



D I R A S A D
TRADUCCIONES.

TRADUCCIÓN AUTÉNTICA

I-150/09

CONTRATO DE ARRENDAMIENTO ENTRE
SUN LIFE ASSURANCE COMPANY OF CANADA [REDACTED]

(ARRENDADORA)

Y

EMBAJADA DE CHILE

(ARRENDATARIA)

INMUEBLE:

50 O'Connor Street, Suite 1413
Ottawa, Ontario, K1P 6L2

(EXTRACTO)

Este contrato de arrendamiento de fecha 2 de noviembre de 2007 se formaliza entre la arrendadora y la arrendataria individualizadas en el presente, quienes, sobre la base del canon de arrendamiento, compromisos y acuerdos contenidos en este instrumento, convienen en lo siguiente:

ARTÍCULO 1 - CONDICIONES BÁSICAS

1.1 Condiciones básicas

a) i) Arrendadora:

SUN LIFE ASSURANCE COMPANY OF CANADA and [REDACTED]

ii) Domicilio de la arrendadora:
[REDACTED]

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[REDACTED]
[REDACTED]
Atención: Vicepresidente, Operaciones

- b) i) Arrendataria: EMBAJADA DE CHILE
ii) Domicilio de la Arrendataria:

[REDACTED]
[...]

- c) i) Entidad indemnizadora: No corresponde.
ii) Domicilio de la entidad indemnizadora: No corresponde.
iii) Disposiciones sobre indemnización: Eliminadas intencionalmente.

d) Proyecto, si es aplicable: No es aplicable.

e) Edificio: 50 O'Connor Street, Ottawa, Ontario, K1P 6L2

f) Inmueble: Suite 1413 del edificio.

g) Superficie arrendable del inmueble: Aproximadamente cinco mil seiscientos cinco (5.605) pies cuadrados.

h) i) Período de vigencia: Diez (10) años. \rightarrow 521,3 m²

ii) Fecha de inicio: 1 de agosto de 2008.

iii) Fecha de vencimiento: 31 de julio de 2018.

i) Período de realización de instalaciones: No corresponde.

j) Canon de arrendamiento base:

Período	Por pie cuadrado de superficie arrendable del inmueble/año	Por año	Por mes
1 de agosto de 2008, hasta el 31 de julio de 2013, inclusive	\$26,50	\$148.532,50	\$12.377,71
1 de agosto de 2013 hasta el 31 de julio de 2018, inclusive	\$29,00	\$162.545,00	\$13.545,42

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ARTÍCULO 2 - DISPOSICIONES ESPECIALES

2.1 Estacionamiento

Durante el período de vigencia, la arrendadora asignará a la arrendataria el uso de un (1) espacio de estacionamiento reservado y dos (2) espacios de estacionamiento no reservados para el estacionamiento de tres vehículos (los "espacios de estacionamiento") (durante 24 horas diarias), en el estacionamiento del edificio (el "estacionamiento del edificio"), en los lugares que asigne la arrendadora o el administrador del estacionamiento, de manera supeditada a las condiciones contempladas más adelante. [...].

2.2 Representación diplomática y derechos de terminación de la arrendataria

Si en algún momento durante el período de vigencia,

a) el Gobierno de Canadá terminara, suspendiera o interrumpiera en otra forma las relaciones diplomáticas entre el Gobierno de Canadá y la Embajada de Chile, o

b) la Embajada de Chile terminara o suspendiera las relaciones diplomáticas con el Gobierno de Canadá, o

c) la arrendadora asignara, arrendara o enajenara alguna otra parte del edificio en que se encuentra el inmueble a alguna persona cuyo uso del edificio pudiera ser justificadamente considerado por la arrendataria perjudicial para sus intereses por razones de seguridad,

la arrendataria tendrá derecho a terminar este contrato de arrendamiento previo aviso por escrito a la arrendadora con al menos noventa (90) días de anticipación de su intención de rescindir este contrato ("aviso de terminación").

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La arrendataria acuerda y acepta desocupar y hacer entrega del inmueble a la arrendadora al vencimiento del citado período de noventa 90 días posteriores al aviso de terminación (la "fecha de terminación"), y todo el canon de arrendamiento se ajustará a la fecha de terminación. A pesar de la entrega del aviso de terminación, la arrendataria será responsable de cumplir con todos los términos, cláusulas y condiciones que deba cumplir conforme a los términos y condiciones de este contrato de arrendamiento, lo que implica que la arrendataria deberá continuar pagando a la arrendadora, en la fecha y en la forma especificada en este contrato de arrendamiento, sin reducción o descuento, todos los cánones de arrendamiento base, costos operacionales, impuestos a la propiedad y todos los demás montos que la arrendataria deba pagar conforme a este contrato durante el período transcurrido hasta la fecha de terminación, inclusive. La arrendataria no tendrá ningún derecho a reclamación por daños y perjuicios u otros en contra de la arrendadora o de quienes estén bajo la responsabilidad de ésta conforme a la ley.

La arrendataria formalizará el documento de entrega que establezca la arrendadora en o antes de la fecha de terminación, a fin de hacer efectivo lo anterior. Los respectivos derechos y obligaciones de la arrendadora y de la arrendataria de acuerdo con este contrato se mantendrán y subsistirán a la fecha de terminación en lo que respecta a todas las materias que se originen o que ocurran antes de la fecha de terminación, pero no se originará ningún derecho ni obligación para las partes conforme a este contrato a contar

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de dicha fecha.

2.3 Incentivo para el arrendamiento

La arrendataria realizará una renovación del inmueble, incluidas las modificaciones de las Mejoras del Inmueble (los "trabajos de la arrendataria"). Siempre que este contrato de arrendamiento haya sido formalizado por ambas partes, se cumplan las condiciones requeridas y la arrendataria no esté en situación de incumplimiento conforme al presente, la arrendadora pagará a la arrendataria un incentivo ("incentivo") de ocho dólares (\$8,00) por pie cuadrado de superficie arrendable del inmueble (este monto incluye el impuesto al arrendamiento). La arrendataria podrá optar por ocupar la totalidad o parte del incentivo como aporte para el costo de los trabajos de la arrendataria, o por disponer que la arrendadora lo abone a la cuenta de arrendamiento de la arrendataria, de modo que la totalidad o parte del incentivo se destine al canon de arrendamiento en el momento en que sea pagadero de acuerdo con este contrato.

La arrendadora tendrá derecho a deducir del incentivo todos los montos que la arrendataria le adeude, cualquiera sea la razón, y se conviene en que toda deducción de esta naturaleza o pago que efectúe la arrendadora constituirá un pago a cuenta de la obligación de la arrendadora de efectuar el pago del incentivo. Si en cualquier momento este contrato de arrendamiento fuera terminado debido a incumplimiento de la arrendataria, la parte no amortizada del incentivo, calculada (ya sea por orden judicial o en otra forma) sobre la base de una tasa prevista de depreciación lineal hasta cero a lo largo

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del período de vigencia de este contrato desde la fecha en que la arrendadora deje de recibir efectivamente el pago del canon de arrendamiento conforme al presente, será exigible y pagadera de inmediato a la arrendadora como canon adicional, sin perjuicio de ninguno de los demás derechos y recursos de la arrendadora en conformidad con este contrato o la ley.

[...]

ARTÍCULO 5 - CANON DE ARRENDAMIENTO

5.1 Canon de arrendamiento base

La arrendataria pagará a la arrendadora el canon de arrendamiento base por el monto especificado en la Cláusula 1.1 j) para el respectivo Año de Arrendamiento, mediante cuotas mensuales iguales, de manera consecutiva y por anticipado el día 1 de cada mes, de manera supeditada a cualquier ajuste, según lo indicado en la Cláusula 5.3.

5.2 Canon de arrendamiento adicional

La arrendataria también pagará durante todo el período de vigencia, en las fechas y en la forma indicada en este contrato de arrendamiento, todo canon adicional adeudado dentro de los 15 días posteriores a la fecha en que reciba la factura, estado de cuenta o aviso pertinente, salvo que en este instrumento se disponga algo distinto.

5.3 Ajuste debido a medición

La arrendadora, a su arbitrio, podrá disponer ocasionalmente que un perito mida la superficie arrendable del inmueble y/o proyecto, o cualquier parte de dicha superficie y, si fuera necesario como resultado de esa medición, ajustará el canon de arrendamiento base anual y el cálculo del canon

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adicional. La fecha en que se haga efectivo cualquier ajuste de este tipo será:

a) en el caso de cualquier medición efectuada antes de la fecha de inicio o dentro de los seis meses posteriores a la misma, la fecha en que la arrendataria reciba el inmueble conforme a este contrato de arrendamiento, y

b) en todos los demás casos, la fecha en que se efectúe la medición.

Toda medición efectuada por un perito será definitiva y vinculante para la arrendadora y la arrendataria, de manera supeditada al derecho de la arrendadora a disponer ocasionalmente que un perito vuelva a medir la superficie arrendable del inmueble y/o proyecto, o cualquier parte de dicha superficie, según lo antes indicado. Ni la arrendadora ni la arrendataria podrán exigir algún ajuste del canon de arrendamiento base anual ni del cálculo del canon adicional sobre la base de la superficie arrendable del inmueble, salvo de acuerdo con la medición efectuada por un perito en conformidad con esta cláusula y, para mayor seguridad, ni la arrendadora ni la arrendataria podrán exigir algún ajuste del canon de arrendamiento base anual ni del cálculo del canon adicional basado en esa medición respecto del período anterior a la fecha de vigencia de ese ajuste, según lo antes indicado.

5.4 Pago del canon de arrendamiento - Disposiciones generales

a) Salvo que pudiera disponerse expresamente algo distinto en el presente, todos los pagos que la arrendataria deba realizar en conformidad con este contrato de arrendamiento deberán efectuarse a la fecha de vencimiento, sin previa

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exigencia, sin ninguna clase de descuento, deducción, compensación ni rebaja, en el domicilio de la arrendadora indicado en la cláusula 1.1 a) ii) o en otro lugar que la arrendadora pueda ocasionalmente informar a la arrendataria.

b) Todos los pagos que la arrendataria deba realizar en conformidad con este contrato de arrendamiento, salvo los impuestos sobre el canon de arrendamiento, serán considerados canon de arrendamiento, serán pagaderos y cobrables como canon de arrendamiento y, en caso de incumplimiento en esos pagos, la arrendadora tendrá frente a la arrendataria los mismos derechos que le corresponden en caso de mora en el pago del canon de arrendamiento.

c) La arrendataria pagará a la arrendadora todos los impuestos aplicables sobre el canon de arrendamiento, calculados y pagaderos de acuerdo con las leyes pertinentes, y la arrendataria pagará ese monto i) en la fecha indicada en las leyes aplicables o ii) en la fecha en que deba pagarse el canon de arrendamiento según lo dispuesto en este contrato; de ambas fechas, la que sea anterior. Se considerará que el monto que la arrendataria deba pagar por concepto de impuestos sobre el canon de arrendamiento no es canon de arrendamiento para los efectos de ese cálculo, pero si la arrendataria no efectuara el pago de algún monto, la arrendadora tendrá los mismos derechos y recursos que le corresponden en caso de que la arrendataria incurra en incumplimiento del pago del canon de arrendamiento.

d) A solicitud de la arrendadora, la arrendataria efectuará todos los pagos conforme a este contrato mediante

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cheques posfechados, cargo automático o transferencia electrónica de fondos desde la cuenta bancaria de la arrendataria y formalizará y otorgará ya sea junto con este contrato de arrendamiento o dentro de los tres días hábiles posteriores a la solicitud pertinente, los documentos que la arrendadora y su banco pudieran exigir a fin de hacer efectivos esos pagos.

e) (Tachado).

f) Si la fecha de inicio no correspondiera al primer día de un período completo con respecto al cual se calcule algún ítem del canon de arrendamiento, o si el último día no correspondiera al último día de un período completo, el monto a pagar por ese ítem del canon de arrendamiento respecto del período incompleto se prorrateará sobre la base de un año de 365 días, a menos que en este contrato se establezca algo distinto.

5.5 Pago del canon adicional

a) Antes de la fecha de inicio y en o antes del inicio de cada ejercicio posterior, la arrendadora calculará y entregará a la arrendataria, respecto de ese ejercicio, un cálculo estimado de buena fe de la cuota de impuestos sobre bienes raíces de cargo de la arrendataria, la cuota de los costos operacionales (es decir su cuota proporcional conforme a la cláusula 6.7) de cargo de la arrendataria, el cargo vigente de estacionamiento según se define en la cláusula 5.5 f) del presente, y los demás ítems del canon adicional que la arrendadora pueda calcular por anticipado, y la arrendataria pagará a la arrendadora en cuotas mensuales una duodécima

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parte de ese monto estimado junto con los pagos del canon de arrendamiento base de la arrendataria; se estipula que los pagos mensuales por concepto de cuota de impuestos sobre bienes raíces de cargo de la arrendataria podrán determinarse de modo que la arrendadora cobre todos esos montos que la arrendataria deba pagar a más tardar en la última fecha de vencimiento en el correspondiente año calendario. La arrendadora podrá recalcular cualquier ítem del canon adicional y fijar cuotas mensuales para el saldo pendiente resultante respecto del ejercicio, de modo que esos ítems se paguen íntegramente durante ese ejercicio.

b) Dentro de un período de tiempo razonable luego de disponer de toda la información necesaria para calcular el canon adicional real tras el cierre de cada ejercicio, la arrendadora entregará a la arrendataria un estado de cuenta por escrito (denominado "estado de cuenta" en esta cláusula 5.5), en que se establezca con detalles razonables el monto de los costos operacionales, los impuestos sobre los bienes raíces y otros ítems del canon adicional que la arrendadora hubiera calculado por anticipado respecto de ese ejercicio. Si la cuota de impuestos sobre bienes raíces, la cuota de los costos operacionales de cargo de la arrendataria (que corresponderá a la cuota proporcional conforme a la cláusula 6.7) y demás ítems del canon adicional que la arrendataria hubiera pagado efectivamente a la arrendadora durante ese ejercicio difirieran del monto de la cuota de impuestos sobre bienes raíces, de la cuota de los costos operacionales y demás ítems del canon adicional de ese ejercicio de cargo de la

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arrendataria, ésta deberá pagar esa diferencia o bien la arrendadora deberá abonarla a la cuenta de la arrendataria (según corresponda), sin intereses, dentro de los 30 días posteriores a la fecha de entrega del estado de cuenta. Las respectivas obligaciones de la arrendadora y de la arrendataria conforme a esta cláusula 5.5 b) subsistirán al término del período de vigencia o terminación anticipada de este contrato de arrendamiento.

c) La arrendataria no exigirá ningún ajuste de los costos operacionales, de los impuestos sobre bienes raíces ni de otros ítems del canon adicional calculado por la arrendadora, ni de la cuota por esos conceptos de cargo de la arrendataria respecto de un ejercicio en una forma que no sea mediante aviso entregado a la arrendadora dentro de los seis meses posteriores a la entrega del estado de cuenta, en que se detallen los antecedentes relativos al error de cálculo.

d) Si la arrendataria disputara la exactitud de un estado de cuenta dentro del período permitido conforme a la cláusula 5.5 c) anterior y la arrendadora y la arrendataria no llegaran a acuerdo sobre la materia dentro de un período razonable, la arrendadora remitirá el asunto a un perito a fin de que adopte una pronta determinación. La arrendataria efectuará el pago de acuerdo con el estado de cuenta hasta que se adopte esa decisión. La determinación del perito con su firma será definitiva y vinculante para la arrendadora y la arrendataria. Todo ajuste que debido a esa determinación deba realizar la arrendataria o la arrendadora respecto de algún pago efectuado con anterioridad deberá concretarse dentro de

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los 14 días posteriores a dicha determinación, y la parte que deba realizar el pago a causa de ese ajuste deberá solventar todos los costos del perito, pero si el monto que deba pagarse correspondiera al 20% o menos del monto en disputa, la arrendataria deberá solventar todos esos costos.

e) Las partes convienen en que la arrendadora ha calculado que las obligaciones de la arrendataria con respecto a los costos operacionales y los impuestos sobre bienes raíces del año 2007 serían aproximadamente veintiún dólares con 10 centavos [\$21,10) por pie cuadrado de superficie arrendable del inmueble. Éste es un cálculo estimado efectuado de buena fe por la arrendadora a la fecha del presente, pero la arrendadora no tiene el propósito de que la arrendataria se base en él y no es vinculante ni impone obligación alguna a la arrendadora ni afecta las obligaciones de la arrendataria conforme al presente documento.

f) Por cada espacio de estacionamiento (según se define en la cláusula 2.1), la arrendataria pagará a la arrendadora, independientemente de que la arrendataria utilice o no los espacios de estacionamiento, las tarifas mensuales vigentes que aplique la arrendadora o el administrador del estacionamiento por el uso de los espacios de estacionamiento reservados y no reservados (en forma colectiva, los cargos de estacionamiento vigentes). Los cargos de estacionamiento vigentes serán pagados a la arrendadora como canon adicional. Para mayor seguridad, los espacios reservados estarán destinados al uso exclusivo de la arrendataria individualizada en este contrato; para ello, la arrendadora utilizará un

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letrero estándar del edificio, el cual será solventado exclusivamente por la arrendataria. Además de cualquier cargo de estacionamiento vigente exigido conforme a lo indicado, se podrá exigir a la arrendataria que efectúe a la arrendadora un depósito por cada pase de estacionamiento. Este depósito por estacionamiento será mantenido por la arrendadora a fin de cubrir la pérdida, destrucción o daño de los pases de estacionamiento. Al vencimiento o terminación anticipada del contrato de arrendamiento, los montos del depósito, si no se hubieran deducido previamente durante el período de vigencia, serán reembolsados íntegramente a la arrendataria previa presentación ante la arrendadora del número de pases de estacionamiento que originalmente se le hubieran emitido, en buenas condiciones.

