



County Council

Meeting Date: **October 12, 2021**
Submitted by: **Wayne Meagher, County Barrister & Solicitor**
SUBJECT: **CULINARY CATERING – AMENDED SUBLEASE**

BACKGROUND:

Middlesex County and Culinary Catering have a Sublease of the Middlesex Room and related storage area for weddings which has a term that commenced on April 9, 2020 and ends on December 31, 2022. The Sublease requires amendment due to the impacts of the COVID-19 global pandemic.

ANALYSIS:

On April 9, 2020, no one knew just what extensive of an impact COVID-19 would come to have on the world. Due to applicable regulations related to the pandemic, Culinary Catering's wedding venue operation was unable to operate from April 9, 2020 through July 29, 2021 and as a result, the rent is in arrears to the County. Culinary Catering was able to re-commence its wedding venue operation as of July 30, 2021.

Administration is of the opinion that it is appropriate for the County to amend the Sublease to provide for complete forgiveness of arrears and interest to Culinary Catering for the months of April 2020 through July 2021 and for rent to be owing for the months of August 2021 forward. Accordingly, the attached Amended Sublease has been drafted to amend the Sublease to provide for arrears and interest forgiveness for April 2020 through July 2021. Culinary Catering's regular monthly rent of \$6,463.94 per month plus proportionate share of all utilities, insurance and minor repair and maintenance expenses for the subleased premises, plus HST will be payable from August 2021 through the end of the term, which remains December 31, 2022, and August through November 2021 rent would be due on November 1, 2021. Culinary Catering is supportive of the Amended Sublease and should it be approved, they are most thankful to the County for its kindness as a sublessor during these difficult times.

FINANCIAL IMPLICATIONS:

The rental forgiveness of 16 months of rent provides for lost rental revenue for the County in the amount of \$103,423.04 for base rent, plus the cost of Culinary Catering's proportionate share of all utilities, insurance and minor repair and maintenance

expenses for 16 months, plus HST, plus interest at a rate of 12% per annum. During 2020, the County Treasurer and Administration anticipated this loss and has mitigated same through the County's participation in Provincial lost revenue programs. For further details on the lost revenue programs, the County Treasurer may be consulted.

ALIGNMENT WITH STRATEGIC FOCUS:

This report aligns with the following Strategic Focus, Goals, or Objectives:

Strategic Focus	Goals	Objectives
Cultivating Community Vitality	Advance a diverse, healthy, and engaged community across Middlesex County	<ul style="list-style-type: none">• Promote and support community wellness
Connecting Through Infrastructure	Ensure communities are built on a sustainable foundation that is connected and thriving	<ul style="list-style-type: none">• Commit to a sound asset management strategy to maintain and fund critical infrastructure• Use County infrastructure in an innovative way to provide a seamless service experience for residents
Promoting Service Excellence	Innovate and transform municipal service delivery	<ul style="list-style-type: none">• Anticipate and align municipal service delivery to emerging needs and expectations

RECOMMENDATION:

For County Council to approve the attached Culinary Catering Amended Sublease 2021 and direct the endorsement of the Amended Sublease.

Attachments: Amended Sublease Agreement 2021

AMENDED SUBLEASE AGREEMENT

THIS AMENDED SUBLEASE AGREEMENT effective the 9th day of April, 2021.

B E T W E E N:

THE CORPORATION OF THE COUNTY OF MIDDLESEX,
a municipal corporation established under the laws of the Province of Ontario and having its
head office in the City of London, County of Middlesex

(hereinafter, called the "**Tenant**")

OF THE FIRST PART;

- and -

1404448 ONTARIO LIMITED, operating as CULINARY CATERING SERVICES

(hereinafter, called the "**Subtenant**")

OF THE SECOND PART;

- and -

GEORGE ANAST, also known as George Anastasiadis

(hereinafter, called the "**Guarantor**")

OF THE THIRD PART;

hereafter, collectively referred to as the "**Parties**"

WHEREAS

- (a) The Parties entered into a Sublease Agreement dated April 9, 2020 (hereinafter, called the "**April 9th, 2020 Sublease Agreement**") whereby the Tenant leases the Middlesex Room portion of the Middlesex County Building from Fridays at noon to Mondays at noon and a storage area in the Middlesex County Building from Monday and noon to Friday at noon, collectively defined as the Leased Premises in the April 9, 2020 Sublease Agreement;
- (b) The April 9th, 2020 Sublease Agreement, inclusive of its *Schedule "A"* is attached hereto as **Appendix "I"** and forms a part of this Amended Sublease Agreement;
- (c) The Subtenant's wedding venue operation was unable to operate from April 9, 2020 through July 29, 2021 due to occurrence of and regulations related to the global COVID-19 pandemic;
- (d) The Subtenant was able to re-commence its wedding venue operation on July 30, 2021;
- (e) The Parties have agreed to amend the April 9th, 2020 Sublease Agreement *mutatis*

mutandis, as set out in this Amended Sublease Agreement (hereinafter, called the “**2021 Amended Sublease Agreement**”) and hereby confirm that the 2021 Amended Sublease Agreement supersedes and replaces any prior Agreement between the Parties that existed before it concerning the rental of Middlesex Room and related storage at 399 Ridout Street North, London, Ontario N6A 2P1.

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the rents, conditions, covenants, obligations and agreements hereinafter reserved and contained:

Recitals

1. The above recitals are true and are hereby incorporated into this 2021 Amended Sublease Agreement by reference.

Incorporation of the April 9, 2020 Sublease Agreement *mutatis mutandis*

2. Subject to the terms herein, the Parties agree that the provisions of the April 9th, 2020 Sublease Agreement, attached hereto as **Appendix “1”** are incorporated *mutatis mutandis* into this 2021 Amended Sublease Agreement.

Specific Amendments

3. Article 3.1(a) of the April 9th, 2020 Sublease Agreement is hereby amended by deleting content of the clause in its entirety and inserting the following in lieu thereof:

Subject to the terms and conditions hereinafter contained in paragraph 3.1(a), (c), (d), (e), (f) and section 5 of this 2021 Amended Sublease Agreement, the Subtenant agrees to pay to the Tenant from the Commencement Date at the office of the Tenant, or at such other place designated by the Tenant, in lawful money of Canada, without any prior demand therefor, and without any deduction, defalcation or set-off whatsoever, as fixed annual Minimum Rent, the sum of Seventy-seven Thousand, Five Hundred Sixty-Seven Dollars and Twenty-eight Cents (\$77,567.28) per annum payable in equal monthly installments of Six Thousand, Four Hundred and Sixty-three Dollars and Ninety-four Cents (\$6,463.94) each in advance, on the 1st day of each calendar month (the “**Minimum Rent**”) until the expiration of the Term of this Agreement.

4. Article 3.1(b) of the April 9th, 2020 Sublease Agreement is hereby deleted in its entirety:

~~The Subtenant shall make its first monthly Minimum Rent payment to the Tenant on the 1st day of May 2020.~~

5. Article 3.1 is hereby amended by adding to the April 9, 2020 Sublease Agreement the following subsection 3.1(f):

“Notwithstanding section 2.1(b) and 3.1(a), (c), (d), and (e), the obligation for the Tenant to pay Rent and all interest due for unpaid Rent for the sixteen (16) month period between April 9, 2020 and July 29, 2021 is hereby forgiven by the Tenant.

The Subtenant shall pay to the Tenant its four monthly installments of Six Thousand,

Four Hundred and Sixty-three Dollars and Ninety-four Cents (\$6,463.94) required by Article 3.1(a), plus additional rent in accordance with 3.1(b), 7.1(a), 7.1(b), plus HST in accordance with 3.1(e) owing by the Subtenant to the Tenant for the months of August, September, October, and November 2021 on November 1, 2021.

The Tenant shall pay additional rent in accordance with Article 3.1(b), 7.1(a) and 7.1(b), plus any interest owing for any overdue Rent in accordance with Article 3.1(d), plus HST in accordance with Article 3.1(e) from the month of August 2021 through to the expiration of the Term of this Agreement.”

6. The additional rent provisions of Article 7.1(a) and 7.1(b) of the April 9th, 2020 Sublease Agreement shall be subject to section 5 of this 2021 Amended Sublease Agreement.

Definitions

7. Where the phrases “this Agreement” or “the Agreement” appear in the April 9th, 2020 Sublease Agreement attached hereto as *Appendix “1”*, those phrases shall have the meaning of referring to this 2021 Amended Sublease Agreement, inclusive of its appendices.

