Landlord to withhold its consent if the introduction by the Tenant of such product line or service would compete with the business of other tenants in the Shopping Centre or infringe on exclusive covenants already granted by the Landlord.

Unless otherwise specifically set out in this Lease to the contrary, nothing contained in this Lease shall; (i) confer upon the Tenant the exclusive right to sell or provide in the Shopping Centre any of the products or services permitted to be sold or provided from the Leased Premises pursuant to this Lease; nor (ii) prevent the Landlord from leasing any other premises in the Shopping Centre to any other tenant(s) carrying on a business which is similar in whole or in part to the business permitted to be carried on from the Leased Premises pursuant to this Lease.

7.02 Conduct and Operation of Business

The Tenant shall occupy the Leased Premises from and after the Commencement Date and thereafter shall conduct continuously and actively the business set out in paragraph (e) of the Special Provisions, in the whole of the Leased Premises. In the conduct of the Tenant's business pursuant to this Lease the Tenant shall:

(a) operate its business with due diligence and efficiency and maintain an adequate staff to properly serve all customers; own, install and keep in good order and condition free from liens or rights of third parties, fixtures and equipment of first class quality; and carry at all times such stock of goods and merchandise of such size, character and quality as will produce the maximum volume of sales from the Leased Premises consistent with good business practices;

(b) conduct its business in the Leased Premises during such hours and on such days as the Landlord from time to time requires or permits and at no other time. However the Tenant is not required or permitted to carry on its business during any period prohibited by any law regulating the hours of business. If the Tenant fails to open on the Commencement Date or remain open during the days and/or hours required by the Landlord, then in addition to all other amounts of Rent payable under this Lease the Tenant shall pay as Additional Rent to the Landlord upon demand as liquidated damages and not as a penalty, an amount equal to two hundred dollars (\$200.00) per day for each and every day that the Tenant is in default;

(c) keep displays of merchandise in the display windows (if any) of the Leased Premises, and keep the display windows and signs (if any) in the Leased Premises well-lit during the hours the Landlord designates from time to time;

(d) stock in the Leased Premises only merchandise the Tenant intends to offer for retail sale from the Leased Premises, and not use any portion of the Leased Premises for office, clerical or other non-selling purposes except minor parts reasonably required for the Tenant's business in the Leased Premises;

(e) abide by all rules and regulations and general policies formulated by the Landlord from time to time relating to the delivery of goods to the Leased Premises;

(f) not allow or cause to be committed any waste upon or damage to the Leased Premises or any nuisance or other act or thing which disturbs the quiet enjoyment of any other tenant in the Shopping Centre or which unreasonably disturbs or interferes with or annoys any third party, or which may damage the Shopping Centre;

(g) not allow or cause to be done any act in or about the Common Areas or the Shopping Centre which in the Landlord's opinion hinders or interrupts the Shopping Centre's flow of traffic in any way obstructs the free movement of parties doing business in the Shopping Centre;

(h) not allow or cause business to be solicited in any part of the Shopping Centre other than the Leased Premises, nor display any merchandise outside the Leased Premises at any time without the prior written consent of the Landlord;

(i) use the name designated for the Shopping Centre by the Landlord from time to time and all insignia or other identifying names and marks designated by the Landlord in connection with the advertising of the business conducted in the Leased Premises. Notwithstanding the foregoing the Tenant will not acquire any rights in such names, marks or insignia and upon the Landlord's request the Tenant will abandon or assign to the Landlord any such rights which the Tenant may acquire by operation of law and will promptly execute any documents required by the Landlord to give effect to this subparagraph (i);

(j) not install or allow in the Leased Premises any transmitting device nor erect any aerial on the roof of any building forming part of the Shopping Centre or on any exterior walls of the Leased Premises or in any of the Common Areas. Any such installation shall be subject to removal by the Landlord without notice at any time and such removal shall be done and all damage as a result thereof shall be made good, in each case, at the cost of the Tenant, payable as Additional Rent on demand;

(k) not use any travelling or flashing lights or signs or any loudspeakers, television, phonograph, radio or other audiovisual or mechanical devices in a manner so that they can be heard or seen outside of the Leased Premises, without the prior written consent of the Landlord. If the Tenant uses any such equipment without receiving the prior written consent of the Landlord, the Landlord shall be entitled to remove such equipment without notice at any time and such removal shall be done and all damage as a result thereof shall be made good, in each case, at the cost of the Tenant, payable as Additional Rent on demand;

(l) not install or allow in the Leased Premises any equipment which will exceed or overload the capacity of any utility, electrical or mechanical facilities in the Leased Premises or of which the Landlord has not approved. If the Tenant requires additional utility, electrical or mechanical facilities, the Landlord may in its sole discretion if they are available elect to install them at the Tenant's expense and in accordance with plans and specifications to be approved in advance in writing by the Landlord;

(m) not bring upon the Leased Premises any machinery, equipment, article or thing that by reason of its weight, size or use, might in the opinion of the Landlord damage the Leased Premises or overload the floors of the Leased Premises. Any such machinery, equipment, article or thing shall be subject to removal by the Landlord without notice at any time and such removal shall be done and all damage as a result thereof shall be made good, in each case, at the cost of the Tenant, payable as Additional Rent on demand;

(n) observe and comply with all federal, provincial or municipal laws pertaining to or affecting the Leased Premises, the Tenant's use of the Leased Premises or the conduct of any business in the Leased Premises, or the making of any repairs, replacements, alterations, additions, changes, substitutions or improvements of or to the Leased Premises, and the regulations of any insurance underwriters in respect of the insurance maintained by the Landlord in respect of the Shopping Centre, and carry out all modifications to the Leased Premises and the Tenant's conduct of business in or use of the Leased Premises which may be required by any such authorities.

7.03 Prohibited Activities

(a) The Tenant acknowledges that it is only one of many tenants in the Shopping Centre and that therefore the Tenant shall conduct its business in the Leased Premises in a manner consistent with the best interests of the Shopping Centre as a whole.

(b) No part of the Leased Premises will be used for the following: (i) the sale of any of the goods or services referred to in Schedule "F" hereof; (ii) a sale or business conduct which would violate any restrictive or exclusive covenant granted to a tenant or occupant of the Shopping Centre or which would, in the Landlord's opinion, interfere with or otherwise harm the business of any other tenant of the Shopping Centre; (iii) a sale or business conduct which, because of the merchandising methods or quality of operation likely to be used, would tend to lower the character of the Shopping Centre or any part thereof; (iv) any practice of unethical or deceptive advertising or selling procedures; or, (v) catalogue sales except of merchandise that the Tenant is permitted to sell "over the counter" in or at the Leased Premises under this Article VII or paragraph (e) of the Special Provisions.

The Landlord shall have the right to cause the Tenant to discontinue and the Tenant shall thereupon forthwith discontinue the sale of any item, merchandise, commodity or the supply of any service or the carrying on of any business, any of which is either prohibited by this Section 7.03, or by Schedule "F" attached hereto, or which the Landlord determines is not directly related to the business set out in paragraph (e) of the Special Provisions.

7.04 Radius Clause

The Tenant shall not itself or through any third party under its control or in any way connected or affiliated with it, whether as partner, shareholder, lender, employee or otherwise, directly or indirectly allow or cause any business which is the same as or similar to or in competition with the Tenant's business in the Leased Premises to be engaged in within any building or building complex, any portion of which is located within a radius of three (3) kilometres from any point on the Shopping Centre, except for any such business which is in operation and disclosed to the Landlord as at the Commencement Date. If the Tenant breaches this covenant, the Landlord may require that gross receipts (calculated in the same manner as Gross Receipts) from the other business be included in Gross Receipts, and the Landlord will have the same rights of inspection and audit with respect to the gross receipts of the other business as it has under this Lease with respect to Gross Receipts.

7.05 Hazardous Substances

The Tenant covenants and agrees to utilize the Leased Premises and operate its business in a manner so that no part of the Leased Premises or surrounding lands are used to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process any Hazardous Substances, except in strict compliance with all applicable federal, provincial and municipal statutes, by-laws and regulations, including, without limitation, environmental, land use and occupational and health and safety laws, regulations, requirements, permits, statutes, by-laws and regulations. Further the

Tenant hereby covenants and agrees to indemnify and save harmless the Landlord and those for whom the Landlord is in law responsible from any and all losses, costs, claims, damages, liabilities, expenses or injuries caused or contributed to by any Hazardous Substances which are at any time located, stored or incorporated in any part of the Leased Premises. The Tenant hereby agrees that the Landlord or its authorized representatives shall have the right at the Tenant's expense, payable as Additional Rent within fifteen (15) days of receipt of an invoice therefore, to conduct such environmental site reviews and investigations as it may deem necessary for the purposes of ensuring compliance with this Section 7.05. The Tenant's obligations pursuant to this Section 7.05 shall survive the expiration or earlier termination of the Term.

ARTICLE VIII FIXTURES, ALTERATIONS AND REPAIRS AND LANDLORD'S CONTROL OF SHOPPING CENTRE

8.01 Installations by the Tenant

All equipment, fixtures and improvements installed by the Tenant in the Leased Premises shall be new or completely reconditioned. The Tenant shall not make any alterations, additions or improvements or install or cause to be installed any trade fixtures, exterior signs, floor covering, interior or exterior lighting, plumbing fixtures, shades or awnings or make any changes to the store front without first obtaining the Landlord's written approval and consent. The Tenant shall present to the Landlord plans and specifications in form, content and such detail as the Landlord may reasonably require for such work at the time approval is sought. The Tenant covenants that any work that may be done in respect of the Leased Premises by or on behalf of the Tenant shall be done in such a manner as not to conflict or interfere with any work being done or about to be done by the Landlord in or about the Shopping Centre, whether such conflict or interference shall arise in relation to labour unions or otherwise and the Tenant shall obtain all requisite permits, licences and inspections in respect of any such work done by or on the Tenant's behalf. Notwithstanding anything herein contained, the Tenant shall make no alterations, additions or improvements that are of a structural nature or that would lessen the value or Rentable Area of the Leased Premises or the Shopping Centre, or would interfere with the usage of the Common Areas.

All alterations, decorations, additions and improvements made by the Tenant or made by the Landlord on the Tenant's behalf by agreement under this Lease shall remain the property of the Tenant throughout the Term. Such alterations, decorations, additions and improvements shall not be removed from the Leased Premises without prior consent in writing from the Landlord. Upon expiration or earlier termination of this Lease, the Tenant shall, at its sole cost, remove all trade fixtures, and, at the option of the Landlord, remove all such alterations, decorations, additions and improvements that have been installed or constructed within the Leased Premises and restore the Leased Premises as provided in Section 8.04. The Tenant shall, at its sole cost, repair any damage that results from the removal of such trade fixtures and alterations, decorations, additions and improvements. If the Tenant fails or is not required by the Landlord to remove such alterations, decorations, additions and improvements and to restore the Leased Premises, then upon the expiration of this Lease, all such alterations, decorations, additions and improvements shall at the option of the Landlord become the property of the Landlord or shall be removed by the Landlord at the expense of the Tenant.

8.02 Maintenance and Repair by the Tenant

The Tenant will at all times keep the Leased Premises (including exterior entrances and all glass and show windows) and all partitions, doors, and appurtenances thereof, and all fixtures and equipment serving the Leased Premises (including without limitation, lighting, heating, ventilating, and air-conditioning equipment, plumbing fixtures, and the electrical and mechanical systems and equipment) in good order, first class condition and repair (including periodic painting or redecorating and preventative maintenance as determined by the Landlord and including such repairs or replacements as are required to keep the Leased Premises in good repair and condition), reasonable wear and tear, and damage by fire, lightning and tempest only excepted. All aforesaid maintenance, repairs, restorations and replacements shall be in quality and class equal to the original work or installations.

The Tenant shall, subject to Section 5.03, throughout the Term, operate, maintain, repair, replace when necessary and regulate the heating, ventilating and air conditioning equipment within or installed by or on behalf of the Tenant for the Leased Premises in such a manner as to maintain such reasonable conditions of temperature and humidity within the Leased Premises as are determined by the Landlord or its Architect so that no direct or indirect appropriation of the heating, ventilating or air conditioning from the Common Areas shall occur. The Tenant shall comply with such stipulations and with all rules and regulations of the Landlord pertaining to the maintenance and operation of such equipment.

8.03 Signs, Awnings, Canopies

The Tenant will not place or suffer to be placed or maintained on any exterior door, wall or window of the Leased Premises any sign, awning or canopy or advertising matter or other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Leased Premises without first obtaining the Landlord's written approval and consent. The Tenant further agrees to maintain such sign, awning, canopy, decoration, lettering,

advertising matter or other thing as may be approved in good condition and repair at all times; and in addition to the foregoing, the Tenant shall maintain any displays of its goods or wares which may be seen from the exterior of the Leased Premises in a manner which is in keeping with the character of the Shopping Centre of which the Leased Premises form a part and which is designed to enhance the business of the Tenant.

8.04 Surrender of Leased Premises

Subject to Article XI, the Tenant will leave the Leased Premises in good repair, reasonable wear and tear only excepted. Without limiting the generality of the foregoing, at the expiration or earlier termination of the Term the Tenant shall surrender the Leased Premises in the same condition as the Leased Premises were in upon delivery of possession thereto under this Lease, reasonable wear and tear only excepted, and shall surrender all keys for the Leased Premises to the Landlord at the place then fixed for the payment of Rent and shall inform the Landlord of all combinations on locks, safes and vaults, if any, in the Leased Premises. The Tenant's obligations to observe or perform this covenant shall survive the expiration or earlier termination of the Term of this Lease.

8.05 Tenant to Discharge all Liens

The Tenant will ensure that no construction or other lien or charge, or notice thereof, is registered or filed against:

- (a) the Shopping Centre or any part of it;
- (b) any interest in all or part of the Shopping Centre of the Landlord, the Mortgagee or any owner of the Shopping Centre; or
- (c) the Tenant's interest in the Leased Premises or any of the leasehold improvements in the Leased Premises;

by any person claiming by, through, under or against the Tenant or its contractors or subcontractors. If such a lien or charge or notice thereof is registered or filed and the Tenant fails to discharge it within five (5) days after written notice from the Landlord, the Landlord may discharge it by paying the amount claimed to be due into court or directly to the claimant and the Tenant will pay to the Landlord as Additional Rent on demand all costs (including legal fees) incurred by the Landlord in connection therewith, together with an administrative overhead charge of fifteen percent (15%) thereon.

8.06 Rules and Regulations

The Tenant will comply with the Rules and Regulations. Landlord reserves the right from time to time to amend or supplement the Rules and Regulations. Notice of such amendments and supplements, if any, shall be given to the Tenant, and the Tenant agrees thereupon to comply with and observe all such amendments and supplements, provided that no Rule or Regulation shall contradict any provision of this Lease. The Landlord shall not be responsible to the Tenant for non-observance or violation of any of the provisions of such Rules and Regulations by any other tenant of the Shopping Centre or of the terms of any other lease of premises in the Shopping Centre and the Landlord shall be under no obligation to enforce any such provisions. All Rules and Regulations shall be enforced against the Tenant in a nondiscriminatory manner.

8.07 Maintenance and Repair by the Landlord

The Landlord shall, subject to the other provisions of this Lease, maintain and repair or cause to be maintained and repaired, the structure of the Leased Premises and the Shopping Centre, including without limitation, the foundations, exterior weather walls, subfloor, roof, bearing walls and structural columns and beams of the Shopping Centre. If, however, the Landlord is required to maintain or repair any structural portions or any other portion of the Leased Premises or the Shopping Centre by reason of the negligent acts or omissions of the Tenant, its employees, agents, invitees, suppliers, agents and servants of suppliers, licensees, concessionaires or subtenants, the Tenant shall pay on demand as Additional Rent, the Landlord's costs for making such maintenance or repairs, together with an administrative fee of fifteen percent (15%) of such costs.

