
BETWEEN

The Town of Amherst

-and-

Elizabeth Smith-McCrossin, MLA

Dated: April 1, 2022

THIS LEASE is made as of the 1st day of April, 2022.

BETWEEN:

THE TOWN OF AMHERST, a municipal corporation in the County
of Cumberland

(the "**Landlord**")

OF THE FIRST PART

-and-

Elizabeth Smith-McCrossin, MLA

(the "**Tenant**")

OF THE SECOND PART

WHEREAS the Landlord and Tenant have agreed to enter into a lease for certain premises as more fully described herein; and

THEREFORE in consideration of the respective covenants and agreements herein, the sum of one dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the Landlord and the Tenant agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Lease, unless there is something in the subject matter or context inconsistent therewith, the following terms have the following respective meanings:

- a) "Additional Rent" means all amounts, excluding Basic Rent, payable by the Tenant in accordance with the terms of this Lease;
- b) "Basic Rent" means the basic rent payable by the Tenant pursuant to Section 4.1;
- c) "Boardroom" means that portion of the Building which is marked with a "8" on the plan attached as Schedule "A", and all rights and easements appurtenant ~~text~~

- d) "Building" means the building located at 5 Ratchford Street, Amherst, Nova Scotia and all rights and easements which are or may hereafter be appurtenant thereto;
- e) "Commencement Date" means April 1, 2022, as such may be varied pursuant to the terms of this Lease;
- f) "Common Areas" means those areas, facilities, utilities, improvements, equipment and installations within, adjacent to or outside the Building which serve or are for the benefit of the Building, which do not comprise part of the Premises and which, from time to time, are not designated or intended by the Landlord to be for the Landlord's exclusive use, and are not designated or intended by the Landlord to be leased to the Tenant or any other tenants of the Building, and which include all corridors, hallways, lobbies and stairwells, all walkways and sidewalks, all landscaped and planted areas, the roof and exterior walls of the Building, exterior and interior structural elements and walls of the Building, common washrooms, all parking and loading areas and all entrances and exits thereto and all structural elements thereof, all access ways, truck courts, driveways, delivery passages, loading docks and related areas, all electrical, telephone, meter, valve, mechanical, mail, storage, service and janitorial rooms, fire prevention, security and communication systems, and generally all areas forming part of the Building which do not constitute rented or rentable premises;
- g) "Dedicated Space" means that portion of the Building which is marked with a "D" on the plan attached as Schedule "A", having a Rentable Area of 528 square feet, more or less, and all rights and easements appurtenant thereto;
- h) "Event of Default" has the meaning set out in Section 14.1;
- i) "Expiry Date" means July 15, 2025, as such may be varied or extended, pursuant to the terms of this Lease;
- j) "Extension Rights" the rights to extend and renew the Term of this Lease, if any, as set out in Schedule "B";
- k) "HVAC Equipment" means heating, ventilating and air-conditioning equipment, facilities and installations;
- l) "Leasehold Improvements" means all fixtures, improvements, installations, alterations and additions from time to time made, erected or installed by or on behalf of the Tenant or any former occupant of the Premises;
- m) "Managing Partner" means Cumberland Development Corporation
- n) "Normal Business Hours" means such hours as the Landlord reasonably determines from time to time for the operation of business on or from the Building;

- o) "Permitted Use" means the use of the Premises for the purpose of operating a parliamentary constituency office;
- p) "Premises" means the Dedicated Space together with the Shared Space as illustrated in Schedule "A", having a Rentable Area of 817 square feet more or less, and all rights and easements appurtenant thereto;
- q) "Rentable Area of the Premises" means the Premises measured to the outside surface of the outer building wall and to the center line of any interior walls separating the Premises from adjoining premises intended for leasing or separating the Premises from corridors or other parts of the Common Areas;
- r) "Shared Space" means that portion of the Building which is marked with an "S" on the plan attached as Schedule "A", having a Rentable Area of 289 square feet, more or less, and all rights and easements appurtenant thereto;
- s) "Term" means the period commencing on the Commencement Date and ending on the Expiry Date and, where the context requires, any renewal, extension or overholding thereof;
- t) "Transfer" means an assignment of this Lease in whole or in part, a sublease of all or any part of the premises, any transaction by which any right of use or occupancy of all or any part of the Premises is shared with or conferred on any person, any mortgage, charge or encumbrance of this Lease or the Premises or any part thereof, and any transaction or occurrence whatsoever which has changed or will change the identity of the person having lawful use or occupancy of any part of the Premises; and
- u) "Transferee" means any person or entity to whom a Transfer is or is to be made.