Entire Agreement

8. Article 26.1(h) of the April 9th, 2020 Sublease Agreement is hereby amended by deleting the content of the clause in its entirety and inserting the following in lieu thereof:

“The Subtenant acknowledges that there have been no representations made by the Tenant which are not set out in this 2021 Amended Sublease Agreement. This 2021 Amended Sublease Agreement and its appendix, which shall be read together in forming this 2021 Amended Sublease Agreement and when read together, contain all of the covenants, promises, agreements, conditions and understandings between the Parties and there are no covenants, promises, agreements, conditions or understandings either oral or written, between them other than as herein set forth. The Parties further acknowledge that this 2021 Amended Sublease Agreement shall not be amended or modified except by a subsequent agreement in writing duly endorsed by the Parties. No waiver of, failure to exercise, or delay in exercising any clause of this 2021 Amended Sublease Agreement constitutes a waiver of any other clause (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.”

Electronic Endorsement and Counterparts

9. This 2021 Amended Sublease Agreement may be executed and initialed by the Parties by original or electronic signature and be delivered by the parties in separate counterparts by e-mail or other functionally equivalent electronic means of transmission. Execution and delivery copy of this Agreement as set out above shall be deemed to effectively bind the parties and meets the requirements of the *Electronic Commerce Act 2000*, S.O. 2000, c. 17, as amended or replaced. Each counterpart will be considered an original and each, when held together, shall constitute one and the same instrument.

Governing Law

10. This 2021 Amended Sublease Agreement is governed by and is to be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable in that Province.

Voluntary Enforceable Agreement

11. The Parties agree and acknowledge that no party has been induced to enter into this 2021 Amended Sublease Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a provision in this 2021 Amended Sublease Agreement.

[ONE (1) ENDORSEMENT PAGE FOLLOWS]

IN WITNESS WHEREOF the Parties have affixed their respective signatures hereto on the dates set out below, being the effective endorsement and authorization of their duly authorized officers effective on the date set out at the top of page one (1) of this Agreement.

**THE CORPORATION OF THE COUNTY OF
MIDDLESEX**

Date: October ____, 2021

Cathy Burghardt-Jesson, Warden

Marcia Ivanic, Clerk
We have the authority to bind the Corporation

**1404448 ONTARIO LIMITED operating as
CULINARY CATERING SERVICES**

Date: October ____, 2021

Per: George Anast, President
I have authority to bind the Corporation

GEORGE ANAST, as Guarantor
also known as George Anastasiadis

Appendix "I"

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT effective the 9th day of April, 2020.

B E T W E E N:

THE CORPORATION OF THE COUNTY OF MIDDLESEX,
a municipal corporation established under the laws of the
Province of Ontario and having its head office in the City of
London, County of Middlesex

(hereinafter, called the "Tenant")

OF THE FIRST PART;

- and -

**1404448 ONTARIO LIMITED operating as CULINARY
CATERING SERVICES**

(hereinafter, called the "Subtenant")

OF THE SECOND PART;

- and -

GEORGE ANAST, also known as George Anastasiadis

(hereinafter, called the "Guarantor")

OF THE THIRD PART;

hereafter, collectively referred to as the "**Parties**"

WHEREAS

- (a) A lease agreement exists between York Developments and The Corporation of the County of Middlesex commencing April 8, 2020 (hereinafter, referred to as the "Head Lease"), whereby the owner of Ontario Property Identification Numbers 08322-0128 and 08322-0129 as of April 8, 2020, York Developments (London) Inc. leases to The Corporation of the County of Middlesex as tenant, the entire building within the lands described municipally as 399 Ridout Street, London, Ontario (hereinafter, called the "Property"); and
- (b) The Corporation of the County of Middlesex has the authority and agrees to sublease to the Subtenant that part of the Property known as the Middlesex Room, the storage area adjacent to the Middlesex Room and the washrooms adjacent to the Middlesex Room that are all more particularly set out in the diagram attached hereto as **Schedule "A"** (the "Subleased Premises").

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the rents, conditions, covenants, obligations and agreements hereinafter reserved and contained:


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ARTICLE 1 - DEFINITIONS

- 1.1 In this Sublease (including this Article) and all schedules and other instruments attached or supplemental hereto, unless there is something in the context inconsistent therewith, the following expressions shall have the meanings respectively hereinafter ascribed to them;
- (a) **"Commencement Date"** – means April 9, 2020;
 - (b) **"Common Facilities"** – has the meaning ascribed thereto in Article 6, paragraph 6.1(a);
 - (c) **"Events Agreement(s)"** means one or more agreements reached between the Parties pursuant to subsection 26.1 (q-r) of this Agreement.
 - (d) **"Sublease Year"** - means a period of twelve (12) consecutive full calendar months, the first Sublease Year beginning on the Commencement Date of the Term hereof. Each succeeding Sublease Year shall commence upon the anniversary date of the first Sublease Year;
 - (e) **"Subleased Premises"** - has the meaning ascribed thereto in the recitals herein;
 - (f) **"Minimum Rent"** - has the meaning ascribed thereto in Article 3, paragraph 3.1(a);
 - (g) **"Property Taxes"** – has the meaning ascribed thereto in Article 5.1(a);
 - (h) **"Proportionate Share"** – means three-sevenths (3/7) or forty-three (43%) per cent which represents the proportion of the week the Subleased Premises is utilized by the Subtenant;
 - (i) **"Rent"** - means any and all amounts to be paid by the Subtenant to the Tenant herein; whether it be Minimum Rent, additional rent or any amount otherwise payable herein;
 - (j) **"Taxing Authority"** - means any duly constituted governmental authority whether federal, provincial, municipal or otherwise legally empowered to impose taxes, rates, assessments or charges on, upon or in respect of the Subleased Premises; and
 - (k) **"Term"** - has the meaning ascribed thereto in Article 2, paragraph 2.1(b), subject to Article 2, paragraph 2.1(c).

ARTICLE 2 - GRANT AND TERM

2.1

- (a) The Tenant hereby demises and Subleases to the Subtenant and the Subtenant hereby subleases from the Tenant the Subleased Premises. Subject to subsection 26.1(q and r) herein, the Subtenant shall have exclusive use of the Subleased Premises (save and except the storage area) each Friday from noon hour until each Monday at noon hour and shall have exclusive use of the storage area of the Subleased Premises each Monday from noon hour until each Friday at noon hour. The Subtenant expressly acknowledges that the exclusive use of those portions of the Subleased Premises that the Subtenant is not using shall be enjoyed by the Tenant and its duly authorized representatives.
- (b) Subject to Article 2, paragraph 2.1(c), the Term of this Sublease and the Subtenant's obligation to pay Rent hereunder shall commence on the 9th day of April, 2020, and shall end on the 31st day of December, 2022.
- (c) The Tenant shall have the right to terminate this Sublease by providing the Subtenant with eighteen (18) months written notice of termination (the "Tenant's Termination Right"). The Tenant's Termination Right shall be exercised by the Tenant's



delivery to the Subtenant of written notice of its intention to terminate the Sublease (the "Termination Notice"). The Termination Notice shall be effective not less than eighteen (18) months from the date the Termination Notice is delivered to the Subtenant. Notwithstanding any term, covenant, provision, section or article in this Sublease, if the Tenant delivers a Termination Notice in accordance with this Article 2, paragraph 2.1(c), the Sublease shall terminate on the date set out in the Termination Notice and the Term of the Sublease shall be amended accordingly.

ARTICLE 3 - RENT

3.1

(a) Subject to the terms and conditions hereinafter contained in this paragraph 3.1(a), the Subtenant agrees to pay to the Tenant from the Commencement Date at the office of the Tenant, or at such other place designated by the Tenant, in lawful money of Canada, without any prior demand therefor, and without any deduction, defalcation or set-off whatsoever, as fixed annual Minimum Rent, the sum of Seventy-seven Thousand, Five Hundred Sixty-Seven Dollars and Twenty-eight Cents (\$77,567.28) per annum payable in equal monthly installments of Six Thousand, Four Hundred and Sixty-three Dollars and Ninety-four Cents (\$6,463.94) each in advance, on the 1st day of each calendar month (the "Minimum Rent") until the expiration of the Term of this Agreement.

(b) The Subtenant shall make its first monthly Minimum Rent payment to the Tenant on the 1st day of May 2020.