5.8 Monto de arrendamiento neto

La arrendataria reconoce y conviene en que el propósito es que este contrato de arrendamiento sea un contrato de arrendamiento neto, absolutamente libre de cargos para la arrendadora, y en que ésta no será responsable por costos, cargos, gastos ni desembolsos de ninguna naturaleza relacionados con el inmueble durante el período de vigencia, independientemente de que sean previstos o imprevistos y de que hayan sido considerados o no por las partes al inicio del período de vigencia, salvo que en este contrato se disponga expresamente algo distinto.

ARTÍCULO 6 - COSTOS OPERACIONALES E IMPUESTOS

6.1 Impuestos sobre bienes raíces de cargo de la arrendadora

La arrendadora pagará todos los impuestos sobre bienes

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raíces, pero podrá aplazar esos pagos en la mayor medida en que la ley lo permita, siempre que ello tenga por objeto tramitar de buena fe y con diligencia razonable una apelación o reclamación respecto de esos impuestos.

6.2 Impuestos sobre bienes raíces de cargo de la arrendataria

a) La arrendataria pagará directamente a la arrendadora, como canon adicional respecto de cada ejercicio, la cuota de los impuestos sobre bienes raíces de cargo de la arrendataria, según lo determinado de acuerdo con esta cláusula.

b) La cuota de impuestos sobre bienes raíces de cargo de la arrendataria será la parte de esos impuestos que sea imputable al inmueble, según lo determinado por la arrendadora. Sin limitar lo anterior:

i) La arrendadora podrá, si opta por ello, determinar que la cuota de impuestos sobre bienes raíces imputable al inmueble y de cargo de la arrendataria sea una cuota proporcional de los impuestos sobre bienes raíces.

ii) La arrendadora tendrá derecho, pero no estará obligada, a distribuir el impuesto sobre bienes raíces entre las categorías de inmuebles del proyecto, sobre la base de los factores que considere pertinentes, y a ajustar la cuota de los impuestos sobre bienes raíces de cargo de la arrendataria sobre la base de esa distribución.

iii) Si hubiera un avalúo separado (o si, en lugar de avalúos separados, hubiera un cálculo efectuado por las autoridades competentes del que pudiera hacerse un cálculo aproximado razonable del avalúo separado) respecto del inmueble para efectos de impuestos sobre bienes raíces, la

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arrendadora podrá a su exclusivo arbitrio considerarlo (pero no estará obligada a ello).

iv) Ninguna disposición del presente exigirá ni obligará a la arrendadora a ajustar, a continuar ajustando, o a hacer el mismo cálculo o distribución del impuesto sobre bienes raíces año a año ni en algún ejercicio.

v) Para los efectos de determinar la cuota del impuesto sobre bienes raíces de cargo de la arrendataria en conformidad con este contrato de arrendamiento, dichos impuestos incluirán los montos adicionales que habrían formado parte del impuesto sobre bienes raíces si el proyecto hubiera sido avaluado íntegramente durante la totalidad del ejercicio pertinente, en los mismos términos que si hubiera estado completo y ocupado en su totalidad por arrendatarios, sin excepciones ni reducciones, y sin considerar ninguna reducción real ni potencial del impuesto sobre bienes raíces ni ningún cambio en el tipo o clase de avalúo de los inmuebles del proyecto que estén desocupados o que no se utilicen íntegramente.

6.3 Impuestos comerciales y otros impuestos de cargo de la arrendataria

La arrendataria pagará de inmediato, antes de incurrir en mora, a las autoridades tributarias o a la arrendadora si ésta así lo dispusiera, como canon adicional, todos impuestos, derechos, tributos y gravámenes de cualquier naturaleza, ya sean municipales, provinciales, federales o de otra índole, que se apliquen con respecto a la ocupación del inmueble y a las operaciones o actividades desarrolladas en el mismo por la arrendataria u otros ocupantes autorizados; esto incluye los

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impuestos comerciales de cargo de la arrendataria si se aplicaran en la provincia en que se encuentra el edificio. Cada vez que la arrendadora lo solicite, la arrendataria le entregará copias de los comprobantes de pago de todos esos impuestos.

6.4 Apelaciones respecto de los avalúos

La arrendataria no apelará de ningún avalúo o determinación del valor del proyecto ni parte de él, independientemente de que el avalúo afecte o no el monto del impuesto sobre bienes raíces u otros impuestos, derechos, tributos o gravámenes de cargo de la arrendataria.

6.5 Costos operacionales

De manera supeditada a las exclusiones y deducciones contempladas en la cláusula 6.6, "costos operacionales" significa el total, sin duplicación, de los costos, gastos, honorarios, cánones de arrendamiento, desembolsos y egresos (en las cláusulas 6.5 y 6.6 se denominan colectivamente "costos") de toda clase, directos o indirectos, pagados, por pagar o que deban ser solventados por la arrendadora o en su nombre al contado (o sobre una base acumulativa en la medida en que la arrendadora pudiera determinarla) en relación con la propiedad, mantenimiento, reparación, reemplazo, funcionamiento, administración, supervisión y manejo del proyecto, lo que incluye, entre otros:

a) costos de seguridad, supervisión, control de tránsito, conserjería, paisajismo, limpieza de ventanas, retiro de basura, eliminación, reciclaje, servicios de retiro de nieve y los costos de maquinaria, suministros,

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herramientas, equipos y materiales utilizados en relación con el proyecto (incluidos costos de arrendamiento de esos ítems);

b) costos de teléfono y telecomunicaciones (incluido el manejo de instalaciones sobre el techo e instalaciones inalámbricas), tecnología de la información, fax, artículos de escritorio, equipos de oficina, suministros, letreros y directorios del edificio, y otros servicios y materiales requeridos para la administración, mantenimiento y funcionamiento (dentro o fuera del sitio e independientemente de que haya incurrido en ellos la arrendadora o una sociedad de administración);

c) costos de suministro de electricidad, combustible, calefacción, aire procesado, agua, teléfono, gas, eliminación de aguas servidas y otros servicios (incluidos todos los costos de administración y manejo de energía), y los costos de reemplazo de elementos de la iluminación estándar del edificio [...]; (se excluirá el costo de los ítems imputables a otros inmuebles arrendables en la medida en que estos ítems sean cobrados por separado a la arrendataria de acuerdo con este contrato de arrendamiento);

d) costos de:

i) operación, manejo, reemplazo, modificación y reparación del proyecto, lo que incluye, entre otros, los costos en que incurra la arrendadora a fin de cumplir con las leyes aplicables, con los requerimientos de la compañía aseguradora de la arrendadora o como resultado del desgaste normal por el uso;

ii) suministro, instalación, modificación y mejoramiento

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de los equipos y sistemas de conservación de la energía, sistemas de respuesta ante emergencias y de protección de la vida, materiales, procedimientos y sistemas y equipos de telecomunicaciones, si hubiera;

iii) modificaciones, reemplazos o complementos del proyecto cuyo objetivo sea reducir los costos operacionales, mejorar el funcionamiento del proyecto y de los sistemas, instalaciones y equipos del proyecto, o mantener su funcionamiento, y

iv) reemplazo de maquinarias o equipos que por su naturaleza requieran reemplazo periódico,

en la medida que dichos costos puedan cargarse íntegramente en el ejercicio en que se incurrió en ellos de acuerdo con los principios de contabilidad generalmente aceptados que aplique la arrendadora o especificados en este contrato;

e) depreciación o amortización de los costos citados en la cláusula 6.5 d), según lo determinado de acuerdo con los principios de contabilidad generalmente aceptados que aplique la arrendadora, o según lo especificado en este contrato, si esos costos no se hubieran cargado íntegramente en el ejercicio en que se hubiera incurrido en ellos, y los intereses o intereses imputados (a una tasa del 2% anual sobre la tasa preferencial) sobre el saldo no depreciado o no amortizado de esos costos. A pesar de lo anterior, la arrendadora, en términos razonables, podrá depreciar o amortizar cualquiera de estos costos a lo largo de un período mayor o menor de tiempo que el que corresponde al período en

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que se hayan materializado los beneficios derivados del costo en que se haya incurrido;

f) montos pagados o justificadamente imputables a la remuneración de todo el personal (en o fuera del sitio e independientemente de que esté contratado por la arrendadora o una sociedad de administración) a cargo del mantenimiento, reparación, reemplazo, funcionamiento, administración, supervisión y manejo del proyecto, lo que incluye beneficios complementarios, indemnización por despido, pagos de finiquitos, uniformes y otros costos de contratación;

g) honorarios de auditoría, contabilidad, legales y otros honorarios y gastos de consultoría o de profesionales en que se incurra en relación con el mantenimiento, reparación, reemplazo, funcionamiento, administración, supervisión y manejo del proyecto, lo que incluye aquellos relacionados con la preparación de los informes requeridos de acuerdo con lo dispuesto en este contrato de arrendamiento y los costos en que se incurra a fin de minimizar, impugnar o apelar de los avalúos para efectos de impuestos a los bienes raíces, independientemente de que se tenga o no éxito);

h) costos de todos los seguros que la arrendadora deba o pueda obtener de acuerdo con este contrato y los montos de las pérdidas en que se incurra o reclamaciones pagadas por debajo de los montos deducibles del seguro o como parte de un coseguro de una reclamación por siniestro asegurado; si la arrendadora optara en su totalidad o en parte por un autoseguro, el monto de las reservas razonables de contingencia no superior al monto de las primas en que de lo

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contrario hubiera incurrido con respecto a los riesgos asumidos;

i) impuestos a la propiedad, en la medida en que no se carguen a la arrendataria de acuerdo con la cláusula 6.2 y a los demás arrendatarios del proyecto en conformidad con disposiciones de arrendamiento similares a las de dicha cláusula.

j) impuesto al capital e impuestos a las grandes empresas;

k) el valor de arrendamiento justo de mercado (considerando el canon de arrendamiento cobrado por un espacio similar, incluido el canon adicional por concepto de costos operacionales e impuestos a los bienes raíces) del espacio utilizado por la arrendadora y/o su administrador inmobiliario, en relación con el mantenimiento, reparación, funcionamiento, administración y manejo del proyecto; el valor de arrendamiento justo de mercado de las instalaciones del edificio (como salas de conferencia e instalaciones de atención diaria principalmente a disposición de los arrendatarios del proyecto), junto con los costos relacionados con esas instalaciones del edificio; y

l) honorario de administración por un monto comparable al que cobraría una sociedad de administración inmobiliaria por la administración de un edificio similar de oficinas en la zona en que está ubicado el edificio.

6.6 Restricciones de los costos operacionales

Al determinar los costos operacionales, se excluirá o deducirá el costo (si hubiera) de lo siguiente, según pudiera

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corresponder:

- a) reparaciones de importancia de componentes estructurales que se requieran como resultado de un diseño o construcción defectuosa de esos componentes;
- b) intereses sobre deuda y liquidación de capital de deuda, salvo lo dispuesto específicamente en el cláusula 6.5 e), y canon de arrendamiento de terreno pagadero al arrendador conforme a algún contrato de arrendamiento de terreno u otro contrato de arrendamiento conforme al cual la arrendadora tuviera participación en el proyecto;
- c) gastos relacionados con empapelado y reempapelado o renovación de espacio arrendable para arrendatarios y ocupantes del proyecto, y costos relacionados con los incentivos o asignaciones para el arrendatario o gastos similares;
- d) todos los gastos de arrendamiento, honorarios de corredores de propiedades, comisiones de arrendamiento, publicidad del inmueble en arrendamiento, y honorarios de los encargados de la planificación del espacio;
- e) reparaciones o trabajos de mantenimiento efectuados por cuenta directa de otros arrendatarios;
- f) cobros netos de la arrendadora con respecto a garantías o reclamaciones de seguros, en la medida (pero exclusivamente en la medida) en que los costos de reparación con respecto al trabajo cubierto por esas garantías o reclamaciones de seguros hayan sido cargados como costos operacionales; y
- g) montos recuperados de proveedores de servicios de

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telecomunicaciones y arrendatarios como aportes para el costo de servicios relacionados con telecomunicaciones (incluido el manejo de instalaciones sobre el techo e instalaciones inalámbricas), en la medida (pero sólo en la medida) en que esos costos se hayan incluido en los costos operacionales.

6.7 Ajustes de costos operacionales

Al calcular los costos operacionales:

a) si menos del 100% de la superficie arrendable del proyecto se completara u ocupara durante algún período respecto del cual debiera efectuarse un cálculo, el monto de los costos operacionales se incrementará en el monto de los costos adicionales determinados por la arrendadora en que se habría incurrido si el 100% de la superficie arrendable del proyecto se hubiera completado u ocupado durante ese período, siempre que lo anterior no dé por resultado una participación proporcional de la arrendataria mayor a la que correspondería si el proyecto hubiera estado totalmente ocupado y completo;

b) cuando la arrendadora determine, en términos razonables pero a su exclusivo arbitrio, que algún ítem de los costos operacionales se suministra sólo para o en beneficio del edificio o (si es parte de un proyecto) de una parte del proyecto o del edificio, estará facultada para asignar el costo de ese ítem a esa parte del proyecto o del edificio y para ajustar el pago de los costos operacionales de la arrendataria sobre la base de esa asignación del costo, pero no estará obligada a ello;

c) si el proyecto o el edificio estuviera conformado por distintas categorías de inmuebles destinados a arrendamiento,

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la arrendadora estará facultada para distribuir los costos operacionales entre las distintas categorías sobre la base de los factores que según lo determinado por la arrendadora sean pertinentes, y para ajustar el pago de los costos operacionales de la arrendataria sobre la base de esa distribución del costo, pero no estará obligada a ello;

d) si alguna instalación, servicio o suministro

i) para el funcionamiento, administración, manejo, reparación y mantenimiento del edificio se proporcionara desde otro u otros edificios (ya sea dentro o fuera del proyecto) de propiedad de la arrendadora u operado por ésta o su administrador,

ii) para el funcionamiento, administración, manejo, reparación y mantenimiento de otro u otros edificios (ya sea dentro o fuera del proyecto) de propiedad de la arrendadora o administrado por ésta o su administrador se proporcionara desde el edificio, o

iii) fuera compartida por el edificio y otro u otros edificios (dentro o fuera del proyecto),

los costos, cargos y gastos de ese ítem serán distribuidos por la arrendadora entre el Edificio y el otro o los otros edificios (dentro o fuera del Proyecto) sobre una base razonable.