1.2 Schedules

The following Schedules form part of this Lease:

Schedule "A" Plan

Schedule "B" Extension Rights

ARTICLE 2 DEMISE AND TERM

2.1 Demise

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 rents from the Landlord the Premises. The Tenant accepts the Premises on an "as is" basis.

2.2 Measurement

The Landlord and Tenant acknowledge that the area of the Premises as set out in the Lease is not subject to change or amendment during the term of the Lease.

2.3 Term

The Term shall commence on the Commencement Date and end on the Expiry Date, unless terminated earlier pursuant to the provisions of this Lease.

2.4 Delay in Possession

Should the Tenant be delayed by any fault of the Landlord or any other reason (other than the fault of the Tenant) in taking possession of the Premises on the Commencement Date, then and only then shall the Commencement Date and the Term be postponed for the same number of days that the Tenant is delayed in taking possession of the Premises. The Tenant acknowledges and agrees that such postponement shall be full settlement for any claims it might have against the Landlord for such delay.

2.5 Overholding

If at the expiration of the initial 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. Basic Rent shall be payable as provided herein and the Lease in all other respects shall be as provided herein, so far as applicable, such monthly tenancy.

2.6 Right to Terminate.

At any time during the initial Term or any renewal thereof, either the Landlord or the Tenant may terminate this Lease upon written notice to the other party without obligation or liability, if the member ceases to be a member, with the exception of a thirty (30) day notice to quit in the event of a month-to-month lease as noted in 2.5 above. Such termination notice shall be given at least ninety (90) days prior to the effective date of termination. On the effective date, the Tenant shall deliver up vacant possession of the Premises in accordance with its obligations under this Lease.

ARTICLE 3 RENT

3.1 Covenant to Pay Basic Rent

The Tenant covenants to pay Basic Rent as provided in this Lease.

3.2 Payment Method

The Landlord may at any time, and from time to time, require the Tenant to provide the Landlord either: (a) a series of monthly postdated cheques, each cheque in the amount of the monthly instalment of Basic Rent; or (b) authorization and documentation required to automatically debit the Tenant's bank account for such amounts.

3.3 Rent Past Due

If the Tenant fails to pay any Basic Rent 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%)) and such interest shall be calculated from the time such Basic Rent becomes due until paid by the Tenant.

3.4 Partial Periods

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, Basic 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.

ARTICLE 4 BASIC RENT

4.1 Basic Rent

The Tenant covenants and agrees to pay, from and after the Commencement Date, to the Landlord at the office of the Landlord, or to such other person or at such other location as the Landlord shall direct by notice in writing, in lawful money of Canada without any prior demand therefor and without any deduction, abatement or set-off whatsoever as annual Basic Rent, the amounts set out in this Section 4.1 payable in equal monthly instalments in advance in the amounts set out in this Section 4.1, plus harmonized sales tax (HST), on the first day of each and every month during the Term:

Period	Per sq. ft.	Per Year	Per Month
April 1, 2022 to March 31, 2023	\$10.30	\$8,416.94	\$701.41
April 1, 2023 to March 31, 2024	\$10.46	\$8,543.19	\$711.93
April 1, 2024 to March 31, 2025	\$10.61	\$8,671.34	\$722.61
April 1, 2025 to July 31, 2025	\$10.77	\$8,801.41	\$733.45

**ARTICLE 5
ADDITIONAL RENT/RENTAL INCREASE**

5.1 Additional Rent

In addition to the Basic Rent reserved in favour of the Landlord, the Tenant shall, throughout the initial Term, excluding any subsequent renewal or extension thereof, pay to the Landlord in lawful money of Canada, without any deduction, abatement or set-off whatsoever, as Additional Rent, the amounts set out in this Section 5.1 payable in equal monthly instalments for Wednesday evening use of the Boardroom in advance in the amounts set out in this Section 5.1, plus harmonized sales tax (HST), on the first day of each and every month during the initial Term:

Period	Per Year	Per Month
April 1, 2022 to March 31, 2023	\$994.20	\$82.85
April 1, 2023 to March 31, 2024	\$1,009.11	\$84.09
April 1, 2024 to March 31, 2025	\$1,024.25	\$85.35
April 1, 2025 to July 31, 2025	\$1,039.61	\$86.63

5.2 Rental Increase

Rent charges will increase effective April 1 of each year by 1.5% starting in 2023.