(c) The Subtenant shall pay as additional rent, any money required to be paid pursuant to any other paragraph of this Sublease and all other sums of money or charges required to be paid by the Subtenant under this Sublease, whether or not the same be designated "additional rent" or whether or not the same be paid to the Tenant or otherwise. All additional rent payable under this Sublease shall be charged to the Subtenant as Rent and, unless otherwise provided in this Sublease, shall be payable on demand, without deduction or set off, as soon after the end of the Sublease Year in which the charge is made as the amount can be determined. The Tenant may in each Sublease Year estimate the amount of additional rent payable for that Sublease Year. If the monthly instalments are made, the amount of the additional rent actually due shall be calculated at the end of the Sublease Year, or the Term, and the Subtenant shall pay the deficiency, if any, or the Tenant shall credit the Subtenant with any overpayment, in accordance with Article 8.1 herein;

(d) If the Subtenant shall fail to pay, when the same is due and payable, any Rent, or amounts or charges of the character described elsewhere in Article 3 hereof, such unpaid amount shall bear interest from the date thereof to the date of payment at the rate of 12% per annum;

(e) The Subtenant shall pay to the Tenant Harmonized Sales Tax ("HST") on all amounts payable hereunder in this Article 3 as Rent. The amount of HST shall be calculated by the Tenant in accordance with applicable legislation and shall be paid at the same time as the amounts to which HST apply are payable to the Tenant under this Sublease. The HST shall be deemed not to be additional rent, but the Tenant shall have all of the same rights and remedies on non-payment of HST as it has for Rent in arrears under the Sublease. If the Subtenant is entitled at any time during the Term to HST exempt status or to a reduced rate of HST, it shall reimburse the Tenant for the amount of the shortfall, by reason of such status or reduced rate, between the input tax credits permitted to the Tenant under the HST legislation or in respect to its ownership and operation of the Subleased Premises in which the Subleased Premises is situate and the amount of HST collected by the Tenant from the Subtenant, to the extent only that the Tenant is not able to recover the amount of such shortfall from Canada Customs and Revenue Agency by virtue of such legislation. If necessary for the purposes of obtaining input tax credits and/or recovery of HST by either party, the Tenant and Subtenant each covenant to register under the HST legislation for the purposes of this paragraph and to maintain such registration in effect at all times.


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ARTICLE 4 – SUBLEASE EXPENSES

- 4.1 The Tenant and the Subtenant acknowledge and agree that it is intended that the Minimum Rent shall be paid to the Tenant and the Proportionate Share of all utilities, insurance and minor repair and maintenance expenses for the Subleased Premises shall be for the account of the Subtenant. For clarity, no charges, whether Proportionate Share or otherwise, shall be payable by the Subtenant for any structural repairs or any HVAC repairs or maintenance. Save and except the expenses that are specifically allocated to the Subtenant, the Tenant shall be responsible during the Term of the Sublease for any other costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Subleased Premises.

ARTICLE 5- TAXES

5.1

(a) In the event that Property Taxes are payable for the Subleased Premises, the Subtenant shall pay to the Tenant, as additional rent, in addition to the rental and other sums due hereunder, in the manner hereinafter specified, for each fiscal period adopted by the Tenant, its Proportionate Share of all costs and expenses, including legal costs and expenses, incurred by the Tenant for such fiscal period in respect of municipal and other property taxes and rates, whether general or special, of any nature whatsoever, including but not limited to school and local improvement taxes and rates levied or assessed by any lawful Taxing Authority against the lands, buildings and improvements from time to time forming part of the Subleased Premises, or against the Tenant on account of its ownership thereof multiplied by a ratio, the numerator of which shall be three thousand three hundred and twenty-eight (3,328) (representing the square footage of the Subleased Premises) and the denominator of which shall be the estimated total square footage of the Property (the "Property Taxes"). The tax year of any lawful Taxing Authority commencing during any Sublease Year shall be deemed to correspond to such Sublease Year. The additional rent provided for in this Section shall be paid within twenty (20) days after demand therefor by the Tenant. The copy of the tax bill submitted by the Tenant to the Subtenant shall be sufficient evidence of the amount of Property Taxes assessed or levied against a parcel of real property to which such bill relates;

(b) If Property Taxes are payable for the Subleased Premises, in the event that there is a separate assessment for Property Taxes made against the Subleased Premises, or a portion thereof, the Subtenant agrees to pay all such Property Taxes attributable to the Subleased Premises as a result of such separate assessment within the times herein referred to in this Sublease. The Subtenant agrees to provide the Tenant, within twenty (20) days after demand therefor by the Tenant, such separate assessment for the Subleased Premises, and the separate tax bill, if any rendered on account thereof. The Subtenant shall have the right to appeal any such assessment at its own expense, provided that by so doing, it shall not detrimentally affect the Tenant, and shall not permit any lien or other encumbrance to be filed or assessed against the lands, buildings and improvements forming part of the Subleased Premises;

(c) The Tenant and the Subtenant acknowledge that Property Taxes are currently not payable for the Subleased Premises. The Tenant and the Subtenant acknowledge that the Subtenant's obligations under this Article 5 are conditional upon any Property Taxes being payable on the Subleased Premises. In the event that Property Taxes are not payable on the Subleased Premises, the Subtenant shall not be obliged to pay any amounts for Property Taxes;

ARTICLE 6 - USE OF COMMON FACILITIES

6.1

(a) The Subtenant, together with and in common with all others entitled thereto, shall be entitled to the continued use, enjoyment and benefit of the Common Facilities set out in *Schedule "A"* for the purpose of ingress and egress (the "Common

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Facilities"). For clarity, other than the designated Common Facilities for the Property, the Subtenant shall not be entitled to the use of any other areas of the Property. Without limiting the above, during business hours, the Subtenant shall access the Subleased Premises by using the main entrance or front door of the Property. After business hours, the Subtenant will be entitled to access the Subleased Premises via the caterer's door. During the Subtenant's use of the caterer's door as an access to the Subleased Premises after business hours, the Subtenant shall be permitted to leave the door unlocked but such door shall not be propped open. Once the Subtenant no longer requires the use of the caterer's door during non-business hours, the Subtenant shall ensure the caterer's door is locked. The Subtenant shall not unreasonably block or in any manner hinder the Tenant or other persons who may be authorized by the Tenant to utilize the Common Facilities from so doing. The Tenant may, in its discretion from time to time, permit certain persons to have the exclusive use of portions of the Common Facilities to the exclusion of the Subtenant and other persons but the Tenant shall not restrict the Subtenant's access to the Subleased Premises;

(b) Subject to the terms herein, all Common Facilities shall at all times be under the exclusive control and management of the Tenant. After consultation with the Subtenant, the Tenant shall be entitled to make reasonable rules and regulations applying uniformly to all lessees of the Property. If the Tenant enforces any such rules or regulations against the Subtenant, it shall enforce such rules or regulations against all other Subtenants of the Property, if applicable;

(c) Common Facilities which the Subtenant may be permitted to use and occupy, are to be used and occupied under a revocable licence, and if the amount of such areas be diminished, the Tenant shall not be subject to any liability, nor shall the Subtenant be entitled to any compensation or diminution or abatement of Rent, nor shall such diminution of such areas be deemed constructive or actual eviction, or a breach of any covenant for quiet enjoyment.

ARTICLE 7 - COST OF UTILITIES, INSURANCE AND MAINTAINING THE SUBLEASED PREMISES

7.1 ADDITIONAL RENT

(a) In each Sublease Year, in addition to the rental specified in Article 3 hereof, the Subtenant shall pay to the Tenant, as further additional rent, the full amount of its Proportionate Share of the utilities for the Subleased Premises;

(b) In each Sublease Year, in addition to the rental specified in Article 3 hereof, the Subtenant shall pay to the Tenant, as further additional rent, the full amount of its Proportionate Share of the Tenant's insurance costs for the Subleased Premises during the Term;

ARTICLE 8 - PAYMENT OF ADDITIONAL RENT

8.1 The amounts for which the Subtenant is to pay additional rent pursuant to Article 5 and Article 7 shall be estimated by the Tenant for such period as the Tenant may determine and the Subtenant agrees to pay to the Tenant the estimated amounts in monthly instalments in advance during such period, together with all other rental payments provided for in this Sublease. At the end of the period for which such estimated payments have been made, the Subtenant shall be advised of the actual amount required to be paid under the provisions of Article 5 and Article 7 and if necessary, an adjustment shall be made between the parties. If the Subtenant shall have paid in excess of such actual amount, the excess shall be refunded by the Tenant on the date the next fixed Minimum Rent payment is due. If the amount the Subtenant has paid is less than such actual amount, the Subtenant agrees to pay such extra amount with the next fixed Minimum Rent payment due.

ARTICLE 9 - SUBTENANT'S COVENANTS

9.1 The Subtenant will pay all Minimum Rent, additional rent and all other costs


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and charges as herein provided in this Sublease without any deduction or set off whatsoever. The Subtenant waives any right to set off provided by the *Commercial Tenancies Act* (Ontario) or its amending or successor legislation;

ARTICLE 10 - USE OF SUBLEASED PREMISES

- 10.1 The Subleased Premises shall be used and occupied only for the purpose of catering and the holding of events, including but not limited to weddings, and for no other purpose whatsoever. The Subtenant shall carry on business under the name and style of Culinary Catering Services, or such other name to which the Tenant may consent in writing.

ARTICLE 11 - UTILITIES

- 11.1 The Tenant and Subtenant acknowledge that the utility payments by the Subtenant shall be calculated in accordance with Article 7 herein. In no event shall the Tenant be liable for an interruption or failure in the supply of any such utility to the Subleased Premises.