6.8 Reducción o control de los costos operacionales

La arrendataria cumplirá con las prácticas y procedimientos que pudiera introducir la arrendadora a fin de reducir y controlar los costos operacionales y pagará, como canon adicional, todos los costos en que haya incurrido la

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arrendadora, según lo determinado por esta última, como resultado de algún incumplimiento. La arrendadora podrá emplear a un perito a fin de que la asesore en la adopción de esa determinación.

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ARTÍCULO 11 - SEGURO, RESPONSABILIDAD E INDEMNIZACIÓN

11.1 Seguro de cargo de la arrendataria

La arrendataria, a contar de la fecha de inicio o de la fecha en que comience a operar en el inmueble, de ambas fechas, la que sea anterior, y durante el período de vigencia, contratará, mantendrá y solventará:

a) Un seguro contra todo riesgo para la totalidad de los bienes de propiedad de la arrendataria o de terceros que se encuentren en el Proyecto y de los cuales la arrendataria sea responsable -lo que incluye equipos, muebles, artefactos y mejoras a la propiedad arrendada- por montos suficientes para otorgar cobertura íntegra a todos esos artículos sobre una base de costo de reemplazo, sin deducción por depreciación.

b) Si fuera aplicable, un seguro contra todo riesgo respecto de calderas y maquinarias, sobre una base general de reparación y reemplazo, con límites respecto de cada accidente por un monto no inferior al costo total de reemplazo de todas las mejoras de la propiedad arrendada y de todos los bienes en el inmueble que no sean de propiedad de la arrendadora.

c) Seguro de responsabilidad comercial general, sobre una base por siniestro, que cubra todas las reclamaciones por lesiones corporales, daños personales, pérdidas económicas y daños a la propiedad debido a siniestros en el proyecto o en

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sus alrededores, o que se deban en alguna forma al uso u ocupación del inmueble o del proyecto por parte de la arrendataria; responsabilidad contractual (lo que incluye cobertura de las indemnizaciones establecidas en este contrato de arrendamiento), responsabilidad por vehículo no propio, y cobertura de responsabilidad civil de propietarios y contratistas, por montos aceptables para un arrendatario prudente en la comunidad en que se encuentra el edificio (según lo determinado por la arrendadora), pero no inferior a US\$5.000.000,00 por siniestro.

d) Seguro de responsabilidad legal de la arrendataria por el costo total de reemplazo del inmueble, incluida la pérdida de uso del inmueble.

e) Seguro de lucro cesante por un período mínimo de 24 meses, por un monto que reembolse a la arrendataria las pérdidas de ingresos directas o indirectas atribuibles a todos los riesgos asegurados conforme a las cláusulas 11.1 a) y 11.1 b), o atribuibles a la imposibilidad de ingresar al inmueble o al edificio debido a esos riesgos, lo que incluye seguro de gasto adicional si es aplicable.

f) Cualquier otra clase de seguro que la arrendadora o algún acreedor hipotecario pudiera exigir, en la forma, por los montos y los riesgos que sean aceptables para la arrendadora y el acreedor hipotecario.

Si la arrendataria no contratara algún seguro exigido en conformidad con esta cláusula 11.1 y esta falta de cumplimiento se mantuviera durante dos días hábiles luego del aviso entregado a la arrendataria, la arrendadora, además de

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cualquier otro derecho y recurso, podrá optar por contratar el seguro exigido, pero no estará obligada a hacerlo, y la arrendataria pagará a la arrendadora, a requerimiento, como canon de arrendamiento, el costo en que hubiera incurrido la arrendadora para obtener ese seguro, junto con un derecho de administración del 15%.

11.2 Clase de pólizas de la arrendataria

Cada póliza requerida en conformidad con la cláusula 11.1 deberá extenderse en una forma y contratarse con aseguradores aceptables para la arrendadora, con deducibles razonables; asimismo, a) el seguro descrito en las cláusulas 11.1 a) y 11.1 b), y cualquier otro seguro por daños a la propiedad deberá incluir, como asegurados adicionales (pero sin obligaciones respecto de las primas), conforme a sus participaciones, a la arrendadora, a cualquier acreedor hipotecario y demás personas con participación en el proyecto que la arrendadora designe por escrito; b) el seguro indicado en la cláusula 11.1 c) deberá incluir como asegurados adicionales (pero sin obligaciones respecto de las primas) a la arrendadora, a cualquier acreedor hipotecario y demás personas con participación en el proyecto que la arrendadora designe por escrito, y a cualquier administrador de la propiedad o administrador de las instalaciones contratado por la arrendadora en relación con el proyecto; c) todo seguro de responsabilidad civil y daños a la propiedad deberá contener disposiciones de responsabilidad cruzada e independencia de participaciones entre la arrendadora, los demás asegurados y la arrendataria; d) todo seguro de daños a la propiedad

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(incluido el seguro de calderas y maquinarias) deberá contener una renuncia a cualquier derecho de subrogación que pueda tener el asegurador en contra de la arrendadora y de aquellos respecto de los cuales la arrendadora fuera legalmente responsable, independientemente de que el daño sea provocado por algún acto, omisión o negligencia de la arrendadora o de esas otras personas.

11.3 Copias certificadas y aviso a la arrendadora

La arrendataria entregará a la arrendadora, antes de la fecha de inicio o de la fecha en que la arrendataria comience a operar en el inmueble, de ambas fechas, la que sea anterior, copias certificadas u otros comprobantes satisfactorios para la arrendadora en que conste que la arrendataria contrató todas las pólizas de seguro exigidas conforme a este contrato de arrendamiento, y proporcionará comprobantes por escrito de la renovación de esas pólizas al menos diez días antes de las respectivas fechas de vencimiento. Cada póliza exigida en conformidad con la cláusula 11.1 deberá estipular a) que el asegurador deberá notificar por escrito a la arrendadora y a cualquier acreedor hipotecario, con al menos 30 días de anticipación, todo cambio sustancial en perjuicio de la arrendadora o del acreedor hipotecario, o la anulación de alguna póliza; b) que la póliza no será anulada con respecto a las participaciones de la arrendadora, de algún acreedor hipotecario ni de ningún otro asegurado adicional debido al incumplimiento o violación de las garantías, declaraciones o condiciones contenidas en la póliza; y c) que la póliza no aportará para ningún otro seguro del que disponga la

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arrendadora, algún acreedor hipotecario o cualquier otro asegurado adicional, y sólo regirá como póliza principal y no adicional a algún otro seguro.

11.4 Seguro de la arrendadora

La arrendadora contratará y mantendrá durante el período de vigencia: a) seguro de responsabilidad civil; b) seguro contra todo riesgo de los bienes; c) seguro de caldera y maquinarias, y d) cualquier otro seguro respecto del edificio y de todos los bienes y participaciones de la arrendadora en el edificio, según lo determine la arrendadora, en cada caso en la medida, con la cobertura y por los montos que la arrendadora determine. Sin embargo, a pesar de cualquier otra disposición de este contrato, mientras Sun Life Assurance Company of Canada o alguna filial de ella (según la definición de "filial" en la Ley de Sociedades Comerciales de Canadá o en la Ley de Compañías de Seguro de Canadá) sea la arrendadora, la arrendadora podrá mantener un autoseguro total o parcial con respecto a alguno o a la totalidad de los riesgos; en ese caso, a solicitud de la arrendataria, la arrendadora entregará una declaración sobre los riesgos cubiertos y los montos del seguro del proyecto y de las mejoras e instalaciones del inmueble, y, asimismo, sobre los riesgos y montos por los que mantiene un autoseguro del proyecto y de las mejoras e instalaciones del inmueble.

11.5 Riesgos de seguro

El arrendataria no incurrirá en una acción ni omisión ni permitirá que se incurra en alguna acción u omisión en el inmueble o en alguna otra parte del proyecto, que pudiera

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estar prohibida o que pudiera contravenir alguna de las pólizas de seguro de la arrendadora vigentes a la fecha correspondientes a alguna parte del proyecto, o que impidiera a la arrendadora contratar esas pólizas en compañías aceptables para ella. Si la ocupación del inmueble, la realización de actividades en el inmueble o alguna acción u omisión de la arrendataria en el inmueble o en alguna otra parte del proyecto provocara u originara un aumento de las primas de alguna póliza de seguro de la arrendadora, la arrendataria, sin que se restrinja ningún otro derecho o recurso de la arrendadora, pagará ese incremento y un derecho de administración de 15% sobre ese monto como canon adicional inmediatamente después de recibir las facturas de la arrendadora por esas primas adicionales. Un informe por escrito de un perito -lo que será solventado por la arrendataria- respecto de la causa de un incremento en las primas será aceptado como prueba concluyente de esa causa para efectos de determinar la obligación de la arrendataria de efectuar el pago de esos incrementos como canon adicional. Si la arrendadora hubiera optado por un autoseguro, la arrendataria pagará a arrendadora, como canon adicional, inmediatamente después de recibir las facturas de la arrendadora en que se especifiquen los detalles razonables, los cargos que debieran haberse pagado de acuerdo con esta cláusula (incluido el derecho de administración de 15% sobre ese monto) si la arrendadora no hubiera optado por un autoseguro.

11.6 Liberación de la arrendadora

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Por este acto, la arrendataria libera a la arrendadora de todas las demandas, acciones, motivos de acción legal, daños y perjuicios, demandas de indemnización por daños y perjuicios, y de cualquier otra clase de obligaciones, independientemente de la forma en que se originen, que pudiera formular la arrendataria en contra de la arrendadora conforme a las disposiciones del presente, hasta por la totalidad del seguro pagado conforme a las pólizas de seguro contratadas por la arrendataria o que se habría pagado si la arrendataria hubiera tenido el seguro exigido de acuerdo con este contrato y hubiera tramitado diligentemente cualquier reclamación del seguro. Además, la arrendataria conviene, entre otros, en que la arrendadora -independientemente de su negligencia o supuesta negligencia, o de algún incumplimiento del contrato en que ésta incurriera, y a pesar de cualquier otra disposición del presente- no será responsable y queda liberada por este acto de:

a) demandas, acciones, motivos de acción legal, daños y perjuicios, demandas de indemnización por daños y perjuicios y otras obligaciones:

i) a causa o respecto de lesiones corporales, daños personales, enfermedad, molestia o fallecimiento de la arrendataria o de alguno de sus agentes, ejecutivos, contratistas, empleados, invitados y cualquier otra persona de la cual la arrendataria sea legalmente responsable, en o en los alrededores del proyecto o del inmueble; y

ii) a causa o respecto de alguna pérdida o daño de los bienes de propiedad de la arrendataria, de terceros o de

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bienes de los que la arrendataria sea responsable en o en los alrededores del proyecto o del inmueble; sin limitar lo anterior, la arrendadora no será responsable de daños provocados por vapor, agua, lluvia o nieve que pudiera filtrar o fluir hacia o desde alguna parte del proyecto, incluido el inmueble, o de sus tuberías o instalaciones de agua, o de algún otro lugar, o por algún daño debido o atribuible al estado o condición de alguna instalación eléctrica;

b) pérdidas o perjuicios a causa del daño, destrucción, construcción, modificación, expansión, expropiación, reducción, reparación o reconstrucción del proyecto, alguna parte o componente del proyecto, o mejoras en propiedades adyacentes, o por alguna acción u omisión de otro arrendatario u ocupante;

c) actos u omisiones (incluido hurto, acto ilícito o negligencia) de algún agente, contratista o persona contratada por la arrendadora a fin prestar servicios de conserjería, seguridad, supervisión o realizar algún otro trabajo en el inmueble o proyecto;

d) pérdidas o daños, independientemente de la causa, de libros de contabilidad, registros, archivos, dinero, valores, instrumentos negociables, documentos, discos de computadora, cintas, software, datos y otros archivos electrónicos y sus medios de almacenamiento, u otros objetos de valor de la arrendataria, incluidas piezas y obras de arte, estatuas, antigüedades, gemas y metales preciosos de la arrendataria y de terceros;

e) pérdidas o daños debido a la obstrucción de algún

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suministro al o desde el inmueble, o a la interrupción, cese, operación defectuosa o falla de los sistemas del edificio, lo que incluye, entre otros, el suministro de servicios básicos, de telecomunicaciones (independientemente de que sean o no controlados o de propiedad de la arrendadora), u otros servicios destinados al proyecto o al inmueble, sean suministrados por la arrendadora o por terceros;

f) daños indirectos o consecuentes, lo que incluye, entre otros, pérdida de utilidades.

11.7 Liberación de la arrendataria

La arrendadora libera por este acto a la arrendataria y a sus agentes, ejecutivos y empleados, y a cualquier otra persona por la que la arrendataria sea legalmente responsable, de cualquier obligación o reclamación que la arrendadora pudiera formular en contra de la arrendataria conforme a las disposiciones de este contrato con respecto a una pérdida, hasta por el monto que resulte menor entre los siguientes: a) el monto, si hubiera, por el que esa pérdida exceda del monto del seguro que la arrendataria debe mantener de acuerdo con los términos de este contrato o que efectivamente mantenga, de ambos, el que sea mayor, y b) el producto efectivamente pagado a la arrendadora con respecto a esa pérdida conforme a las pólizas de seguro que mantenga la arrendadora de acuerdo con la cláusula 11.4 o que se habría pagado si la arrendadora hubiera mantenido el seguro exigido de acuerdo con este contrato y hubiera tramitado diligentemente alguna reclamación conforme al mismo. Esta liberación sólo operará si no estuviera prohibida por las pólizas de seguro de la arrendadora, si no diera lugar a un

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incumplimiento de esas pólizas por parte de la arrendadora, o a costos adicionales para ésta última conforme a dichas pólizas o en relación con las mismas.

11.8 Indemnización por parte de la arrendataria

La arrendataria indemnizará y liberará de responsabilidad a la arrendadora por todas las demandas, acciones y motivos de acción legal, daños y perjuicios, exigencias de indemnización por daños y perjuicios, pérdidas y demás obligaciones y gastos (lo que incluye, entre otros, los relacionados con lesiones corporales [incluido fallecimiento], daños personales, enfermedad, incomodidad o daños a la propiedad y honorarios legales sobre una base abogado/cliente), debido o como resultado de la totalidad o de alguno de los siguientes hechos:

a) de manera supeditada a la cláusula 11.7, algún suceso que tenga lugar en el inmueble o durante la ocupación o uso del inmueble o de algún otro lugar del proyecto por parte de la arrendataria, u ocasionado en su totalidad o en parte por algún acto u omisión de la arrendataria, sus ejecutivos, empleados, agentes, contratistas, invitados o alguna persona autorizada por el arrendataria para estar en el inmueble o en el proyecto, o debido o como resultado de algún incumplimiento de este contrato de arrendamiento en que incurriera la arrendataria; y

b) cualquier falta, incumplimiento, negligencia, negligencia grave, acción u omisión deliberada de la arrendadora, sus agentes, trabajadores, empleados o cualquier otra persona por la que la arrendadora sea legalmente

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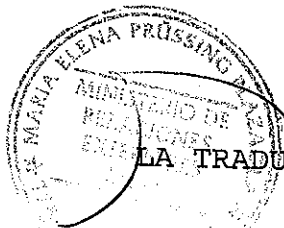
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responsable, que interfiera o que obstruya el suministro al o desde el inmueble, o que provoque la interrupción, cese, operación defectuosa o falla de los sistemas del edificio o de los servicios básicos, lo que incluye, entre otros, servicios de telecomunicaciones y similares (independientemente de que sean o no parte de los sistemas del edificio) y que afecte a los clientes, proveedores o terceros con los que la arrendataria o algún ocupante del inmueble realice negocios, o a otras personas que utilicen alguna parte de una red de telecomunicaciones a la que esté conectada la arrendataria o algún otro ocupante del proyecto.

[...]

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SANTIAGO, CHILE, 17 de junio de 2009.