5.3 Payments Constitute Rent

All of the payments set out in this Lease which are required to be made by the Tenant shall constitute Basic Rent or Additional Rent, and shall be deemed to be and shall be paid as rent, whether or not paid and whether or not any such payments are 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 rights against the Tenant for default in payment of Additional Rent that it has against the Tenant for default in payment of Basic Rent.

**ARTICLE 6
UTILITIES AND HVAC**

6.1 Landlord Responsibilities.

The Landlord shall provide power and electricity for the Premises, and sufficient heat and air conditioning to maintain a reasonable temperature in the Premises at all times, except during the making of repairs, which the Landlord covenants to make with reasonable diligence. The Landlord shall provide janitorial services for the Shared Space.

6.2 Additional Utilities

The Tenant shall make arrangements at its own cost and expense, directly with the utility or service supplier in respect of any utilities and services not supplied by the Landlord. The Tenant, at its own cost and expense, shall procure each and every permit, license or other authorization required, and shall comply with the provisions of Article 9 of this Lease pertaining to any work required in respect of such additional utilities and services.

6.3 No Overloading

The Tenant will 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 Building and agrees that if any equipment installed by the Tenant shall require additional utility facilities, such facilities shall be installed, if available, and subject to the Landlord's prior written approval thereof (which approval may not be unreasonably withheld), at the Tenant's sole cost and expense in accordance with plans and specifications to be approved in advance by the Landlord, in writing.

6.4 No Liability

In no event shall the Landlord be liable for any injury to the Tenant, its employees, agents or invitees, or to the Premises, or to any property of the Tenant or anyone else, for any loss of profits or business interruption, indirect consequential damages, or for any other costs, losses or damages of whatsoever kind arising from any interruption or failure in the supply of any utility or service to the Premises.

ARTICLE 7 CONTROL AND OPERATION BY LANDLORD

7.1 Building Operation and Repair

The Landlord shall operate, maintain and repair the Building, any HVAC Equipment serving the entire building containing the Premises and any other service facilities not within or exclusively serving the Dedicated Space, to the extent required to keep the Building, equipment and facilities in a state of good repair and maintenance in accordance with normal property management standard for a similar building in the vicinity. For greater certainty

- a) The Landlord's obligations shall not extend to any matters that are the responsibility of the Tenant herein; and
- b) The Landlord shall promptly make all repairs to the structural components of the Building.

7.2 Common Areas and Building

The Tenant shall have the right of non-exclusive use, in common with others entitled thereto, for their proper and intended purposes of those portions of the Common Areas intended for common use by tenants of the Building. At times other than during Normal Business Hours, the Tenant and the employees of the Tenant and persons lawfully required communication with the Tenant shall have access to the building only in accordance with the requirements of the Landlord. The Common Areas shall at all times be subject to the exclusive management and control of the Landlord. The Landlord reserves the right to lease part of the Common Areas from time to time, to alter the layout or configuration of and/or reduce or enlarge the size of the Common Areas and/or Rentable Area of the Building, to cease to treat as part of the Building any buildings or lands now forming part of the Building and/or to add additional lands or building to the Building, and to make other changes to the Building as the Landlord shall from time to time reasonably determine.

7.3 Use of Boardroom

The Tenant shall have the right of non-exclusive use, in common with others entitled thereto, for the proper and intended purposes of the Boardroom. The Tenant shall not affect use of the Boardroom without the prior consent of the Managing Partner, which shall not be unreasonably withheld.

ARTICLE 8 USE OF PREMISES

8.1 Use of the Premises

The Tenant acknowledges that the Premises will be used solely for the Permitted Use as set out in Section 1.1(o), and for no other purpose.