The Landlord shall also be entitled, at its option, to do the maintenance, repair and replacement, or cause to be maintained, repaired and replaced, the heating, ventilating and air conditioning systems and equipment serving the Leased Premises, in which case and only in which case, the Tenant shall pay to the Landlord, as Additional Rent, the costs so incurred by the Landlord, all in accordance with the provisions of Section 5.03.

8.08 Operation and Control of Shopping Centre by Landlord

The Landlord shall operate the Shopping Centre in such manner as the Landlord determines from time to time, and in a first class and reputable manner as would a prudent landlord of a similar shopping centre having regard to size, age and location.

The Shopping Centre and the Common Areas are at all times subject to the exclusive control and management of the Landlord. Without limiting the generality of the foregoing, the Landlord has the right in its control, management and operation of the Shopping Centre and by the establishment of rules and regulations and general policies with respect to the operation of the Shopping Centre or any part thereof at all times throughout the Term to construct, maintain and operate lighting facilities and heating, ventilating and air conditioning systems; provide supervision and policing services for the Shopping Centre; close all or any portion of the Shopping Centre to such extent as may in the opinion of the Landlord's counsel be legally sufficient to prevent a dedication thereof or the accrual of any rights to any third party or the public; grant, modify and terminate easements or other agreements pertaining to the use and maintenance of all or any part of the Shopping Centre; obstruct or close off all or any part of the Shopping Centre for the purpose of maintenance, repair or construction; employ all personnel, including supervisory personnel and managers necessary for the operation, maintenance and control of the Shopping Centre; use any part of the Common Areas from time to time for merchandising, display, decorations, entertainment and structures designed for retail selling or special features or promotional activities; designate the areas and entrances and the times in, through and at which loading and unloading of goods shall be carried out; control, supervise and generally regulate the delivery or shipping of merchandise, supplies and fixtures to and from the Leased Premises and other portions of the Shopping Centre; designate and specify the kind of container to be used for garbage and refuse in the manner and the times and places at which same is to be placed for collection (if the Landlord for the more efficient and proper operation of the Shopping Centre provides or designates a commercial service for the pickup and disposal of refuse and garbage instead of or in addition to the service provided by the municipality, the Tenant shall use same at the Tenant's cost); designate areas where the Tenant and its employees may park in the Shopping Centre and impose reasonable rules and regulations to enforce such limits on parking; from time to time change the area, level, location, arrangement or use of the Shopping Centre or any part thereof; construct other buildings or improvements in the Shopping Centre and make changes to any part of the Shopping Centre; and do and perform such other acts in and to the Shopping Centre as in the use of good business judgment the Landlord determines to be advisable for the more efficient and proper operation of the Shopping Centre.

Notwithstanding anything to the contrary, if as a result of the exercise by the Landlord of any of its rights as set out in this Section 8.08, the Common Areas are diminished or altered in any manner whatsoever, the Landlord is not subject to any liability nor is the Tenant entitled to any compensation or diminution or abatement of Rent nor is any alteration or diminution of the Common Areas deemed constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease.

8.09 Right to Relocate

The purpose of the site plan attached hereto as Schedule "B" is to show the approximate location of the Leased Premises only. The Landlord reserves the right to relocate the Leased Premises in the Shopping Centre if in the Landlord's opinion such a relocation would be for the betterment of the Shopping Centre. In the event that the Landlord elects to relocate the Leased Premises for any reason, then the Landlord shall pay the reasonable costs of such relocation, including reimbursing the Tenant for its fixtures and improvements in the Leased Premises on the basis of their undepreciated capital cost at the time of relocation provided that there shall not be any payment required on account of goodwill, loss of profits or loss of business.

8.10 Landlord's Right to Enter Leased Premises

(a) It is not a re-entry or a breach of quiet enjoyment if the Landlord or its authorized representatives enter the Leased Premises at reasonable times to:

- (i) examine them;
- (ii) make permitted or required repairs, alterations, improvements or additions to the Leased Premises (including the pipes, conduits, wiring, ducts, columns and other installations in the Leased Premises) or the Shopping Centre or adjacent property; or
- (iii) excavate land adjacent or subjacent to the Leased Premises;

in each case (to the extent reasonably possible in the circumstances) without unreasonably interfering with the Tenant's business operations in the Leased Premises, and the Landlord may take material into and on the Leased Premises for those purposes. Rent will not abate or be reduced while the repairs, alterations, improvements or additions are being made. The Landlord will take reasonable steps to minimize any interruption of business resulting from any entry.

(b) During the six (6) months prior to the expiration of the Term of this Lease, the Landlord may exhibit the Leased Premises to prospective tenants or purchasers and place upon the Leased Premises the usual notices "To Let" or "For Sale" which notices the Tenant shall permit to remain where placed without molestation.

(c) If the Tenant shall not be personally present to open and permit an entry into the Leased Premises, at any time, when for any reason an entry therein shall be necessary or permissible, the Landlord or the Landlord's agents may enter the same by a master key, or may forcibly enter the same,

without rendering the Landlord or such agents liable therefor, and without in any manner affecting the obligations and covenants of this Lease.

(d) Nothing in this Section contained, however, shall be deemed or construed to impose upon the Landlord any obligation, responsibility or liability whatsoever for the care, maintenance or repair of the Shopping Centre or any part thereof, except as otherwise in this Lease specifically provided.

ARTICLE IX INSURANCE AND INDEMNITY

9.01 Tenant's Insurance

(a) The Tenant shall throughout the Term, at its own cost and expense, take out and keep in full force and effect and in the names of the Tenant, the Landlord and the Mortgagee as their respective interests may appear, the following insurance:

- (i) All-risks (including flood and earthquake) insurance upon property of every description and kind owned by the Tenant or for which the Tenant is legally liable (including, without limitation, signs and plate glass) and which is located within the Shopping Centre in an amount of not less than ninety percent (90%) of the full replacement cost thereof;
- (ii) broad form boiler and machinery insurance on a blanket repair and replacement basis with limits for each accident in the amount of not less than the replacement cost of all leasehold improvements and of all boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus owned or operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant in the Leased Premises;
- (iii) business interruption insurance in such amounts as will reimburse the Tenant for direct or indirect loss of earnings attributable to all perils insured against by the Tenant hereunder;
- (iv) public liability and property damage insurance including personal injury liability, tenant legal liability, contractual liability and owners' protective insurance coverage with respect to the Leased Premises and the Tenant's use of the Common Areas. Such policies shall be written on a comprehensive basis within inclusive limits of not less than Five Million Dollars (\$5,000,000) or such higher limits as the Landlord or the Mortgagee may reasonably require from time to time;
- (v) any other form of insurance as the Tenant or the Landlord or the Mortgagee may reasonably require from time to time in form, in amounts and for insurance risks against which a prudent tenant would insure.

(b) All policies required to be written on behalf of the Tenant pursuant to this Section 9.01 shall contain the Mortgagee's standard mortgage clause, if required by the Mortgagee, and shall contain a waiver of any subrogation rights which the Tenant's insurers may have against the Landlord and against those for whom the Landlord is in law responsible, whether any such damage is caused by the act, omission or negligence of the Landlord or those for whom the Landlord is in law responsible.

(c) All policies shall be taken out with insurers acceptable to the Landlord and shall be in a form satisfactory from time to time to the Landlord. The Tenant agrees that certificates of insurance on the Landlord's standard form or if required by the Landlord or the Mortgagee certified copies of each such insurance policy will be delivered to the Landlord prior to the Tenant taking possession of the Leased Premises and every year thereafter without notice. All policies shall contain an undertaking by the insurers to notify the Landlord and the Mortgagee in writing not less than thirty (30) days prior to any material change, cancellation or termination thereof.

(d) The Tenant agrees that if the Tenant fails to take out or keep in force any such insurance referred to in this Section 9.01, or should any such insurance not be approved by either the Landlord or the Mortgagee and should the Tenant not rectify the situation immediately after written notice by the Landlord to the Tenant, the Landlord has the right without assuming any obligation in connection therewith to effect such insurance at the sole cost of the Tenant and all outlays by the Landlord shall be immediately paid by the Tenant to the Landlord as Additional Rent without prejudice to any other rights and remedies of the Landlord under this Lease.

9.02 Increase in Insurance Premium

The Tenant will not allow or cause anything to occur in the Leased Premises which shall cause any increase of premium for any insurance on the Leased Premises or the Shopping Centre or any part thereof above the rate for the least hazardous type of occupancy legally permitted in the Leased Premises. If the Tenant is in default under this Section 9.02 the Tenant shall pay any resulting additional premium on any insurance policies taken out or maintained by the Landlord, including any additional premium on any rental income insurance policy that may be carried by the Landlord. If notice of cancellation shall be given respecting any insurance policy or if any insurance policy upon the Leased Premises or the Shopping Centre or any part thereof shall be cancelled or refused to be renewed by an insurer by reason of the use or occupation of the Leased Premises or any part thereof or the acts or omissions of the Tenant, the Tenant shall forthwith remedy or rectify such use or occupation upon request to do so in writing by the Landlord, and if the Tenant shall fail to do so within twenty-four (24) hours of

such written request, the Landlord shall have the right to enter the Leased Premises and rectify the situation, without liability to the Tenant for any loss or damage occasioned by such entry and rectification, or shall be entitled to hold the Tenant liable for any damage or loss resulting from such cancellation or refusal, or the Landlord may at its option determine this Lease forthwith by leaving upon the Leased Premises notice in writing of its intention to do so, and thereupon Rent and any other payments for which the Tenant is liable under this Lease shall be apportioned and paid in full to the date of such determination of this Lease, and together with an amount equal to the Minimum Rent payable for a period of one (1) year as liquidated damages, and the Tenant shall immediately deliver up possession of the Leased Premises to the Landlord. In determining whether increased premiums are the result of the Tenant's use of the Leased Premises, a schedule issued by the organization making the insurance rate on the Leased Premises, showing the various components of such rate, shall be conclusive evidence of the several items and charges which make the fire insurance rate of the Leased Premises. Bills for such additional premiums shall be rendered by the Landlord to the Tenant at such times as the Landlord may elect, and shall be due from and payable by the Tenant when rendered, and the amount thereof shall be deemed to be and be paid as Additional Rent.

9.03 Landlord's Insurance

The Landlord shall at all times throughout the Term carry: (a) insurance on the Shopping Centre (including the footings, foundations and equipment used for the maintenance and operation of the Shopping Centre) and the machinery, boilers and equipment contained therein and owned by the Landlord or for which the Landlord has assumed responsibility; and (b) public liability and property damage insurance with respect to the Landlord's operations in the Shopping Centre; against such perils, in such reasonable amounts and with such reasonable deductibles as would be carried by a prudent owner of a reasonably similar shopping centre, having regard to size, age and location, as determined by the Landlord from time to time, and shall also carry such other form or forms of insurance as the Landlord or the Mortgagee reasonably considers advisable including but not limited to rental income insurance.

Notwithstanding the Landlord's covenant herein and the Tenant's contribution to the cost of the Landlord's insurance premiums; (i) the Tenant is not relieved of any liability arising from or contributed to by its negligence or its wilful acts or omissions; (ii) no insurable interest or other benefit (including an implied waiver of subrogation from the Landlord's insurers) is conferred upon the Tenant under the Landlord's insurance policies; and (iii) the Tenant has no right to receive proceeds from the Landlord's insurance policies.

9.04 Loss or Damage

The Landlord shall not be liable for any death or injury arising from or out of any occurrence in, upon, at or relating to the Shopping Centre, or damage to property of the Tenant or of others located on the Leased Premises, nor shall it be responsible for any loss of or damage to any property of the Tenant or others from any cause whatsoever, whether or not any such death, injury, loss or damage results from the negligence of the Landlord, its agents, servants or employees or other persons for whom the Landlord is in law responsible. Without limiting the generality of the foregoing, the Landlord shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Leased Premises or from the pipes, appliances, plumbing works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever. The Landlord shall not be liable for any such damage caused by other tenants or persons in the Shopping Centre or by occupants of adjacent property thereto, or the public, or caused by construction or by any private, public or quasi-public work. All property of the Tenant kept or stored on the Leased Premises shall be so kept or stored at the risk of the Tenant only and the Tenant shall indemnify the Landlord and save it harmless from any claims arising out of any damages to the same, including, without limitation, any subrogation claims by the Tenant's insurers. In no event shall the Landlord be liable for any injury to the Tenant, its servants, agents, employees, customers and invitees or for any injury or damage to the Leased Premises or to any property of the Tenant, or to any property of any other person, firm or corporation on or about the Leased Premises caused by an interruption, suspension or failure in the supply of any utilities to the Leased Premises, or by any exhaust or odour emanating from any other premises or any other part of the Shopping Centre.

9.05 Indemnification of the Landlord

The Tenant will indemnify the Landlord and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Leased Premises, the occupancy or use by the Tenant of the Leased Premises or any part thereof, or occasioned wholly or in part by any act or omission of the Tenant, its agents, contractors, employees, servants, licensees, or concessionaires or invitees. In case the Landlord shall, without fault on its part, be made a party to any litigation commenced by or against the Tenant, then the Tenant shall protect and hold the Landlord harmless and shall pay all costs, expenses and solicitors' and counsel fees on a solicitor and client basis incurred or paid by the Landlord in connection with such litigation.

**ARTICLE X
DAMAGE, DESTRUCTION AND EXPROPRIATION**

10.01 Total or Partial Destruction of Leased Premises

If, during the Term, the Leased Premises are expropriated or totally or partially destroyed or damaged by any cause in respect of which the Landlord is insured, the following provisions shall have effect:

(a) if the Leased Premises are rendered partially unfit for occupancy by the Tenant, Minimum Rent only shall abate in part only, in the proportion that the part of the Leased Premises rendered unfit for occupancy by the Tenant bears to the whole of the Leased Premises or if the Leased Premises are rendered wholly unfit for occupancy by the Tenant the Rent hereby reserved shall be suspended in each case until the Leased Premises have been rebuilt and/or repaired or restored;

(b) notwithstanding the provisions of subparagraph (a), if the Leased Premises in the opinion of the Architect shall be incapable of being rebuilt and/or repaired or restored with reasonable diligence within 365 days of the happening of such destruction or damage, then either the Landlord or the Tenant may at its option terminate this Lease by notice in writing to the other given within thirty (30) days of the date of such destruction or damage and in the event of such notice being so given this Lease shall cease and become null and void from the date of such destruction or damage and the Tenant shall immediately surrender the Leased Premises and all interest therein to the Landlord and the Rent shall be apportioned and shall be payable by the Tenant only to the date of such destruction or damage and the Landlord may re-enter and repossess the Leased Premises discharged of this Lease but if within the said period of thirty (30) days neither the Tenant nor the Landlord shall give notice terminating this Lease as aforesaid or if within the said period the Landlord and the Tenant shall agree not to give such notice then upon the expiration of the said period of thirty (30) days or upon the Landlord and the Tenant having agreed as aforesaid, whichever shall be the sooner, the Landlord shall with reasonable promptitude proceed to rebuild and/or repair or restore the Leased Premises; and

(c) if the Leased Premises shall be capable with reasonable diligence of being rebuilt and/or repaired or restored within 365 days of the happening of such destruction or damage then the Landlord shall rebuild and/or repair or restore the Leased Premises with all speed within the aforesaid 365 days.

The certificate of the Architect shall bind the parties as to the (i) extent to which the Leased Premises are unfit for occupancy; (ii) time required to rebuild and/or repair or restore the Leased Premises; and (iii) due completion of repairs.

