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**Ritchie Bros. Real Estate Services Ltd.**

The second floor is leased to a third party on a month-to-month basis, at a rate of \$1700 per month plus GST.

The purchaser shall assume the lease. The lease can be terminated by the landlord or the tenant with 30 days' notice in writing.

THIS LEASE made the 1 day of November, 2014,

BETWEEN:

Can Axis Holdings Inc.  
(the "Landlord")

AND

Scott Land & Lease Ltd.  
(the "Tenant")

THIS INDENTURE WITNESSETH THAT IN CONSIDERATION of the covenants and agreements hereinafter mentioned, the parties do hereby agree as follows:

## 1. Premises and Term

1.1 *Premises*: The Landlord hereby leases to the Tenant the lands and building described as the second floor (excluding the mezzanine) of Unit A, 11034-100st. Grande Prairie, AB., legally described as Plan 1565RS, Block 2, Lot3A, including all structures and improvements thereon (the "Premises"), all as more particularly described and outlined in red in the attached Schedule "A". The Tenant accepts the Premises in its "as is" condition.

1.2 *Term*: To have and to hold the Premises unto the Tenant for the term (the "Term") from November 1, 2014 to and including October 31, 2016.

1.3 *Renewal*: If the Tenant duly and regularly pays the rent reserved by this Lease, and observes and performs all and every of the covenants, provisos and agreements in this Lease on the part of the Tenant to be observed and performed, the Landlord shall, subject to the provisions of this paragraph, at the expiration of the term of this Lease, at the cost of the Tenant and at its written request, delivered to the Landlord not later than four (4) months before the expiration of the said term, grant to the Tenant a renewal lease from the expiration of the term hereby granted for a further term of TWO (2) years at a fair market rental rate to be mutually agreed and such lease shall contain, so far as they apply, all the covenants and provisos contained in this Lease, except this covenant for renewal. The annual rental to be paid during the renewal term shall not, whether decided by agreement or by arbitration, be less than the annual rent payable for the last year of the term herein.

## 2. Rent and Additional Rent

2.1 *Rent*: The Tenant agrees to pay to the Landlord, as rent for the Premises, the sum of \$34,875.00 **per annum**, payable in monthly installments on the first day of each month of the Term, in advance, such payments to be in the amount of \$2,906.25 **per month**, commencing on the 1st day of November, 2014. If the Term commences on any day other than the first day of the month, or ends on any day other than the last day of the month, rent for the fractions of a month at the commencement and at the end of the Term shall be calculated on a *pro rata* basis and shall be

payable on the first day of the partial month. Rent and other amounts payable hereunder shall be paid without any deduction, set off or abatement whatsoever, and the Tenant hereby waives the benefit of any statutory or other right in respect of abatement or set off in its favour at the time hereof or at any future time.

**2.2 Security Deposit:** The Tenant has paid the sum of **\$7,102.00** as security for the faithful performance of, and compliance with, all of the terms, covenants and conditions in this Lease. The Landlord hereby acknowledges receipt of the Security Deposit. If the Tenant fails to comply with its obligations herein or shall surrender the Premises without the written consent of the Landlord, or is dispossessed therefrom or abandons the Premises prior to the expiration of the Term, then, and in that event, the security deposit shall belong to the Landlord as fixed, liquidated and agreed damages, in payment of such disbursements, costs and expenses which it may undergo for the purpose of regaining possession of the Premises and without limiting any other rights, remedies or damages of the Landlord. The Landlord shall apply the security deposit provided for herein against the total damages resulting from a breach of the terms of this Lease by the Tenant. If, however, all terms, covenants and conditions are fully complied with by the Tenant, then, and in that event, the security deposit shall be returned to the Tenant on surrender of the Premises in a good state and condition as required by this Lease.

**2.3 Payment as Rent:** All of the payments set out in this Lease (other than GST (as hereinafter defined)) shall constitute additional rent, and shall be deemed to be and shall be paid as rent, whether or not any payment is payable to the Landlord or otherwise, and whether or not as compensation to the Landlord for expenses to which it has been put. The Landlord has all the rights against the Tenant for default in payment of additional rent that is has against the Tenant for default in payment of rent.