LA TRADUCTORA OFICIAL

LEASE

BETWEEN

SUN LIFE ASSURANCE COMPANY OF CANADA


(LANDLORD)

- AND -

EMBASSY OF CHILE
(TENANT)

Premises:

50 O'Connor Street, Suite 1413
Ottawa, Ontario
K1P 6L2

TABLE OF CONTENTS

ARTICLE 1 - BASIC TERMS	1
1.1 <i>Basic Terms</i>	1
ARTICLE 2 - SPECIAL PROVISIONS	2
2.1 <i>Parking</i>	2
2.2 <i>Diplomatic Representation and Tenant's Termination Rights</i>	2
2.3 <i>Inducement to Lease</i>	3
ARTICLE 3 - DEFINITIONS AND INTERPRETATION	3
3.1 <i>Definitions</i>	3
3.2 <i>Entire Agreement, Amendments, Waiver</i>	7
3.3 <i>Acceptance and Application of Rent</i>	7
3.4 <i>General Rules of Interpretation</i>	7
3.5 <i>Successors</i>	7
ARTICLE 4 - GRANT AND TERM	8
4.1 <i>Term, Demise</i>	8
4.2 <i>Delay in Delivery of Premises</i>	8
4.3 <i>Acceptance</i>	8
4.4 <i>Quiet Enjoyment</i>	8
ARTICLE 5 - RENT	8
5.1 <i>Basic Rent</i>	8
5.2 <i>Additional Rent</i>	8
5.3 <i>Adjustment Due to Measurement</i>	8
5.4 <i>Payment of Rent - General</i>	9
5.5 <i>Payment of Additional Rent</i>	9
5.6 <i>Rent Deposit</i>	10
5.7 <i>Security Deposit</i>	10
5.8 <i>Net Lease</i>	10
ARTICLE 6 - OPERATING COSTS AND TAXES	10
6.1 <i>Property Taxes Payable by Landlord</i>	10
6.2 <i>Property Taxes Payable by Tenant</i>	11
6.3 <i>Business Taxes and Other Taxes of Tenant</i>	11
6.4 <i>Assessment Appeals</i>	11
6.5 <i>Operating Costs</i>	11
6.6 <i>Limitations on Operating Costs</i>	12
6.7 <i>Adjustments of Operating Costs</i>	13
6.8 <i>Reduction or Control of Operating Costs</i>	13
ARTICLE 7 - HVAC, UTILITIES AND OTHER LANDLORD SERVICES	13
7.1 <i>Heating, Ventilating and Air Conditioning</i>	13
7.2 <i>Electricity and Other Utilities</i>	14
7.3 <i>Special HVAC Services and Utilities and Excess Quantities</i>	14
7.4 <i>Other Landlord Services</i>	14
7.5 <i>Additional Services Provided by Landlord</i>	15
7.6 <i>Telecommunications</i>	15
7.7 <i>Signs and Premises Identification</i>	15
ARTICLE 8 - OPERATION, CONTROL AND MAINTENANCE BY LANDLORD	16
8.1 <i>Operation of the Building by Landlord</i>	16
8.2 <i>Control of the Project by Landlord</i>	16
8.3 <i>Name of Building</i>	16
8.4 <i>Maintenance and Repair by Landlord</i>	16
8.5 <i>Access by Landlord</i>	17
8.6 <i>Relocation</i>	17
ARTICLE 9 - MAINTENANCE AND ALTERATIONS BY TENANT	17
9.1 <i>Maintenance and Repair by Tenant</i>	17
9.2 <i>Alterations by Tenant</i>	17
9.3 <i>Removal of Improvements and Fixtures</i>	18
9.4 <i>Liens</i>	19
9.5 <i>Notice by Tenant</i>	19
ARTICLE 10 - USE OF PREMISES	19

10.4	<i>Rules and Regulations</i>	20
ARTICLE 11 - INSURANCE, LIABILITY AND INDEMNITY		20
11.1	<i>Tenant's Insurance</i>	20
11.2	<i>Form of Tenant Policies</i>	21
11.3	<i>Certified Copies and Notice to Landlord</i>	21
11.4	<i>Landlord's Insurance</i>	21
11.5	<i>Insurance Risks</i>	21
11.6	<i>Release of Landlord</i>	21
11.7	<i>Release of Tenant</i>	22
11.8	<i>Indemnity by Tenant</i>	22
ARTICLE 12 - ASSIGNMENT, SUBLETTING AND OTHER TRANSFERS		23
12.1	<i>Transfers</i>	23
12.2	<i>Tenant's Notice, Landlord's Right to Terminate</i>	23
12.3	<i>Conditions of Transfer</i>	24
12.4	<i>Corporate Records</i>	24
12.5	<i>Permitted Transfers</i>	25
12.6	<i>No Advertising</i>	25
12.7	<i>Sales or Dispositions by Landlord</i>	25
ARTICLE 13 - LANDLORD FINANCING AND STATUS CERTIFICATES		25
13.1	<i>Subordination and Postponement</i>	25
13.2	<i>Attornment</i>	25
13.3	<i>Status Certificates</i>	26
13.4	<i>Reliance</i>	26
ARTICLE 14 - DAMAGE, DESTRUCTION, DEMOLITION, EXPROPRIATION		26
14.1	<i>Damage to Premises</i>	26
14.2	<i>Abatement</i>	26
14.3	<i>Termination Rights</i>	26
14.4	<i>Landlord's Rights on Rebuilding</i>	27
14.5	<i>Landlord's Demolition Rights</i>	27
14.6	<i>Expropriation</i>	27
ARTICLE 15 - DEFAULT AND REMEDIES		27
15.1	<i>Events of Default</i>	27
15.2	<i>Remedies</i>	28
15.3	<i>Distress</i>	28
15.4	<i>Interest and Costs</i>	28
15.5	<i>Remedies Cumulative</i>	28
ARTICLE 16 - MISCELLANEOUS		29
16.1	<i>Relationship of Parties</i>	29
16.2	<i>Consent Not to be Unreasonably Withheld</i>	29
16.3	<i>Overholding</i>	29
16.4	<i>Registration</i>	29
16.5	<i>Unavoidable Delay</i>	29
16.6	<i>Decisions of Experts; Arbitration</i>	29
16.7	<i>Notices</i>	30
16.8	<i>Confidentiality</i>	30
16.9	<i>Power, Capacity and Authority</i>	30
16.10	<i>Liability of Landlord</i>	31
SCHEDULE "A" - BUILDING - SPECIFIC INFORMATION		32
SCHEDULE "B" - SKETCH SHOWING PREMISES		33
SCHEDULE "C" - RULES AND REGULATIONS.....		34
SCHEDULE "D" - INDEMNITY AGREEMENT - <i>Intentionally Deleted</i>		36

THIS LEASE, dated the 2nd day of November, 2007, is made by the Landlord and the Tenant named in it who, in consideration of the rents, covenants and agreements contained in this Lease, covenant and agree as follows:

ARTICLE 1 - BASIC TERMS

1.1 Basic Terms

- (a) (i) Landlord: **SUN LIFE ASSURANCE COMPANY OF CANADA**
[REDACTED]
- (ii) Address of Landlord: **c/o Bentall Real Estate Services LP**
[REDACTED]
Attention: Vice President, Operations
with a copy to:
c/o Bentall Real Estate Services LP
[REDACTED]
Attention: General Manager
- (b) (i) Tenant: **EMBASSY OF CHILE**
- (ii) Address of Tenant: **50 O'Connor Street, Suite 1413
 Ottawa, Ontario, K1P 6L2**
- (c) (i) Indemnifier: **N/A**
- (ii) Address of Indemnifier: **N/A**
- (iii) Indemnity Provisions: **Intentionally deleted**
- (d) Project, if applicable: **N/A**
- (e) Building: **50 O'Connor Street, Ottawa, Ontario, K1P 6L2**
- (f) Premises: **Suite 1413 located in the Building**
- (g) Rentable Area of Premises: **Approximately five thousand, six hundred and five (5,605) square feet**
- (h) (i) Term: **Ten (10) years**
- (ii) Commencement Date: **August 1, 2008**
- (iii) Expiry Date: **July 31, 2018**
- (i) Fixturing Period: **N/A**
- (j) Basic Rent:

Time Period	Per Sq. Ft. of Rentable Area of the Premises/Year	Per Year	Per Month
August 1, 2008 to and including July 31, 2013	\$26.50	\$148,532.50	\$12,377.71
August 1, 2013 to and including July 31, 2018	\$29.00	\$162,545.00	\$13,545.42

- (k) (i) Rent Deposit referred to in Section 5.6: **N/A**
- (ii) Security Deposit referred to in Section 5.7: **N/A**

ARTICLE 2 - SPECIAL PROVISIONS

2.1 Parking

- (a) Throughout the Term, the Landlord shall allocate to the Tenant the use of one (1) reserved and two (2) unreserved spaces for parking three (3) automobiles (the "Parking Spaces") (on a 24-hour per day basis) in the parking facilities at the Building (the "Parking Facility"), in such locations as designated from time to time by the Landlord or the operator of the Parking Facility, and subject to the terms set out below. Tenant shall ensure that Landlord is at all time in possession of up-to-date information as to the owner, licence plate number and description of each automobile authorized to use such Parking Spaces.
- (b) Landlord may from time to time make and amend such rules and regulations for the management and operation of the Parking Facility as Landlord shall determine and Tenant and all persons under its control, including without limitation all users of the Parking Spaces, shall be bound by and shall comply with all of such rules and regulations of which notice is given to Tenant from time to time and all of such rules and regulations shall be deemed to be incorporated into and form a part of the Lease.
- (c) For emphasis only, and without affecting or limiting the meaning of any provision of the Lease, it is agreed that the following sections of the Lease apply to the rights granted to Tenant hereunder in respect of the Parking Spaces, namely Sections 11.6 ("Release of Landlord") and 11.8 ("Indemnity by Tenant")
- (d) If Tenant or any person permitted by Tenant to use any of the Parking Spaces fails to comply with the provisions of the Lease in respect of the Parking Spaces, including without limitation the rules and regulations from time to time applicable to the Parking Facility, then Landlord shall have the right to terminate or suspend the privileges of the offending party to use the Parking Facility.
- (e) No motor vehicle other than a private passenger automobile, station wagon or van shall be parked on or in any part of the Common Areas and Facilities of the Building, including without limitation the Parking Facility, nor shall any repairs other than emergency repairs immediately necessary for operation of a vehicle be made to any motor vehicle in or on any of the Common Areas and Facilities, including without limitation the Parking Facility, and no motor vehicle shall be driven on any part of the Common Areas and Facilities other than on a driveway or in the Parking Facility.
- (f) It is understood and agreed that Landlord is not responsible for theft of or damage to the vehicle or its equipment or articles left in the vehicle.
- (g) It is understood and agreed that no vehicle powered by propane, hydrogen or natural gas are allowed in any underground portion of the Parking Facility.

2.2 Diplomatic Representation and Tenant's Termination Rights

If at any time during the Term,

- (a) diplomatic relations between the Government of Canada and the Embassy of Chile shall be terminated, suspended or otherwise interrupted by the Government of Canada; or
- (b) the Embassy of Chile shall terminate or suspend diplomatic relations with the Government of Canada; or
- (c) the Landlord shall allocate, lease or dispose of any other parts of the Building in which the Premises are located to any Person whose use of the said Building might reasonably be regarded by the Tenant as prejudicial to the interests of the Tenant on the grounds of security,

then the Tenant shall have the right to terminate this Lease upon giving to the Landlord at least ninety (90) days' prior written notice of its intention to terminate this Lease ("Termination Notice").

The Tenant covenants and agrees to surrender the Premises and deliver up vacant possession thereof to the Landlord upon the expiration of the said ninety (90) day notice period (the "Termination Date"), and all Rent shall be adjusted as of the Termination Date. Notwithstanding the delivery of the Termination Notice, the Tenant shall be responsible for performance of all of the terms, covenants and conditions contained on its part to be performed under the terms of this Lease, including the Tenant shall continue to pay to the Landlord at the time and in the manner as set out in this Lease, without reduction or abatement, all Basic Rent, Operating Costs, Property Taxes and all other amounts payable by the Tenant under this Lease for the period up to and including the Termination Date. The Tenant shall have no recourse against the Landlord, or those for whom it is

The Tenant shall execute the Landlord's form of surrender agreement on or before the Termination Date in order to give effect to the foregoing. The respective rights and obligations of the Landlord and the Tenant under the Lease shall be preserved and shall survive the Termination Date as to all matters arising or occurring prior to the Termination Date, but no such rights or obligations will arise or accrue to either of them under this Lease, on or after the Termination Date.

2.3 Inducement to Lease

The Tenant shall perform a renovation of the Premises including Alterations to the Leasehold Improvements (the "Tenant's Work"). Provided this Lease has been executed by both parties, the Required Conditions are met, and the Tenant is not in default under this Lease, the Landlord shall pay to the Tenant an inducement ("Inducement") of Eight Dollars (\$8.00) per square foot of Rentable Area of Premises (which sum is inclusive of Rental Taxes). The Tenant may elect to apply the whole or any part of the Inducement as a contribution to the costs of the Tenant's Work or it may elect to direct the Landlord to credit the Tenant's rental account so that the whole or any part of the Inducement may be applied to Rent as it becomes due under this Lease.

The Landlord shall have the right to deduct from the Inducement all amounts owing to the Landlord by the Tenant for any reason whatever, and it is agreed that any such deduction or payment by the Landlord shall constitute a payment on account of the Landlord's obligation to pay the Inducement. If at any time this Lease is terminated by reason of a default of the Tenant, then in such event, and without prejudice to any of the Landlord's other rights and remedies available to it under this Lease and at law, the unamortized portion of the Inducement calculated from the date that the Landlord no longer actually receives payments of Rent under this Lease (whether by way of Court Order or otherwise) on the basis of an assumed rate of depreciation on a straight line basis to zero over the Term of this Lease shall immediately become due and payable to the Landlord as Additional Rent.

ARTICLE 3 - DEFINITIONS AND INTERPRETATION

3.1 Definitions

- (a) "Additional Rent" means all amounts in addition to Basic Rent payable by the Tenant to the Landlord or any other Person pursuant to this Lease, other than Rental Taxes (except as provided in Section 15.1(a)).
- (b) "Alterations" has the meaning set out in Section 9.2.
- (c) "Applicable Laws" means all statutes, laws, by-laws, regulations, ordinances, orders and requirements of governmental or other public authorities having jurisdiction in force from time to time.
- (d) "Arbitration" if that term is used in this Lease, has the meaning given to it in Section 16.6.
- (e) "Basic Rent" means the rent payable pursuant to Section 5.1.
- (f) "Building" means the Building Lands and the building and all other structures, improvements, facilities and appurtenances that have been or will be constructed on the Building Lands (above, at or below grade), including the Building Systems and the Common Areas and Facilities, all as may be altered, expanded, reduced or reconstructed from time to time.
- (g) "Building Lands" means the lands described in Part 1 of Schedule "A" (or such portion thereof as may be designated by the Landlord from time to time), as altered, expanded or reduced from time to time.
- (h) "Building Systems" means at any time: (i) all heating, ventilating and air-conditioning and other climate control systems and other systems, services, installations and facilities installed in or servicing all or any part of the Building or Project including, without limitation, the following systems, services, installations and facilities: elevators and escalators, mechanical (including plumbing, sprinkler, drainage and sewage), electrical and other utilities, lighting, sprinkler, life safety (including fire prevention, communications, security and surveillance), computer (including environmental, security and lighting control), ice and snow melting, refuse removal, window washing and music; (ii) all machinery, appliances, equipment, apparatus, components, computer software and appurtenances forming part of or used for or in connection with any of such systems, services, installations and facilities including, but not limited to, boilers, motors, generators, fans, pumps, pipes, conduits, ducts, valves, wiring, meters and controls, and the structures and shafts housing and enclosing any of them; and (iii) all Landlord owned or controlled telecommunications facilities, installations and equipment.