8.2 Observance of Law

The Tenant shall, at its own expense, comply with all laws by-laws, ordinances, regulations and directives of any public authority having jurisdiction affecting the Premises or the use or occupation thereof including, without limitation, police, fire and health regulations and requirements of the fire insurance underwriters.

8.3 General Indemnity by Tenant

The Tenant shall be liable for and shall indemnify and save harmless the Landlord and its officers, employees and agents from all liabilities, fines, suits, claims, demands and actions, of any kind and nature for which the Landlord or its officers, employees or agents shall or may become liable or suffer by reason of any breach, violation or non-performance by the Tenant of any covenant, term or provision hereof or by reason of any death or injury of any person or any damage or destruction of any property resulting from any act, neglect, or

default on the part of the Tenant or any of its servants, employees, agents, invitees or licensees whatsoever. Such indemnification in respect of any such breach, violation or non-performance, damage to property, injury or death, occurring during the Term of this Lease shall survive the termination of this Lease, anything in this Lease to the contrary notwithstanding.

8.4 Waste, Nuisance, Overloading

The Tenant shall not do or suffer any waste, 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 Building, 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.

ARTICLE 9 MAINTENANCE, REPAIRS AND ALTERATIONS

9.1 Maintenance, Repair and Cleaning of Dedicated Space

Except as set out in this Article 9, the Tenant shall, at its own expense and cost, operate, maintain and keep in good and substantial repair, order and condition the Dedicated Space and all parts thereof, save and except repairs required to be made by the Landlord pursuant to Section 7.1. All repairs shall be in all respects equal in quality and workmanship to the original work and materials in the Dedicated Space and shall meet the requirements of all authorities having jurisdiction and the insurance underwriters.

9.2 Inspection and Repair on Notice

The Landlord, its servants, agents and contractors shall be entitled to enter upon the Premises at any time without notice for the purpose of making emergency repairs, and during Normal Business Hours on reasonable prior written notice, for the purpose of inspecting and making repairs, alteration or improvements to the Premises or to the Building. The Tenant shall not be entitled to compensation for any inconvenience, nuisance or discomfort occasioned thereby. The Landlord, its servants, agents and contractors may at any time, and from time to time, on reasonable prior written notice, enter upon the Premises to remove any article or remedy any condition which, in the opinion of the Landlord, would likely lead to the cancellation of any policy of insurance. The Landlord shall take reasonable precautions and attempt to schedule such work so as not to unreasonably interfere with the operation of the Tenant's business and to minimize interference with the Tenant's use and enjoyment of the Premises. The Tenant shall promptly affect all repairs necessitated by the Tenant's negligence or willful misconduct or the negligence or willful misconduct of the Tenant's agents, servants, contractor, invitees, employees or others for whom the Tenant is in law responsible.

9.3 Repair where Tenant at Fault

If the Building, including the Premises, or any furnaces, boilers, engines, controls, pipes, and other apparatus used for the purpose of heating or air-conditioning the Building, the water and drainage pipes, the electric lighting, any other equipment or the roof or outside walls of the Building are put in a state of disrepair or are damaged or destroyed through the negligence, carelessness or misuse of the Tenant, its servants, agents, employees or anyone permitted by it to be in the Building, the expense of the necessary repairs, replacements or alterations shall be borne by the Tenant and paid to the Landlord forthwith on demand.

9.4 Alterations

The Tenant will not make or erect in or to the Premises any installations, alterations, additions or partitions without first obtaining the Landlord's prior written consent, which the Landlord shall not unreasonably withhold.

9.5 Signs

The Tenant shall not paint, display, inscribe, place or affix any sign, picture, advertisement, notice, lettering or direction on any part of the outside of the Building or that is visible from the outside of the Building without the prior consent of the Landlord, not to be unreasonably withheld. The Landlord may prescribe a uniform pattern of identification signs for tenants.

9.6 Removal of Improvements and Fixtures

All Leasehold Improvements shall immediately on their placement become the Landlord's property, without compensation to the Tenant. Except as otherwise agreed by the Landlord in writing, no Leasehold Improvements or trade fixtures shall be removed from the Premises by the Tenant, either during or on the expiry or earlier termination of the Term except that:

- a) The Tenant may, during the Term, in the usual course of its business, remove its trade fixtures, provide that the Tenant is not in default under this Lease, and at the end of the Term, the Tenant shall remove its trade fixtures; and
- b) The Tenant shall at its sole cost, remove such of the Leasehold Improvements as the Landlord shall require to be removed, such removal to be completed on or before the end of the Term.