10.02 Total or Partial Destruction of Shopping Centre

In the event that fifty percent (50%) or more of the gross floor area of the Shopping Centre shall be expropriated or damaged or destroyed by fire or other cause, notwithstanding that the Leased Premises may be unaffected, the Landlord shall have the right, to be exercised by notice in writing delivered to the Tenant within sixty (60) days from and after said occurrence, to elect to cancel and terminate this Lease. Upon the giving of such notice to the Tenant, the Term of this Lease shall expire upon the third (3rd) day after such notice is given, and the Tenant shall vacate the Leased Premises and surrender the same to the Landlord.

10.03 Abatement of Rent

Notwithstanding anything hereinbefore contained, all abatements of Rent set out in this Article X shall be limited to an amount equal to the amount which the Landlord collects under any rental income insurance.

10.04 Expropriation Awards

The Landlord and the Tenant will co-operate with each other if there is an expropriation of all or part of the Leased Premises or the Shopping Centre, so that each may receive the maximum award that it is entitled to at law. To the extent, however, that a part of the Shopping Centre, other than the Leased Premises, is expropriated, the full proceeds that are paid or awarded as a result, will belong solely to the Landlord, and the Tenant will assign to the Landlord any rights that it may have or acquire in respect of the proceeds or awards and will execute the documents that the Landlord reasonably requires in order to give effect to this intention.

**ARTICLE XI
STATUS STATEMENT, SUBORDINATION AND ATTORNMENT**

11.01 Status Statement

Within five (5) days after request, the Tenant will sign and deliver to the Landlord or anyone with or proposing to take an interest in all or part of the Shopping Centre, a status statement or certificate, stating that this Lease is in full force and effect, any modifications to this Lease, the commencement and

expiry dates of this Lease, the date to which Rent has been paid, the amount of any prepaid Rent or deposits held by the Landlord, whether there is any existing default and the particulars, and any other information reasonably required by the party requesting it.

11.02 Subordination and Attornment

This Lease is subordinate to every existing and future ground lease, mortgage, charge, trust deed, financing, refinancing or collateral financing against the Leased Premises or the Shopping Centre and to the instruments of, as well as the charge or lien resulting from any of them and any renewals or extensions of or advances under them (collectively, "encumbrances"). The Tenant will, on request, attorn to and recognize as landlord the holder of any such encumbrance or any transferee or disposee of the Shopping Centre or of an ownership or equity interest in the Shopping Centre. The Tenant will, within five (5) days after request, sign and deliver any reasonably requested document confirming the subordination or the attornment. The form and content of the document will be determined by the party requesting it.

11.03 Power of Attorney

The Tenant hereby irrevocably appoints the Landlord as the attorney for the Tenant with full power and authority to execute and deliver in the name of the Tenant any instruments or certificates required to carry out the intent of Sections 11.01 and 11.02 which the Tenant shall have failed to sign and deliver within five (5) days after the date of a written request by the Landlord to execute such instruments.

11.04 Sale by Landlord

If the Landlord transfers or disposes of all or any part of the Shopping Centre or the Landlord's interest under this Lease, then to the extent that the transferee or disposee agrees with the Landlord to assume its obligations under this Lease, the Landlord will be released from them, except for existing defaults as of the date of the transfer or disposition.

11.05 Financial Information

The Tenant shall, upon request, provide the Landlord with such information as to the Tenant's or any Indemnifier's financial standing and corporate organization as the Landlord or Mortgagee may require from time to time and the Tenant further authorizes the Landlord or the Mortgagee to make such credit checks as the Landlord or Mortgagee may require.

ARTICLE XII TRANSFERS BY TENANT

12.01 Transfer Defined

"Transfer" means, (i) an assignment, sale, conveyance, sublease, or other disposition of this Lease or the Leased Premises, or any part of them or any interest in this Lease (whether by operation of law or otherwise), or in a partnership that is a Tenant under this Lease, (ii) a mortgage, charge or debenture (floating or otherwise) or other encumbrance of this Lease or the Leased Premises or any part of them, or of any interest in this Lease or of a partnership, or partnership interest, where the partnership is a Tenant under this Lease, (iii) a parting with or sharing of possession of all or part of the Leased Premises, and (iv) a transfer or issue by sale, assignment, bequest, inheritance, operation of law or other disposition, or by subscription of all or part of the corporate shares of the Tenant or an "affiliate" (as that term is defined on the date of this Lease under the Canada Business Corporations Act) of the Tenant which results in a change in the effective voting control of the Tenant. "Transferor" and "Transferee" have meanings corresponding to the definition of "Transfer" set out above, (it being understood that for a Transfer described in clause (iv) the Transferor is the person that has effective voting control before the Transfer and the Transferee is the person that has effective voting control after the Transfer).

12.02 Consent Required

The Tenant will not allow or cause a Transfer, without the prior written consent of the Landlord in each instance which consent may be unreasonably withheld, notwithstanding any statutory provision to the contrary, in the event of any request for consent to a Transfer within twenty-four (24) months of the Commencement Date or if the length of time since the previous Transfer is less than twenty-four (24) months, and in all other instances may not be unreasonably withheld, subject however to the provisions of Section 12.04. Without limiting the generality of the foregoing, no Transfer shall be effective and no consent shall be given unless the following provisions have been complied with:

- (i) there is no default of the obligations of the Tenant under this Lease;
- (ii) the Tenant shall have given at least thirty (30) days' prior written notice of the proposed Transfer and the effective date thereof to the Landlord;
- (iii) a duplicate original of the documents affecting the Transfer shall be given to the Landlord within thirty (30) days after the execution and delivery thereof;
- (iv) the Transferee, except in the case of a Transfer described in Section 12.01(iv), shall have assumed in writing with the Landlord the due and punctual performance and observance

of all the agreements, provisions, covenants and conditions hereof on the Tenant's part to be performed or observed from and after the effective date of the Transfer.

The Tenant acknowledges that the factors governing the granting of the Landlord's consent to any Transfer may include, without limitation, the restrictive clauses entered into with other tenants by the Landlord, the financial background, business history and the capability of the proposed Transferee in the Tenant's line of business, and the nature of the business practices of the proposed Transferee. In particular, consideration shall be given as to whether the proposed Transferee will operate as a "cut-rate" bargain or discount store, or a business of an obnoxious nature which may tend to lessen traffic or lower the reputation or merchandising image of the Shopping Centre or its tenants. The consent by the Landlord to any Transfer shall not constitute a waiver of the necessity for such consent to any subsequent Transfer. If a Transfer takes place, the Landlord may collect rent from the Transferee, and apply the net amount collected to the Rent herein reserved, but no such action shall be deemed a waiver of the requirement to obtain consent or the acceptance of the Transferee as tenant, or a release of the Tenant or any Indemnifier from the further performance by the Tenant of covenants on the part of the Tenant herein contained. Notwithstanding any Transfer, the Tenant shall remain fully liable under this Lease and shall not be released from performing any of the obligations of the Tenant under this Lease.

Any Transfer, if consented to by the Landlord, may at the Landlord's option be documented by the Landlord or its solicitors, and any and all legal costs and the Landlord's then-standard fee with respect thereto or to any documents reflecting the Landlord's consent to the Transfer shall be payable by the Tenant on demand as Additional Rent.

12.03 Conditions of Consent

If the Tenant receives consent under Section 12.02, it shall be subject to the following conditions:

(a) at the Landlord's option, the annual Minimum Rent will be increased as of the effective date of the Transfer by an amount (the "Excess Amount") equal to the greater of:

(i) ~~the amount by which the annual Minimum Rent that pertains on the day before the effective date of the Transfer (the "Current Minimum Rent") is exceeded by the average annual total of Minimum Rent and Percentage Rent payable by the Tenant for the last two (2) Lease Years that precede the effective date of the Transfer or (if less than two (2) such Lease Years precede the effective date of the Transfer), the highest annual total of Minimum Rent and Percentage Rent payable by the Tenant since the Commencement Date; or~~

(ii) the Current Minimum Rent multiplied by the percentage increase in the C.P.I. between the month in which the Commencement Date occurs and the month immediately preceding the month in which the effective date of the Transfer occurs.

If it is stated in paragraph (f) of the Special Provisions of this Lease that the annual Minimum Rent is to increase at specified times, the Excess Amount will be added to such increased annual Minimum Rent. Further, the Tenant and the Transferee shall promptly execute an agreement prepared by the Landlord or its solicitors amending paragraph (f) of the Special Provisions in order to provide for the payment of the revised annual Minimum Rent during the remainder of the Term and all costs with respect thereto shall be paid by the Tenant to the Landlord as Additional Rent on demand. All of the other terms, covenants and conditions of this Lease shall remain as herein specified;

(b) If the Tenant shall receive from any Transferee of this Lease, either directly or indirectly, any consideration for the Transfer of this Lease, either in the form of cash, goods or services, the Tenant shall forthwith pay an amount equal to such consideration to the Landlord as Additional Rent forthwith upon receipt of same; and

(c) in the event of any Transfer by virtue of which the Tenant receives a rent in the form of cash, goods or services which is higher than the Rent payable hereunder to the Landlord for the portion of the Leased Premises so Transferred, the Tenant shall pay any such excess rent to the Landlord as Additional Rent forthwith upon receipt of same.

If this Lease is disaffirmed, disclaimed, repudiated, rejected or terminated as a result of court proceedings or otherwise, in connection with the insolvency or bankruptcy of any Transferee, then at the Landlord's option the original Tenant named in this Lease will enter into a lease (the "Remainder Period Lease") with the Landlord, containing the same terms and conditions as this Lease modified, however, by increasing the Minimum Rent based on the formula in this Section 12.03 and by changing the Term of the Remainder Period Lease so that it commences on the date of the disaffirmation, disclaimer, repudiation, rejection or termination, and expires on the date on which this Lease would have expired had the disaffirmation, disclaimer, repudiation, rejection or termination not occurred.

12.04 Landlord's Option

If the Tenant requests that Landlord's consent to a Transfer, then notwithstanding anything in this Lease or any statute or law to the contrary, the Landlord shall always have the option to cancel this Lease

by written notice given to the Tenant within sixty (60) days following receipt by it of the Tenant's request for the Landlord's consent to the Transfer. The Landlord's notice of termination shall specify the date of termination which shall be not earlier than thirty (30) days after the date the Landlord's notice is given, and the Tenant shall deliver up possession of the Leased Premises to the Landlord on such date leaving same in the state of repair required pursuant to this Lease.

12.05 No Advertising of Leased Premises

The Tenant shall not print, publish, post, display or broadcast any notice or advertisement (including any press release) to the effect that the Leased Premises are under offer to lease, or have been leased to the Tenant, or otherwise advertise the existence of this Lease or any part thereof and shall not permit any broker or press agent or other party to do any of the foregoing, unless the complete text and format of any such notice, advertisement or offer is first approved in writing by the Landlord. Without in any way restricting or limiting the Landlord's right to refuse any text or format on other grounds, any text or format proposed by the Tenant shall not contain any reference to the rental rate of the Leased Premises, nor to any other financial term of this Lease (including without limitation, inducements or allowances, or the scope of Landlord's Work).

ARTICLE XIII DEFAULT OF TENANT

13.01 Right to Re-Enter

When:

(a) the Tenant shall be in default in the payment of any Rent whether lawfully demanded or not and such default shall continue for a period of five (5) consecutive days; or

(b) the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease (other than its covenant to pay Rent) and such default shall continue for a period of fifteen (15) consecutive days after written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied;

then and in any of such cases the then current month's Rent, together with the Rent for the three (3) months next ensuing shall immediately become due and payable, and at the option of the Landlord, the Term shall become forfeited and void, and the Landlord may without notice or any form of legal process whatsoever forthwith re-enter upon the Leased Premises or any part thereof in the name of the whole and repossess and enjoy the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding, provided, however, that such forfeiture shall be wholly without prejudice to the right of the Landlord to recover arrears of rent or damages for any antecedent default by the Tenant of its covenants, obligations or agreements under this Lease or any term or condition of this Lease and provided further that notwithstanding any such forfeiture the Landlord may subsequently recover from the Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely determined.

13.02 Right to Relet

Should the Landlord elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Leased Premises, and relet the Leased Premises or any part thereof as agent for the Tenant for such term or terms (which may be for a term extending beyond the Term of this Lease) and at such rental or rentals and upon such other terms and conditions as the Landlord in its sole discretion may deem advisable; upon each reletting all rentals received by the Landlord from such reletting shall be applied; first, to the payment of any indebtedness other than rent due hereunder from the Tenant to the Landlord; second, to the repayment of any costs and expenses of such reletting, including brokerage fees and solicitors' fees and of costs of such alterations and repairs; third, to the payment of Rent due and unpaid hereunder, and the residue, if any, shall be held by the Landlord and applied in payment of future Rent as the same may become due and payable hereunder. If such Rent received from such reletting during any month be less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency to the Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Leased Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to the Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, the Landlord may at any time thereafter elect to terminate this Lease for such previous breach. Should the Landlord at any time terminate this Lease for any breach, in addition to any other remedies it may have, it may recover from the Tenant all damages it may incur by reason of such breach, including the cost of recovering the Leased Premises, and including the worth at the time of such termination of the excess, if any, of the amount of Rent and charges equivalent to Rent reserved in this Lease for the remainder of the Term hereof over the then reasonable rental value of the Leased Premises for the remainder of the Term hereof, all of which amounts shall be immediately due and payable from the Tenant to the Landlord. In

determining the Rent which would be payable by the Tenant hereunder, subsequent to default, the annual Rent for each year of the unexpired Term shall be equal to the average annual Minimum Rent payable by the Tenant from the Commencement Date to the time of default or during the preceding three (3) full calendar years, whichever period is shorter, together with all Additional Rent which would have been payable during the calendar year in which this Lease was terminated, pro-rated over a full calendar year, if required.

13.03 Legal Expenses

In case suit shall be brought for recovery of possession of the Leased Premises, for the recovery of Rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of the Tenant to be kept or performed and a breach shall be established, the Tenant shall pay to the Landlord all expenses incurred therefor, including reasonable solicitors' and counsel fees on a solicitor and his client basis.

13.04 Bankruptcy

The Tenant covenants and agrees that if the Term or any of the goods and chattels of the Tenant on the Leased Premises shall be at any time during the Term seized or taken in execution or attachment by any creditor of the Tenant or if a receiver, interim receiver or receiver and manager is appointed for the assets or business of the Tenant or if the Tenant shall make any assignment for the benefit of creditors or any bulk sale or, becoming bankrupt or insolvent, shall take the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors or if any order shall be made for the winding up of the Tenant, or if the Leased Premises shall without the written consent of the Landlord become and remain vacant for a period of fifteen (15) days, or be used by any other persons than such as are entitled to use them under the terms of this Lease, or if the Tenant shall without the written consent of the Landlord abandon or attempt to abandon the Leased Premises or to sell or dispose of goods or chattels of the Tenant or to remove them or any of them from the Leased Premises so that there would not in the event of such abandonment, sale or disposal be sufficient goods on the Leased Premises subject to distress to satisfy the Rent above due or accruing due, then and in every such case the then current month's Rent and the next ensuing three (3) months' Rent shall immediately become due and be paid and the Landlord may re-enter and take possession of the Leased Premises as though the Tenant or the servants of the Tenant or any other occupant of the Leased Premises were holding over after the expiration of the Term and the Term shall, at the option of the Landlord, immediately without any notice or opportunity for cure provided to the Tenant, become forfeited and determined, and in every one of the cases above such accelerated Rent shall be recoverable by the Landlord in the same manner as the Rent hereby reserved and as if Rent were in arrears and the said option shall be deemed to have been exercised if the Landlord or its agents given notice to the Tenant as provided for herein.