ARTICLE 12 - MAINTENANCE AND ALTERATION OF THE SUBLEASED PREMISES

12.1

(a) The Subtenant shall at all times be responsible for the cost of minor repairs and maintenance of the Subleased Premises, whether such repairs are carried out by the Tenant or its duly authorized representatives. Nothing in this provision shall require the Subtenant to pay for repairs or other maintenance for the HVAC system or for any structural repairs; and

(b) In connection with any alterations, decorations or improvements, including without limitation the painting of the Subleased Premises, the Subtenant shall, before commencing the same, obtain the Tenant's written approval and shall, if required by the Tenant to do so, submit plans and specifications therefore. Any alterations, decorations or improvements completed by the Subtenant, whether at the Tenant's request or otherwise, shall be done by contractors or other workers or tradesmen designated or approved by the Tenant and all such alterations, decorations or improvements shall be carried out in a good and workmanlike manner with first class materials.

ARTICLE 13 - INSURANCE AND INDEMNITY

- 13.1 During the whole of the Term, subject to Article 13.2, the Subtenant shall at its expense:

(a) Insure the Subtenant's interest in the Subleased Premises, and the property of every description included in the Subtenant's leasehold improvements, including all Subleased and specifically contracted equipment used solely for the Subtenant's purposes, in a stated amount for its full replacement cost against all risk of loss or damage covered under an all risks policy of insurance;

(b) Maintain public liability and property damage insurance, including personal injury liability, contractual liability, employers liability and owners and contractors protective broad form property damage occurrence insurance coverage with respect to the Subleased Premises and their use by the Subtenant, coverage to include the activities and operation conducted by the Subtenant and any other person performing work on behalf of the Subtenant and those for whom the Subtenant is in law responsible in any part of the Subleased Premises. Such policies shall:

- (i) Be written on a comprehensive basis with inclusive limits of not less than Five Million Dollars (\$5,000,000) for bodily injury to any one or more persons or property damage or such higher limits as the Tenant, acting reasonably, or any mortgagees require from time to


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time, subject to availability, at rates not to exceed twice the current rate paid by the Subtenant; and

(ii) Contain a severability of interest clause and a cross-liability clause;

(c) Maintain comprehensive mechanical and electrical apparatus, including boiler and machinery, insurance on a blanket repair and replacement basis with limits for each accident in an amount not less than replacement cost of all boilers, pressure belts, air conditioning equipment and miscellaneous electrical apparatus owned or operated by the Subtenant or by others in the Subleased Premises or relating to or exclusively serving the Subleased Premises, if necessary;

(d) Alter or improve any of the insurance policies placed under this Section as the Tenant, acting as a prudent Tenant, or any mortgagee requires from time to time;


(e) All contracts of insurance placed by the Subtenant shall be written in the names of the Tenant and Subtenant as joint insured, and shall to the extent available show the Tenant, Subtenant and any mortgagee (to an amount that the Tenant's insurance advisers feel a prudent owner and the Tenant should be insured for) as joint insured, as their interests may from time to time appear, and shall contain (i) a cross-liability clause protecting the Tenant in respect of claims by the Subtenant as if the Tenant were separately insured, and (ii) a waiver of any subrogation rights which the Subtenant's insurers may have against the Tenant and those for whom the Tenant is at law responsible, whether any such damage is caused by the act, omission or negligence of the Tenant or those for whom the Tenant is at law responsible. If both the Tenant and Subtenant have claims to be indemnified under any such insurance, the proceeds shall be applied first to the settlement of the Tenant's claim, with the balance to the settlement of the Subtenant's claim;

(f) If the Subtenant fails to obtain the required policies of insurance, the Tenant may itself obtain such policies and shall give the Subtenant a notice setting out the amount and dates of payment of all costs and expenses incurred by the Tenant in that regard to the date of such notice; the Subtenant will, with the next instalment of Rent which becomes due, pay this amount to the Tenant. Any sum so expended by the Tenant, together with any applicable interest, shall constitute additional rent and shall be due and payable on demand by the Tenant;

(g) The Subtenant shall furnish the Tenant with certified copies of policies or other acceptable evidence of all such insurance promptly on request; but no review or approval of any such policies by the Tenant shall derogate from or diminish the Tenant's rights or the Subtenant's obligations under this Article 13;

(h) Neither the Subtenant nor its officers, directors, agents, servants or others shall bring upon the Subleased Premises, nor do, nor omit or nor permit to be done or omitted on or about the Subleased Premises anything which shall cause the rate of insurance on the Subleased Premises or the whole or any part of the Subleased Premises or its contents to be increased. If the rate of insurance is increased by the use made of the Subleased Premises or by anything done or omitted or permitted to be done by the Subtenant or its officers, directors, agents, servants or by anyone permitted by the Subtenant to be on the Subleased Premises, the Subtenant shall pay the amount of such increase to the Tenant immediately on demand. In determining whether increased premiums are a result of the Subtenant's use or occupancy of the Subleased Premises, a schedule issued by the organization making the insurance rate on the Subleased Premises showing the various components of such rate shall be conclusive evidence of the several items and charges which make up such rates;

(i) The Tenant shall not be liable for any death or injury or damage to property of the Subtenant or of others located on the Subleased Premises, nor for the loss of or damage to any property of the Subtenant or of others by theft or otherwise, from any cause whatsoever, including such damage, loss or injury resulting from negligence of the Tenant, its employees, Councillors, officers, directors, representatives, agents, legal counsel and consultants or other such persons for whom it may be responsible;


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(j) The Subtenant will indemnify the Tenant 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 Subleased Premises, or the occupancy or use by Subtenant of the Subleased Premises or any part thereof, or occasioned wholly or in part by any act or omission of Subtenant, its agents, contractors, employees, servants, licensees or concessionaires or by anyone permitted to be on the Subleased Premises by the Subtenant. In case the Tenant shall, without fault on its part, be made a party to any litigation commenced by or against Subtenant, then the Subtenant shall protect and hold the Tenant harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Tenant in connection with such litigation. The Subtenant shall also pay all costs, expenses and legal fees (on a solicitor and client basis) that may be incurred or paid by the Tenant in enforcing the terms, covenants and conditions of this Sublease, unless a Court shall decide otherwise. Notwithstanding any other provision of this Sublease, this indemnification shall survive any termination of the Sublease, with respect to any matter referred to in this Section which occurs during the Term;

13.2

Notwithstanding Article 13.1, the Tenant and the Subtenant shall compare insurance policies and make all reasonable efforts to ensure there is no duplication of coverage or expense with the objective that the most economical coverage possible is implemented for the Subleased Premises and the Common Facilities, whether that policy is procured by the Tenant or the Subtenant. Nonetheless, the Tenant and the Subtenant hereby acknowledge that all the coverage and covenants set out in Article 13.1 must be complied with from the policies procured by the Tenant and the Subtenant. Further, whether the required insurance coverage set out in Article 13.1 is procured by the Tenant or the Subtenant, the Subtenant hereby confirms that the cost of the required insurance coverage shall at all times be at the expense of the Subtenant, whether that expense is paid directly by the Subtenant or payable by the Subtenant as additional rent. For clarity, the Subtenant shall be responsible for the required insurance coverage on the Subleased Premises in its Proportionate Share calculated in accordance with Article 7.1.

ARTICLE 14 - ASSIGNING AND SUBLETTING

14.1 The Subtenant will not assign, set over, transfer, sublet or sub-Sublease, hypothecate, encumber or in any way deal with or part with (in this Article 14 a "transfer") the whole or any part of the Subleased Premises to anyone (in this Article 14 a "transferee"), for or during the Term or Renewal Term or any part of the Term or Renewal Term, without the prior written consent first being obtained from the Tenant, which consent may be unreasonably withheld.

ARTICLE 15 - WASTE, GOVERNMENTAL REGULATIONS

15.1

(a) The Subtenant shall not do or suffer any waste or damage, disfiguration or injury to the Subleased Premises or the fixtures and equipment in or serving the Subleased Premises. The Subtenant shall not do anything or permit anything to be brought on the Subleased Premises which the Tenant may reasonably deem to be a nuisance. The Subtenant shall not carry on any business or operation or permit anything to be done on the Subleased Premises which contravenes any provisions of the *Environmental Protection Act*, R.S.O. 1990, its amending or successor legislation, and shall not discharge any pollutant or contaminant into the natural environment, as those terms are defined in the *Environmental Protection Act*, R.S.O. 1990 its amending or successor legislation; and

(b) The Subtenant covenants to comply with all provisions of law including, without limiting the generality of the foregoing, federal and provincial legislative enactments, building by-laws and other governmental or municipal regulations which relate to the partitioning, equipment, operation and use of the Subleased Premises, or


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to the making of any repairs, replacements, alterations, additions, changes, substitutions or improvements of or to the Subleased Premises, and to comply with all police, fire and sanitary regulations imposed by any governmental, provincial or municipal authorities or made by fire insurance underwriters, and to observe and obey governmental and municipal regulations and other requirements governing the conduct of any business conducted in the Subleased Premises.