9.7 Repair of Damage

The Tenant shall, at its own expense, repair any damage caused to the Building by the Leasehold Improvements or trade fixtures or the removal thereof. In the event that the Tenant fails to remove its trade fixtures prior to the expiry or earlier termination of the Term, such trade fixtures shall, at the option of the Landlord, become the property of the Landlord

and may be removed from the Premises and sold or disposed of by the Landlord and may be removed from the Premises and sold or disposed of by the Landlord in such manner as it deems advisable.

For greater certainty, the Tenant's trade fixtures shall not include any HVAC Equipment serving the Premises or light fixtures. Notwithstanding anything in this Lease, the Landlord shall be under no obligation to repair or maintain the Tenant's installations.

9.8 Surrender of Premises

At the expiration or earlier termination of this Lease, the Tenant shall peacefully surrender and give up to the Landlord vacant possession of the Premises in the same condition and state of repair as the Tenant is required to maintain the Premises throughout the Term and in accordance with its obligations in Section 9.6.

ARTICLE 10 INSURANCE AND INDEMNITY

10.1 Tenant's Insurance

- a) The Tenant shall, at its sole cost and expense, take out and maintain in full force and effect, at all times throughout the Term, general liability insurance with respect to 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) or such higher limits as the Landlord may reasonably require from time to time.
- b) All such insurance shall be with insurers and shall be on such terms and conditions as the Landlord reasonably approves. The insurance described in Section 10.1 shall name as loss payee the Landlord and anyone else with an interest in the Premises from time to time designated in writing by the Landlord, and shall provide that any proceeds recoverable in the event of damage to Leasehold improvements shall be payable to the Landlord.
- c) The insurance described in Section 10.1 shall contain a waiver of any right of subrogation or recourse by the Tenant's insurers against the Landlord or the Landlord's mortgagees, their contractors, agents and employees, whether or not any loss is caused by the act, omission or negligence of the Landlord, its mortgagees, their contractors, agents or employees. The Tenant shall furnish to the Landlord on written request, certificated of all such policies.

10.2 Tenant Indemnity

The Tenant will 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 in part by any act or omission of the Tenant or anyone for whom it is in law responsible; or (c) arising from any breach by the Tenant of any provision of this Lease.

10.3 Mutual Release

1. Each of the Landlord and the Tenant releases the other and waives all claims against the other and those for whom the other is in law responsible with respect to occurrences insured against or required to be insured against by the releasing party, whether any such claims arise as a result of the negligence or otherwise of the other or those for whom it is in law responsible, subject to the following:

- a) Such release and waiver shall be effective only to the extent of proceeds of insurance received by the releasing party or proceeds which would have been received if the releasing party had obtained all insurance required to be obtained by it under this Lease (whichever is greater) and, for this purpose, deductible amounts shall be deemed to be proceeds of insurance received; and
- b) To the extent that both parties have insurance or are required to have insurance for any occurrence, the Tenant's insurance shall be primary.

2. Notwithstanding the foregoing or anything else herein contained, in no event, whether or not the result of the willful act or the negligence of the Landlord, its agents, officers, employees or others for whom it is legally responsible, and irrespective of any insurance that may or may not be carried or required to be carried, shall the Landlord be liable for:

- a) Damage to property of the Tenant or others located on the Premises:
- b) Any injury or damage to persons or property resulting from fire, explosion, steam, water, rain, snow, or gas which may leak into or issue or flow from any part of the Building or from the water, steam or drainage pipes or plumbing works of the Building or from any other place or quarter;
- c) Any damage caused by or attributable to the condition or arrangement of any electrical or other wiring;
- d) Any damage caused by anything done or omitted to be done by any other tenant of the Building; or
- e) Any indirect or consequential damages suffered by the Tenant.