- (i) **"Business Day"** means any day which is not a Saturday, Sunday or a day observed as a holiday under the Applicable Laws in the province in which the Building is situate.
- (j) **"Business Hours"** means the normal business hours on Business Days determined from time to time by the Landlord for the Building.
- (k) **"Business Taxes"** means all taxes, rates, duties, levies, assessments, licence fees and other charges in respect of the use or occupancy of, or any business carried on by, tenants or other occupants of the Project.
- (l) **"Capital Tax"**, if applicable, means the amount from time to time reasonably allocated by the Landlord to the Project, of any tax or taxes at any time payable under the legislation of a province or to any political subdivision within a province by the Landlord, based upon or computed by reference to the paid-up capital or surplus or value of real estate portfolio or place of business of the Landlord as determined for the purposes of that tax, and for the purposes of this definition, the word "Landlord" includes, severally, each of the persons or firms that then constitute the Landlord.
- (m) **"CDS"** has the meaning set out in Section 7.6(c).
- (n) **"Change of Control"** means, in the case of any corporation or partnership, the transfer or issue by sale, assignment, subscription, transmission on death, mortgage, charge, security interest, operation of law or otherwise, of any shares, voting rights or interest which would result in any change in the effective control of such corporation or partnership, unless such change occurs as a result of trading in the shares of a public corporation listed on a recognized stock exchange in Canada or the United States.
- (o) **"Commencement Date"** means the date set out in or determined pursuant to Section 1.1(h)(ii), subject to Section 4.2.
- (p) **"Common Areas and Facilities"** means those areas, facilities, improvements, installations and equipment in or around the Building or Project existing from time to time that are provided or designated from time to time by the Landlord for use in common by the Landlord, the Tenant, other tenants of the Building or Project or their respective sublessees, agents, employees, customers, invitees or licensees, whether or not those areas are open to the general public or to all tenants of the Building or Project including, without limitation, the Building Systems, entrances, lobbies, access and service corridors, stairways, indoor and outdoor walkways (both open and enclosed), malls, courts and arcades (both open and enclosed), public seating areas and facilities, public washrooms, indoor and outdoor landscaping and landscaped areas, passageways or tunnels leading to any public walkway or other facilities or to other buildings or concourses, mailrooms, electrical, telephone, meter, valve, mechanical, storage and janitor rooms, shipping and receiving areas and loading docks, package or passenger pick-up areas, waste disposal or recycling facilities, parking facilities, driveways, laneways and ramps and sidewalks, parks and other municipal facilities for which the Landlord directly or indirectly is subject to obligations in its capacity as owner of the Building or Project or an interest in it; all as may be altered, expanded, reduced, reconstructed or relocated from time to time.
- (q) **"Default Rate"** means the lesser of: (i) the Prime Rate plus five percent per annum; and (ii) the maximum rate permitted by Applicable Laws, calculated and compounded monthly not in advance.
- (r) **"Early Termination"** has the meaning set out in Section 12.3.
- (s) **"Event of Default"** has the meaning set out in Section 15.1.
- (t) **"Expert"** means any architect, designer, engineer, land surveyor, accountant or other professional consultant appointed by the Landlord who, in the opinion of the Landlord, is qualified to perform the function for which he or she is retained.
- (u) **"Expiry Date"** means the date set out in or determined pursuant to Section 1.1(h)(iii), subject to Section 4.2.
- (v) **"Fiscal Year"** means the fiscal period(s) as designated by the Landlord from time to time. The Landlord may have different Fiscal Years for any one or more of the components of Additional Rent.
- ~~(w) **"Fixturing Period"** means the period, if any, specified in Section 1.1(i) provided to the Tenant to perform its fixturing of the Premises. During any Fixturing Period the Tenant shall be entitled to occupy the Premises in accordance with all terms of this Lease (including the Tenant's obligations to pay for all utilities and services), but shall not be obligated to pay Basic Rent, the Tenant's share of Property Taxes or the Tenant's share of Operating Costs.~~

- (y) "Lands" means the Building Lands, or, if applicable, the Project Lands.
- (z) "Large Corporations Tax" means the amount from time to time reasonably allocated by the Landlord to the Project, of the tax known as the Large Corporations Tax, if applicable, and of any similar or replacement tax or taxes at any time payable under the legislation of Canada based upon or computed by reference to the paid-up capital or surplus or value of real estate portfolio or place of business of the Landlord as determined for the purposes of that tax, and for the purposes of this definition, the word "Landlord" includes, severally, each of the persons or firms that then constitute the Landlord.
- (aa) "Lease" means this lease, including all schedules, as it may be amended.
- (bb) "Lease Year" means: (i) in the case of the first Lease Year, the period beginning on the Commencement Date and ending on the last day of the 12th consecutive full month after the expiry of the calendar month in which the Commencement Date occurs (except that if the Commencement Date occurs on the first day of a calendar month, the first Lease Year shall end on the day prior to the first anniversary of the Commencement Date) and; (ii) in the case of each subsequent Lease Year, consecutive 12 month periods, provided that the final Lease Year shall end on the last day of the Term.
- (cc) "Leasehold Improvements" means all alterations, fixtures and improvements in or serving the Premises made from time to time by or on behalf of the Tenant or any prior occupant of the Premises including, without limitation, mezzanines, internal stairways, doors, hardware, vaults, partitions (excluding moveable partitions), lighting, fixtures, non-Building standard window coverings and wall-to-wall carpeting (excluding carpeting laid over a finished floor and removable without damage to such floor), but excluding trade fixtures and furniture and equipment not of the nature of fixtures.
- (dd) "Measurement Standards" means the measurement standards set out in Schedule "A".
- (ee) "Mortgage" means any mortgage, charge or security instrument (including a deed of trust or mortgage securing bonds) and all extensions, renewals, modifications, consolidations and replacements of any such item which may now or hereafter affect the Project or any part of it.
- (ff) "Mortgagee" means the mortgagee, chargee or other secured party (including a trustee for bondholders), as the case may be, who from time to time holds a Mortgage.
- (gg) "Notice" has the meaning set out in Section 16.7.
- (hh) "Operating Costs" has the meaning set out in Section 6.5.
- (ii) "Permitted Transferee" means any entity which is an affiliate (as that term is defined as of the date of this Lease in the Canada Business Corporations Act) of the original named Tenant, and only for so long as it remains an affiliate of such original named Tenant.
- (jj) "Person" means any individual, partnership, corporation, trust, trustee or other entity or any combination of them.
- (kk) "Premises" means that part of the Building identified in Section 1.1(f) and approximately shown cross-hatched on Schedule "B", extending to: (i) the interior face of all exterior walls, doors and windows; (ii) the interior face of all interior walls, doors and windows separating the Premises from Common Areas and Facilities or from adjoining leaseable premises; and (iii) the top surface of the structural subfloor and the top surface of the suspended or plaster ceiling (or the bottom surface of the structural ceiling if there is no suspended or plaster ceiling). Any Building Systems located in the Premises do not form part of the Premises.
- (ll) "Prime Rate" means the annual rate of interest announced from time to time by the Canadian chartered bank from time to time chosen by the Landlord as the daily rate of interest used by such bank as a reference rate in setting rates of interest for Canadian dollar commercial loans and commonly referred to by such bank as its Canadian "prime rate".
- (mm) "Project", if applicable, means the Project Lands and the buildings and all other structures, improvements, facilities and appurtenances that have been or will be constructed on the Project Lands (above, at or below grade), including the Building Systems and the Common Areas and Facilities, all as may be altered, expanded, reduced or reconstructed from time to time; provided that if the Landlord determines Project is not applicable, references in this Lease to Project shall be deemed to be references to Building.
- (nn) "Project Lands", if applicable, means the lands described in Part 2 of Schedule "A" (or such portion thereof as may be designated by the Landlord from time to time), as altered, expanded or reduced from time to time; provided that if Project Lands are not applicable, references in this Lease to Project Lands shall be deemed to be references to Building Lands.

- (oo) **"Property Taxes"** means the aggregate of all taxes, rates, duties, levies, fees, charges (including local improvement charges) and assessments whatsoever, imposed, assessed, levied, rated or charged against or in respect of the Project (or any part of the Project) from time to time by any competent taxing or assessing authority, whether school, municipal, regional, provincial, federal, or otherwise, and any taxes or other amounts which are imposed in lieu of, or in addition to, any of the foregoing whether or not in existence on the Commencement Date and whether of the foregoing character or not, but excluding taxes on the income or profits of the Landlord except to the extent that they are levied in lieu of the foregoing.
- (pp) **"Proportionate Share"** means a fraction which has: (i) as its numerator, the Rentable Area of the Premises, and (ii) as its denominator, the Rentable Area of the Project.
- (qq) **"Purchaser"** has the meaning set out in Section 13.2.
- (rr) **"Rent"** means all Basic Rent and Additional Rent.
- (ss) **"Rent Deposit"** means the amount specified in Section 1.1(k)(i).
- (tt) **"Rentable Area"** means: (i) in the case of the Premises and any other premises included in the Project, the area of all floors of such premises; and (ii) in the case of the Project the aggregate of the area of all premises in the Project that are rented, or designated or intended by the Landlord to be rented (whether actually rented or not) but excluding storage areas, all determined in accordance with the Measurement Standards. The Rentable Area of the Premises, the Project or any part thereof may be adjusted from time to time to reflect any alteration, expansion, reduction, recalculation or other change.
- (uu) **"Rental Taxes"** means any tax or duty imposed upon either the Landlord or the Tenant which is measured by or based in whole or in part directly upon the Rent payable under this Lease or in respect of the rental or rental value of premises under this Lease whether existing at the date of this Lease or hereafter imposed by any governmental authority including, without limitation, goods and services tax, harmonized sales tax, value added tax, business transfer tax, sales tax, federal sales tax, excise taxes or duties or any tax similar to the foregoing.
- (vv) **"Required Conditions"** means that:
- (i) the Tenant is the original named Tenant or a Permitted Transferee, has not undergone a Change of Control and is itself in occupation of and carrying on business from the whole of the Premises; and
 - (ii) the Tenant has paid all Basic Rent and Additional Rent as and when due and has not been in persistent default and is not in material default under this Lease.
- (ww) **"Restoration"** has the meaning set out in Section 9.3.
- (xx) **"Restoration Date"** has the meaning set out in Section 9.3.
- (yy) **"Rules and Regulations"** means the Rules and Regulations annexed hereto as Schedule "C" together with any amendments, deletions and additions made by the Landlord from time to time pursuant to Section 10.4, all of which shall form part of this Lease.
- (zz) **"Security Deposit"** means the amount specified in Section 1.1(k)(ii).
- (aaa) **"Statement"** has the meaning set out in Section 5.5(b).
- (bbb) **"Structural Components"** means those parts of the Project consisting of the footings and foundations, structural columns and beams, structural subfloors, and bearing walls.
- (ccc) **"Term"** means the period specified in Section 1.1(h)(i).
- (ddd) **"Transfer"** means all or any of the following, whether by conveyance, written agreement or otherwise: (i) an assignment of this Lease in whole or in part; (ii) a sublease of all or any part of the Premises; (iii) the sharing or transfer of any right of use or occupancy of all or any part of the Premises; (iv) any mortgage, charge or encumbrance of this Lease or the Premises or any part of the Premises or other arrangement under which either this Lease or the Premises become security for any indebtedness or other obligation; and (v) a Change of Control, and includes any transaction or occurrence whatsoever (including, but not limited to, expropriation, receivership proceedings, seizure by legal process and transfer by operation of law), which has changed or might change the identity of the Person having use or occupancy of any part of the Premises.
- (eee) **"Transferee"** means the Person to whom a Transfer is or is to be made.
- (fff) **"Transfer Application Fee"** means such fee as the Landlord may in its sole discretion from time

any documents relating to a Transfer prepared by the Landlord plus all costs incurred including legal fees, credit checks and all disbursements in respect of a proposed Transfer.

(ggg) "TSP" has the meaning set out in Section 7.6(b).

(hhh) "Unavoidable Delay" has the meaning set out in Section 16.5.

3.2 Entire Agreement, Amendments, Waiver

This Lease contains the entire agreement between the parties with respect to the subject matter of this Lease and there are no other agreements, promises or understandings, oral or written, between the parties in respect of this subject matter. This Lease may be amended only by written agreement between the Landlord and the Tenant. No electronic communications between the parties will have the effect of amending this Lease. No provisions of this Lease shall be deemed to have been waived by the Landlord or the Tenant unless such waiver is in writing signed by the party. If the Landlord excuses or condones any default of any obligation under this Lease, no waiver of such obligation shall be implied in respect of any continuing or subsequent default. The Landlord's receipt of Rent with knowledge of a breach shall not be deemed a waiver of any breach.

3.3 Acceptance and Application of Rent

Any endorsement, statement, condition, direction or other communication on or accompanying any Rent payment shall not be binding on the Landlord and the acceptance of any such payment shall be without prejudice to the Landlord's right to recover the balance of Rent then owing or to pursue any other remedy available to the Landlord. Any payment received by the Landlord may be applied towards amounts then outstanding under this Lease in such manner as the Landlord determines.

3.4 General Rules of Interpretation

- (a) **Obligations as Covenants:** Each obligation of the Landlord and the Tenant in this Lease shall be considered a covenant for all purposes.
- (b) **Time:** Time is of the essence of this Lease.
- (c) **Number, Gender:** The grammatical changes required to make the provisions of this Lease apply in the plural sense where the Tenant comprises more than one Person and to individuals (male or female), partnerships, corporations, trusts or trustees will be assumed as though in each case fully expressed.
- (d) **Liability of Tenant:** If the Tenant consists of more than one Person, the covenants of the Tenant shall be joint and several covenants of each such Person. If the Tenant is a partnership, each Person who is presently a partner of the partnership and each Person who becomes a member of any successor partnership shall be and continue to be bound jointly and severally for the performance of and shall be and continue to be subject to all of the terms, obligations and conditions of this Lease, whether or not such Person ceases to be a member of such partnership or successor partnership and whether or not such partnership continues to exist.
- (e) **Governing Law:** This Lease shall be governed by and construed under the Applicable Laws of the jurisdiction in which the Building is located and the parties attorn and submit to the jurisdiction of the courts of such jurisdiction.
- (f) **Headings:** The headings of the Articles and Sections are included for convenience only, and shall have no effect upon the construction or interpretation of this Lease.
- (g) **Landlord as Trustee:** Any and all exculpatory provisions, releases and indemnities included in this Lease for the benefit of the Landlord are intended also to benefit the Mortgagees, any owner or lessor with an interest in the Project prior to the Landlord, property managers of the Landlord, and the officers, directors, shareholders, employees, agents of each one of them and, for the purposes of such provisions, the Landlord is acting as agent or trustee on behalf of and for the benefit of the persons mentioned above.
- (h) **Severability:** Should any provision of this Lease be or become invalid, void, illegal or not enforceable, such provision shall be considered separate and severable from this Lease and the remaining provisions shall remain in force and be binding upon the parties hereto as though such provision had not been included.

3.5 Successors

This Lease and everything herein contained shall extend to and bind the successors and assigns of the Landlord and the legal representatives, heirs, executors, administrators, successors and permitted assigns of the Tenant (as the case may be).

ARTICLE 4 - GRANT AND TERM

4.1 Term, Demise

The Landlord hereby demises and leases the Premises to the Tenant for the Term (unless terminated earlier pursuant to this Lease), to have and to hold during the Term, subject to the terms and conditions of this Lease. The Landlord grants to the Tenant a non-exclusive licence throughout the Term to the benefit or use (as may be appropriate) of those Common Areas and Facilities which provide access to the Premises or which are generally made available to all tenants in the Building, in common with other tenants of the Building and with all others entitled thereto, subject to the terms and conditions of this Lease.

~~4.2 Delay in Delivery of Premises~~

~~If the Landlord is delayed in delivering the Premises to the Tenant by the date provided for in this Lease, the Landlord and the Tenant agree that the Commencement Date shall be deferred by the number of days of such delay but the Term will remain as set out in this Lease. The Landlord or its agent shall provide to the Tenant written notice of any such delay before it occurs. The Tenant shall accept the above deferral of the Commencement Date as full compensation for the delay and the Landlord shall have no further liability arising from it. The Tenant shall upon request execute a lease amending agreement documenting such deferral, if any.~~

4.3 Acceptance

The Tenant hereby leases and accepts the Premises from the Landlord and covenants to pay the Rent and to observe and perform all the covenants and obligations to be observed and performed by the Tenant pursuant to this Lease. ~~If the Tenant occupies the Premises prior to the Commencement Date, its occupancy shall be subject to the terms and conditions of this Lease, other than in respect of Rent if there are other provisions concerning Rent that the Landlord and Tenant have agreed to in writing in respect of such period prior to the Commencement Date.~~ The Tenant agrees that it shall accept the Premises in the condition in which it is then in on the Commencement Date, ~~except as may be specifically set out herein, the Premises are accepted subject only to the Premises being in the condition set out in Schedule "E" and there is no promise, representation or undertaking binding upon the Landlord with respect to any alteration, remodelling or decoration of the Premises or with respect to the installation of equipment or fixtures in the Premises.~~

4.4 Quiet Enjoyment

If the Tenant pays the Rent, fully performs all its obligations under this Lease and there has been no Event of Default, then the Tenant shall be entitled, subject to the provisions of this Lease, to peaceful and quiet enjoyment of the Premises for the Term.