ARTICLE 16 - TENANT'S COVENANTS

16.1

(a) If applicable, the Tenant agrees to pay all Property Taxes (including local improvement rates) which may be levied or assessed by any lawful authority against the lands, building improvements and common facilities forming part of the Subleased Premises, subject to the provisions of Article 5 hereof and Article 7 hereof;

(b) Subject to the terms set forth herein, the Tenant will permit the Subtenant and the employees of the Subtenant and all other persons lawfully requiring communication with them to have the use during normal business hours in common with others of the Common Facilities. At times other than normal business hours, the Subtenant and the employees of the Subtenant and persons lawfully requiring communication and the use of the Common Facilities shall have such use only in accordance with the terms and provisions of this Sublease and any rules and regulations;

(c) Subject to Article 7 and 13.2, the Tenant agrees to take out and to maintain in full force and effect throughout the Term of this Sublease, fire insurance with extended coverage endorsement on the Property, with responsible insurance companies in an amount such as would be carried by a prudent owner of a Subleased Premises;

(d) Commencing on April 8, 2020, the Head Lease provides the Tenant during the term of this Sublease with quiet enjoyment of the lands described municipally as 399 Ridout Street. Subject to Article 2.1(a) and 26.1(q - r), upon payment by the Subtenant to the Tenant the Rent herein provided, and upon the observance and performance of all covenants, terms and conditions by the Subtenant to the Tenant set out herein, the Subtenant shall peaceably and quietly hold and enjoy the Subleased Premises for the Term hereby demised without hindrance or interruption by the Tenant, or any other person or persons lawfully claiming by, through or under the Tenant, subject, nevertheless, to the terms and conditions of this Sublease. In the event of any construction or development of Ontario Property Identification Numbers 08322-0128 and 08322-0129 by the owner throughout the term of this Sublease, the Tenant shall provide the Subtenant with access to the lands described municipally as 399 Ridout Street North, London, Ontario; and

(e) The Tenant and the Subtenant acknowledge that the Subleased Premises is being accepted by the Subtenant on an "as is" basis and there shall be no Tenant's work undertaken to prepare the Subleased Premises for the Subtenant.

ARTICLE 17 - DAMAGE AND DESTRUCTION

17.1

(a) If the Subleased Premises shall be damaged by fire, the elements, unavoidable accident or other casualty, insured against by the Tenant pursuant to paragraph 16.1(c) of Article 16 hereof and not caused by Subtenant, but are not thereby rendered untenable in whole or in part, Tenant shall at its own expense cause such damage, excluding damage to Subtenant's leasehold improvements, to be repaired, and the Rent shall not be abated. If by reason of such occurrence, the Subleased Premises shall be rendered untenable only in part, this Sublease shall continue and remain in full force and effect and Tenant shall at its own expense cause the damage to be repaired and the fixed Minimum Rent meanwhile shall be abated proportionately to the portion of the Subleased Premises rendered untenable. If the Subleased Premises shall be rendered wholly untenable by reason of such occurrence, the Tenant shall

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at its own expense cause such damage to be repaired and the fixed Minimum Rent meanwhile shall abate until the Subleased Premises have been restored and rendered untenable, or the Tenant may at its option, terminate this Sublease and the tenancy hereby created by giving to the Subtenant within ninety (90) days following the date of said occurrence, written notice of the Tenant's election so to do and in event of such termination, Rent shall be adjusted as of such date. Provided, however, that in the event of Tenant rebuilding the Subleased Premises as aforesaid, it shall not be required to rebuild same in the condition and state as same existed before any such occurrence;

(b) In the event that thirty percent (30%) or more of the Gross Leasable Area of the Subleased Premises shall be damaged or destroyed by fire or other cause, notwithstanding that the Subleased Premises may be unaffected by such fire or other cause, Tenant may terminate this Sublease and the tenancy hereby created by giving to Subtenant written notice of Tenant's election so to do, which notice shall be given, if at all, within the ninety (90) days following the date of said occurrence and Rent shall be adjusted as of the date of such termination;

(c) The Subtenant shall give immediate notice to the Tenant, in case of fire or accidents in the Subleased Premises or in the building of which the Subleased Premises are a part, of defects therein or in any fixtures or equipment notwithstanding the fact that the Tenant may have no obligations with respect thereto; and

(d) From and after the date upon which the Subtenant is notified in writing by the Tenant that the Tenant's work or reconstruction and/or repair is completed the Subtenant shall forthwith complete in accordance with the provision of paragraph 12.1(b) of Article 12 hereof, all work required to fully restore the Subleased Premises and enable the Subtenant to re-open the Subleased Premises for business fully fixtured, stocked and staffed. The certificate of the Tenant's Architect shall bind the Parties hereto as to the state of tenantability of the Subleased Premises and as to the date upon which the Tenant's work of reconstruction and/or repair is completed.

ARTICLE 18 - EXPROPRIATION

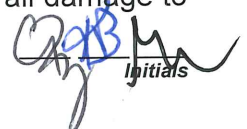
18.1

(a) If the whole of the Subleased Premises shall be expropriated for any public or quasi-public use or purpose, then at the option of the Tenant or the Subtenant, the Term of this Sublease shall cease and terminate upon possession being required, and all rentals shall be paid up to that date and Subtenant shall have no claim against Tenant for the value of any unexpired Term of this Sublease or for damages or for any other reason whatsoever;

(b) In the event that twenty percent (20%) or more of the total square footage of all Gross Leasable Area in the Subleased Premises shall be expropriated by any lawful expropriating authority, then the Tenant or the Subtenant shall have the right to be exercised by notice in writing to the other party within ninety (90) days next following such expropriation to elect to cancel and terminate this Sublease. Upon the giving of such notice to the Subtenant or the Tenant, the Term of this Sublease shall cease and terminate as of the date actual physical possession shall be taken and all rentals and charges shall be paid up to that date and the Subtenant shall have no claim against the Tenant for the value of any unexpired Term of this Sublease or for damages or for any other reason whatsoever. In the event that the Tenant or the Subtenant do not so elect to cancel this Sublease, by notice as aforesaid, this Sublease shall continue in full force and effect;

(c) In the event of any expropriation or taking as aforesaid whether whole or partial, Subtenant shall not be entitled to any part of the award or compensation paid for such expropriation and Tenant is to receive the full amount of such award or compensation, Subtenant hereby expressly waiving any right or claim to any part thereof; and

(d) Subtenant shall have the right to claim and recover from the expropriating authority, but not from Tenant, such compensation as may be separately awarded or recoverable by Subtenant in Subtenant's own right on account of any and all damage to

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Subtenant's business by reason of the expropriation and for or on account of any cost or loss to which Subtenant might be put in removing Subtenant's furniture, fixtures, leasehold improvements and equipment and for any losses or damages incurred by the Subtenant arising from the termination of the Subtenant's leasehold interest under this Sublease.

ARTICLE 19 - DEFAULT OF SUBTENANT

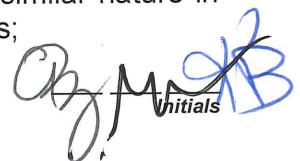
19.1

(a) In the event that:

- (i) The Subtenant fails to make any payment of Rent in whole or in part when due and the Tenant has given ten (10) days' notice requiring the Subtenant to pay and the Subtenant has failed to pay in accordance with the notice;
- (ii) The Subtenant has breached any of its covenants or failed to perform any of its obligations under this Sublease and the Tenant has given thirty (30) days' notice specifying the nature of the default and the steps required to correct the default and the Subtenant has failed to correct the default as required by the notice;
- (iii) The Subtenant has become bankrupt or insolvent or made an assignment for the benefit of creditors, had their property seized or attached in satisfaction of a judgment, had a receiver or receiver manager appointed, committed any act or neglected to do anything with the result that a construction lien or other encumbrance is registered against the Subtenant's property, made or entered into an agreement to make a sale of their assets to which the *Bulk Sales Act (Ontario)* applies without the consent of the Tenant or taken action (if the Subtenant is a corporation) with a view to winding-up, dissolution or liquidation;
- (iv) Any insurance policy is cancelled or not renewed by reason of the use or occupation of the Subleased Premises, or by reason of non-payment of premiums; or
- (v) The Subleased Premises becomes vacant or remains unoccupied for a period of seven (7) consecutive days or is used by any other person or persons, or for any other purpose than as provided for in this Sublease without the written consent of the Tenant.