ARTICLE 11
ASSIGNMENT AND SUBLETTING

11.1 Assignment and Subletting

The Tenant shall not affect any Transfer without the prior written consent of the Landlord, which may be unreasonably withheld. No consent to any Transfer shall relieve the Tenant from its obligation to pay Basic Rent and to perform all of the covenants, terms and conditions herein contained. In the event of a Transfer, the Landlord may collect Basic Rent or sums on account of Basic Rent from the Transferee and apply the net amount collected to the Basic 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.

11.2 No Advertising

The Tenant shall not advertise that the whole or any part of the Premises is available for assignment or sublease and shall not permit any broker or other person to do so unless the text and format of such advertisement is approved in writing by the Landlord. No such advertisement shall contain any reference to the rental rate of the Premises.

11.3 Assignment by Landlord

In the event of the sale or lease by the Landlord of its interest in the Building 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.

11.4 Status 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 modification and that the same is in full force and effect as modified; (b) the amount of Basic Rent then being paid; (c) the dates to which Basic Rent, by instalments or otherwise, and other charges 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.

ARTICLE 12
QUIET ENJOYMENT

12.1 Quiet Enjoyment

The Tenant, on paying the Basic 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.

ARTICLE 13 DAMAGE AND DESTRUCTION

13.1 Damage or Destruction to Premises

If the Premises or any portion thereof are damaged or destroyed by fire or by other casualty, Basic 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. 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. Basic 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.

13.2 Rights to Termination.

Notwithstanding Section 13.1:

- a) If the Premises or any portion thereof are damaged or destroyed by any cause whatsoever and cannot, in the opinion of the Landlord's architect or professional engineer, be rebuilt within one hundred and twenty (120) days of the damage or destruction, the Landlord may, instead of rebuilding the Premises, 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; and
- b) If the Building shall, at any time, be wholly or partially destroyed or damaged (whether or not the Premises have been affected) to the extent that Twenty-five percent (25%) or more of the gross floor area of the Building has become unfit for use, the Landlord may elect, within thirty (30) days from the date of such damage, to terminate this Lease on thirty (30) days' notice to the Tenant, in which event rent shall remain payable until the date of termination (unless it has abated under Section 13.1)

13.3 Certificate Conclusive

Any decisions regarding the extent to which the Premises or any portion of the Building 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 on the parties.

13.4 Insurance Proceeds

Notwithstanding Sections 13.1 and 13.2, 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 Building or 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 Building or the Premises, the Landlord may elect, on written notice to the Tenant, within thirty (30) days of such damage or destruction, to terminate this Lease, and the Tenant shall immediately deliver up vacant possession of the Premises to the Landlord.

13.5 Landlord's Work

In performing any reconstruction or repair, the Landlord may effect changes to the Building and its equipment and system and minor changes in the location or area of the Premises. The Landlord shall have no obligation to grant to the Tenant any Tenant's allowances to which it may have been entitled at the beginning of the Term and shall have no obligation to repair any damage to Leasehold Improvements or the Tenant's fixtures.

ARTICLE 14 DEFAULT

14.1 Default and Right to Re-enter

Any of the following constitutes an Event of Default under this Lease:

- a) Any Basic Rent is not paid on the date when it is due;
- 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 propose, 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; 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;
- f) The Tenant makes an assignment or sublease, other than in compliance with the provisions of this Lease;
- g) 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;
- h) The Tenant moves or commences, attempts or threatens to move its trade fixtures, chattels and equipment out of the Premises; or
- i) Any insurance policy covering any part of the Building 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.

14.2 Default and 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 as to whether it is terminating this Lease under this Section 14.2(a) or proceeding under Section 14.2(b) or any other provision of this Lease, the Landlord shall be deemed to be proceeding under Section 14.2 (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, and 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 Basic Rent, and third, to the payment of Basic Rent in arrears, with the residue to be held by the Landlord and applied to payment of future Basic 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 Basic Rent together with the next three (3) months' instalments of Basic Rent, all of which shall immediately become due and payable as accelerated rent.

14.3 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 anytime during the Term shall be exempt from levy by distress for Basic 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 the test the right of the Landlord to levy such distress.

14.4 Costs

The Tenant shall pay to the Landlord all damages, costs and expenses (including, without limitation, all legal fees on a solicitor-and-client 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.

14.5 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.