**2.4 Interest on Overdue Amounts:** If the Tenant shall fail to pay any rent or other amount when the same is due and payable, such unpaid amount shall bear interest at the rate of eighteen percent (18%) per annum (calculated monthly at the rate of one and one-half percent (1.5%)), such interest to be calculated from the time the amount becomes due until paid by the Tenant.

**2.5 GST:** The Tenant shall pay to the Landlord all goods and services taxes and other applicable taxes (collectively, "GST") on the rent and additional rent pursuant to all applicable laws and regulations. GST shall not be deemed to be additional rent under this Lease, but may be recovered by the Landlord as though it were additional rent.

### **3. Use and Landlord's Work**

**3.1 Use:** The Tenant agrees to use the Premises only for the purpose of **office space, business premises** in a careful, prudent and lawful manner. The Tenant shall keep the Premises in as good order, condition and repair as the same now are and shall deliver up the Premises at the expiration or termination of this Lease in such condition, reasonable wear and tear thereof and damage by fire and other unavoidable casualty for which the Landlord has or is required to carry insurance only excepted. The Tenant shall not do or suffer any waste or damage, disfiguration or injury to the Premises, nor permit or suffer any overloading of the floors, roof deck, walls or any other part of the Premises, and shall not use or permit to be used any part of the Premises for any illegal or unlawful purpose or any dangerous, noxious or offensive trade or business, and shall not cause or permit any nuisance in, at or on the Premises.

3.2 *Quiet Enjoyment*: The Tenant, upon paying the rent hereby reserved, and performing and observing the covenants and provisions herein required to be performed and observed on its part, shall peaceably enjoy the Premises for the Term.

3.3 *Landlord's work*. The Landlord and the Tenant hereby acknowledge that the Landlord shall complete renovations to storage space in the Premises such as new door and electrical modifications pursuant to plans to be agreed upon between the Landlord and Lorne Pudsey, authorized representative of the Tenant..

#### **4. Taxes and Utilities**

4.1 *Taxes*: The Landlord shall pay all real estate taxes levied or assessed against the Premises as and when due.

4.2 *Utilities*: The Landlord and the Tenant hereby covenant and agree that the rent paid by the Tenant hereunder shall include its costs for utilities used/consumed by it, PROVIDED HOWEVER that any extraordinary or unreasonable utility use/consumption by the Tenant shall be paid for by the Tenant upon demand by the Landlord. The Landlord shall be entitled in its sole discretion to determine what may constitute an extraordinary or unreasonable use/consumption of utilities, with reference to, among other things, past utility use of former tenants and the typical consumption habits of tenants of this nature. The Tenant shall not install any equipment which would exceed or overload the capacity of the utility facilities in the Premises or the electrical wiring and service in the Premises.

#### **5. Alterations and Repairs**

5.1 *Improvements and Alterations*: No additions, modifications or alterations are to be made by the Tenant without the prior written consent of the Landlord, which consent shall not be unreasonably withheld. All such additions, modifications or alterations consented to by the Landlord are to be made only at the expense of the Tenant. Upon affixation, such additions, modifications or alterations shall immediately become the property of the Landlord and shall be regarded for all purposes as part of the Premises. Any and all such additions, alterations and modifications shall be made in accordance with all applicable laws and regulations. The Tenant agrees that it shall, upon request of the Landlord, at the end of the Term or other expiration of this Lease, put the Premises back in the same condition as when the Tenant took possession, except to the extent that any addition, alteration or modification had been previously consented to by Landlord. The Tenant shall remove at the expiration of the term all signage erected pursuant to paragraph 5.4 and shall be solely responsible for all costs associated with such removal. If any construction or other lien or order for the payment of money shall be filed against the Premises by reason of or arising out of any labour or material furnished to the Tenant or to anyone claiming through the Tenant, the Tenant, within five (5) days after receipt of notice of the filing thereof, shall cause the same to be discharged by bonding, deposit, payment, court order or otherwise. The Tenant shall defend all suits to enforce such lien or orders against the Tenant, at the Tenant's sole expense. The Tenant hereby indemnifies the Landlord against any expense or damage incurred as a result of such liens or orders.



5.2 *Maintenance and Repair*: The maintenance and repair of the Premises shall be governed pursuant to the attached Schedule "B".

5.3 *Compliance with Laws*: The Tenant shall, at its own expense, comply with all applicable laws and regulations affecting the Premises or the use or occupation thereof including, without limitation, police, fire and health regulations and requirements of the fire insurance underwriters.