Upon the occurrence of any of the foregoing, then the Tenant shall have the following remedies in each such case:

- (i) The Tenant may without further notice terminate this Sublease, in which case the then current month's Rent and the next ensuing three (3) months' Rent and any other payments for which the Subtenant is liable shall be apportioned and paid in full to the date of termination, together with the reasonable expenses of the Tenant attributable to the termination, and the Subtenant shall immediately deliver up possession of the Subleased Premises to the Tenant; any termination of the Sublease will be without prejudice to any other right or remedies the Tenant may have, including, without limitation, the right to receive compensation for loss of future Rent and for loss or diminution of revenue from the Subleased Premises; for the purposes of this clause, loss of future Rent and loss of revenue will be established by the terms and conditions on which the Tenant, in its sole discretion, relets the Subleased Premises, but if the Subleased Premises are not re-let, such facts will be based on the fair market rental for properties of a similar nature in the City of London and other relevant circumstances;

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- (II) The Tenant may enter the Subleased Premises and perform the obligation on behalf of the Subtenant, and shall not be liable for any loss or damage to the Subtenant's goods, chattels, fixtures and leasehold improvements or costs in so doing. Any reasonable expenses incurred by the Tenant in so doing (including, without limitation, legal fees and compensation for the Tenant's services, as well a management fee of ten percent (10%) of these expenses and compensation) shall be paid by the Subtenant to the Tenant as additional rent on demand; and
- (III) The Tenant shall have the right to enter the Subleased Premises and to re-let them as agent for the Subtenant for whatever term and whatever conditions the Tenant shall, in its sole discretion, deem advisable, and the Subtenant shall pay to the Tenant, in monthly instalments for the balance of the Term of this Sublease (which shall be deemed for the purposes of this paragraph III not to have been terminated by any action of the Tenant under this Article, including the making of alterations of the Subleased Premises deemed by the Tenant to be necessary or advisable for the purpose of re-letting them), any deficiency between the sum of 1/12 of the Rent payable under this Sublease and the net amount, if any, of Rent actually received by the Tenant in respect of the Subleased Premises, after deducting all amounts reasonably attributable to the re-letting of all or part of the Subleased Premises. For greater clarity, the Tenant, in the exercise of its discretion under this paragraph, may enter into a re-letting of all or part of the Subleased Premises for a term which may extend beyond the expiry date of the Term, without being deemed to have terminated the Sublease or the rights of the Tenant herein;

(b) If the Subtenant's default can be cured only by the performance of work or by the furnishing of materials, and if the work cannot be reasonably completed or the materials reasonably obtained and/or utilized within ten (10) days, the default shall not be deemed to continue if the Subtenant proceeds promptly with and diligently completes the work necessary to cure the default;

(c) The Subtenant shall indemnify and hold the Tenant, its employees, Councillors, officers, directors, representatives, agents, legal counsel and consultants harmless from and against any liability, claim, damages or expenses (including legal expenses on a full indemnity basis) arising from any claim made against the Subleased Premises, including the Common Facilities, for construction liens related to work done by or on behalf of the Subtenant and all work which the Subtenant is obliged to do and any such liability, claims, damages or expenses incurred by the Tenant shall be paid by the Subtenant to the Tenant on demand;

(d) The Subtenant waives and renounces the benefit of any present or future statute taking away or limiting the Tenant's right of distress and covenants and agrees that, notwithstanding any such statute, none of the goods and chattels of the Subtenant on the Subleased Premises at any time during the Term shall be exempt from levy by distress for Rent or any other charges. The Subtenant agrees to provide the Tenant with a key which will at all times open the locks to the Subleased Premises, if applicable, and expressly licenses and authorizes the Tenant with a right of entry:

- (i) to use the key for the purposes of effecting entry into the Subleased Premises to distrain on the goods and chattels of the Subtenant or to prevent the Subtenant from removing them; if the Tenant does not have the key or is unable to gain access to the Subleased Premises by the use of the key, the Subtenant expressly licenses and authorizes the Tenant to use any other means of ingress for the purpose of effecting distress as the Tenant may in its sole discretion determine including, without limitation, the breaking of the locks or of any window without being liable for any damages or prosecution for so doing;


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- (ii) to distraint at any time _____ of the day or night including, without limitation, after sunset, before sunrise and on Sunday and statutory holidays; and
- (iii) to levy distress against such goods and chattels at any place to which the Subtenant or any other person may remove them, in the same manner as if they had remained on the Subleased Premises.

(e) All Rent or sums otherwise payable to the Tenant under the terms of this Sublease shall bear interest at the rate of twelve percent (12%) per annum from their respective due dates until the actual date of payment; and

(f) The Tenant may, at its option, apply all sums received from the Subtenant to any Rent or other amount payable under this Sublease in such order as the Tenant sees fit. An endorsement or statement on a cheque or letter accompanying a cheque or payment as Rent is not an acknowledgement of full payment or an accord and satisfaction, and the Tenant may accept and cash the cheque or payment without prejudice to its rights to recover the balance of the Rent or pursue its other remedies.

ARTICLE 20 - ACCESS BY TENANT

20.1 During normal business hours, the Tenant shall have access to the Subleased Premises but shall make all reasonable efforts not to interfere with the Subtenant's use of the Subleased Premises. Subject to the above limitation and subsection 26.1(q) herein, the Tenant or its agents shall have the right to enter the Subleased Premises at all times to examine the same, and to show them to prospective purchasers, Subtenants or mortgagees, and to make such repairs, alterations, improvements or additions to the Subleased Premises as Tenant may deem necessary or desirable, and Tenant shall have the right to make changes and additions to the pipes, conduits, wiring and ducts in the Subleased Premises where necessary to serve other premises, and Tenant shall be allowed to take all material into and upon the Subleased Premises that may be required therefor without the same constituting an eviction of Subtenant in whole or in part and the Rent reserved shall in no way abate while said repairs, alterations, improvements, or additions are being made, by reason of loss or interruption of business of Subtenant, or otherwise, and the Tenant shall not be liable for any damage or injury caused to any property of Subtenant or of others located on the Subleased Premises as a result of any such re-entry.

ARTICLE 21 - ASSIGNMENT BY TENANT

21.1 In the event of the sale or Sublease by the Tenant of the Subleased Premises or the assignment by the Tenant of this Sublease or any interest of the Tenant hereunder, and to the extent that such purchaser or assignee has assumed the covenants and obligations of the Tenant hereunder, the Tenant shall without further written agreement be freed and relieved of liability upon such covenants and obligations.

ARTICLE 22 - STATUS STATEMENT, ATTORNMENT, SUBORDINATION

22.1

(a) Within ten (10) days after request therefor by Tenant, or in the event that upon any sale, assignment, Sublease or mortgage affecting the Subleased Premises and/or the land thereunder by Tenant a status statement shall be required from Subtenant, Subtenant agrees to deliver in a form supplied by Tenant, a certificate to any proposed mortgagee or purchaser, or to Tenant, certifying (if such be the case) that this Sublease is in full force and effect and that there are no defences or stating those claimed by Subtenant;

(b) Subtenant shall, in the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage


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made by Tenant covering the Subleased Premises, attorn to the mortgagee or the purchaser upon any such foreclosure or sale and recognize such mortgagee or purchaser as Tenant under this Sublease;

(c) Upon request of Tenant, the Subtenant will subordinate its rights hereunder to any mortgage or mortgages, or the lien resulting from any other method of financing or refinancing, now or hereafter in force against the land and/or buildings of which the Subleased Premises are a part, and to all advances made or hereafter to be made upon the security thereof. No subordination by Subtenant shall have the effect of permitting the holder of any mortgage or lien, or other security to disturb the occupation and possession by Subtenant of the Subleased Premises, so long as Subtenant shall perform all of the terms, covenants and conditions and agreements and provisos contained in this Sublease. The Tenant shall make all reasonable efforts to obtain a Non-Disturbance Agreement from any mortgagee of the Property. The Subtenant's subordination of its rights under this Sublease to any mortgagee shall not be conditional upon the Subtenant's receipt of a Non-Disturbance Agreement from such mortgagee; and

(d) Subtenant, upon request of any party interested, shall execute promptly such instruments or certificates to carry out the intent of paragraphs 22.1(a), 22.1(b) and 22.1(c) above as shall be requested by Tenant.

ARTICLE 23- CHAIRS, TABLES, EQUIPMENT AND OTHER CHATTELS

23.1 The Subtenant acknowledges that it shall be responsible for the provision of any chairs, tables, equipment, furniture or other chattels necessary for its use of the Subleased Premises.

23.2 The Subtenant hereby agrees to remove all its chairs, tables, equipment, furniture and other chattels from the Subleased Premises no later than noon hour on Monday and store the said chattels in the storage room that constitutes part of the Subleased Premises until noon hour on the following Friday, thereby enabling The Tenant or its duly authorized representatives to exclusively use the balance of the Subleased Premises from noon hour Monday until noon hour on Friday each week. The Subtenant shall also be responsible to set up its chairs, tables, equipment, furniture and other chattels by noon hour each Friday.