13.05 Landlord May Perform Tenant's Covenants

If the Tenant shall fail to perform any of its covenants or obligations under or in respect of this Lease, the Landlord may from time to time at its discretion, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things upon or in respect of the Leased Premises or any part thereof as the Landlord may consider requisite or necessary.

All expenses incurred and expenditures made by or on behalf of the Landlord under this Section, together with an administrative fee equal to fifteen (15%) percent thereon, shall be forthwith paid by the Tenant to the Landlord on demand as Additional Rent.

13.06 Waiver of Exemptions from Distress

Despite the Landlord and Tenant Act, as amended, or any other applicable Act, legislation, or any legal or equitable rule of law: (a) none of the inventory, furniture, equipment or other property at any time owned by the Tenant is exempt from distress; and (b) no lack of compliance with any requirement concerning the day of the week, time of day or night, method of entry, giving of notice, appraising of goods, or anything else, will render any distress unlawful where the Tenant owes arrears of Rent at the time of the distress.

13.07 General Security Agreement

The Tenant hereby grants to the Landlord a security interest (the "Security Interest") in all inventory, fixtures, equipment, furniture and chattels of the Tenant situate on or about the Leased Premises from time to time (the "Collateral") to secure the payment of all Rent payable pursuant to this Lease and the fulfilment of the other obligations of the Tenant under this Lease. The Tenant confirms and agrees that the Security Interest is complete and valid without the necessity of any other or further documentation in respect thereof and is intended to constitute a security agreement as defined in the *Personal Property Security Act*, R.S.O. 1990 c.P. 10, as amended from time to time (the "Act"). This security agreement is separate from and shall survive the termination, expiry, repudiation, disaffirmance or disclaimer of this Lease. Upon default by the Tenant of its obligations pursuant to this Lease, the Landlord shall be entitled at its sole option (and without any obligation so to do), to exercise any remedies available to it as a secured party under the Act in respect of the Collateral. The Security Interest is given

in addition to, and not as an alternative to, and the rights and remedies afforded to the Landlord thereunder may be exercised by the Landlord without prejudice to any of the Landlord's other rights and remedies under this Lease and at law including, without limitation, the Landlord's right of distress. The Tenant covenants and agrees that all Collateral located on the Leased Premises from time to time shall be owned by the Tenant and except in the ordinary course of the Tenant's business, the Tenant shall not at any time without the prior written consent of the Landlord, such consent not to be unreasonably withheld, dispose of all or any part of the Collateral.

ARTICLE XIV MISCELLANEOUS

14.01 Overholding

If the Tenant remains in possession of the Leased Premises after the end of the Term and without the execution and delivery of a new lease, there shall be no tacit renewal of this Lease and the Term hereby granted, and the Tenant shall be deemed to be occupying the Leased Premises as a Tenant from month to month at monthly rent payable in advance on the first day of each month equal to the sum of:

- (i) one and one half (1 ½) times the Minimum Rent payable during the last month of the Term; and
- (ii) ~~one-twelfth of the highest amount of Percentage Rent paid for any Lease Year of the Term; and~~
- (ii) one-twelfth of the Additional Rent payable by the Tenant for the Lease Year immediately preceding the last Lease Year of the Term;

and otherwise upon the same terms and conditions as are set forth in this Lease, except as to duration of Term, mutatis mutandis.

14.02 Successors

This Lease applies to the successors and assigns of the Landlord and, if Article XII is complied with, the heirs, executors, administrators and permitted successors and permitted assigns of the Tenant. If there is more than one party named as Tenant, they are jointly and severally liable under this Lease.

14.03 Waiver

Failure by the Landlord to require performance of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained. The subsequent acceptance of Rent hereunder by the Landlord shall not be deemed to be a waiver of any preceding breach by the Tenant of any term, covenant or condition of this Lease, other than the failure of the Tenant to pay the particular rent so accepted, regardless of the Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No covenant, term or condition of this Lease shall be deemed to have been waived by the Landlord, unless such waiver be in writing by the Landlord.

14.04 Accord and Satisfaction

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

14.05 Entire Agreement

This Lease sets forth all the covenants, promises, agreements, conditions and understandings between the Landlord and the Tenant concerning the Leased Premises and there are no covenants, promises, agreements, conditions or representations, either oral or written, between them other than are herein and in the said schedules and rider, if any, set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon the Landlord or the Tenant unless reduced to writing and signed by them.

14.06 No Partnership

The Landlord does not, in any way or for any purpose, become a partner of the Tenant in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with the Tenant. The provisions of this Lease relating to the Percentage Rent payable hereunder are included solely for the purpose of providing a method whereby the Rent is to be measured and ascertained.

14.07 Force Majeure

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labour troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Notwithstanding anything herein contained, the provisions of this Section 14.07 shall not operate to excuse the Tenant from the prompt payment of Minimum Rent, Additional Rent or any other payments required by the terms of this Lease, nor entitle the Tenant to compensation for any inconvenience, nuisance or discomfort thereby occasioned. Provided however that in the foregoing circumstances, the Rent reserved and covenanted to be paid herein shall not commence until the possession of the Leased Premises is given or the Leased Premises are available for occupancy by the Tenant, and no such failure to give possession as aforesaid shall in any way affect the validity of this Lease or the obligations of the Tenant hereunder, nor shall the same be construed in any way to extend the Term of this Lease. If the building in which the Leased Premises are located is not in course of construction, and the Landlord is unable to give possession of the Leased Premises on or prior to the Commencement Date by reason of the holding over or retention of possession of any tenants or occupants or for any other reason, or if repairs, improvements or alterations of the Leased Premises or of the building of which the Leased Premises forms a part are not completed, no abatement or diminution of the Rent to be paid hereunder shall be allowed to the Tenant nor shall the validity of this Lease be impaired under such circumstances. Provided, however, that the Tenant shall not be liable to make any payments of Rent until the Landlord is able to give possession of the Leased Premises to the Tenant.

14.08 Notices

Any notice herein provided or permitted to be given by the Tenant to the Landlord shall be sufficiently given if mailed in Canada, registered and postage prepaid, addressed to the Landlord at the address set out in paragraph (k) of the Special Provisions, and any notice herein provided or permitted to be given by the Landlord to the Tenant shall be sufficiently given if mailed in Canada, registered and postage prepaid, addressed to the Tenant at the Leased Premises or at the address set out in paragraph (j) of the Special Provisions. Any such notice given as aforesaid shall be conclusively deemed to have been given on the day on which such notice is delivered or on the third day that there is postal delivery following the day on which such notice is mailed, as the case may be. In the event of a postal disruption, notice must be delivered personally or by courier to be effective. Either party may at any time give notice in writing to the other of any change of address of the party giving such notice and from and after the giving of such notice the address therein specified shall be deemed to be the address of such party for the giving of notices hereunder. The word "notice" in this paragraph shall be deemed to include any request, statement or other writing in this Lease provided or permitted to be given by the Landlord to the Tenant or by the Tenant to the Landlord. If there is more than one party named as Tenant, notice to one shall be deemed sufficient as notice to all.

14.09 Place for Payment of Rent

The Tenant shall pay the Rent, including all Additional Rent, at the office of the Landlord specified in paragraph (k) of the Special Provisions, or at such place or places as the Landlord may designate from time to time by notice in writing.

14.10 Approval in Writing

Wherever the Landlord's consent is required to be given hereunder or wherever the Landlord must approve any act or performance by the Tenant, such consent or approval, as the case may be, shall be given in writing by the Landlord before same shall be deemed to be effective.

14.11 Registration

The Tenant shall not register this Lease without the written consent of the Landlord. However, upon the request of either party hereto the other party shall join in the execution of a memorandum or so called "short form" of this Lease for the purpose of registration. Said memorandum or short form of this Lease shall describe the parties, the Leased Premises and the Term and shall be prepared and registered at the expense of the Tenant.

14.12 Governing Law

This Lease is to be governed by and construed according to the laws of the Province where the Leased Premises are located.

14.13 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections or articles of this Lease, nor in any way affect this Lease.

14.14 Brokerage Commissions

Any brokerage commission with respect to this lease transaction shall be borne exclusively by the Tenant and the Tenant shall indemnify and hold harmless the Landlord from any and all claims with respect thereto save only where the Landlord has specifically retained a broker or agent to represent it in respect of this transaction.

14.15 Partial Invalidity

If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease and/or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be separately valid and enforceable to the fullest extent permitted by law.

14.16 No Option

The submission of this Lease for examination does not constitute a reservation of or option for the Leased Premises and this Lease becomes effective as a Lease only upon execution and delivery thereof by the Landlord and the Tenant.

14.17 Time To Be of the Essence

Time shall be of the essence of this Lease.

14.18 Quiet Enjoyment

The Landlord covenants with the Tenant for quiet enjoyment.

14.19 Non-Liability

The Tenant acknowledges, covenants and agrees:

(a) that the Landlord named in this Lease is the nominee on behalf of RioCan Real Estate Investment Trust (the "Trust"); and

(b) the obligations being created by this Lease and any liabilities arising in any manner whatsoever out of or in connection with this Lease are not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, the private property of any of:

- (i) the unitholders of the Trust;
- (ii) annuitants under a plan of which a unitholder of the Trust acts as trustee or carrier; and
- (iii) the officers, trustees, employees or agents of the Trust.

14.20 Internet Shopping Program

Upon request by the Landlord, the Tenant hereby agrees to participate in an internet shopping program that may, at the option of the Landlord, be developed by the Landlord during the Term of this Lease.

14.21 Privacy Policy

The Tenant acknowledges and agrees that the Landlord's collection, use and disclosure of personal information is governed by the Landlord's Privacy Policy (available at www.riocan.com) and applicable law.

14.22 Schedules

Schedules "A", "B", "C", "D", "E", "F" and "G" attached hereto form part of this Lease.

IN WITNESS WHEREOF the Landlord and the Tenant have signed and sealed this Lease as of the day and year first above written.

RIOCAN (CLARKSON) INC.

(Landlord)

Per: 
Authorized Signature

Per: _____
Authorized Signature

I/We have authority to bind the corporation.

SHS OPTICAL LTD.

(Tenant)

Per: 
Authorized Signature

Per: _____
Authorized Signature

I/We have authority to bind the corporation.

SCHEDULE "A"
LEGAL DESCRIPTION

FIRSTLY:

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the City of Mississauga, in the Regional Municipality of Peel (formerly the Township of Toronto, in the County of Peel) and being composed of that part of Lot 29, Concession 2, South of Dundas Street, designated as Parts 7, 8, 9, 10, 11 and 22 on a Reference Plan of Survey deposited in the Land Registry Office for the Registry Division of Peel (No. 43) as Number 43R-12090.

SUBJECT TO an easement over that part of Lot 29 designated as Part 11 on said Plan 43R-12090 in favour of Trans Northern Pipeline Company as set out in Instrument Number 73408.

SUBJECT TO an easement over that part of Lot 29 designated as Part 22 on said Plan 43R-12090 in favour of The Corporation of the City of Mississauga as set out in Instrument Number

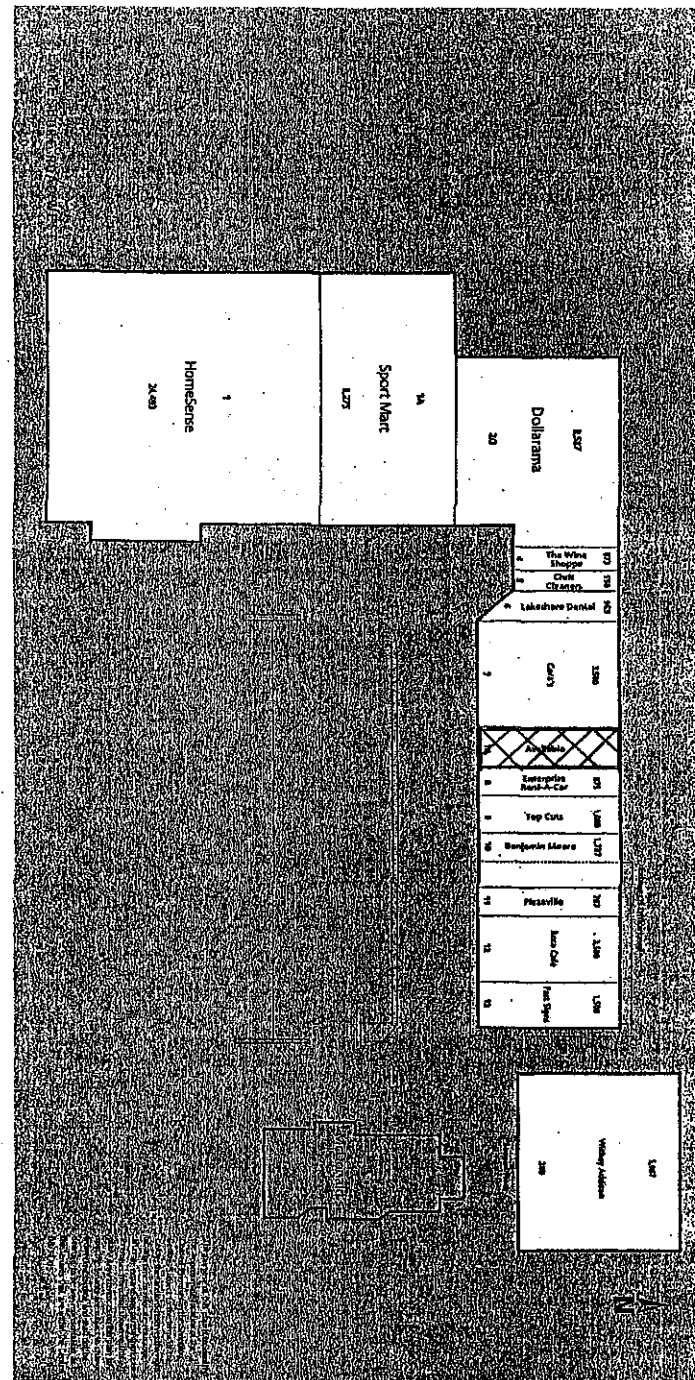
SECONDLY:

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the City of Mississauga, in the Regional Municipality of Peel (formerly the Township of Toronto, in the County of Peel) and being composed on that part of Lot 29, Concession 2, South of Dundas Street, designated as Parts 1 and 2 on a Reference Plan of Survey deposited in the Land Registry Office for the Land Titles Division of Peel (No. 43) as Number 43R-12090.

SUBJECT TO an easement described in Instrument Number 68767 TOR. TWP. in favour of the Hydro Electric Power Commission of Ontario, its successors and assigns, over that part of Lot 29 designated as Part 2 on said Plan Number 43R-12090.

being Parcel 28-7 in the Register for Section 43-Tor.Twp.-2 S.D.S.

SCHEDULE "B"
PLAN OF THE SHOPPING CENTRE



The purpose of this plan is to identify the approximate location of the Leased Premises in the Shopping Centre. The Landlord reserves the right at any time to relocate, rearrange, alter or expand any part of the Leased Premises from that shown on this plan. Any references on this plan to specific tenants are subject to change from time to time and shall not be deemed to be any representation as to the tenants that are within the Shopping Centre as of the date of execution of this Lease or at any time thereafter.

B-1

SCHEDULE "C"

LANDLORD'S AND TENANT'S WORK

CONSTRUCTION OF LEASED PREMISES

Landlord's Obligation

The Landlord shall at its cost and expense construct the Leased Premises for the Tenant's use and occupancy in accordance with plans and specifications prepared by the Landlord or the Architect, incorporating in such construction all items of work described as Landlord's Work herein. Any work in addition to any of the items specifically enumerated as Landlord's Work shall be performed by the Tenant at its own cost and expense. Any equipment or work other than those items specifically enumerated as Landlord's Work which the Landlord installs or constructs in the Leased Premises on the Tenant's behalf shall be paid for by the Tenant as Additional Rent within fifteen (15) days after receipt of a bill therefor, at cost plus fifteen percent (15%) for overhead and supervision.