5.4 *Signs*: The Tenant shall have the right, at all times during the Term, at its own expense, to erect or cause to be erected such signs upon the Premises as it deems desirable, provided however, that no exterior signs shall be so erected without the consent of the Landlord, such consent not to be unreasonably withheld. The erection and maintenance of any and all such signs shall be in conformity with the requirements of all applicable laws and regulations.

## **6. Insurance, Releases and Indemnity**

6.1 *Landlord's Insurance*: The Landlord shall obtain and maintain in full force and effect, fire and extended insurance coverage on the Premises in amounts satisfactory to Landlord, acting reasonably.

6.2 *Tenant's Insurance*: The Tenant shall obtain and maintain in force and effect, the following insurance:

- (a) fire and extended insurance coverage on all property of the Tenant, or for which the Tenant is legally liable, or which is installed by or on behalf of the Tenant, within the Premises including, without limitation, stock-in-trade, furniture, equipment, partitions, trade fixtures and Leasehold Improvements, in an amount not less than the full replacement cost thereof from time to time;
- (b) general liability and property damage insurance, including personal liability, contractual liability, tenants' legal liability, non-owned automobile liability, and owners' and contractors' protective insurance coverage with respect to the Premises, which coverage shall include the business operations conducted by the Tenant and any other person on the Premises. Such policies shall be written on a comprehensive basis with coverage for any one occurrence or claim of not less than two million dollars (\$2,000,000.00) or such higher limits as the Landlord may reasonably require from time to time;
- (c) when applicable, broad form comprehensive boiler and machinery insurance on a blanket repair and replacement basis, with limits for each accident in an amount not less than the full replacement costs of the property, with respect to all boilers and machinery owned or operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant in the Premises or relating to or serving the Premises; and
- (d) such other forms of insurance as may be reasonably required by the Landlord and any mortgagee of the Premises from time to time.

The Tenant shall, upon request, provide to the Landlord certificates or policies of insurance evidencing compliance with the foregoing requirements.

6.3 *Mutual Release*: The parties hereby release each other as follows: (a) the Landlord hereby releases the Tenant with respect to any and all liability (including that derived from the fault or neglect of the Tenant, its subsidiaries, its parent company, assignees, subtenants, agents, employees or other persons under its direction or control) which the Tenant might otherwise have for any damage to or destruction of the Premises and any personal property of the Landlord, by fire, other casualty or cause which the Landlord is required to insure against pursuant to the terms of this Lease or has otherwise insured, and (b) the Tenant hereby releases the Landlord with respect to any and all liability (including that derived from the fault or neglect of the Landlord, its subsidiaries, its parent company, assignees, agents, employees or other persons under its direction or control) which the Landlord might otherwise have for any damage to or destruction of the Premises and any personal property of the Tenant, by fire, other casualty or cause which the Tenant is required to insure against pursuant to the terms of this Lease or has otherwise insured.

6.4 *Further Release of Landlord*: Without limiting any other provisions herein, the Landlord shall not be liable for any damage resulting from the interruption of the Tenant's business caused by fire or other hazards (whether insured or not) or interruption of utilities or for any indirect or consequential damages, whether or not attributable to the negligence of the Landlord, and the Tenant does hereby expressly release the Landlord of and from any and all liability for such damage.

6.5 *Indemnity*: The Tenant shall indemnify the Landlord and save it harmless from any and all losses or claims, actions, demands, liabilities and expenses in connection with loss of life, personal injury and/or damage to or loss of property: (a) arising out of any occurrence in or about the Premises; (b) occasioned or caused wholly or in part by any act or omission of the Tenant or anyone for whom it is in law responsible; and (c) arising from any breach by the Tenant of any provision of this Lease, PROVIDED HOWEVER that this indemnity shall not apply where the loss of life, personal injury and/or damage arose exclusively as a result of the negligence of the Landlord.