ARTICLE 5 - RENT

5.1 Basic Rent

The Tenant shall pay to the Landlord Basic Rent in the amount set out in Section 1.1(j) for the respective Lease Year, by equal consecutive monthly instalments in advance on the first day of each month, subject to any adjustment pursuant to Section 5.3.

5.2 Additional Rent

The Tenant shall also pay throughout the Term, at the times and in the manner provided in this Lease, all Additional Rent which shall, except as otherwise provided in this Lease, be payable within 15 days of receipt by the Tenant of an invoice, statement or demand for it.

5.3 Adjustment Due to Measurement

The Landlord may, from time to time, at its option, cause the Rentable Area of the Premises and/or Project or any part thereof to be measured by an Expert and, if necessary as a result of such measurement, the annual Basic Rent and the calculation of Additional Rent shall be adjusted by the Landlord. The effective date of any such adjustment shall be:

- (a) in the case of any measurement made prior to or within six months of the Commencement Date, the date the Tenant is allowed possession of the Premises under this Lease; and
- (b) in all other cases, the date of the determination of the measurement.

Any such measurement by an Expert shall be final and binding on the Landlord and the Tenant subject to the Landlord's right from time to time to cause the Rentable Area of the Premises and/or Project or any part thereof to be remeasured by an Expert as set out above. Neither the Landlord nor the Tenant may claim any adjustment to the annual Basic Rent or to the calculation of Additional Rent based on the Rentable Area of the Premises except in

Landlord nor the Tenant may claim any adjustment to the annual Basic Rent or to the calculation of Additional Rent based on such measurement for the period prior to the effective date of such adjustment as set out above.

5.4 Payment of Rent - General

- (a) All payments required to be made by the Tenant pursuant to this Lease shall be paid when due, without prior demand and without any abatement, set-off, compensation or deduction whatsoever, except as may be otherwise expressly provided herein, at the address of the Landlord set out in Section 1.1(a)(ii) or at such other place as the Landlord may designate from time to time to the Tenant.
- (b) All payments required to be made by the Tenant pursuant to this Lease, except for Rental Taxes, shall be deemed to be Rent and shall be payable and recoverable as Rent, and the Landlord shall have all rights against the Tenant for default in any such payment as in the case of arrears of Rent.
- (c) The Tenant shall pay to the Landlord all Rental Taxes applicable from time to time, calculated and payable in accordance with Applicable Laws and the Tenant shall pay such amount at the earlier of: (i) the time provided for by Applicable Laws; and (ii) the time such Rent is required to be paid under this Lease. The amount payable by the Tenant on account of Rental Taxes shall be deemed not to be Rent for the purpose of such calculation but in the event of a failure by the Tenant to pay any amount, the Landlord shall have the same rights and remedies as it has in the event of a failure by the Tenant to pay Rent.
- (d) At the Landlord's request, the Tenant shall make all payments under this Lease by way of post-dated cheques, automatic withdrawals or electronic funds transfer from the Tenant's bank account and shall execute and deliver either concurrently with this Lease or from time to time within three Business Days following request for it, such documentation as may be required by the Landlord and its bank in order to effect such payments.
- ~~(e) If the Tenant begins to use all or part of the Premises for the conduct of its business on a date that is earlier than the Commencement Date, Rent shall begin to accrue from such earlier date, and the Tenant shall pay to the Landlord the Rent accrued, in each case within 30 days of receipt from the Landlord of an invoice in respect of such Rent.~~
- (f) If the Commencement Date ~~or the date the Tenant commences to conduct its business at the Premises~~ is other than the first day of a full period in respect of which any item of Rent is calculated, or the last day of the Term is other than the last day of a full period, then unless otherwise provided in this Lease, the amount of such item of Rent payable in respect of the broken period shall be prorated on the basis of a 365 day year.

5.5 Payment of Additional Rent

- (a) Prior to the Commencement Date and at or prior to the beginning of each Fiscal Year thereafter, the Landlord shall compute and deliver to the Tenant a bona fide estimate in respect of such Fiscal Year of the Tenant's share of Property Taxes, the Tenant's share of Operating Costs (being its Proportionate Share subject to Section 6.7), **the Prevailing Parking Charges (as defined in Section 5.5(f) hereof)** and such other items of Additional Rent as the Landlord may estimate in advance and the Tenant shall pay to the Landlord in monthly instalments one-twelfth of such estimate simultaneously with the Tenant's payments of Basic Rent, provided that the monthly instalments on account of the Tenant's share of Property Taxes may be determined so that the Landlord collects all such amounts payable by the Tenant by the final due date in the relevant calendar year. The Landlord may from time to time re-estimate any items of Additional Rent and may fix monthly instalments for the then remaining balance of the Fiscal Year so that such items will be entirely paid during such Fiscal Year.
- (b) Within a reasonable period of time after all information necessary to calculate actual Additional Rent becomes available after the end of each Fiscal Year, the Landlord will provide to the Tenant a written statement (in this Section 5.5 referred to as the "Statement") setting out in reasonable detail the amount of Operating Costs, the Property Taxes and such other items of Additional Rent as the Landlord had estimated in advance for such Fiscal Year. If the Tenant's share of Property Taxes, the Tenant's share of Operating Costs (being its Proportionate Share subject to Section 6.7) and other items of Additional Rent actually paid by the Tenant to the Landlord during such Fiscal Year differs from the amount of the Tenant's share of Property Taxes, the Tenant's share of Operating Costs and other items of Additional Rent payable for such Fiscal Year, the Tenant shall pay such difference or the Landlord shall credit the Tenant's account (as the case may be), without interest within 30 days after the date of delivery of the Statement. The respective obligations of the Landlord and the Tenant in this Section 5.5(b) shall survive the end of the Term or earlier termination of this Lease.
- (c) The Tenant shall not claim a re-adjustment in respect of Operating Costs or Property Taxes or other items of Additional Rent estimated by the Landlord or the share payable by the Tenant on account thereof for any Fiscal Year except by notice given to the Landlord within six months after

- (d) If the Tenant disputes the accuracy of any Statement within the period permitted under Section 5.5(c) above and the Landlord and the Tenant fail to settle the matter within a reasonable period, the matter shall be referred by the Landlord to an Expert for prompt determination. The Tenant shall pay in accordance with the Statement until such decision is rendered. The Expert's signed determination shall be final and binding on both the Landlord and the Tenant. Any adjustment required to any previous payment made by the Tenant or the Landlord by reason of any such determination shall be made within 14 days thereof, and the party required to pay such adjustment shall bear all costs of the Expert, except that if the amount to be paid is 20% or less of the amount in dispute, the Tenant shall pay all such costs.
- (e) The parties agree that Landlord has estimated that Tenant's obligations hereunder in respect of Operating Costs and Property Taxes for the year 2007 would be approximately Twenty-One Dollars and Ten Cents (\$21.10) per square foot of the Rentable Area of the Premises. Such estimate is a bona fide estimate made by Landlord as of the date hereof, but is not intended by Landlord to be relied upon by Tenant and is not binding and does not impose liabilities on Landlord or affect Tenant's obligations hereunder.
- (f) For each of the Parking Spaces (as defined in Section 2.1), the Tenant shall pay to the Landlord, whether or not the Tenant actually uses the Parking Spaces or any of them from time to time, the prevailing monthly rates charged from time to time by the Landlord or the operator of the Parking Facility for the use of reserved and unreserved Parking Spaces respectively (collectively the "Prevailing Parking Charges"). The Prevailing Parking Charges will be paid to the Landlord as Additional Rent. For greater certainty, reserved spaces shall be designated for the exclusive use of the Tenant named herein using Building standard signage by the Landlord at the Tenant's sole cost and expense. In addition to any Prevailing Parking Charges required above, the Tenant may be required to pay to the Landlord a deposit amount for each parking pass issued. Such parking deposit shall be held by the Landlord in the event that any of the parking passes so issued are damaged, lost or destroyed. Upon the expiry or earlier termination of the Lease, if the deposit amounts have not previously been deducted at any time during the Term, the deposit amounts shall be refunded to the Tenant in full upon presentation to the Landlord of the same number of parking passes originally issued to the Tenant, in good condition and repair.

5.6 — Rent Deposit

~~The Landlord acknowledges receipt from the Tenant of the Rent Deposit to be applied to the Rent as it becomes due or as otherwise provided in Section 1.1(k)(i) and, to the extent it is not so applied from time to time, to be held, without interest, as security (without prejudice to the Landlord's other rights and remedies) for the observance and performance of the Tenant's obligations under this Lease.~~

5.7 — Security Deposit

~~The Landlord acknowledges receipt from the Tenant of the Security Deposit to be held, without interest, as security (without prejudice to the Landlord's other rights and remedies) for the observance and performance of the Tenant's obligations under this Lease. If the Tenant defaults in the performance of any of the terms, covenants, conditions and provisions of this Lease as and when the same are due to be performed by the Tenant, then the Landlord, at its option, may appropriate and apply all or any part of the Security Deposit on account of any losses or damages sustained by the Landlord as a result of such default. Upon demand by the Landlord following any such appropriation, the Tenant shall pay to the Landlord an amount sufficient to restore the total original amount of the Security Deposit. If the Tenant complies with all of the terms, covenants, conditions and provisions under this Lease, the Security Deposit shall be returned to the Tenant without interest within 60 days after the expiry or earlier termination of the Term, or, at the Landlord's option, shall be applied by the Landlord on account of the last month's Rent.~~

5.8 Net Lease

The Tenant acknowledges and agrees that it is intended that this Lease shall be a completely carefree net lease for the Landlord and that the Landlord shall not be responsible for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Premises during the Term, whether foreseen or unforeseen and whether or not within the contemplation of the parties at the commencement of the Term, except as shall be otherwise expressly provided in this Lease.

ARTICLE 6 - OPERATING COSTS AND TAXES

6.1 Property Taxes Payable by Landlord

The Landlord shall pay all Property Taxes, but it may defer such payments or compliance to the fullest extent permitted by law so long as it pursues in good faith any contest or appeal of any such Property Taxes with reasonable diligence.

6.2 Property Taxes Payable by Tenant

- (a) The Tenant shall pay as Additional Rent directly to the Landlord in each Fiscal Year the Tenant's share of Property Taxes as determined pursuant to this Section.
- (b) The Tenant's share of Property Taxes shall be the portion of the Property Taxes that are attributable to the Premises, as determined by the Landlord. Without limiting the foregoing:
 - (i) the Landlord may, if it so elects, determine that the Tenant's share of Property Taxes attributable to the Premises shall be the Proportionate Share of Property Taxes;
 - (ii) the Landlord shall be entitled, but not obligated, to allocate Property Taxes amongst categories of premises in the Project on the basis of such factors as the Landlord determines to be relevant and to adjust the Tenant's share of Property Taxes based on such allocation;
 - (iii) if there are separate assessments (or, in lieu of separate assessments, calculations made by authorities having jurisdiction from which a reasonable approximation of separate assessments can be made) for the Premises for Property Taxes, the Landlord may in its sole discretion (but need not) have regard thereto;
 - (iv) nothing herein shall compel or require the Landlord to adjust, continue to adjust or to make the same determination or allocation of Property Taxes from year to year or in any Fiscal Year; and
 - (v) for the purposes of determining the share of Property Taxes payable by the Tenant pursuant to this Lease, Property Taxes shall include such additional amounts as would have formed part of Property Taxes had the Project been fully assessed during the whole of the relevant Fiscal Year as fully completed and fully occupied by tenants, with no special exemptions or reductions, and without taking into account any actual or potential reduction of Property Taxes or change of assessment category or class for premises within the Project which are vacant or underutilized.

6.3 Business Taxes and Other Taxes of Tenant

The Tenant shall promptly pay before delinquency to the taxing authorities or to the Landlord, if it so directs, as Additional Rent, any taxes, rates, duties, levies and assessments whatsoever, whether municipal, provincial, federal or otherwise, levied, imposed or assessed against or in respect of the operations at, occupancy of, or conduct of business in or from the Premises by the Tenant or any other permitted occupant, including the Tenant's Business Taxes, if levied in the province in which the Building is situate. Whenever requested by the Landlord, the Tenant shall deliver to the Landlord copies of receipts for payment of all such taxes.

6.4 Assessment Appeals

The Tenant shall not appeal any governmental assessment or determination of the value of the Project or any portion of the Project whether or not the assessment or determination affects the amount of Property Taxes or other taxes, rates, duties, levies or assessments to be paid by the Tenant.

6.5 Operating Costs

Subject to the exclusions and deductions stipulated in Section 6.6, "Operating Costs" means the total, without duplication, of the costs, expenses, fees, rentals, disbursements and outlays (in Sections 6.5 and 6.6 referred to collectively as "costs") of every kind, whether direct or indirect, paid, payable or incurred by or on behalf of the Landlord on a cash basis (or on an accrual basis as and to the extent that the Landlord may determine) in the ownership, maintenance, repair, replacement, operation, administration, supervision and management of the Project, including, without limitation:

- (a) costs of providing security, supervision, traffic control, janitorial, landscaping, window cleaning, waste collection, disposal and recycling and snow removal services and the costs of machinery, supplies, tools, equipment and materials used in connection with the Project (including rental costs of such items);
- (b) costs of telephone and telecommunications (including riser, rooftop and wireless management), information technology, telecopier, stationery, office equipment, supplies, signs and directory boards and other services and materials required for management, maintenance and operation (whether on or off-site and whether incurred by the Landlord or a management company);
- (c) costs of providing electricity, fuel, heat, processed air, water, telephone, gas, sewage disposal and other utilities and services (including all energy management and administration costs) and costs of replacing building standard electric light fixtures, ballasts, tubes, starters, lamps, light bulbs and controls (to the extent such item is charged separately to the Tenant pursuant to this Lease then the costs of any such item attributable to other leaseable premises shall be excluded).

- (i) operating, maintaining, replacing, modifying and repairing the Project, including without limitation such costs where incurred by the Landlord in order to comply with Applicable Laws or required by the Landlord's insurance carrier or resulting from normal wear and tear to the Project;
- (ii) providing, installing, modifying and upgrading energy conservation equipment and systems, life safety and emergency response systems, materials and procedures and telecommunication systems and equipment if any;
- (iii) making alterations, replacements or additions to the Project intended to reduce Operating Costs, improve the operation of the Project and the systems, facilities and equipment serving the Project, or maintain their operation; and
- (iv) replacing machinery or equipment which by its nature requires periodic replacement,

all to the extent that such costs are fully chargeable in the Fiscal Year in which they are incurred in accordance with generally accepted accounting principles as applied by the Landlord, or as specified in this Lease;

- (e) depreciation or amortization of the costs referred to in Section 6.5(d) above as determined in accordance with generally accepted accounting principles as applied by the Landlord, or as specified in this Lease, if such costs have not been charged fully in the Fiscal Year in which they are incurred, and interest or imputed interest (at 2% per annum over the Prime Rate) on the undepreciated or unamortized balance of such costs. Notwithstanding the foregoing, the Landlord, acting reasonably, may depreciate or amortize any such cost over a longer or shorter period than that which corresponds to the period over which the benefits of having incurred that cost are realized;
- (f) amounts paid to, or reasonably attributable to the remuneration of, all personnel (whether on or off-site and whether employed by the Landlord or a management company) involved in the maintenance, repair, replacement, operation, administration, supervision and management of the Project, including fringe benefits, severance pay, termination payments, uniforms and other employment costs;
- (g) auditing, accounting, legal and other professional and consulting fees and disbursements incurred in connection with the maintenance, repair, replacement, operation, administration, supervision and management of the Project, including those incurred with respect to the preparation of the statements required under the provisions of this Lease and costs of minimizing, contesting or appealing assessments of Property Taxes (whether or not successful);
- (h) costs of all insurance which the Landlord is obligated or permitted to obtain under this Lease and the amounts of losses incurred or claims paid either below the insurance deductible amounts or as the co-insurance portion of an insured claim, and should the Landlord choose in whole or in part to self-insure, the amount of reasonable contingency reserves not exceeding the amount of premiums that would otherwise have been incurred in respect of the risks undertaken;
- (i) Property Taxes to the extent not charged to the Tenant pursuant to Section 6.2 and to other tenants of the Project pursuant to lease provisions similar to such Section;
- (j) Capital Tax and Large Corporations Tax;
- (k) fair market rental value (having regard to rent being charged for similar space including additional rent for operating costs and property taxes) of space used by the Landlord and/or its property manager, in connection with the maintenance, repair, operation, administration and management of the Project and such fair market rental value of any building amenities (such as conference and day-care facilities provided primarily for tenants of the Project), together with the costs relating to such building amenities; and
- (l) a management fee in an amount comparable to that which would be charged by a real estate management company for management of similar office buildings in the area in which the Building is located.