Tenant's Obligation

The Tenant shall at its cost and expense complete or cause the completion of all items of work described as Tenant's Work herein prior to the Commencement Date in accordance with the plans and specifications which have been submitted to and approved by the Landlord. All work performed by the Tenant with respect to the Leased Premises shall:

- (a) be done in accordance with the design criteria set down by the Landlord or its authorized representatives with respect to the external and internal appearance of the Leased Premises;
- (b) be done as expeditiously as reasonably possible;
- (c) be done in such manner as will not interfere unreasonably with work being done by the Landlord upon the Leased Premises or any other portion of the Shopping Centre;
- (d) be done in compliance with such reasonable rules and regulations as the Landlord or its agents or contractors may make;
- (e) be carried out by competent workers under the supervision of one or more professional contractor(s) and designer(s), who shall be subject to prior written approval of the Landlord (such approval not to be unreasonably withheld or delayed), and be subject to the reasonable supervision of the Landlord or its agents or contractors;
- (f) be done only by persons whose labour union affiliations are acceptable to the unions of which the employees of the Landlord, its contractors or subcontractors are members;
- (g) be commenced only after the Tenant has delivered to the Landlord a certificate of general liability insurance from its general contractor (or from the Tenant if it is acting as its own contractor) as contemplated in Paragraph A below; and
- (h) be done at the risk of the Tenant.

Landlord's Work

The Tenant acknowledges that it has examined the Leased Premises and accepts them in their present state and "as is" condition (subject to the removal of any existing fixtures and chattels of the Tenant).

Tenant's Work

The Tenant shall perform all construction required to ready the Leased Premises for the conduct of the Tenant's business therein, at its sole cost and expense, and in accordance with the provisions of this Schedule "C".

OTHER PROVISIONS

Performance of Tenant's Work

The following provisions are in addition to, and do not waive the provisions of any general covenants between the Tenant and the Landlord as may be contained in this Lease:

- A. Before doing any item of Tenant's Work, (i) Tenant shall secure and demonstrate to the Landlord on demand, all necessary permits; (ii) Tenant shall deliver to Landlord a certificate evidencing that it has obtained contractors' general liability insurance in accordance with the Landlord's requirements, naming both the Landlord and its property manager as additional named insureds; and (iii) Tenant shall deliver at least one (1) contractor's quotation outlining the scope of Tenant's Work and estimated cost of the Tenant's Work which the Tenant intends to undertake and complete in accordance with the terms hereof. Upon completion, Tenant shall secure all applicable certificates of completion and occupancy.
- B. All work by the Tenant within the Leased Premises shall be completed in new materials. Materials and workmanship shall be of a uniformly high quality and used and/or performed in accordance with the very best standards of practice and shall not be in contravention of any governing codes or regulations and shall be subject to the approval of the Landlord and/or its Architect. Any damage to the Leased Premises or the Shopping Centre caused by the Tenant or any of its employees, contractors or workmen shall be repaired forthwith by the Landlord at the expense of the Tenant.
- C. Under no circumstances will the Tenant, its employees, its contractors or its contractors' employees enter onto any roof of the Shopping Centre or make any opening in the roof.
- D. The Tenant and his contractor(s) shall not impose a greater load on any concrete floor than the design live load of 100 pounds per square foot uniformly distributed. No unusual loads may be suspended from the underside of roof structure.
- E. Tenant shall maintain the Leased Premises in a reasonably clean and orderly manner and shall be responsible for the cost of removing from the Shopping Centre all excess materials, trash and cartons resulting from Tenant's Work and stocking of the Leased Premises. Should the Tenant fail to regularly clean up construction material, trash and cartons, the Landlord may remove such materials and charge the costs to the Tenant.
- F. The Tenant shall not allow any liens or notices thereof to be placed against the Leased Premises or the Shopping Centre. Failure to discharge any liens or notices thereof within five (5) days of notice by the Landlord to do so, shall constitute a default under this Lease.

Exhaust and Odours

- (a) Objectionable odours from the Leased Premises shall, at the Tenant's expense, be exhausted in such a manner as precludes their escaping into the Mall or other rental areas, or short-circuiting into any fresh-air vents. The Tenant specifically acknowledges and agrees that it shall be responsible for any costs, expenses or damages suffered or incurred by the Landlord as a result of claims by other tenants of the Shopping Centre relating to objectionable odours or exhaust emanating from the Leased Premises during the completion of the Tenant's Work or otherwise during the Term of this Lease. The Landlord shall be entitled to require the Tenant to suspend the Tenant's Work on twenty-four (24) hours prior written notice in the event that the Tenant fails to comply with its obligations contained herein.
- (b) Where Tenant requests a total exhaust rate greater than 200 CFM/bay, the Tenant shall provide a make-up air system in accordance with Landlord's specifications, sized in the amount of the excess and shall waive any right to demand of the Landlord the ambient design conditions specified in the design package provided to the Tenant by the Landlord, if any.
- (c) Tenant's air-handling equipment may not under any circumstances draw air from any enclosed mall or exhaust into it.
- (d) Garbage refrigeration equipment must be installed in the Leased Premises by the Tenant if perishable items are handled.

Complete Drawings by Tenant (as applicable)

The Tenant shall submit to the Landlord complete drawings and specifications for the Leased Premises, to be prepared by qualified designers and conforming to each of good engineering practice, the outline drawings provided to the Tenant by the Landlord, if any, and the provisions of this Schedule "C".

Such complete drawings and specifications shall show at least the following:

STORE SUBMISSION REQUIREMENTS

The Tenant shall provide complete working plans and specifications in the following form:

- (a) Floor plan to scale.
- (b) Reflecting ceiling to scale.
- (c) Store front and show window elevation and sections to scale.
- (d) Store front and show window details to scale.
- (e) Interior elevations to scale.
- (f) Interior finishing schedule.
- (g) Sign and related lighting and equipment as outlined in Sign Directive.
- (h) Any other special facilities or installations that affect the building.
- (i) Sprinkler and other fire protection devices.
- (j) Underfloor electrical or plumbing.
- (k) Electrical wiring plan.
- (l) Ductwork for connection to Landlord's air conditioning system, toilet exhaust system and any other ventilation system required by the Tenant.

All required drawings and specifications shall be submitted for approval within a reasonable time and in any event within fifteen (15) days of written request for by the Landlord therefor. No Tenant's Work may proceed prior to the Landlord's written approval, which will not be unreasonably withheld nor unduly delayed. In the event that the completion of the Landlord's Work and/or Tenant's Work is delayed as a result of the failure by the Tenant to comply with its obligations contained herein, the Fixturing Period shall be reduced by the length of delay caused or contributed to by the Tenant.

ALL TENANT DRAWINGS MUST BE IN TRACING OR SEPIA FORM TO FACILITATE REPRODUCTION BY THE LANDLORD. ALL MECHANICAL DRAWINGS AND SPECIFICATIONS SHALL BE STAMPED BY AN ENGINEER QUALIFIED TO PRACTICE IN THE PROVINCE IN WHICH THE SHOPPING CENTRE IS LOCATED. ALL ELECTRICAL DRAWINGS AND SPECIFICATIONS (INCLUDING LIFE SAFETY AND FIRE SAFETY) SHALL BE STAMPED BY AN ELECTRICIAN QUALIFIED TO PRACTICE IN THE PROVINCE IN WHICH THE SHOPPING CENTRE IS LOCATED. ANY CHANGES TO THE PLANS AND SPECIFICATIONS THAT HAVE BEEN APPROVED BY THE LANDLORD SHALL BE STAMPED BY AN ARCHITECT OR ENGINEER QUALIFIED TO PRACTICE IN THE PROVINCE IN WHICH THE SHOPPING CENTRE IS LOCATED AND SHALL ALSO BE SUBJECT TO THE PRIOR WRITTEN APPROVAL OF THE LANDLORD. ANY INCREASE IN THE COST OF COMPLETING THE LANDLORD'S WORK RESULTING FROM CHANGES REQUESTED BY THE TENANT SHALL BE TO THE ACCOUNT OF THE TENANT AND THE LANDLORD SHALL BE REIMBURSED FOR SAME IMMEDIATELY UPON PRESENTATION OF AN INVOICE IN RESPECT THEREOF.

SCHEDULE "D"
RULES AND REGULATIONS

- I. All loading and unloading of goods shall be done only at such times, in the areas, and through the entrances, designated for such purposes by the Landlord.
- II. The delivery or shipping of merchandise, supplies and fixtures to and from the Leased Premises shall be subject to such controls as in the judgment of the Landlord are necessary for the proper operation of the Leased Premises and/or the Shopping Centre.
- III. All garbage and refuse shall be kept in the kind of containers specified by the Landlord and shall not be burned in or about the Leased Premises.
- IV. No radio, television, telegraphic or telephone or similar device and no water pipe, gas pipe or electric wire shall be installed or connected without obtaining in each instance the written consent of the Landlord. All such connections shall be installed in accordance with the Landlord's direction and without such direction no boring or cutting for wires or pipes shall be permitted.
- V. The Tenant and its employees, suppliers and other persons not customers having business with the Tenant, shall park their cars only in those portions of the parking area designated for that purpose by the Landlord. Within five (5) days after taking possession of the Leased Premises the Tenant shall furnish the Landlord with the automobile license numbers of the Tenant and its employees and shall thereafter notify the Landlord of any changes within five (5) days after such changes occur. Should the Tenant, its employees, suppliers and other persons not customers having business with the Tenant park vehicles in areas not allocated for that purpose, the Landlord shall have the right to remove the said trespassing vehicles and the Tenant shall save harmless the Landlord from any and all damages therefrom and the Tenant shall pay the costs of such removal.
- VI. The plumbing facilities shall not be used for any other purpose than that for which they are intended, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant.
- VII. The Tenant shall use at the cost of the Tenant such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require.
- VIII. The Tenant, its employees or agents, shall not mark, paint, drill or in any way deface any walls, ceilings, partitions, floors, wood, stone or iron without the written consent of the Landlord.
- IX. Except as permitted in this Lease to which these rules and regulations are annexed, the Tenant shall not permit any cooking in the Leased Premises without the written consent of the Landlord.
- X. No mall, sidewalk, entry, passageway, elevator or staircase shall be obstructed or used by the Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees for any purpose other than ingress to and egress from the Leased Premises.
- XI. The Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees shall not bring in or take out, position, construct, install or move any safe or other heavy equipment or furniture without first obtaining the consent in writing of the Landlord. In giving such consent, the Landlord shall have the right in its sole discretion, to prescribe the weight permitted and the position thereof, and the use and design of planks, skids or platforms to distribute the weight thereof. All damage done to the Shopping Centre by moving or using any such safe, heavy equipment or furniture shall be repaired at the expense of the Tenant. The moving of all equipment and furniture shall occur only during those hours when the Shopping Centre shall not be open for business or any other time consented to by the Landlord and the persons employed to move the same in and out of the Leased Premises shall be acceptable to the Landlord.
- XII. All persons entering and leaving the building in which the Leased Premises are situated at any time other than during normal business hours shall register in the books kept by the Landlord and the Landlord will have the right to prevent any person from entering or leaving such building unless provided with a key to the premises to which such person seeks entrance or a pass in a form to be approved by the Landlord. Any persons without such key or passes will be subject to the surveillance of the employees and agents of the Landlord. The Landlord shall be under no responsibility for failure to enforce this rule.
- XIII. The Tenant shall not place or cause to be placed any additional locks upon any doors of the Leased Premises without the approval of the Landlord and subject to any conditions imposed by the Landlord.

- XIV. No one shall use the Leased Premises for sleeping apartments or residential purposes, or for the storage of personal effects or articles other than those required for the purposes permitted by this Lease to which these rules and regulations are annexed.
- XV. The Tenant shall permit window cleaners to clean the windows of the Leased Premises from time to time and at reasonable times.
- XVI. Any hand trucks, carryalls or similar appliances used in any building in the Shopping Centre shall be equipped with rubber tires, side guards and such other safeguards as the Landlord shall require.
- XVII. No animals or birds shall be brought into the Leased Premises except as permitted by this Lease to which these rules and regulations are annexed.
- XVIII. Except as permitted in this Lease to which these rules and regulations are annexed, the Tenant shall not permit the delivery of any food or beverage to the Leased Premises without the approval of the Landlord.
- XIX. The Tenant shall not solicit business in the common areas or distribute any handbills or other advertising matter in the common areas or in automobiles parked in the parking areas.
- XX. The Tenant shall keep the Leased Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
- XXI. The Tenant shall not keep or display any merchandise on or otherwise obstruct the common areas adjacent to the Leased Premises.
- XXII. The Tenant shall not use or permit any part of the Leased Premises to be used in such a manner as to cause annoying noises or vibrations or offensive odours.
- XXIII. The Tenant shall keep its display windows and signs lit in a manner satisfactory to the Landlord until 11:00 p.m. local time, on each evening except if prevented by reasons beyond the control of the Tenant or unless otherwise approved by the Landlord.

SCHEDULE "E"

PRE-AUTHORIZED PAYMENT PLAN AUTHORIZATION

<u>HEAD OFFICE OR PROPRIETOR'S NAME</u>		<u>ACCOUNT RECEIVABLE NUMBER</u>
<u>STORE NAME AND NUMBER</u>	<u>DATE OF LEASE</u>	<u>MONTHLY CHARGES</u>
<u>STORE ADDRESS</u>		<u>DATE OF LAST PAYMENT</u>
<u>HEAD OFFICE ADDRESS</u>		<u>BANK ACCOUNT NUMBER</u>
<u>TRANSIT NUMBER</u>		<u>BANK AND BRANCH</u>
<u>NAME IN WHICH ACCOUNT STANDS IN BANK RECORDS</u>		
<u>SIGNING OFFICER SIGNATURE</u>		

REQUEST FOR PRE-AUTHORIZED PAYMENTS

I authorize _____ (hereinafter referred to as the "Company")
and/or _____ to debit the account of the undersigned
maintained with the financial institution indicated above, monthly, in accordance with the PAYMENT
AUTHORIZATION below, for the purpose of paying monthly rentals as noted above.

"PLEASE ENCLOSE AN UNSIGNED SAMPLE CHEQUE FROM YOUR BANK OR TRUST COMPANY"

AUTHORIZATION TO HONOUR PAYMENTS

NAME OF BANK _____
ADDRESS _____

You are hereby requested and authorized to pay and debit my/our account at your office, or at another
branch of your institution if it is transferred there; all cheques drawn on you on my behalf and made
payable to the Company or drawn on you by _____; and all amounts
specified on any magnetic or computer produced paper tapes requesting you to pay the Company or
_____.

In consideration of your acting as aforesaid, it is agreed that your treatment of each cheque and/or tape
and your rights with respect to it shall be the same as if it were signed by the undersigned personally,
authorizing and requesting you to pay and credit such amount to the said Company or
_____, debiting my account and failure to pay shall give no liability on your part,
regardless of the loss or damage.

If the financial institution indicated above is not a bank in which THE BANK ACT OF CANADA applies,
"cheque" as used in this authorization shall include an "Order" that would be a cheque within the meaning
of section 165 in THE BILLS OF EXCHANGE ACT (CANADA).

Any delivery of this authorization to you will constitute delivery by the undersigned.

(The signature appearing below must be the same as the signature appearing in the signature file of the financial institution
identified above.)