## **7. Environmental Matters**

7.1 *Hazardous Materials*: The Tenant shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Premises; provided however that if any hazardous material is necessary to the Tenant's business, such hazardous material may be brought upon, kept or used in or about the Premises by Tenant but only if such hazardous materials are used, kept and/or stored in a manner that complies with all laws regulating any such Hazardous Material so brought upon, used or kept in or about the Premises. The Tenant shall immediately notify the Landlord in writing of any release or other activity at or upon the Premises for which notification of any governmental entity is required pursuant to applicable environmental or health laws and regulations. As used herein, the term "Hazardous Material" shall mean any substance capable of posing a risk or damage to health, safety, property or the environment including, without limitation, any contaminant, pollutant, dangerous or potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable or explosive material, radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls, polychlorinated biphenyl waste, polychlorinated biphenyl related waste, and any other substance

or material now or hereafter declared, defined or deemed to be regulated or controlled under any applicable environmental or health laws and regulations.

**7.2 Environmental Indemnity:** If the Tenant breaches the obligations stated in the preceding section, or if the presence of Hazardous Material on the Premises caused or permitted by the Tenant results in contamination of the Premises, or if contamination of the Premises by Hazardous Material otherwise occurs or exists as a result of the Tenant's use of the Premises, the Tenant shall indemnify, defend and hold the Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including sums paid in settlement of claims, legal fees (on a substantial indemnity basis) consultant fees and expert fees) which arise during or after the Term as a result of such contamination by the Tenant. This indemnification of the Landlord by the Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any federal, provincial or local governmental agency resulting from the presence of any Hazardous Material in the soil or ground water on or under the Premises caused or permitted by the Tenant or for which Tenant is otherwise responsible. Without limiting the foregoing, if the presence of any Hazardous Material on the Premises caused or permitted by the Tenant results in any contamination of the Premises, or if any contamination of this Premises is discovered or suspected, the Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises to the condition existing prior to the introduction of any such Hazardous Material to the Premises.

## **8. Damage or Destruction**

**8.1 Damage or Destruction of the Premises:** If the Premises or any portion thereof is damaged or destroyed by fire or by other casualty:

- (a) rent shall abate in proportion to the area of that portion of the Premises which, in the opinion of the Landlord's architect or professional engineer, is thereby rendered unfit for the purposes of the Tenant until the Premises are repaired and rebuilt, and the Landlord shall repair and rebuild the Premises. Rent shall recommence to be payable one (1) day after the Landlord notifies the Tenant that the Tenant may reoccupy the Premises for the purpose of undertaking its work;
- (b) if the Premises cannot, in the reasonable opinion of the Landlord, be rebuilt within one hundred and twenty (120) days of the damage or destruction, the Landlord may terminate this Lease by giving to the Tenant, within thirty (30) days after such damage or destruction, notice of termination, and thereupon rent and other payments hereunder shall be apportioned and paid to the date of such damage or destruction and the Tenant shall immediately deliver up vacant possession of the Premises to the Landlord;
- (c) in the event of damage or destruction occurring by reason of any cause in respect of which proceeds of insurance are substantially insufficient to pay for the costs of rebuilding the Premises or are not payable to or received by the Landlord, or in the event that any mortgagee or other person entitled thereto shall not consent to the

payment to the Landlord of the proceeds of any insurance policy for such purpose or, in the event that the Landlord is not able to obtain all necessary governmental approvals and permits to rebuild the Premises, the Landlord may elect, within thirty (30) days of such damage or destruction, on written notice to the Tenant, to terminate this Lease, and the Tenant shall immediately deliver up vacant possession of the Premises to the Landlord;

- (d) the Landlord's obligation to repair and rebuild shall not include the obligation to repair and rebuild any chattel, fixture, leasehold improvement, installation, addition or partition in respect of which the Tenant is required to maintain insurance hereunder, or any other property of the Tenant. In performing any reconstruction or repair, the Landlord may effect reasonable changes to the Premises and its equipment and systems; and
- (e) any decisions regarding the extent to which the Premises has become unfit for use shall be made by an architect or professional engineer appointed by the Landlord, whose decision shall be final and binding upon the parties.

## **9. Right to Enter**

9.1 *Landlord's Right to Enter*: The Landlord and its agents may, at all reasonable times upon reasonable notice, enter upon the Premises to view the condition thereof or to make such repairs or alterations as the Landlord may be required to make or may deem necessary for the safety, improvement or preservation of the Premises or for the purpose of exhibiting the Premises to prospective mortgagees and/or purchasers. The Landlord shall have the right to place upon the Premises a "for sale" sign of reasonable dimensions. The Landlord shall be entitled, without notice to or consent by the Tenant:

- (a) at any time during the last four (4) months of the Term, to place upon the exterior of the Premises the Landlord's usual notice(s) that the Premises are for rent; and
- (b) at any time during the last four (4) months of the Term, on reasonable prior notice, to enter upon the Premises during normal business hours for the purpose of exhibiting same to prospective tenants.