6.6 Limitations on Operating Costs

In determining Operating Costs, the cost (if any) of the following shall be excluded or deducted, as the case may be:

- (a) major repairs to Structural Components that are required as a result of defective design or construction of such Structural Components;
- (b) interest on, and the capital retirement of debt, except as specifically provided in Section 6.5(e), and ground rent payable to the lessor under any ground or other lease pursuant to which the Landlord has an interest in the Project;

- (c) expenses relating to decorating or redecorating or renovating rentable space for tenants or occupants of the Project and costs relating to tenant inducements, allowances or similar expenses;
- (d) all leasing expenses, real estate brokers' fees, leasing commissions, advertising premises for lease, and space planners' fees;
- (e) repairs or maintenance done for the direct account of other tenants;
- (f) net recoveries by the Landlord in respect of warranties or guarantees and insurance claims to the extent (but only to the extent) that the repair costs in respect of the work covered by such warranties or guarantees or insurance claims have been charged as Operating Costs; and
- (g) amounts recovered from TSPs and tenants as contributions to the cost of telecommunications related services (including riser, rooftop and wireless management) to the extent (but only to the extent) that those costs have been included in Operating Costs.

6.7 Adjustments of Operating Costs

In computing Operating Costs:

- (a) if less than 100% of the Rentable Area of the Project is completed or occupied during any period for which a computation must be made, the amount of Operating Costs will be increased by the amount of the additional costs determined by the Landlord, that would have been incurred had 100% of the Rentable Area of the Project been completed or occupied during that period, provided that the foregoing shall not result in the Tenant's Proportionate Share being greater than it would be if the Project was fully occupied and completed;
- (b) where the Landlord determines, acting reasonably but in its sole discretion, that any item(s) of Operating Costs are provided only to or for the benefit of the Building (if it is part of a Project) or a portion of the Project or Building, then the Landlord shall be entitled, but not obligated, to allocate the cost of those item(s) over such portion of the Project or Building and adjust the Tenant's Operating Cost payment based on such allocation;
- (c) if the Project or the Building is comprised of different categories of leaseable premises, the Landlord shall be entitled, but not obligated, to allocate Operating Costs among the various categories on the basis of such factors as the Landlord determines to be relevant and to adjust the Tenant's Operating Cost payment based on such allocation; and
- (d) if any facilities, services or utilities:
 - (i) for the operation, administration, management, repair and maintenance of the Building are provided from another building or other buildings (whether within the Project or elsewhere) owned or operated by Landlord or its manager;
 - (ii) for the operation, administration, management, repair and maintenance of another building or other buildings (whether within the Project or elsewhere) owned or operated by the Landlord or its manager are provided from the Building; or
 - (iii) are otherwise shared between the Building and another building or other buildings (whether within the Project or elsewhere),

the costs, charges and expenses of such items shall be allocated by the Landlord, between the Building and other building or buildings (whether within the Project or elsewhere) on a reasonable basis.

6.8 Reduction or Control of Operating Costs

The Tenant shall comply with any practices or procedures that the Landlord may from time to time introduce to reduce or control Operating Costs and shall pay, as Additional Rent, all costs, as determined by the Landlord, that may be incurred by the Landlord as a result of any non-compliance. The Landlord may use an Expert to assist it in making such determination.

ARTICLE 7 - HVAC, UTILITIES AND OTHER LANDLORD SERVICES

7.1 Heating, Ventilating and Air Conditioning

- (a) The Landlord shall provide processed air in quantities and at temperatures required to maintain conditions within a reasonable temperature range in the Premises during Business Hours. If the Tenant requests the provision of processed air outside Business Hours, the Landlord shall provide such processed air if it is reasonably able to do so, at the Tenant's cost determined by an Expert.

- (b) Any rebalancing of the climate control system necessitated by the installation of partitions, equipment or fixtures by the Tenant or by any use of the Premises not in accordance with the design standards of such system shall be performed by the Landlord at the Tenant's expense. The Landlord shall not be responsible for inadequate performance of the Building Systems if: (i) attributable to any arrangement of partitioning in the Premises or changes therein, the failure to shade windows which are exposed to the sun, the production by the Tenant of smoke, odours or contaminated air which the Building Systems are not designed to accommodate, or any use of electrical power by the Tenant which exceeds the standard of normal use as determined by the Landlord; (ii) the occupancy level of the Premises exceeds one person to every 150 square feet of Rentable Area of the Premises on an open floor basis; or (iii) the Tenant does not keep the heating, ventilation or air-conditioning vents or air returns free and clear of all obstructions.

7.2 Electricity and Other Utilities

- (a) The Landlord will provide and permit the Tenant to use the electricity, domestic water, sewage disposal and other utility services serving the Building in such quantities as the Landlord, from time to time determines to constitute normal use for tenants in the Building. The Tenant shall not overload the capacity of any such service. The Tenant shall not bring onto the Premises any installations, appliances or business machines which are likely to consume significant amounts of electricity or other utilities or which require special venting without the prior written consent of the Landlord. The Tenant shall not engage any Person to provide any utility service to the Premises.
- (b) The Landlord shall replace building standard and, at the Landlord's election, non-standard electric light fixtures, ballasts, tubes, starters, lamps, light bulbs and controls in the Premises. In carrying out its obligations, the Landlord may adopt a system of periodic group relamping in accordance with sound building management practices.
- (c) Direct and indirect costs relating to the use by the Tenant of electricity and other utility services in quantities which represent normal use for tenants in the Building, as determined by the Landlord, will form part of Operating Costs or be paid by the Tenant to the Landlord separately as Additional Rent, as and to the extent that the Landlord may elect from time to time. The Landlord may install, at the Tenant's expense, separate meters or other measuring devices in the Premises or elsewhere to measure the Tenant's consumption and the Landlord may use an Expert at the Tenant's sole cost to assist it in determining such consumption. **The Tenant acknowledges that as of the date hereof, electricity supplied to the Premises is measured by separate sub-meters and the Tenant shall pay to the Landlord or to the supplier of such utility, as the Landlord directs, the cost of such electricity consumption in the Premises, as Additional Rent, on the basis of such actual consumption which is over and above base building heating, cooling and base building life safety/support systems.**

7.3 Special HVAC Services and Utilities and Excess Quantities

If the Tenant requests interior climate control services, electricity, sewage disposal, water or other utility services of a type or in quantities that exceed normal use by tenants in the Building, as determined by the Landlord, the Landlord shall supply such services if the Landlord determines, in its sole discretion, that the provision of such services: (a) is within the capacity of the Building Systems; (b) would not affect the operation, aesthetics or structure of the Building or Project; (c) would not reduce the efficiency of the existing services supplied to other tenants or parts of the Building or Project; and (d) is otherwise feasible. The Tenant will pay to the Landlord all costs, both non-recurring and recurring, of providing all such services. Such costs shall be determined by the Landlord, and may include installation at the Tenant's expense of separate meters or other measuring devices in the Premises or elsewhere and the Landlord may use an Expert at the Tenant's sole cost to assist it in determining such costs.

7.4 Other Landlord Services

- (a) The Landlord may provide janitorial services to the Premises in accordance with standards from time to time prevailing for similar office buildings in the area in which the Building is located. The Tenant shall grant access necessary for the performance of the janitorial services and shall leave the Premises in a condition that facilitates the performance of such services. All interior glass, curtains, carpets, rugs and drapes of any kind in the Premises shall be cleaned and maintained by the Tenant using contractors approved by the Landlord. If the Landlord does provide janitorial services to the Premises, the Tenant shall not otherwise engage any Person to provide cleaning or janitorial services to the Premises.
- (b) The Landlord shall provide elevator service during Business Hours for use by the Tenant in common with others, except when prevented by maintenance or repairs. Subject to emergencies, the Landlord will operate at least one passenger elevator for use by tenants at all times.
- (c) The Landlord shall provide necessary supplies in public washrooms sufficient for normal use by tenants in the Building.

7.5 Additional Services Provided by Landlord

The Tenant shall pay to the Landlord the costs of all services provided by the Landlord to the Tenant (plus an administrative charge of 15%), other than services supplied by the Landlord and charged as Operating Costs. Such services shall include services performed at the Tenant's request or otherwise provided for herein including, without limitation: (a) the provision of processed air, electricity and other utilities and services outside of Business Hours or of a special nature or in excess quantities; (b) replacement of non-standard electric light fixtures, ballasts, tubes, starters, lamps, light bulbs and controls; (c) special janitorial or cleaning services; (d) operating elevators for the sole benefit of the Tenant and supervising the movement of furniture, equipment, freight and supplies for the Tenant; and (e) construction of any Leasehold Improvements or other work performed at the request of or on behalf of the Tenant.

7.6 Telecommunications

- (a) The Landlord shall incur no expense or liability whatsoever with respect to any aspect of the provision of telecommunication services, including, without limitation, the cost of installation, service, materials, repairs, maintenance, interruption or loss of telecommunication service.
- (b) The Tenant may utilize a telecommunication service provider (a "TSP") of its choice with the Landlord's prior written consent, but:
 - (i) if the TSP is required to provide or install facilities in the Building or Project in order to enable it to provide service to the Tenant, the Landlord must first determine that there is sufficient space in, or on the Building or Project for the installation of the TSP's facilities and that the TSP is acceptable to the Landlord; and
 - (ii) if the TSP intends to install, or has installed or purchased facilities situated in the Building or Project for the purpose of providing telecommunication services to tenants in the Building or Project, the Landlord may require the TSP to execute and deliver the Landlord's standard form of TSP licence agreement and provide plans of the proposed installation.
- (c) The Landlord may deem it desirable to provide a central telecommunications cable distribution system ("CDS") in the Building or Project for use by TSPs and tenants. If the Landlord provides a CDS, the Tenant's TSP or the Tenant, as the case may be, may be required by the Landlord to use the CDS for its communications cabling needs on terms and conditions to be set by the Landlord. These terms and conditions will include obligations for the TSP, or the Tenant, as the case may be, to pay user fees and to contribute to Operating Costs associated with the CDS and a complete release of the Landlord and indemnity from the TSP, or the Tenant, as the case may be, in respect of the use of the CDS.
- (d) If the Tenant's approved TSP does not have a point of connection in the Premises, the Tenant may be required to install its own cable and facilities or to purchase cable and facilities from the Landlord for installation in the communication pathways and risers of the Building for connection to the Tenant's TSP's facilities in the main terminal room, at the main distribution frame or at other points of connection designated by the Landlord. In such case: (i) the Tenant may be required to pay access fees; (ii) the Tenant may be required to remove such cable and facilities and restore any damage caused by the removal, or, at the Landlord's option, to pay the cost of removal and restoration; (iii) the Tenant will be required to contribute to the costs of riser management incurred by the Landlord; and (iv) the Tenant will be required to abide by any policies, directions or requirements of the Landlord or any riser manager retained by the Landlord and to pay, in addition, any direct costs invoiced to the Tenant by the riser manager in respect of plan review charges, inspection charges and other services provided by the riser manager to the Tenant.
- (e) If required by the Landlord, the Tenant shall change its TSP if the licence agreement referred to above in Section 7.6(b) is terminated or expires and is not renewed. The Tenant acknowledges that the Landlord has no obligation to ensure continuation of services by the Tenant's TSP or any other TSP in the Building.
- (f) The Landlord may require, upon 30 days' prior written notice, that the Tenant relocate all or any portion of the cables or facilities installed by it.

7.7 Signs and Premises Identification

The Tenant shall not erect, affix, install or maintain any signs, lettering, identification or any promotional or other written materials visible from the exterior of the Building or Project or from any interior Common Areas and Facilities. The Landlord shall, at the request and expense of the Tenant, supply and install: (a) on or near the entrance door of the Premises a sign bearing the name of the Tenant; (b) identification in any elevator lobby directional signage on the Tenant's floor; and (c) one entry in any directory board for the Building, each in accordance with the Landlord's uniform scheme for identification signage. Any tenant occupying at least a full floor in the Building may, subject to having received the Landlord's prior written approval as to design, location, material and method of installation, supply and install its own sign in the elevator lobby of each full floor occupied by it.

ARTICLE 8 - OPERATION, CONTROL AND MAINTENANCE BY LANDLORD

8.1 Operation of the Building by Landlord

The Landlord shall operate the Building in accordance with all Applicable Laws and with standards from time to time prevailing for similar office buildings in the area in which the Building is located, subject, however, to the limitations occasioned by the design and age of the Building and the capacity of its systems.

8.2 Control of the Project by Landlord

The Landlord has at all times exclusive control of the Project and its management and operation, but not so as to deny the Tenant access to the Premises or interrupt delivery of services or utilities, in each case except in an emergency or to perform maintenance. Without limiting the generality of the foregoing, at any time and from time to time, the Landlord may:

- (a) make repairs, replacements, changes or additions to the structure, systems, facilities and equipment in the Project (including the Premises) where necessary to serve the Premises or other parts of the Project;
- (b) make changes or additions to any part of the Project not in or forming part of the Premises including, without limitation, dedicating or conveying portions of the Lands, granting easements, rights-of-way, restrictive covenants or other interests in the Lands and constructing additional improvements in or adjoining the Lands;
- (c) rearrange the Premises, or take back from or demise to the Tenant space in or adjoining the Premises (not, however, exceeding 200 square feet in any one instance), as may from time to time be required by the Landlord, acting reasonably, for the benefit of the Project or other tenants or occupants thereof, and the Landlord and the Tenant shall co-operate with each other in that regard, and shall execute such further agreements and lease amendments as may be required to give effect to this provision;
- (d) own or acquire from time to time lands or buildings contiguous to or near the Project and may at its option retain them separately or have them included as part of the Project. The Landlord may from time to time cease to include as part of the Project any buildings or vacant lands now or hereafter forming part of the Project;
- (e) terminate or amend the Tenant's right of use of any of the Common Areas and Facilities, change the location and size of any of the Common Areas and Facilities or use parts of the Common Areas and Facilities for promotional or other activities;
- (f) retain contractors and employ all personnel, including supervisory personnel and managers, that the Landlord considers necessary for the effective maintenance, repair, operation, management and control of the Project;
- (g) control, supervise and regulate the shipping and delivery of goods, supplies, equipment and fixtures within the Project, and in addition the Landlord may require that the movement of all goods, supplies, equipment and fixtures between shipping and receiving areas and the Premises be effected by the Landlord or someone it designates; and
- (h) do and perform such other acts in and to the Project or any of its component parts as the Landlord considers reasonable for the proper and efficient maintenance, repair, operation, management and control of the Project,

provided that in the course of the Landlord's exercise of its rights hereunder, the Landlord shall be deemed not to have re-entered the Premises nor to have breached any obligation of this Lease. The Landlord shall perform all of its work as expeditiously as is reasonable so as to interfere as little as is reasonably possible with the Tenant's use of the Premises.

8.3 Name of Building

The Landlord may from time to time designate a name or other identification for the Building or Project. The Tenant shall be responsible for any costs it incurs as a result of any changes in the name or identification (such as changes to its electronic medium, stationery and other material). The Tenant shall have no rights in any such names or identification.

8.4 Maintenance and Repair by Landlord

The Landlord shall keep or cause to be kept the following in good repair to the standards from time to time prevailing for similar office buildings in the area in which the Building is located, subject, however, to the limitations occasioned by the design and age of the Building and the capacity of its systems and to reasonable wear and tear not inconsistent with such standard.