ARTICLE 15 GENERAL

15.1 Entry

Provided that the Tenant has not exercised any option to extend this Lease as provided herein, the Landlord shall be entitled, at any time during the last three months of the Term:

- a) Without notice to or consent by the Tenant, to place on the exterior of the Premises, the Landlord's usual notice(s) that the Premises are for rent; and
- b) On reasonable prior notice, to enter upon the Premises during Normal Business Hours for the purpose of exhibiting same to prospective tenants.

The Landlord may enter the Premises at any time during the Term on reasonable notice for the purpose of exhibiting the Premises to prospective purchasers or for the purpose of inspecting the Premises.

15.2 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 15.2 shall not under any circumstance operate to excuse the Tenant from prompt payment of Basic Rent and/or any other charges payable under this Lease.

15.3 Effect of Waiver or Forbearance

No Waiver by any party 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 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 Basic Rent by the Landlord shall not be deemed 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 any time of the acceptance of such Basic Rent. All Basic 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 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.

15.4 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 address for such party as set out below, as applicable, and any such notice, delivery or payment so delivered or sent shall be deemed to have been given or made and received on delivery of the same or on the third business day following the mailing of same, as the case may be. Each party may, by notice in writing 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.

To the Landlord (to the Attention of the CAO) at the following address:

98 East Victoria Street, Amherst NS, B4H 1X6

To the Tenant at the address of the Premises or the following address:

5 Ratchford Street, Amherst NS, B4H 1X2

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 of the service of the Canada Post Office shall be deemed to have been received only if delivered personally or sent by prepaid courier.

15.5 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 Building. 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 on the notice or caveat; and (d) the Tenant pays the Landlord's reasonable costs on account of the matter. The Landlord may limit such registration to one or more parts of the Building. Upon the expiration or earlier termination of the Term, the Tenant shall immediately discharge or otherwise vacate any such notice or caveat. If any part of the Building which, in the opinion of Landlord, is surplus is transferred, the Tenant shall forthwith, at the request of the Landlord, discharge or otherwise vacate any such notice or caveat as it relates to such part. If any part of the Building is made subject to any easement, right-of-way or similar right, the Tenant shall immediately, at the request of the Landlord, postpone its registered interest to such easement, right-of-way or similar right.

15.6 Number, Gender, Effect of Headings

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 Articles and Sections and the insertion of heading are for convenience of reference only and shall not affect the construction or interpretation of this Lease.

15.7 Severability

If any Article or Section or part or parts of an Article or Section in this Lease is or is held to be 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 on the Landlord and the Tenant as though such Article or Section or part or parts thereof had never been included in this Lease.

15.8 Entire Agreement

There are no covenants, representations, warranties, agreements or other conditions expressed or implied, collateral or otherwise, forming part of or in anyway 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, and no amendment, variation or change to this Lease shall be binding unless the same shall be in writing and signed by the parties.

15.9 Successors and Assigns

The rights and liabilities of the parties shall ensure to the benefit of their respective heirs,

executors, administrators, successors and assigns, subject to any requirement for consent by the Landlord hereunder.

15.10 Confidentiality

The contents, terms and conditions of this Lease shall be kept strictly confidential by the Tenant. The Tenant shall not, under any circumstance, discuss or reveal the details of this Lease with any arm's-length parties including, but not limited to, any other tenants in the Building, prospective tenants, real estate agents or others except the Tenant's legal and financial advisors, any bona fide Transferee, and except as may be required by law.

IN WITNESS WHEREOF the parties have duly executed this Lease as of the day and year first above written