## **10. Sublease, Assignment and Sale**

10.1 *Sublease and Assignment*: The Tenant shall not sublet the Premises in whole or in part or assign or charge or encumber this Lease or any interest therein or otherwise part with or share possession of the Premises (any of the foregoing being a "Transfer") without the prior written consent of the Landlord, which consent shall not be unreasonably withheld. The following shall apply in connection with any Transfer:

- (a) requests by the Tenant for the Landlord's consent to a Transfer shall be in writing and shall be accompanied by the name, address, phone numbers, business experience, credit and financial information and banking references of the party to whom the Transfer is to be made (the "Transferee"). The Tenant shall also

provide such additional information pertaining to the Transferee as the Landlord may reasonably require;

- (b) notwithstanding any Transfer the Tenant shall remain fully liable to pay rent and to perform all of the covenants, terms and conditions herein contained. The Landlord may collect rent from the Transferee, and apply the net amount collected to the rent payable hereunder, but no such Transfer or collection, or acceptance of the Transferee as tenant, shall be deemed to be a waiver of this covenant;
- (c) without limiting any other basis upon which the Landlord may reasonably withhold consent, the Landlord shall not be obligated to provide its consent if the Tenant is in default under this Lease or the Landlord is not satisfied, acting reasonably, with the financial ability and good credit rating and standing of the Transferee and the ability of the Transferee to carry on the permitted use;
- (d) upon request of the Landlord the Transferee shall enter into an agreement with the Landlord agreeing to be bound by all of the terms, covenants and conditions of this Lease; and
- (e) the Tenant shall pay to the Landlord, prior to receiving such consent, the Landlord's reasonable administrative fees and all reasonable legal fees and disbursements incurred by the Landlord in connection with the Transfer.

10.2 *Estoppel Certificate*: The Tenant shall, on ten (10) days' notice from the Landlord, execute and deliver to the Landlord and/or as the Landlord may direct a statement as prepared by the Landlord in writing certifying the following: (a) that this Lease is unmodified and in full force and effect, or, if modified, stating the modifications and that the same is in full force and effect as modified; (b) the amount of the annual rent then being paid; (c) the dates to which annual rent, by installments or otherwise, and other additional rent or charges hereunder have been paid; (d) whether or not there is any existing default on the part of the Landlord of which the Tenant has notice; and (e) any other information and particulars as the Landlord may reasonably request.

10.3 *Subordination and Non-Disturbance*: This Lease and all of the rights of the Tenant hereunder are, and shall at all times and at the option of the Landlord, be either: (a) subject and subordinate to any and all security granted by the Landlord now or hereinafter in force against the Premises; or (b) be in priority to any such security. Upon the request of the Landlord, the Tenant shall promptly subordinate this Lease and all its rights hereunder or shall accept a subordination of any security in favour of this Lease, in such form or forms as the Landlord may require to any such security holder, and to all advances made or hereinafter to be made upon the security thereof and will, if required, attorn to the holder thereof. No subordination by the Tenant shall have the effect of permitting a security holder to disturb the occupation and possession by the Tenant of the Premises or of affecting the rights of the Tenant pursuant to the terms of this Lease, provided that the Tenant performs all of its covenants, agreements and conditions contained in this Lease and contemporaneously executes a document of attornment as required by the security holder.

10.4 *Sale by Landlord*: In the event of the sale or lease by the Landlord of its interest in the Premises or any part or parts thereof, and in conjunction therewith the assignment by the Landlord of this Lease or any interest of the Landlord herein, the Landlord shall be relieved of any liability under this Lease in respect of matters arising from and after such assignment.