23.3 The Subtenant hereby agrees to permit the Tenant to use the Subleased Premises (other than the storage area) on a free basis for two (2) Fridays per month. The Tenant hereby agrees to give as much notice as possible for all such events to the Subtenant to ensure that these events do not interfere with the Subtenant's use of the Subleased Premises.

23.4 For clarity, the Subtenant shall be responsible for the cleaning of the washrooms that form part of the Subleased Premises but the Tenant shall pay for any repairs to the said washrooms. Nothing in this provision limits or derogates from the Subtenant's maintenance obligations with respect to the balance of the Subleased Premises which are set out in Article 12 of this Sublease.

23.5 The Subtenant agrees to work co-operatively with the Tenant's and any duly authorized representatives with respect to the sharing of the Subleased Premises and the set-up and removal of its chairs, tables, equipment, furniture and other chattels.

ARTICLE 24- INDEMNITY

24.1 The Guarantor hereby unconditionally guarantees all of the obligations of the Subtenant under this Sublease and accordingly covenants and agrees with the Tenant that all the covenants, agreements and other obligations of the Subtenant under this Sublease shall be fully performed, such guarantee being upon the following terms:

(a) The liability of the Guarantor to the Tenant shall be for all purposes as if the Guarantor was primary obligor hereunder, and not merely surety for the obligations of the Subtenant, and the Tenant shall not be obliged to resort to or exhaust any recourse which it may have against the Subtenant or any other

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person before being entitled to claim against the Guarantor;

(b) No dealings between the Tenant and the Subtenant of whatsoever kind, whether with or without notice to the Guarantor, shall exonerate the Guarantor in whole or in part, and in particular, and without limiting the generality of the foregoing, the Tenant may modify or amend this Sublease, grant any indulgence, re-lease, postponement or extension of time, waive any condition or provision of this Sublease or any obligation of the Subtenant, take or re-lease any securities or other guarantees for performance by the Subtenant, and otherwise deal with the Subtenant, this Sublease and any other persons as the Tenant may see fit without affecting, lessening or limiting in any way the liability of the Guarantor;

(c) Any account settled or stated or any other settlement made between the Tenant and the Subtenant, and any determination made pursuant to any provision of this Sublease which is expressed to be binding upon the Subtenant shall be binding upon the Guarantor;

(d) The Guarantor shall make payment to the Tenant of any amount properly payable by the Subtenant but unpaid upon demand, and shall upon demand perform any other obligations under this Sublease which the Subtenant has failed to perform, and any demand made by the Tenant upon the Guarantor shall be deemed to have been effectively made if sent as provided for in this Sublease;

(e) No assignment of this Sublease, sub-Sublease or any other dealings therewith by the Subtenant, whether with or without the consent of the Tenant, shall affect the guarantee;

(f) Nothing whatsoever except the performance in full of all the obligations of the Subtenant under this Sublease throughout the Term of this Sublease, and any extension thereof or over holding thereunder shall discharge the Guarantor or this guarantee; and

(g) The Guarantor's liability under this Article 24 shall be limited to the amount of Seventy-seven Thousand, Five Hundred Sixty-Seven Dollars and Twenty-eight Cents (\$77,567.28) plus HST (representing one year of Minimum Rent), plus interest increasing each year by 2% commencing January 1, 2021, calculated in accordance with Article 3, and all reasonable costs of collection, including but not limited to reasonable legal fees and disbursements.

ARTICLE 25- PARKING

25.1 The Tenant shall make available to the Subtenant at least fifty (50) parking spaces from 5:00 p.m. each Friday until 7:00 a.m. each Monday during the Term.

ARTICLE 26 - MISCELLANEOUS

26.1

(a) In the event of the Subtenant remaining in possession of the Subleased Premises after the end of the Term hereof and without the execution and delivery of a new Sublease, there shall be no tacit renewal of this Sublease and the Term hereby granted, and the Subtenant shall be deemed to be occupying the Subleased Premises as a Subtenant from month to month at a monthly rental payable in advance on the first day of each month equal to the sum of:

- (i) the fixed Minimum Rent payable during the last month of the Term of the Sublease plus twenty-five percent (25%); and
- (ii) additional rent and any other charges that would be otherwise payable by the Subtenant during the Term herein as if the Term were not at an end;

and otherwise upon the same terms and conditions as are set forth in this Sublease, so


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far as same are applicable;

(b) All rights and liabilities herein given to, or imposed upon the respective Parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors and assigns of the said Parties. No rights, however, shall enure to the benefit of any assignee of the Subtenant unless the assignment to such assignee has been approved by the Tenant in writing as provided in paragraph 14.1(a) of Article 14;

(c) The delivery or shipping of merchandise, supplies and fixtures to and from the Subleased Premises shall be subject to such rules and regulations as in the sole judgment of the Tenant are necessary for the proper operation of the Subleased Premises and the Property; notwithstanding anything contained herein, the Tenant shall not be liable for any and all loss or damage to any of the goods or merchandise of the Subtenant, or of others, which shall be received and/or handled, directly or indirectly, from any cause whatsoever, as a result of the operation of any holding area designated by the Tenant;

(d) No debris, garbage, trash or refuse shall be placed or left, or be permitted to be placed or left in, on or upon any part of the Subleased Premises or outside of the Subleased Premises, but shall be deposited by the Subtenant in areas and at times, in containers and in a manner specifically designated by the Tenant from time to time. Should there be costs for removal of said items additional to the removal service provided by the municipality, then the Subtenant shall pay for such costs;

(e) The Subtenant shall use at the Subtenant's cost such pest extermination contractor as the Tenant may direct and at such intervals as the Tenant may require;

(f) The waiver by the Tenant or the Subtenant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of Rent or payment of Rent hereunder by the Tenant or the Subtenant shall not be deemed to be a waiver of any preceding breach by the parties or any term, covenant or condition of this Sublease, other than the failure of the Subtenant to pay the particular rental so accepted, regardless of the Parties' knowledge of such preceding breach at the time of acceptance or payment of such Rent. No covenant, term or condition of this Sublease shall be deemed to have been waived by the Tenant or the Subtenant unless such waiver be in writing by the waiving party;

(g) Upon written request to resolve any disputes arising from this Sublease which is sent by one party to another, the Parties hereby agree to resolve all disputes pursuant to this section. Upon receipt by the receiving party of a written request to resolve disputes, the Parties shall first attempt to resolve all disputes by way of formal negotiation between the Parties and their appointed representatives. If the disputes cannot be settled within thirty (30) days from the receipt of the written request to resolve disputes by the receiving Party, then the Parties shall enter into a structured negotiation on a without prejudice basis with the assistance of a mediator appointed by them. If the disputes cannot be settled within ninety (90) days from the receipt of written request to resolve disputes by the receiving Party, or such longer period as may be agreed to by the Parties, the Parties shall, refer the matter forthwith to an arbitration which shall finally resolve the dispute(s). The aforementioned arbitration shall be conducted in accordance with the *Ontario Arbitration Act, 1991*, c 17, as amended or replaced;

(h) Effective April 9, 2020, this Sublease, inclusive of *Schedule "A"*, and any subsequent Events Agreement(s) constitutes the entire agreement between the Parties with respect to the renting of the Subleased Premises and associated potential liability. This Sublease, inclusive of *Schedule "A"* and any subsequent Events Agreement(s) supersedes all prior agreements, Subleases understandings, negotiations and discussions, whether oral or written, between the Parties and the Parties hereby acknowledge that there are no representations, warranties or other agreements between the Parties in connection with the subject matter of this Sublease except as specifically set out in this Sublease and *Schedule "A"* and any subsequent Events Agreement(s). No party has been induced to enter into this Sublease in reliance on,


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and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Sublease. Except as amended herein, the terms of this Sublease shall remain in full force and effect.