DATE: _____ 20 _____ AUTHORIZED SIGNATURE(S) _____

SCHEDULE "F"
PROHIBITED USES

The Tenant acknowledges and agrees that it will not allow or cause the use of any part of the Leased Premises for any of the following businesses or activities:

1. the sale of secondhand goods or surplus articles, insurance salvage stock, fire sale stock or bankruptcy stock;
2. the sale of food or beverages;
3. an auction, bulk sale (other than a bulk sale made to an assignee or sublessee pursuant to a permitted assignment or subletting hereunder);
4. liquidation sale, "going out of business" or bankruptcy sale, or warehouse sale;
5. any advertising or selling procedures which would, or any sale or business conduct or practice which would, because of the merchandising methods or quality of operation likely to be used, in either case in the Landlord's opinion, tend to lower the character of the Shopping Centre or harm or tend to harm the business or reputation of the Landlord or reflect unfavourably on the Shopping Centre, the Landlord or other tenants in the Shopping Centre or tend to confuse, deceive, mislead or be fraudulent to the public;
6. a mail order business or a department store; junior department store or variety store;
7. a dollar store or armed services surplus store;
8. the sale of firecrackers or fireworks; and
9. a deposit taking or loaning financial institution or other organization, including, without limitation, a mortgage, insurance, investment, or trust company or credit union making loans or selling retirement savings plans or income savings plans pursuant to the *Income Tax Act*.

SCHEDULE "G"

ADDITIONAL PROVISIONS

1. Option to Extend Term

The Tenant shall be entitled to extend the Term of this Lease for a further period of five (5) years (the "Extension Term") commencing on the day after the expiry date of the original Term, provided that, as preconditions to the Tenant exercising such option, the Tenant shall:

- (a) have duly and regularly performed all of the covenants, terms and conditions on its part to be performed in this Lease; and
- (b) have given written notice to the Landlord of the exercise of this option at least six (6) months prior to the expiry of the original Term.

The Extension Term shall be on the same terms and conditions as set out in this Lease, save and except that:

- (i) there shall be no further or other option of extension or renewal;
- (ii) there shall be no tenant allowance, inducement, rent free period or fixturing period, and no obligation by the Landlord to perform or complete any Landlord's Work or other construction or renovations in the Leased Premises;
- (iii) the Minimum Rent shall be in such amount as the Landlord and the Tenant may agree; and
- (iv) if required by the Landlord, the Tenant agrees to undertake, at its sole expense, renovations to the Leased Premises as deemed necessary by the Landlord, acting reasonably, and all such renovations by the Tenant shall be professionally executed and shall be subject to the Landlord's prior written consent.

In the event that the Landlord and the Tenant are unable to agree upon the Minimum Rent to be paid by the Tenant during the Extension Term by a date which is three (3) months prior to the expiry of the original Term, or if the Tenant fails to give the appropriate notice within the time limit set out herein for extending the Term, then the within option to extend the Term of this Lease shall be null and void and of no further force or effect, and the Tenant shall surrender the Leased Premises to the Landlord upon the expiry of the original Term in accordance with the terms of this Lease.

2. Minimum Rent Free Period

Notwithstanding anything to the contrary contained in this Lease, the Tenant shall not be obligated to pay Minimum Rent during the first one (1) month of the Term (the "Minimum Rent Free Period"), provided that during the Minimum Rent Free Period, the Tenant shall be bound by all of the other terms, covenants and conditions contained in this Lease including, without limitation, the obligation to pay all Additional Rent due and payable hereunder. However, if this Lease is disclaimed pursuant to Section 65.2(1) of the Bankruptcy and Insolvency Act, as amended or replaced from time to time (the "Act"), then for the purposes of Section 65.2(4) of the Act, the Tenant's obligation to pay Minimum Rent for the whole of the Minimum Rent Free Period will be deemed to have been reinstated effective as of the day before the effective date of the disclaimer of this Lease, and the Minimum Rent payable under this Lease shall be deemed to be the Minimum Rent payable under Section 3.01 of this Lease for the entire Term.

3. Tenant Allowance

- (a) Provided the Tenant is in occupation of the whole of the Leased Premises and is not then in default under the terms of this Lease, the Landlord will pay to the Tenant the sum of Twenty Dollars (\$20.00) per square foot of the Rentable Area of the Leased Premises, plus GST, as an allowance (the "Tenant Allowance") to be applied towards the actual cost of constructing leasehold improvements within the Leased Premises. The Tenant Allowance shall be payable upon the last to occur of the following:
 - (i) the date the Tenant opens its business in the whole of the Leased Premises fully fixtured, stocked and staffed;
 - (ii) execution of this Lease by both the Landlord and the Tenant;
 - (iii) the Commencement Date;

- (iv) delivery to the Landlord of a clearance certificate issued under the Workers' Compensation Act in respect of each contractor and subcontractor who did work in connection with the Tenant's Work in the Leased Premises;
- (v) compliance by the Tenant, in the opinion of the Landlord's Architect, with the Tenant's obligations under Schedule "C" and the plans and specifications that have been approved by the Landlord;
- (vi) delivery of a notarized statutory declaration from a senior officer of the Tenant, confirming that (A) all accounts in respect of the Tenant's Work have been paid in full, and (B) all holdback periods, referred to in the construction lien provisions of the applicable legislation in the Province in which the Shopping Centre is located, have expired;
- (vii) delivery to the Landlord of certificates evidencing the placement of insurance by the Tenant as required in accordance with this Lease;
- (viii) receipt by the Landlord of a written request from the Tenant for the Tenant Allowance; and
- (ix) delivery to the Landlord of proof satisfactory to the Landlord that the Tenant has expended at least Twenty Dollars (\$20.00) per square foot of the Rentable Area of the Leased Premises, plus GST, toward construction of leasehold improvements within the Leased Premises. In the event that the actual cost of completing the construction of leasehold improvements within the Leased Premises is less than Twenty Dollars (\$20.00) per square foot of the Rentable Area of the Leased Premises, plus GST, then the Tenant Allowance shall be reduced to an amount equal to the actual cost thereof.

(b) If at any time during the original Term of this Lease:

- (i) this Lease is terminated by reason of a default by the Tenant hereunder; or
- (ii) the Tenant has become bankrupt or insolvent or has taken the benefit of any statute for bankrupt or insolvent debtors, or has filed a proposal, or has made an assignment for the benefit of creditors or any arrangement or compromise,

then in such event, and without prejudice to any of the Landlord's other rights and remedies available to it under this Lease and at law, the unamortized portion of the Tenant Allowance calculated from the Commencement Date on the basis of an assumed rate of depreciation on a straight line basis to zero over the original Term of this Lease, shall immediately become due and payable to the Landlord as Additional Rent.

4. Exclusive Covenant

So long as:

- (a) the Tenant is SHS Optical Ltd. and is in occupation of, and operating in, the whole of the Leased Premises;
- (b) the Leased Premises are being used for the purpose set out in paragraph (e) of the Special Provisions of this Lease; and
- (c) the Tenant is not, and has not been, in default beyond any applicable cure period provided for in this Lease,

then the Tenant shall have the exclusive right in the Shopping Centre (as it is constituted as of May 18, 2006) to operate the principal or primary business of the retail sale of eyeglasses, contact lenses and associated items. It is agreed that the foregoing restriction:

- (i) shall not prohibit the sale or rental of such items, the provision of such services or the operation of such a business by other tenants or occupants of the Shopping Centre on an ancillary, incidental or other non-principal or non-primary basis;
- (ii) shall not apply to any leases, offers to lease or agreements to lease in respect of premises in the Shopping Centre provided such agreements already exist as of May 18, 2006, as such agreements may be amended or transferred from time to time in accordance with the terms thereof;
- (iii) shall not apply to any persons or entities already in possession of premises in the Shopping Centre as of May 18, 2006 nor to their successors or assigns;

- (iv) shall not apply to any tenants in the Shopping Centre occupying premises of four thousand (4,000) square feet or more; and
- (v) shall not apply to any expansion of the Shopping Centre after May 18, 2006, whether such expansion occurs by way of new construction, redevelopment or acquisition of nearby lands.

It is further agreed that neither party shall be obliged to enforce the provisions contained in this paragraph against any person or entity if by doing so either party shall be in breach of any laws, rules, regulations or enactments from time to time in force, it being understood and agreed by the parties hereto that the provisions of this paragraph are not intended to apply or to be enforceable to the extent that such provisions would give rise to an offence under the *Competition Act (Canada)* or any statute that may be substituted therefor or may be enacted with similar intent, as from time to time amended.

5. Pylon Sign

Subject to any pre existing rights of the other tenants of the Shopping Centre, the Tenant shall have the right to representation on the panel on the common pylon sign which currently exists on the Shopping Centre, which specific position shall be determined by the Landlord, acting reasonably. The Tenant shall be responsible for all costs related to such sign, including, without limitation, the design, graphics, manufacture, installation, repair, replacement and removal thereof. The Tenant shall be required to submit graphics for the Landlord's review and approval prior to the installation of such sign. Further, the Tenant's sign shall comply with all applicable municipal by laws and regulations.

APPENDIX "A"
INDEMNITY AGREEMENT

THIS AGREEMENT is dated this 19th day of June, 2006.

BETWEEN:

RIOCAN (CLARKSON) INC.

(the "Landlord")

- and -

BRUCE BERGEZ

(the "Indemnifier")

In order to induce the Landlord to sign the lease between the Landlord and **SHS Optical Ltd.**, as Tenant, made the 19th day of June, 2006, (the "Lease"), the Indemnifier agrees with the Landlord that:

1. Throughout the Term of the Lease and any extension or renewal, the Indemnifier will (i) promptly pay all Rent and any other amounts payable by the Tenant under the Lease, whether to the Landlord or anyone else; (ii) promptly perform each and every obligation of the Tenant under the Lease; and (iii) indemnify and protect the Landlord from any losses or costs incurred by the Landlord (including legal fees) if the Tenant fails to pay the Rent or other amounts or to perform any of its obligations under the Lease.
2. Even if there is an Early Termination, the Indemnifier will remain obligated under this Agreement throughout the Term and any renewals or extensions as though the Early Termination had not occurred. An "Early Termination" means a disaffirmance, disclaimer, repudiation, rejection or termination of the Lease (as a result of court proceedings or otherwise), or a surrender of the Lease which the Landlord did not accept in writing, which occurs prior to the originally specified expiry date of the Term or renewal or extension. If there is an Early Termination, the Indemnifier will, at the Landlord's option, become the Landlord's tenant on the terms of the Lease.
3. This indemnity is absolute and unconditional. The Indemnifier's obligations under this Agreement will not be affected by (a) any modifications to the Tenant's rights or obligations under the Lease; (b) the fact that the Landlord does not enforce any of the terms of the Lease; (c) any Transfer of the Lease by the Tenant or by any trustee, receiver or liquidator; (d) any consent which the Landlord gives to any Transfer; (e) any waiver by the Tenant of its rights under the Lease; (f) any additional security accepted by the Landlord from the Tenant; (g) the expiry of the Term or any extension or renewal thereof; (h) the release or discharge of the Tenant by the Landlord or in any receivership, bankruptcy, winding-up or other creditors' proceedings or by operation of law; or (i) lack of notice of any of the foregoing. The Indemnifier's obligations will not be affected by any repossession of the Leased Premises by the Landlord, except that if the Landlord re-lets the Leased Premises then the payments received by the Landlord (after deducting all costs and expenses of repossessing and reletting the Leased Premises) will be credited by the Landlord against the Indemnifier's obligations under this Agreement.
4. The Landlord is not required to notify the Indemnifier that the Landlord has accepted this Agreement or that the Tenant has failed to perform any of its obligations under the Lease. Nevertheless, if the Landlord wishes to send any notice to the Indemnifier, it will deliver it or mail it by prepaid registered mail addressed to the Indemnifier at **286 York Road, Dundas, Ontario L9H 6L8** or, at the Landlord's option, at the Leased Premises. Any notice will be considered to have been given on the day it was delivered, or if mailed, three (3) days after the date it was mailed. The Indemnifier may notify the Landlord in writing of a substitute address for the above address. If two or more parties are named as Indemnifier, the Landlord may give any notice to be given to the Indemnifier to only one of the parties, and in doing so both of them will be considered to have been notified.
5. If there is a default under the Lease or under this Agreement, the Landlord will not be required to (a) proceed against or pursue anything against the Tenant first; (b) proceed against any security of the Tenant held by the Landlord; or (c) pursue any other remedy whatsoever. The Indemnifier is not a mere guarantor; the Indemnifier is primarily responsible for the Tenant's obligations under the Lease.
6. Even though the Landlord may have already taken action against the Indemnifier under this Agreement because of a default under the Lease, and whether or not that action has succeeded or been completed, the Landlord may take further action against the Indemnifier under this Agreement if there is any further default under the Lease.

APP-A-1

INITIALS
Landlord Tenant

7. This indemnity can only be modified in writing, signed by both the Indemnifier and the Landlord.
8. If two or more parties are named as Indemnifier, each party is responsible for the obligations of the Indemnifier, both individually and together with the others.
9. All of the terms of this Agreement apply to the Indemnifier and to his or her heirs, executors, administrators, personal legal representatives, successors and assigns, and may be enforced by the Landlord, its successors and assigns, and any holder of any mortgage or charge over all or any part of the lands on which the Leased Premises are located. This Agreement may be assigned by the Landlord free of any equities.
10. The expressions "Rent", "Term", "Transfer" and "Leased Premises" used in this Agreement have the meanings they are given in the Lease.
11. This Agreement will be governed by the laws of the Province in which the Shopping Centre is located.

THE LANDLORD AND INDEMNIFIER HAVE SIGNED BELOW, to confirm the terms of this Agreement.

SIGNED, SEALED AND DELIVERED
In the Presence of:

RIOCAN (CLARKSON) INC.

(Landlord)

Per: _____

Authorized Signature

Per: _____

Authorized Signature

I/We have authority to bind the corporation.

Witness as to the signature of:
Bruce Bergez

Mike McElong
Signature of Witness

MIKE MCELONG
Name of Witness (please print)

320 CONCESSION
Address of Witness

Bruce Bergez

BRUCE BERGEZ

(Indemnifier)

X

LEASE

(COMMERCIAL)

Made the 9th day of May, 2007

BETWEEN

OURANIA HATZIS

(the "Landlord")

-and-

SHS OPTICAL LTD.
operating as Great Glasses

(the "Tenant")

In consideration of the rents, covenants and obligation stipulated herein the Landlord and the Tenant have agreed to enter into a Lease of the premises known municipally as 393 Danforth Avenue, City of Toronto, with rentable area of approximately 1,260 square feet comprising all of the main floor and basement (save and except the storage area presently used by the second floor tenant 1692340 Ontario Ltd.), in an "as is" condition, inclusive of fixtures, furniture and sundry items as seen and as photographed (the "Premises").

1. GRANT OF LEASE

- (1) The Landlord leases the Premises to the Tenant:
 - (a) at the Rent set forth in Section 2;
 - (b) for the Term set forth in Section 3; and
 - (c) subject to the conditions and in accordance with the covenants, obligations and agreements herein.
- (2) The Landlord covenants that he has the right to grant the leasehold interest in the Premises free from encumbrances except as disclosed on title.