## 11. Default and Remedies

11.1 *Events of Default*: The Tenant shall be in default upon the occurrence of any of the following (all of which are "Events of Default"):

- (a) any rent or other amount due is not paid within five (5) days after notice in writing from the Landlord to the Tenant;
- (b) the Tenant has breached any of its obligations in this Lease and, if such breach is capable of being remedied and is not otherwise listed in this Section, after notice in writing from the Landlord to the Tenant:
  - (i) the Tenant fails to remedy such breach within ten (10) days (or such shorter period as may be provided in this Lease); or
  - (ii) if such breach cannot reasonably be remedied within ten (10) days or such shorter period, the Tenant fails to commence to remedy such breach within ten (10) days of such breach, or thereafter fails to proceed diligently to remedy such breach;
- (c) the Tenant becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors or makes any proposal, an assignment or arrangement with its creditors, or any steps are taken or proceedings commenced by any person for the dissolution, winding-up or other termination of the Tenant's existence or the liquidation of its assets;
- (d) a trustee, receiver, receiver/manager or a person acting in a similar capacity is appointed with respect to the business or assets of the Tenant;
- (e) the Tenant makes a sale in bulk of all or a substantial portion of its assets, other than in conjunction with an assignment or sublease approved by the Landlord;
- (f) this Lease or any of the Tenant's assets are taken under a writ of execution and such writ is not stayed or vacated within fifteen (15) days after the date of such taking;
- (g) the Tenant makes an assignment or sublease, other than in compliance with the provisions of this Lease;
- (h) the Tenant abandons or attempts to abandon the Premises, or the Premises become vacant or substantially unoccupied for a period of ten (10) consecutive days or more without the consent of the Landlord;
- (i) the Tenant moves or commences, attempts or threatens to move its trade fixtures, chattels and equipment out of the Premises; or

- (j) any insurance policy covering any part of the Premises is, or is threatened to be, cancelled or adversely changed (including a substantial premium increase) as a result of any action or omission by the Tenant or any person for whom it is legally responsible.

11.2 *Landlord Remedies*: If and whenever an Event of Default occurs, then, without prejudice to any other rights which it has pursuant to this Lease or at law, the Landlord shall have the following rights and remedies, which are cumulative and not alternative:

- (a) to terminate this Lease by notice to the Tenant or to re-enter the Premises and repossess them and, in either case, enjoy them as of its former estate, and to remove all persons and property from the Premises and store such property at the expense and risk of the Tenant or sell or dispose of such property in such manner as the Landlord sees fit without notice to the Tenant. If the Landlord enters the Premises without notice to the Tenant as to whether it is terminating this Lease under this Section 11.2(a) or proceeding under Section 11.2(b) or any other provision of this Lease, the Landlord shall be deemed to be proceeding under Section 11.2(b), and the Lease shall not be terminated, nor shall there be any surrender by operation of law, but the Lease shall remain in full force and effect until the Landlord notifies the Tenant that it has elected to terminate this Lease. No entry by the Landlord during the Term shall have the effect of terminating this Lease without notice to that effect to the Tenant;
- (b) to enter the Premises as agent of the Tenant to do any or all of the following: (i) relet the Premises for whatever length and on such terms as the Landlord, in its discretion, may determine, and to receive the rent therefor; (ii) take possession of any property of the Tenant on the Premises, store such property at the expense and risk of the Tenant, or sell or otherwise dispose of such property in such manner as the Landlord sees fit, without notice to the Tenant; (iii) make alterations to the Premises to facilitate their reletting; and (iv) apply the proceeds of any such sale or reletting first, to the payment of any expenses incurred by the Landlord with respect to any such reletting or sale, second, to the payment of any indebtedness of the Tenant to the Landlord other than rent, and third, to the payment of rent in arrears, with the residue to be held by the Landlord and applied to payment of future rent as it becomes due and payable, provided that the Tenant shall remain liable for any deficiency to the Landlord;
- (c) to remedy or attempt to remedy any default of the Tenant under this Lease for the account of the Tenant and to enter upon the Premises for such purposes. No notice of the Landlord's intention to remedy or attempt to remedy such default need be given to the Tenant unless expressly required by this Lease, and the Landlord shall not be liable to the Tenant for any loss, injury or damages caused by acts of the Landlord in remedying or attempting to remedy such default. The Tenant shall pay to the Landlord all expenses incurred by the Landlord in connection therewith;



- (d) to recover from the Tenant all damages, costs and expenses incurred by the Landlord as a result of any default by the Tenant including, if the Landlord terminates this Lease, any deficiency between those amounts which would have been payable by the Tenant for the portion of the Term following such termination and the net amounts actually received by the Landlord during such period of time with respect to the Premises; and
- (e) to recover from the Tenant the full amount of the current month's rent together with the next three months' installments of rent, all of which shall immediately become due and payable as accelerated rent.