(i) It is understood and agreed that nothing contained in the Sublease nor in any acts of the parties hereto shall be deemed to create any relationship between the Parties hereto other than the relationship of Tenant and Subtenant;

(j) All notices, demands and requests which may be or are required to be given under this Sublease shall be in writing. All notices, demands and requests shall be served personally or sent by prepaid registered mail or courier addressed, in the case of the Tenant to it at:

399 Ridout Street North
London, Ontario N6A 2P1

and, in the case of the Subtenant, to it at the Subleased Premises,

or at such other place as such party may from time to time designate by written notice to the other. Notices, demands and requests which are served in the manner aforesaid shall be sufficiently served or given for all purposes of this Sublease, in the case of those personally served, on the day of such service and, in the case of those given by registered mail or courier, on the third postal delivery day following the mailing/couriering thereof;

(k) The Subtenant covenants and agrees with the Tenant that the Subtenant will not register this Sublease in this form in the Registry Office or the Land Titles Office. If the Subtenant desires to make a registration for the purpose only of giving notice of this Sublease, then the parties hereto shall execute a "short form" thereof in form satisfactory to the Tenant, solely for the purpose of supporting an application for registration of notice thereof;

(l) Time shall be of the essence of this Sublease;

(m) The word "Subtenant" shall be deemed and taken to mean each and every person or party mentioned as a Subtenant herein, be the same one or more; and if there shall be more than one (1) Subtenant, any notice required to be permitted by the terms of this Sublease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronouns referred to Tenant or Subtenant shall be deemed a proper reference even though Tenant or Subtenant may be an individual, a partnership, a corporation or a group of two (2) or more individuals or corporations. The necessary grammatical changes required to make the provisions of this Sublease apply in the plural sense where there is more than one (1) Tenant or Subtenant and to either corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed;

(n) If any term, covenant or condition of this Sublease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Sublease or the application of such covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each covenant, obligation and agreement of this Sublease shall be separately valid and enforceable to the fullest extent permitted;

(o) It is an express condition of the within Sublease and the Tenant and the Subtenant so agree and declare that the provisions of Section 50 of the *Planning Act*, R.S.O. 1990 and amendments thereto, be complied with if necessary;

(p) Whenever the word "Tenant" is used in the present Sublease, it shall be deemed to include the Tenant and its duly authorized representatives; and

(q) The Tenant and the Subtenant acknowledge that the Tenant may need to book certain events at the Subleased Premises from time to time which will occur during

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the Term (hereinafter, called the "Events"). The Tenant shall make all reasonable efforts to prevent Events from occurring, however, if Events arise:

- (i) the Tenant shall provide the Subtenant with reasonable notice in advance of the date of the Event(s);
- (ii) in the event reasonable notice is provided pursuant to section 26.1(q)(i) above, the Subtenant shall:
 - (A) have a formal discussion with the Tenant's Chief Administrative Officer with respect to the Tenant's need for the Events to occur in an attempt to reach a mutually agreeable solution; and
 - (B) make all commercially reasonable efforts to accommodate the Tenant and allow the Events to occur despite the grant of Sublease provisions provided in subsection 2.1 herein.

In the event the steps in section 26.1(q)(i)(A-B) above have been attempted in good faith and the Subtenant remains unable to reasonably provide consent for the Events to take precedence over its subsection 2.1 rights, the Subtenant's rights provided for in subsection 2.1 herein shall take precedence over the Events.

(r) The Tenant and Subtenant hereby agree that when Events are agreed to through the consent of the Parties reached through the process set out in subsection 26.1(q)(i)(A-B) above, such Events proceed to take precedence over the Subtenant's subsection 2.1 rights and:

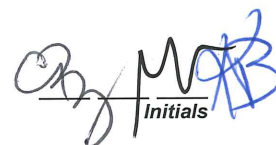
- (i) The Subtenant shall assume the Tenant's obligations in connection with the Events on the same terms and conditions as provided for in Article 13 herein;
- (ii) The Tenant hereby assigns all its right, title and interest in the contracts for the Events to the Subtenant;
- (iii) No compensation shall be owed to the Subtenant by the Tenant for any lost use of the Subleased Premises as a result of Events taking precedence to subsection 2.1 rights; and
- (iv) The Subtenant and the Tenant (through its Chief Administrative Officer) shall each confirm each party's respective consent in a short written document which confirms that an Events Agreement has been reached pursuant to subsection 26.1) (q – r).

(s) The Parties warrant that this Sublease is voluntary and that each party has had an opportunity to seek the advice of separate and independent legal counsel with respect to this Sublease. The Tenant and the Subtenant agree that they have the legal right and ability to enforce the said provisions of this Sublease hereunder against each other and both the Tenant or the Subtenant are estopped from pleading or asserting otherwise in any action or proceeding.

(t) This Sublease may be executed and delivered by the Parties in one or more counterparts, each of which will be an original, and each of which may be delivered by facsimile, e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

(u) This Sublease shall be construed and governed by the laws of the Province of Ontario.

[ONE (1) ENDORSEMENT PAGE FOLLOWS]

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IN WITNESS WHEREOF the parties


hereto have signed this Sublease.

**THE CORPORATION OF THE COUNTY OF
MIDDLESEX**

Date: January 28, 2020




Cathy Burghardt-Jesson, Warden



Kathleen Bunting, County Clerk
We have the authority to bind the Corporation

**1404448 ONTARIO LIMITED operating as
CULINARY CATERING SERVICES**

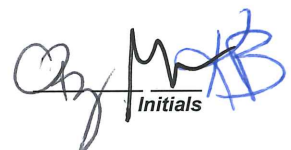
Date: January 28, 2020



Per: George Anast, President
I have authority to bind the Corporation.



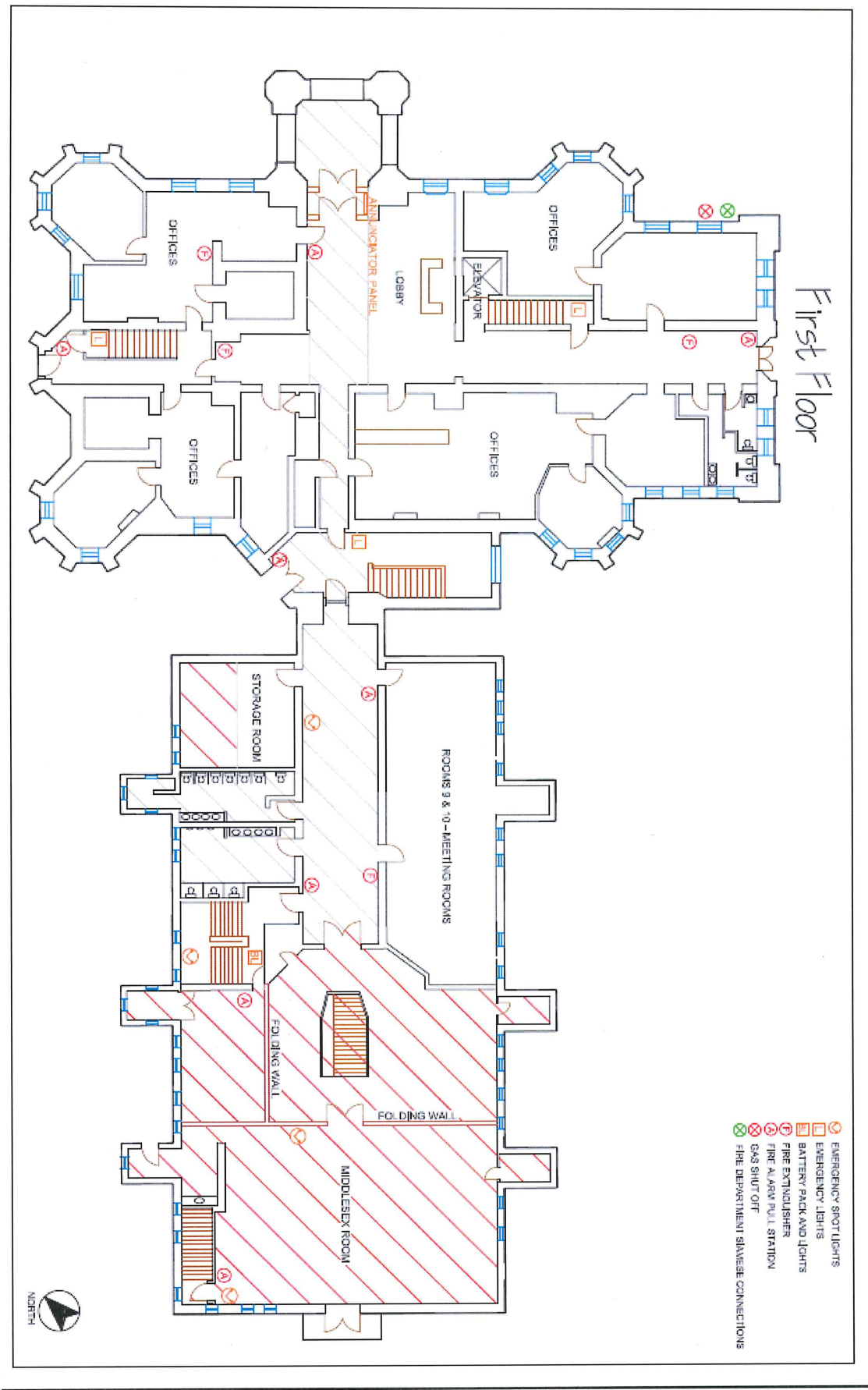
GEORGE ANAST, as Guarantor
also known as George Anastasiadis



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SCHEDULE "A"

Diagram of Subleased Premises



Handwritten signature and initials
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