2. RENT

- (1) Rent means the amounts payable by the Tenant to the Landlord pursuant to this Section and includes Additional Rent.
- (2) The Tenant covenants to pay to the Landlord, during the Term of this Lease rent as follows:
 - (a) during the Term, the sum of \$51,600.00 plus G.S.T. per annum, payable monthly in advance in equal instalments of \$4,300.00 plus G.S.T. on the 1st day of each and every month, commencing on the first day of the Term, i.e. July 1, 2007.
- (3) The Tenant further covenants to pay all other sums required by this Lease to be paid by him and agrees that all amounts payable by the Tenant to the Landlord or to any other party pursuant to the provisions of this Lease shall be deemed to be additional rent ("Additional Rent") whether or not specifically designated as such in this Lease.
- (4) The Landlord and the Tenant agree that it is their mutual intention that this Lease shall be a completely carefree NET lease for the Landlord and that the Landlord shall not, during the Term of this Lease, be required to make any payments in respect of the Premises other than charges of a kind personal to the Landlord (such as income and estate taxes and mortgage payments):
 - (a) and to effect the said intention of the parties the Tenant promises to pay the following expenses related to the Premises as Additional Rent:

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- (i) Tenant's own utilities (including but not limited to gas, electricity, hot water, heat, air- conditioning);
 - (ii) 20% of the water/sewage account;
 - (iii) services supplied to the Premises, provided that this does not in any way oblige the Landlord to provide any services unless otherwise agreed in this Lease;
 - (iv) maintenance;
 - (v) insurance premiums;
 - (vi) any tax or duty imposed upon, or collectable by the Landlord which is measured by or based in whole or in part directly upon the Rent including, without limitation, the goods and services tax, value added tax, business transfer tax, retail sales tax, federal sales tax, excise tax or duty or any tax similar to any of the foregoing; and
 - (vii) 60% of the entire real property tax bills, rates, duties and assessments including such portion of real property taxes formerly known as business taxes. The Landlord shall have the right to determine the assessment value of the Premises acting reasonably, bearing in mind, current principles of assessment, previous assessments and the proportionate share that the rentable area of the Premises is to the total rentable area of all premises in the building of which the Premises forms a part (if applicable). The assessment value of the Premises as determined aforesaid shall be multiplied by the current tax rate of the Premises to determine the real property taxes payable as Additional Rent;
 - (b) and if any of the foregoing charges are invoiced directly to the Tenant, the Tenant shall pay same as and when they become due and produce proof of payment to the Landlord immediately if requested to do so, but the Tenant may contest or appeal any such charges at the Tenant's own expense;
 - (c) and the Tenant hereby agrees to indemnify and protect the Landlord from any liability accruing to the Landlord in respect of the expenses payable by the Tenant as provided herein;
 - (d) and if the Tenant fails to make any of the payments required by this Lease then the Landlord may make such payments and charge to the Tenant as Additional Rent the amounts paid by the Landlord, and if such charges are not paid by the Tenant on demand the Landlord shall be entitled to the same remedies and may take the same steps for recovery of the unpaid charges as in the event of Rent in arrears;
 - (e) and if the Tenant enjoys the use of any common areas and facilities not included in the Premises, the Tenant shall pay his proportionate share of the foregoing expenses relating to such common areas and facilities.
- (5) Prior to the commencement of each lease year, the Landlord shall notify the Tenant of its reasonable and bona fide estimate of Additional Rent for that lease year. The Tenant shall pay such estimated amount in equal monthly instalments in advance on the same dates stipulated for payment of Rent in Section 2 (2). From time to time during lease year the Landlord may, acting reasonably, re-estimate the amount of the Additional Rent and shall fix monthly instalments for the then remaining balance of the lease year that the Landlord's estimate, original or revised, of Additional Rent will have been entirely paid during that lease year. The Landlord shall make a final determination of Additional Rent for the relevant lease year within 120 days of the Landlord's financial year end, which shall be binding upon both parties and shall provide the Tenant with a statement of the Additional Rent for the relevant lease year. The Landlord and the Tenant shall expeditiously make any necessary readjusting payment; provided that the Tenant may not claim a re-adjustment based solely upon any error of estimation, determination or calculation unless claimed in writing within six months after the lease year to which the claim relates.
- (6) All payments to be made by the Tenant pursuant to this Lease shall be delivered to the Landlord at the Landlord's address for service set out in Section 15 or to such other place as the Landlord may from time to time direct in writing.

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- (7) The Landlord acknowledges receipt of deposit in the sum of \$10,870.98 representing the first and last months' Rent and realty taxes payable under Section 2 (2) of this Lease.
- (8) All Rent in arrears and all sums paid by the Landlord for expenses incurred which should have been paid by the Tenant shall bear interest from the date payment was due, or made, or expense incurred at a rate per annum equal to the prime commercial lending rate of the Landlord's bank plus two (2) per cent.
- (9) The Tenant acknowledges and agrees that the payment of Rent and Additional Rent provided for in this Lease shall be made without any deductions for any reason whatsoever unless expressly allowed by the terms of this Lease or agreed to by the Landlord in writing; and
 - (a) no partial payment by the Tenant which is accepted by the Landlord shall be considered as other than a partial payment on account of Rent owing and shall not prejudice the Landlord's right to recover any Rent owing.

3. TERM AND POSSESSION

- (1) The Tenant shall have possession of the Premises for a period of ten (10) years, commencing on the 1st day of July, 2007, ending on the 30th day of, June, 2017, (the "Term").
- (2) Subject to the Landlord's rights under this Lease, and as long as the Lease is in good standing the Landlord covenants that the Tenant shall have quiet enjoyment of the Premises during the Term of this Lease without any interruption or disturbance from the Landlord or any other person or persons lawfully claiming through the Landlord.
- (3) If the Tenant fails to take possession of the Premises or to open for business on or before the date specified for commencement of the Term of this Lease, the Landlord shall, in addition to any other remedies, have the right to terminate this Lease upon 24 hours written notice to the Tenant, and to recover from the Tenant the cost of all work done by the Landlord on behalf of the Tenant.
- (4) If for reasons beyond the Landlord's control, vacant possession of the Premises cannot be given to the Tenant on the commencement date of the Term of the Lease, the Lease shall remain in effect but the Tenant shall not be required to pay Rent until the date when possession is actually given to the Tenant;
 - (a) but if possession is not given within ninety (90) clear days from the commencement date of this Lease either party may terminate this Lease by written notice to the other;
 - (b) and any delay in the actual occupation by the Tenant of the Premises shall not extend the Term of the Lease.
- (5) The Tenant agrees to allow the second floor tenant access through the first floor to the second floor tenant's part of the basement upon verbal notice given by the second floor tenant within a reasonable time period prior to that access.

4. OPTION TO RENEW

The Tenant shall have the option to renew the Lease for two (2) further periods of five (5) years each by giving written notice of renewal three hundred and sixty (360) days prior to the expiration of the original Term or the first renewal term, as the case may be. The renewal lease will be on the terms and conditions satisfactory to the Tenant, provided that the Tenant and the Landlord agree to the terms and conditions not less than three hundred and sixty (360) days prior to the expiry of the original Lease or the first renewal lease, except for rent which shall be at the fair market value. If an agreement cannot be reached prior to the expiry of the original Term or the first renewal term aforesaid, the fixed minimum rent for the first renewal term or second renewal term shall be referred to and settled by a single arbitrator agreed upon by both parties and his/her decision will be final and binding on both parties with no right of appeal. There shall be no further right of renewal.

PH 22

5. ASSIGNMENT

- (1) The Tenant shall not assign this Lease or sublet the whole or any part of the Premises unless he first obtains the consent of the Landlord in writing, which consent shall not unreasonably be withheld, and the Tenant hereby waives his right to the benefit of any present or future Act of the Legislature of Ontario which would allow the Tenant to assign this Lease or sublet the Premises without the Landlord's consent.
- (2) The consent of the Landlord to any assignment or subletting shall not operate as a waiver of the necessity for consent to any subsequent assignment or subletting.
- (3) Any consent granted by the Landlord shall be conditional upon the assignee, sublessee or occupant executing a written agreement directly with the Landlord agreeing to be bound by all the terms of this Lease as if the assignee, sublessee or occupant had originally executed this Lease as Tenant.
- (4) Any consent given by the Landlord to any assignment or other disposition of the Tenant's interest in this Lease or in the Premises shall not relieve the Tenant from his obligations under this Lease, including the obligation to pay Rent and Additional Rent as provided for herein.
- (5) If the party originally entering into this Lease as Tenant, or any party who subsequently becomes the Tenant by way of assignment or sublease or otherwise as provided for in this Lease, is a corporation, then:
 - (a) the Tenant shall not be entitled to deal with its authorized or issued capital or that of an affiliated company in any way that results in a change in the effective voting control of the Tenant unless the Landlord first consents in writing to the proposed change, which consent shall not be unreasonably withheld;
 - (b) if any change is made in the control of the Tenant corporation without the written consent of the Landlord then the Landlord shall be entitled to treat the Tenant as being in default and to exercise the remedies stipulated in Section 10 (2) of this Lease and any other remedies available in law;
 - (c) the Tenant agrees to make available to the Landlord or his authorized representatives the corporate books and records of the Tenant for inspection at reasonable times.

6. USE

- (1) During the Term of this Lease the Premises shall not be used for any purpose other than "a commercial/retail eye-glass store" without the express consent of the Landlord given in writing.
- (2) The Tenant shall not do or permit to be done at the Premises anything which may:
 - (a) constitute a nuisance;
 - (b) cause damage to the Premises;
 - (c) cause injury or annoyance to occupants of neighbouring premises;
 - (d) make void or voidable any insurance upon the Premises; or
 - (e) constitute a breach of any by-law, statute, order or regulation of any municipal, provincial or other competent authority relating to the Premises.

7. REPAIR AND MAINTENANCE

- (1) The Tenant covenants that during the term of this Lease and any renewal thereof the Tenant shall keep in good condition the Premises including all alterations and additions made thereto, and shall, with or without notice, promptly make all needed repairs and all necessary replacements as would a prudent owner, but the Tenant shall not be liable to effect repairs attributable to reasonable wear and tear, or to damage cause by fire, lightning or storm.

PH 32

- (2) The Tenant shall permit the Landlord or a person authorized by the Landlord to enter the Premises to examine the condition thereof and view the state of repair at reasonable times:
 - (a) and if upon such examination repairs are found to be necessary, written notice of the repairs required shall be given to the Tenant by or on behalf of the Landlord and the Tenant shall make the necessary repairs within the time specified in the notice;
 - (b) and if the Tenant refuses or neglects to keep the Premises in good repair the Landlord may, but shall not be obliged to, make any necessary repairs, and shall be permitted to enter the Premises, by himself or his servants or agents, for the purpose of effecting the repairs without being liable to the Tenant for any loss, damage or inconvenience to the Tenant in connection with the Landlord's entry and repairs, and if the Landlord makes repairs the Tenant shall pay the cost of them immediately as Additional Rent.
- (3) Upon the expiry of the Term or other determination of this Lease the Tenant agrees peaceably to surrender the Premises, including any alterations or additions made thereto, to the Landlord in a state of good repair, reasonable wear and tear and damage by fire, lightning and storm only excepted.
- (4) The Tenant shall immediately give written notice to the Landlord of any substantial damage that occurs to the Premises from any cause.
- (5) The Landlord warrant that the HVAC system is in working condition as of the date of possession.

8. ALTERATIONS AND ADDITIONS

- (1) If the Tenant, during the Term of this Lease or any renewal of it, desires to make any alterations or additions to the Premises, including but not limited to: erecting partitions, attaching equipment, and installing necessary furnishings or additional equipment of the Tenant's business, the Tenant may do so at his own expense, at any time and from time to time, if the following conditions are met:
 - (a) before undertaking any alteration or addition the Tenant shall submit to the Landlord a plan showing the proposed alterations or additions and items included in the plan which are regarded by the Tenant as "Trade Fixtures" shall be designated as such on the plan, and the Tenant shall not proceed to make any alteration or addition unless the Landlord has approved the plan, and the Landlord shall not unreasonably or arbitrarily withhold his approval;
 - (b) any and all alterations or additions to the Premises made by the Tenant must comply with all applicable building code standards and by-laws of the municipality in which the Premises are located.
- (2) The Tenant shall be responsible for and pay the cost of any alterations, additions, installations or improvements that any governing authority, municipal, provincial or otherwise, may require to be made in, on or to the Premises.
- (3) No sign, advertisement or notice shall be inscribed, painted or affixed by the Tenant, or any other person on the Tenant's behalf, on any part of the inside or outside of the building in which the Premises are located unless the sign, advertisement or notice has been approved in every respect by the Landlord.
- (4) All alterations and additions to the Premises made by or on behalf of the Tenant, other than the Tenant's Trade Fixtures, shall immediately become the property of the Landlord without compensation to the Tenant.
- (5) The Tenant agrees, at his own expense and by whatever means may be necessary, immediately to obtain the release or discharge of any encumbrance that may be registered against the Landlord's property in connection with any additions or alterations to the Premises made by the Tenant or in connection with any other activity of the Tenant.

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- (6) If the Tenant has complied with his obligations according to the provisions of this Lease, the Tenant may remove his Trade Fixtures at the end of the Term or other termination of this Lease and the Tenant covenants that he will make good and repair or replace as necessary any damage caused to the Premises by the removal of the Tenant's Trade Fixtures.
- (7) Other than as provided in paragraph 7 (6) above, the Tenant shall not, during the Term of this Lease or anytime thereafter remove from the Premises any Trade Fixtures or other goods and chattels of the Tenant except in the following circumstances:
 - (a) the removal is in the ordinary course of business;
 - (b) the Trade Fixture has become unnecessary for the Tenant's business or is being replaced by a new or similar Trade Fixture; or
 - (c) the Landlord has consented in writing to the removal;

but in any case the Tenant shall make good any damage caused to the Premises by the installation or removal of any Trade Fixtures, equipment, partitions, furnishings and any other objects whatsoever brought onto the Premises by the Tenant.

- (8) The Tenant shall, at his own expense, if requested by the Landlord, remove any or all additions or improvements made by the Tenant to the Premises during the Term and shall repair all damage caused by the installation or the removal or both.
- (9) The Tenant shall not bring onto the Premises or any part of the Premises any machinery, equipment or any other thing that might in the opinion of the Landlord, by reason of its weight, size or use, damage the Premises or overload the floors of the Premises, and if the Premises are damaged or overloaded the Tenant shall restore the Premises immediately or pay to the Landlord the cost of restoring the Premises.

9. INSURANCE

- (1) During the Term of this Lease and any renewal thereof the Landlord shall maintain with respect to the Premises, insurance coverage insuring against:
 - (a) loss or damage by fire, lightning, storm and other perils that may cause damage to the Premises or the property of the Landlord in which the Premises are located as are commonly provided for as extended perils coverage or as may be reasonably required and obtained by the Landlord, and the insurance policy shall provide coverage on a replacement cost basis in an amount sufficient to cover the cost of all signs and leasehold improvements;
 - (b) liability for bodily injury or death or property damage sustained by third parties up to such limits as the Landlord in his sole discretion deems advisable;
 - (c) rental income protection insurance with respect to fire and other perils to the extent of one year's Rent payable under this Lease;

but such insurance and any payment of the proceeds thereof to the Landlord shall not relieve the Tenant of its obligations to continue to pay Rent during any period of rebuilding, replacement, repairing or restoration of the Premises except as provided in Section 9.

- (2) The Tenant covenants to keep the Landlord indemnified against all claims and demands whatsoever by any person, whether in respect of damage to person or property, arising out of or occasioned by the maintenance, use or occupancy of the Premises or the subletting or assignment of same or any part thereof. And the Tenant further covenants to indemnify the Landlord with respect to any encumbrance on or damage to the Premises occasioned by or arising from the act, default, or negligence of the Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees and the Tenant agrees that the foregoing indemnity shall survive the termination of this Lease notwithstanding any provisions of this Lease to the contrary.