11.3 *Distress*: Notwithstanding any provision of this Lease or any provision of any applicable legislation, none of the goods and chattels of the Tenant on the Premises at any time during the Term shall be exempt from levy by distress for rent in arrears, and the Tenant waives any such exemption. If the Landlord makes any claim against the goods and chattels of the Tenant by way of distress, this provision may be pleaded as an estoppel against the Tenant in any action brought to test the right of the Landlord to levy such distress.

11.4 *Costs*: The Tenant shall pay to the Landlord all damages, costs and expenses (including, without limitation, all legal fees on a substantial indemnity basis) incurred by the Landlord in enforcing the terms of this Lease, or with respect to any matter or thing which is the obligation of the Tenant under this Lease, or in respect of which the Tenant has agreed to insure or to indemnify the Landlord.

11.5 *Remedies Cumulative*: Notwithstanding any other provision of this Lease, the Landlord may from time to time resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Tenant, either by any provision of this Lease, by statute, or common law, all of which rights and remedies are intended to be cumulative and not alternative. The express provisions contained in this Lease as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Landlord by statute or common law.

## 12. Miscellaneous

12.1 *Notices*: Any notice, delivery, payment or tender of money or document(s) to the parties hereunder may be delivered personally or sent by prepaid registered or certified mail or prepaid courier to the following addresses:

to the Landlord: 12514 Lakeshore Dr., Grande Prairie, AB T8X 8C6  
and by email: [bh375hh@hotmail.com](mailto:bh375hh@hotmail.com) Attention: Brian Hanson

to the Tenant: 900, 202-6th Ave. SW Calgary, AB T2P 2R9



and by email: [rdasilva@scotland.ca](mailto:rdasilva@scotland.ca) Attention: Ron DaSilva

and any such notice, delivery or payment so delivered or sent shall be deemed to have been given or made and received upon delivery of same or on the third (3<sup>rd</sup>) business day following the mailing of same, as the case may be. Each party may, by notice in writing to the others from time to time, designate an alternative address in Canada to which notices given more than ten (10) days thereafter shall be addressed. Notwithstanding the foregoing, any notice, delivery, payment or tender of money or document(s) to be given or made to any party hereunder during any disruption in the service of the Canada Post Office shall be deemed to have been received only if delivered personally or sent by prepaid courier.

12.2 *Force Majeure*: Notwithstanding any other provision contained herein, in the event that either the Landlord or the Tenant should be delayed, hindered or prevented from the performance of any act required hereunder by reason of any unavoidable delay, including strikes, lockouts, unavailability of materials, inclement weather, acts of God or any other cause beyond its reasonable care and control, but not including insolvency or lack of funds, then performance of such act shall be postponed for a period of time equivalent to the time lost by reason of such delay. The provisions of this Section shall not under any circumstances operate to excuse the Tenant from prompt payment of rent and/or any other charges payable under this Lease.

12.3 *Waiver*: No waiver by any party hereto of any breach by any other party of any of its covenants, agreements or obligations contained in this Lease shall be or be deemed to be a waiver of any subsequent breach thereof or the breach of any other covenants, agreements or obligations, nor shall any forbearance by any party hereto to seek a remedy for any breach by any other party be a waiver by the party so forbearing of its rights and remedies with respect to such breach or any subsequent breach. The subsequent acceptance of rent by the Landlord shall not be deemed to be a waiver of any preceding breach by the Tenant of any term, covenant or condition regardless of the Landlord's knowledge of such preceding breach at the time of the acceptance of such rent. All rent and other charges payable by the Tenant to the Landlord hereunder shall be paid without any deduction, set off or abatement whatsoever, and the Tenant hereby waives the benefit of any statutory or other right in respect of abatement or set off in its favour at the time hereof or at any future time.

12.4 *Registration*: Neither the Tenant nor anyone on the Tenant's behalf or claiming under the Tenant (including any Transferee) shall register this Lease or any Transfer against the Premises. The Tenant may register a notice or caveat of this Lease provided that: (a) a copy of the Lease is not attached; (b) no financial terms are disclosed; (c) the Landlord gives its prior written approval to the notice or caveat; and (d) the Tenant pays the Landlord's reasonable costs on account of the matter. Upon the expiration or earlier termination of the Term, the Tenant shall immediately discharge or otherwise vacate any such notice or caveat.