THE TOWN OF AMHERST

Witness

Jason MacDonald
Chief Administrative Officer

Witness

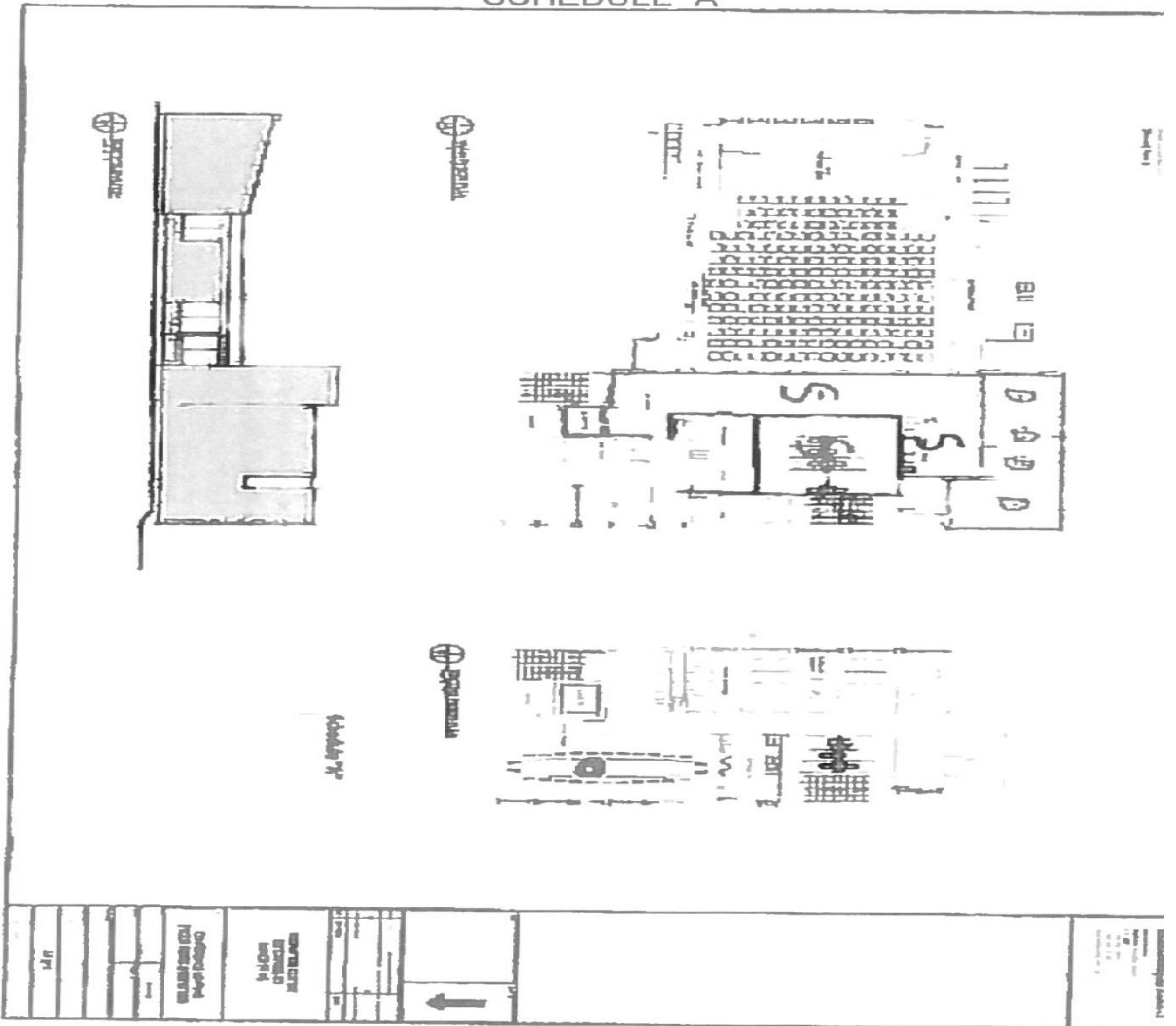
David Kogon
Mayor

We have the authority to bind the Landlord

Witness

Elizabeth Smith McCrossin, MLA
Tenant

SCHEDULE "A"



SCHEDULE "B"
EXTENSION RIGHTS

Provided that the Tenant is not then in default under the terms of the Lease, the Landlord, at the expiration of the Term, and upon the Tenant's written request to extend the Term of the Lease, mailed by registered post, to or delivered to the Landlord and received by the Landlord at least three (3) months prior to the expiration of the initial Term, shall grant to the Tenant an extension of the Term for one (1) further term of two (2) years or for such other term as mutually agreed upon by the Landlord and the Tenant (the "Extended Term") upon the same terms and conditions except that there shall be no further right to extend the Term and except as to Basic Rent, which shall be negotiated; provided, however, that the Landlord shall be entitled to deny the extension of the Term if, at the time the Landlord has received the Tenant's written request to extend the Term, the Landlord has commenced plans to redevelop the Building whether by way of retention of architects and planners or any means whatsoever