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- (3) The Tenant shall carry insurance in his own name to provide coverage with respect to the risk of business interruption to an extent sufficient to allow the Tenant to meet his ongoing obligations to the Landlord and to protect the Tenant against loss of revenues.
- (4) The Tenant shall carry insurance in his own name insuring against the risk of damage to the Tenant's property within the Premises caused by fire or other perils and the policy shall provide for coverage on a replacement cost basis to protect the Tenant's stock-in-trade, equipment, Trade Fixtures, decorations and improvements.
- (5) The Tenant shall carry public liability and property damage insurance in which policy the Landlord shall be a named insured and the policy shall include a cross-liability endorsement;
- (6) The Tenant shall provide the Landlord with a copy of the above policies.

10. DAMAGE TO THE PREMISES

- (1) If the Premises or the building in which the Premises are located, are damaged or destroyed, in whole or in part, by fire or other peril, then the following provisions shall apply:
 - (a) if the damage or destruction renders the Premises unfit for occupancy and impossible to repair or rebuild using reasonable diligence within 120 clear days from the happening of such damage or destruction, then the Term hereby granted shall cease from the date the damage or destruction occurred, and the Tenant shall immediately surrender the remainder of the Term and give possession of the Premises to the Landlord, and the Rent from the time of the surrender shall abate;
 - (b) If the Premises can with reasonable diligence be repaired and rendered fit for occupancy within 120 days from the happening of the damage or destruction, but the damage renders the Premises wholly unfit for Occupancy, then the Rent hereby reserved shall not accrue after the day that such damage occurred, or while the process of repair is going on, and the Landlord shall repair the Premises with all reasonable speed, and the Tenant's obligation to pay Rent shall resume immediately after the necessary repairs have been completed;
 - (c) If the Premises can be repaired within 120 days as aforesaid, but the damage is such that the Premises are capable of being partially used, then until such damage has been repaired, the Tenant shall continue in possession and the Rent shall abate proportionately.
- (2) Any question as to the degree of damage or destruction or the period of time required to repair or rebuild shall be determined by an architect retained by the Landlord.
- (3) Apart from the provisions of Section 9 (1) there shall be no abatement from or reduction of the Rent payable by the Tenant, nor shall the Tenant be entitled to claim against the Landlord for any damages, general or special, caused by fire, water, sprinkler systems, partial or temporary failure or stoppage of services or utilities which the Landlord is obliged to provide according to this Lease, from any cause whatsoever.

11. ACTS OF DEFAULT AND LANDLORD'S REMEDIES

- (1) An Act of Default has occurred when:
 - (a) the Tenant has failed to pay Rent for a period of 15 consecutive days, regardless of whether demand for payment has been made or not;
 - (b) the Tenant has breached his covenants or failed to perform any of his obligations under this Lease; and

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- (i) the Landlord has given notice specifying the nature of the default and the steps required to correct it; and
 - (ii) the Tenant has failed to correct the defect as required by the notice;
 - (c) the Tenant has;
 - (i) become bankrupt or insolvent or made an assignment for the benefit of Creditors;
 - (ii) had its property seized or attached in satisfaction of a judgment;
 - (iii) had a receiver appointed;
 - (iv) committed any act or neglected to do anything with the result that a Construction Lien or other encumbrance is registered against the Landlord's property;
 - (v) without the consent of the Landlord, made or entered into an agreement to make a sale of its assets to which the Bulk Sales Act applies;
 - (vi) taken action if the Tenant is a corporation, with a view to winding up, dissolution or liquidation;
 - (d) any insurance policy is canceled or not renewed by reason of the use or occupation of the Premises, or by reason of non-payment of premiums;
 - (e) the Premises;
 - (i) become vacant or remain unoccupied for a period of 30 consecutive days; or
 - (ii) (ii) are not open for business on more than thirty (30) business days in any twelve (12) month period or on any twelve (12) consecutive business days;
 - (iii) are used by any other person or persons, or for any other purpose than as provided for in this Lease without the written consent of the Landlord.
- (2) When an Act of Default on the part of the Tenant has occurred:
- (i) the current month's Rent together with the next three months' Rent shall become due and payable immediately; and
 - (ii) the Landlord shall have the right to terminate this Lease and to re-enter the Premises and deal with them as he may choose.
- (3) If, because an Act of Default has occurred, the Landlord exercises his right to terminate this Lease and re-enter the Premises prior to the end of the Term, the Tenant shall nevertheless be liable for payment of Rent and all other amounts payable by the Tenant in accordance with the provisions of this Lease until the Landlord has re-let the Premises or otherwise dealt with the Premises in such manner that the cessation of payments by the Tenant will not result in loss to the Landlord, and the Tenant agrees to be liable to the Landlord, until the end of the Term of this Lease for payment of any difference between the amount of Rent hereby agreed to be paid for the Term hereby granted and the Rent any new tenant pays to the Landlord.
- (4) The Tenant covenants that notwithstanding any present or future Act of the Legislature of the Province of Ontario, the personal property of the Tenant during the Term of this Lease shall not be exempt from levy by distress for Rent in arrears:
- (a) and the Tenant acknowledges that it is upon the express understanding that there should be no such exemption that this Lease is entered into, and by executing this Lease:
 - (i) the Tenant waives the benefit of any such legislative provisions which might otherwise be available to the Tenant in the absence of this agreement; and

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- (ii) the Tenant agrees that the Landlord may plead this covenant as an estoppel against the Tenant if an action is brought to test the Landlord's right to levy distress against the Tenant's property.
- (5) If, when an Act of Default has occurred, the Landlord chooses not to terminate the Lease and re-enter the Premises, the Landlord shall have the right to take any and all necessary steps to rectify any or all Acts of Default of the Tenant and to charge the costs of such rectification to the Tenant and to recover the costs as Rent.
- (6) If, when an Act of Default has occurred, the Landlord chooses to waive his right to exercise the remedies available to him under this Lease or at law the waiver shall not constitute condonation of the Act of Default, nor shall the waiver be pleaded as an estoppel against the Landlord to prevent his exercising his remedies with respect to subsequent Act of Default. No covenant, term, or condition of this Lease shall be deemed to have been waived by the Landlord unless the waiver is in writing and signed by the Landlord.

12. TERMINATION UPON NOTICE AND AT END OF TERM

- 1. If the Premises are expropriated or condemned by any competent authority:
 - 1. the Landlord shall have the right to terminate this Lease by giving ninety (90) clear days' notice in writing to the Tenant; or
 - 2. the Landlord may require the Tenant to vacate the Premises within thirty (30) days from payment by the Landlord to the Tenant of a bonus equal to three months' rent, but payment of the said bonus shall be accompanied or preceded by written notice from the Landlord to the Tenant advising of the Landlord's intent to exercise this option.
- 2. The Tenant agrees to permit the Landlord during the last three months of the Term of this Lease to display "For Rent" or "For Sale" signs or both at the Premises and to show the Premises to prospective new tenants or purchasers and to permit anyone having written authority of the Landlord to view the Premises at reasonable hours.
- 3. If the Tenant remains in possession of the Premises after termination of this Lease as aforesaid and if the Landlord then accepts rent for the Premises from the Tenant, it is agreed that such overholding by the Tenant and acceptance of Rent by the Landlord shall create a monthly tenancy only but the tenancy shall remain subject to all the terms and conditions of this Lease except those regarding the Term.

13. ACKNOWLEDGEMENT BY TENANT

The Tenant agrees that he will at any time or times during the Term, upon being given at least forty-eight (48) hours prior written notice, execute and deliver to the Landlord as statement in writing certifying:

- 1. that this Lease is unmodified and is in full force and effect (or if modified stating the modifications and confirming that the Lease is in full force and effect as modified);
- 2. the amount of Rent being paid;
- 3. the dates to which Rent has been paid;
- 4. other charges payable under this Lease which have been paid;
- 5. particulars of any prepayment of Rent or security deposits; and
- 6. particulars of any subtenancies.

211 (25)

14. SUBORDINATION AND POSTPONEMENT

1. This Lease and all the rights of the Tenant under this Lease are subject and subordinate to any and all charges against the land, buildings or improvements of which the Premises form part, whether the charge is in the nature of a mortgage, trust deed, lien or any other form of charge arising from the financing or re-financing, including extensions or renewals, of the Landlord's interest in the property.
2. Upon the request of the Landlord the Tenant will execute any form required to subordinate this Lease and the Tenant's rights to any such charge, and will, if required, attorn to the holder of the charge.
3. No subordination by the Tenant shall have the effect of permitting the holder of any charge to disturb the occupation and possession of the Premises by the Tenant as long as the Tenant performs his obligations under this Lease.

15. RULES AND REGULATIONS

The Tenant agrees on behalf of itself and all persons entering the Premises with the Tenant's authority or permission to abide by such reasonable rules and regulations that form part of this Lease and as the Landlord may make from time to time.

16. NOTICE

1. Any notice required or permitted to be given by one party to the other pursuant to the terms of this Lease may be given

To the Landlord at: 35 Don Valley drive
Toronto, Ontario
M4K 2J1

To the Tenant at the Premises or at: Great Glasses
286 York Road
Dundas, Ontario
L9H 6L8
Attention: Bruce Bergez

2. The above addresses may be changed at any time by giving ten (10) days written notice.
3. Any notice given by one party to the other in accordance with the provisions of this Lease shall be deemed conclusively to have been received on the date delivered if the notice is served personally or seventy-two (72) hours after mailing if the notice is mailed.

17. REGISTRATION

The Tenant shall not at any time register notice of or a copy of this Lease on title to the property of which the premises form part without consent of the Landlord.

18. INTERPRETATION

1. The words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender, and words importing persons shall include firms and corporations and vice versa.
2. Unless the context otherwise requires, the word "Landlord" and the word "Tenant" wherever used herein shall be construed to include the executors, administrators, successors and assigns of the Landlord and Tenant, respectively.
3. When there are two or more Tenants bound by the same covenants herein contained, their obligations shall be joint and several.

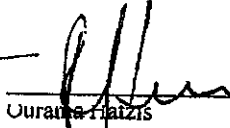
[Handwritten initials] *(B88)*

In Witness of the foregoing covenants the Landlord and the Tenant have executed this Lease.

Witness

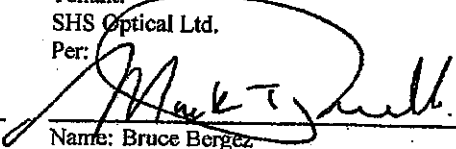
Landlord:


(As to signature of Landlord)


Ourania Hatzis

Tenant:
SHS Optical Ltd.
Per:

(As to signature of Tenant)


Name: Bruce Borgez
Title: President v. p.

I have authority to bind the corporation

CH 23

SCHEDULE OF RULES AND REGULATIONS FORMING PART OF THIS LEASE

The Tenant shall observe the following Rules and Regulations (as amended, modified or supplemented from time to time by the Landlord as provided in this Lease):

1. The sidewalks, entrances, elevators, stairways and corridors of the building shall not be obstructed or used by the Tenant, his agents, servants, contractors, invitees or employees for any purpose other than access to and from the Premises.
2. The floors, sky-lights and windows that reflect or admit light into passageways or into any place in the building shall not be covered or obstructed by the Tenant, and no awnings shall be put over any window.
3. The toilets, sinks, drains, washrooms and other water apparatus shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, ashes or other substances, such as chemicals, solvents, noxious liquids or pollutants shall be thrown therein, and any damage resulting to them from misuse shall be borne by the Tenant by whom or by whose employees, agents, servants, contractors or invitees the damage was caused.
4. In the event that the Landlord provides and installs a Public Directory Board inside the building, the Tenant's name shall be placed on the said Board at the expense of the Tenant.
5. The Tenant shall not perform any acts or carry on any activity which may damage the Premises or the common areas or be a nuisance to any other tenant.
6. No animals or birds shall be brought into the building or kept on the Premises.
7. The Tenant shall not mark, drill into, bore or cut or in any way damage or deface the walls, ceilings or floors of the Premises. No wires, pipes or conduits shall be installed in the Premises without prior written approval of the Landlord. No broadloom or carpeting shall be affixed to the Premises by means of a non-soluble adhesive or similar products.
8. No one shall use the Premises for sleeping apartments or residential purposes, for the storage of personal effects or articles other than those required for business purposes, or for any illegal purpose.
9. The Tenant shall not use or permit the use of any objectionable advertising medium such as, without limitation, loudspeakers, public address systems, sound amplifiers, radio, broadcast or television apparatus within the building which is in any manner audible or visible outside of the Premises.
10. The Tenant must observe strict care not to allow windows to remain open so as to admit rain or snow, or so as to interfere with the heating of the building. The Tenant neglecting this rule will be responsible for any damage caused to the property of other tenants, or to the property of the Landlord, by such carelessness. The Tenant, when closing the Premises, shall close all windows and lock all doors.
11. The Tenant shall not without the express written consent of the Landlord, place any additional locks upon any doors of the Premises and shall not permit any duplicate keys to be made therefor; but shall use only additional keys obtained from the Landlord, at the expense of the Tenant, and shall surrender to the Landlord on the termination of the Lease all keys of the Premises.
12. No inflammable oils or other inflammable, toxic, dangerous or explosive materials shall be kept or permitted to be kept in or on the Premises.
13. No bicycles or other vehicles shall be brought within the Premises or upon the Landlord's property, including any lane or court-yard, unless otherwise agreed in writing.
14. Nothing shall be placed on the outside of windows or projections of the Premises. No air-conditioning equipment shall be placed at the windows of the Premises without the consent in writing of the Landlord.
15. The moving of all heavy equipment and office equipment or furniture shall occur only between 6:00 p.m. and 8:00 a.m. or any other time consented to by the Landlord and the persons employed to move the same in and out of the building must be acceptable to the Landlord. Safes and other heavy equipment shall be moved through the Premises and common areas only upon steel bearing plates. No deliveries requiring the use of an elevator for freight purposes will be received into the building or carried in the elevators, except during hours approved by the Landlord.
16. Canvassing, soliciting and peddling in the building is prohibited.
17. The Tenant shall first obtain in writing the consent of the Landlord to any alteration or modification to the electrical system in the Premises and all such alterations and modifications shall be completed at the Tenant's expense by an electrical contractor acceptable to the Landlord.
18. The Tenant shall first obtain in writing the consent of the Landlord to the placement by the Tenant of any garbage containers or receptacles outside the Premises or building. The Tenant shall comply with the City of Toronto garbage disposal rules/regulations.
19. The Tenant shall not install or erect on or about the Premises television antennae, communications towers, satellite dishes or other such apparatus.
20. The Landlord shall have the right to make such other and further reasonable rules and regulations and to alter, amend or cancel all rules and regulations as in its judgement may from time to time be needed for the safety, care and cleanliness of the building and for the preservation of good order therein and the same shall be kept and observed by the Tenant, his employees, agents, servants, contractors or invitees. The Landlord may from time to time waive any of such rules and regulations as applied to particular tenants and is not liable to the Tenant for breaches thereof by other tenants.

24 (38)

**COLLEGE OF
OPTOMETRISTS
OF ONTARIO**

-and-

**SHS OPTICAL LTD., DUNDURN
OPTICAL LTD. and JOHN DOE, all
carrying on business under the name
of GREAT GLASSES; JOANNE
MARIE BERGEZ and BRUCE
BERGEZ**

-and-

**COLLEGE OF
OPTICIANS
OF ONTARIO**

-and-

**THE ATTORNEY
GENERAL FOR ONTARIO**

Applicant

Respondents

Intervenor

Intervenor

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDINGS COMMENCED AT HAMILTON

**APPENDIX H AND I TO THE THIRD
REPORT TO THE COURT OF THE
RECEIVER**

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Lawyers for Deloitte & Touche Inc., in its capacity as
Court-appointed Receiver of certain assets,
undertakings and property of SHS Optical Ltd.,
Dundurn Optical Ltd., Joanne Marie Bergez, Bruce
Bergez and the businesses operated at the locations
listed on Schedule "A" to the Appointment Order.