12.5 *Interpretation*: Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders, and words importing persons shall include firms and corporations and *vice versa*. The division of this Lease into Sections and the insertion of headings are for convenience of reference only, and shall not affect the construction or interpretation of this Lease. If any Section or part or parts of a Section in this Lease are or become illegal or unenforceable, it or they shall be considered separate and severable from the Lease and the remaining provisions of this Lease shall remain in

full force and effect and shall be binding upon the Landlord and the Tenant as though such Section or part or parts thereof had never been included in this Lease. It is an express condition of this Lease that the subdivision control provisions of the applicable provincial legislation be complied with, if necessary. If such compliance is necessary, the Tenant covenants and agrees to diligently proceed, at its own expense, to obtain the required consent, and the Landlord agrees to co-operate with the Tenant in bringing such application.

12.6 *Overholding*: If, at the expiration of the Term or any subsequent renewal or extension thereof, the Tenant shall continue to occupy the Premises without further written agreement, there shall be no tacit renewal of this Lease, and the tenancy of the Tenant thereafter shall be from month to month only, and may be terminated by either party on one (1) month's notice. Rent shall be payable in advance on the first day of each month equal to the sum of one hundred and fifty percent (150%) of the monthly installment of rent payable during the last year of the Term, and all terms and conditions of this Lease shall, so far as applicable, apply to such monthly tenancy.

12.7 *Entire Agreement*: There are no covenants, representations, warranties, agreements or other conditions, express or implied, collateral or otherwise, forming part of or in any way affecting or relating to this Lease, save as expressly set out or incorporated by reference herein, and this Lease constitutes the entire agreement duly executed by the parties hereto, and no amendment, variation or change to this Lease shall be binding unless the same shall be in writing and signed by the parties hereto.

12.8 *Successors and Assigns*: The rights and liabilities of the parties shall enure to the benefit of their respective heirs, executors, administrators, successors and assigns, subject to any requirement for consent by the Landlord hereunder.

12.9 *Personal Information*: Any Tenant that is an individual person consents to the collection and use of their personal information, as provided directly or collected from third parties, for the purposes of the Landlord considering the Tenant's offer in respect of this Lease and determining the suitability of the Tenant, as applicable (both initially and on an on-going basis), including the disclosure of such information to existing and potential lenders, investors and purchasers.

IN WITNESS WHEREOF the parties hereto have duly executed this Lease on the date first above written

Can Axis Holdings Inc.

Per: 

Brian Hanson: owner

Scott Land & Lease Ltd.

Per: 

RON DASILVA

SR. VICE PRESIDENT

## LEASE AMENDMENT

This Lease Amendment is made effective this 31st day of October, 2016

BETWEEN:

Can Axis Holdings Inc.  
(the "Landlord")  
AND

Scott Land & Lease Ltd.  
(the "Tenant")

WHEREAS by Lease Agreement dated November 1, 2014 made between the Landlord and the Tenant, the Landlord leased to the Tenant the Premises described as the second floor (excluding the mezzanine) of Unit A, 11034-100 St., Grande Prairie, AB;

AND WHEREAS for greater clarity the Landlord and the Tenant wish to confirm the actual dimensions of the Premises;

AND WHEREAS the Tenant wishes to extend the Lease Agreement on a 'month to month' basis commencing November 1<sup>st</sup>, 2016 based on the following amendments;

1. The area of the Premises shall be as set out in the attached Schedule A as outlined in red.
2. 1.2 shall be deleted and replaced with "The Term shall be on a month to month basis".
3. 1.3 shall be deleted and replaced with "Either party may terminate this Lease Agreement by giving the other one months' notice in writing of its intention to do so".
4. 2.1 shall be deleted and replaced with "The rent shall be \$1,700.00 per month plus GST".
5. 3.3 shall be deleted.
6. 5.2 shall be deleted.

This document may be signed and accepted in counterpart and delivered by facsimile or portable document format (pdf).

IN WITNESS HEREOF the parties hereto have executed this Lease Amendment as of the date first above written.

Can Axis Holdings Inc.

Scott Land & Lease Ltd.

Per: 

Per: 

Per: 

# Prism Glass 2nd Floor - Scott Land Plan

Schedule A

11034 - 100 St.