- (b) the Common Areas and Facilities,

provided that:

- (c) if all or part of Building Systems require repair, replacement, maintenance or inspections, the Landlord shall have a reasonable time in which to complete such work, and during such time shall only be required to maintain such services as are reasonably possible in the circumstances; and
- (d) no reduction or discontinuance of such services or loss of use of the Premises shall be construed as an eviction of the Tenant or (except as specifically provided in this Lease) release the Tenant from any obligation under this Lease.

8.5 Access by Landlord

The Tenant shall permit the Landlord, its agents and others authorized by it, to enter the Premises to inspect, to provide services or to make repairs, replacements, changes or alterations as set out in this Lease, to take such steps as the Landlord may deem necessary for the safety, improvement, alteration or preservation of the Premises or the Project and to show the Premises to Mortgagees, prospective Mortgagees, purchasers and prospective purchasers and, during the last 18 months of the Term, to prospective tenants, and no such entry shall constitute a re-entry by the Landlord or an eviction or entitle the Tenant to any abatement of Rent. However, in effecting such entry the Landlord shall use reasonable efforts to minimize interference with the Tenant's use and enjoyment of the Premises, and the Landlord shall endeavour to give the Tenant at least twenty-four (24) hours' prior notice before doing any repair or maintenance work (other than in the case of an emergency or apprehended emergency).

8.6 Relocation

The Landlord shall have the right, in its sole discretion, from time to time, on not less than 60 days' written notice to the Tenant, to relocate the Premises to other premises within the Project having approximately the same area as the Premises. The Landlord shall be entitled to designate the location of the new premises and the date by which the Tenant must relocate to the new premises, and such location and date shall be specified in the written notice. As of the date so specified, the Tenant's right to use and occupy the Premises will terminate, whether or not the Tenant has moved, unless the Landlord has in its sole discretion by another notice in writing extended such date. The Tenant shall on the date set out in the notice from the Landlord relocate to the other premises and vacate the Premises, and the provisions of Section 9.3 shall apply in respect of the Premises on such date. ~~If the Landlord relocates the Premises prior to occupancy of the Premises by the Tenant, it shall reimburse the Tenant for all expenses already incurred by the Tenant in preparing to move into the Premises to the extent that such expenditure is for items or materials not usable in the alternate premises. If the Landlord relocates the Tenant after occupancy of the Premises by the Tenant,~~ The Landlord shall provide the relocated premises improved to a standard and using materials of approximately the same quality as the Leasehold Improvements which exist in the existing Premises at the time of relocation and will reimburse the Tenant (upon receipt of copies of receipted third party invoices) for direct costs associated with the relocation, including, without limitation, moving costs, reprinting of a limited supply of stationery and supplies and disconnection and reconnection of telephone and computer equipment and systems. In no case will the Tenant be reimbursed or compensated for indirect costs including overhead, overtime charges or loss of profits and the Tenant will minimize costs by re-using all fixtures and trade fixtures from the Premises where it is feasible to do so. The Landlord agrees to use reasonable efforts to effect the relocation with a minimum of disruption to the Tenant's business. The Landlord and the Tenant shall enter into a lease amending agreement in the Landlord's standard form to confirm the terms of the relocation including, without limitation, any adjustment to the Basic Rent if the Rentable Area of the relocated premises is different than the Rentable Area of the existing Premises and to confirm that all other terms and conditions of this Lease shall apply with respect to the relocated premises for the remainder of the Term.

ARTICLE 9 - MAINTENANCE AND ALTERATIONS BY TENANT

9.1 Maintenance and Repair by Tenant

The Tenant shall at its sole cost maintain and repair the Premises and all Leasehold Improvements in good order and condition to the standards from time to time prevailing for similar office buildings in the area in which the Building is located, subject to reasonable wear and tear not inconsistent with such standard and with the exception only of those repairs which are the obligation of the Landlord under this Lease and subject to Article 14.

9.2 Alterations by Tenant

The Tenant may from time to time at its own expense install Leasehold Improvements and alter existing Leasehold Improvements (the "Alterations") provided that:

- (a) all Alterations shall require the prior written approval of the Landlord, which approval may be withheld or conditioned by the Landlord in its sole discretion, save and except for minor alterations to Leasehold Improvements which do not affect the structure of the Building or Project, any exterior walls, windows or roof, any of the Building Systems or the aesthetics of the Building or Project and which do not require a building permit, provided the Tenant has given written

- (b) for Alterations which require the Landlord's approval, the Tenant shall furnish the Landlord with two complete sets of professionally prepared working drawings (which shall include any architectural, structural, electrical, mechanical, computer system wiring and telecommunication plans) of the proposed Alterations. The Tenant shall retain the Landlord's base building mechanical, electrical and structural engineering consultants to ensure compatibility of the Building Systems and the Alterations. If the Tenant uses other consultants for the preparation of the Tenant's working drawings, then the Landlord may elect to retain architects and engineers to review such working drawings for the purpose of approving the proposed Alterations (it being understood that notwithstanding such approval, the Landlord shall have no responsibility with respect to the adequacy of such working drawings). The Tenant shall pay to the Landlord, on demand, the costs of the examination of such drawings by either the Landlord or an outside consultant plus an administration fee of 15% of such costs;
- (c) the Alterations shall be subject to regulation, supervision, control and inspection by the Landlord and, in addition to any other payment contained in this Article, the Tenant shall pay to the Landlord, on demand, the Landlord's then current fee for coordination services provided by the Landlord during the Tenant's construction of its Alterations;
- (d) the Tenant shall provide, prior to the commencement of Alterations, evidence of required workers compensation coverage and proof of owner and contractors protective liability insurance coverage, with the Landlord, any property manager and any Mortgagee as required by the Landlord, to be named as additional insureds, in amounts, with insurers, and in a form satisfactory to the Landlord, which shall remain in effect during the entire period in which the Alterations will be carried out. In addition, if requested by the Landlord, the Tenant shall provide proof of performance and payment bonds being in place;
- (e) the Tenant will deliver a list identifying every contractor and subcontractor, accompanied by an up-to-date valid clearance certificate for each of them issued by the appropriate workers compensation, safety and insurance authority and the Landlord shall have approved, prior to commencement of the Alterations, such contractors and subcontractors and their respective labour affiliations. The Tenant will not use any contractor or permit the use of any sub-contractor that is not identified on the list;
- (f) if any proposed Alterations could affect the structure, the floors, the ceiling, the roof, the beams or columns, the exterior walls or the Building Systems, the Landlord may in its sole discretion require that any such Alterations be performed by either the Landlord or its contractors in which case the Tenant shall pay the Landlord's cost plus an administration fee of 15%;
- (g) the Tenant shall have provided to the Landlord a copy of the contract for the Alterations and evidence satisfactory to the Landlord as to the existence of all necessary permits;
- (h) the Tenant shall perform the Alterations or cause the Alterations to be performed: (i) in accordance with any construction methods and procedures manual for the Building or Project; (ii) in accordance with the plans and specifications submitted to and approved in writing by the Landlord; (iii) in accordance with any conditions, regulations, procedures or rules imposed by the Landlord; (iv) in compliance with all Applicable Laws; and (v) in a good and workmanlike and expeditious manner using new materials;
- (i) the Landlord may inspect construction as it proceeds;
- (j) upon completion of the Alterations, the Tenant shall provide the Landlord with a complete set of "as built" drawings in hard copy and AutoCad format for the Alterations; and
- (k) if the Tenant fails to observe any of the requirements of this Article, the Landlord may in its sole discretion require that construction stop and, at the Landlord's option, that the Premises be restored to their prior condition failing which the Landlord may do so and the Tenant shall pay the Landlord's cost plus an administration fee of 15%.

9.3 Removal of Improvements and Fixtures

All Leasehold Improvements shall immediately upon their placement become the Landlord's property without compensation to the Tenant. Except as otherwise directed by the Landlord in writing, no Leasehold Improvements or trade fixtures shall be removed from the Premises by the Tenant either during or at 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, provided that the Tenant is not in default under this Lease; and
- (b) the Tenant shall, at its sole cost do the following (the "Restoration"): (i) remove all of its trade fixtures; and (ii) remove such of the Leasehold Improvements and wiring, cables and related devices and equipment as the Landlord shall require by notice prior to the expiration of the Term and restore the Premises and any other part of the Project affected thereby to the then current base

completed by the date (the "Restoration Date") that is the later of: (A) the end of the Term; and (B) 15 days after the Landlord's notice, provided that in the event of termination of this Lease prior to the expiry of the Term, such Restoration shall be completed no later than 15 days after the date the Landlord recovers possession of the Premises. Despite the foregoing the Tenant shall leave in place and in an unimpaired condition such Leasehold Improvements and wiring, cables and related devices and equipment as the Landlord may by notice in writing direct, if any.

The Tenant shall at its own expense repair any damage caused to the Project by the Leasehold Improvements, trade fixtures or wiring, cables and related devices and equipment and/or such Restoration. If the Tenant does not remove its trade fixtures, or wiring, cables and related equipment prior to the expiry or earlier termination of the Term, such trade fixtures or wiring, cables and related devices and equipment shall, at the option of the Landlord, be deemed abandoned and become the property of the Landlord and may be removed from the Premises and sold or disposed of by the Landlord in such manner as it deems advisable and the Tenant shall pay to the Landlord on demand all costs incurred by the Landlord in connection therewith, plus an administration fee of 15% of the costs. The Tenant at the end of the Term shall peacefully surrender and yield up possession of the Premises to the Landlord in as good a condition, repair and decoration as that in which the Tenant is required to maintain the Premises throughout the Term (including as provided for in Section 9.1), shall return to the Landlord at the Landlord's management office for the Project all keys and other entry devices for the Premises and the Project which are in the possession of the Tenant, and shall inform the Landlord of all combinations of locks, safes and vaults, if any, that will remain in the Premises. If the Tenant fails to complete any work or effect any of the other matters referred to in this Section within the period specified, the Tenant shall pay compensation to the Landlord for damages suffered by the Landlord for loss of use of the Premises, which damages shall not be less than double the per diem Rent payable during the last month preceding the expiry or earlier termination of the Term (or which would have been payable but for any discount or rent-free period applicable to such last month). Further, if the Tenant does not complete the Restoration by the Restoration Date the Landlord may carry out such Restoration and the Tenant shall pay to the Landlord the cost of the Restoration plus an administration fee of 15%. The Tenant's obligations in this Section 9.3 shall survive the end of the Term or earlier termination of this Lease.

9.4 Liens

The Tenant shall pay before delinquency for all materials supplied and work done in respect of the Premises so as to ensure that no lien or claim of lien is registered against any portion of the Lands or Project or against the Landlord's or Tenant's interest in the Lands or Project. If a lien or claim of lien is registered or filed, the Tenant shall discharge it at its expense within five Business Days after notice from the Landlord (or sooner if such lien or claim is delaying a financing or sale of all or any part of the Project), failing which the Landlord may at its option discharge the lien or claim of lien by paying the amount claimed to be due into court and the amount so paid and all expenses of the Landlord including legal fees (on a solicitor and client basis) shall be paid by the Tenant to the Landlord. The Tenant shall not mortgage, charge, grant a security interest in or otherwise encumber any Leasehold Improvements.

9.5 Notice by Tenant

The Tenant shall promptly notify the Landlord of any accident, casualty, defect, damage or deficiency which occurs or exists in any part of the Project and which comes to the attention of the Tenant.

ARTICLE 10 - USE OF PREMISES

10.1 Permitted Use

- (a) The Tenant shall continuously, actively and diligently throughout the Term of this Lease and any extensions thereof, in a first-class, reputable manner befitting the reputation and image of the Building, use the whole of the Premises only for the **general business and administration offices for the affairs of the Embassy of Chile and its diplomatic mission in Canada**, and for no other purpose. The Tenant shall not use the Premises in a manner which does or could result in excessive demands being placed on the Building Systems or other Common Areas and Facilities. The Tenant acknowledges that the Landlord is making no representation or warranty as to the Tenant's ability to use the Premises for its intended use, and the Tenant shall prior to executing this Lease perform such searches and satisfy itself that its use is permitted under all Applicable Laws and that the Tenant will be able to obtain an occupancy permit.
- (b) Tenant agrees that it shall not be permitted at any time during the Term and all extensions or renewals thereof to carry out any business in the Premises not included within the permitted use set out in Subsection 10.1(a) and in such a manner as to infringe upon any such exclusive use provisions. Tenant also agrees that it shall not be permitted at any time during the Term and all extension or renewals thereof to carry on business in the Premises in such a manner as to infringe upon any future exclusive uses which Landlord may grant from time to time provided no such future exclusive use shall in any way prohibit Tenant from carrying on its permitted use as provided in subsection 10.1(a) herein. Tenant shall indemnify and save the Landlord harmless from any and all liability, losses, damages and expenses incurred or suffered by Landlord in connection with the infringement or alleged infringement by Tenant of any of such exclusive use provisions listed or in remedying or attempting to remedy such infringement or alleged infringement including, without limitation, Landlord's legal fees and expenses on a substantial indemnity basis.

10.2 Compliance with Laws

The Tenant shall use and occupy and shall cause the Premises to be used and occupied in compliance with all Applicable Laws and in a safe, careful and proper manner. It is the Tenant's responsibility to ensure that its use from time to time is permitted by all Applicable Laws. At the Landlord's request the Tenant shall comply with any directive, policy or request of any governmental or quasi-governmental authority or any other reasonable request of the Landlord, in respect of any energy conservation, waste management, safety, security or other matter relating to the operation of the Project. If due primarily to the Tenant's use or occupancy of the Premises, improvements or changes are necessary to comply with any Applicable Laws or with any such directive, policy or request or with the requirements of insurance carriers, the Landlord may at its option either do the necessary work, at the expense of the Tenant, or forthwith give notice to the Tenant to do such work within the requisite period of time and the Tenant shall then do such work within the requisite period of time. The Tenant shall pay to the Landlord the costs of any such work done by the Landlord, together with an administration fee of 15%.

10.3 Nuisance, Interference, Waste, Overloading

The Tenant shall not cause or allow any act or thing which constitutes a nuisance or which is offensive to the Landlord or other occupants of the Project or which interferes with the operation of any Building Systems or with the computer equipment, telecommunication equipment or other technological equipment of the Landlord, any service providers or other occupants of the Project. The Tenant shall keep the Premises free of debris and other items that might attract rodents or vermin and free of anything of a dangerous, noxious or offensive nature or which could create a fire, environmental, health or other hazard (including any electromagnetic fields or other forms of radiation) or undue vibration, heat or noise. The Tenant shall not cause or allow any overloading of the floors of the Project or the bringing into any part of the Project, including the Premises, of any articles or fixtures that by reason of their weight, use or size might damage or endanger the structure or any of the Building Systems.

10.4 Rules and Regulations

The Tenant shall comply and cause every Person over whom it has control to comply with the Rules and Regulations. The Landlord shall have the right from time to time to make amendments, deletions and additions to such Rules and Regulations. If the Rules and Regulations conflict with any other provisions of this Lease, the other provisions of this Lease shall govern. The Landlord shall not be obligated to enforce the Rules and Regulations and shall not be responsible to the Tenant for failure of any person to comply with the Rules and Regulations. The Rules and Regulations may differentiate between different types of tenants, different parts of the Building or the Project or otherwise. The Landlord agrees that it will not enforce the Rules and Regulations in a manner that is discriminatory to the Tenant.

ARTICLE 11 - INSURANCE, LIABILITY AND INDEMNITY

11.1 Tenant's Insurance

The Tenant shall effect and maintain from the earlier of the Commencement Date and the date the Tenant begins operating in the Premises, and thereafter during the Term, at its sole cost and expense:

- (a) "all risks" insurance upon all property owned by the Tenant or by others and for which property the Tenant is responsible located in the Project including equipment, furniture, fixtures and Leasehold Improvements in amounts sufficient to fully cover, on a replacement cost basis without deduction for depreciation, all such items;
- (b) if applicable, comprehensive form boiler and machinery insurance on a blanket repair and replacement basis with limits for each accident in an amount not less than the full replacement cost of all Leasehold Improvements and all property in the Premises not owned by the Landlord;
- (c) commercial general liability insurance on an occurrence basis, against claims for bodily injury, personal injury, economic loss and property damage arising from occurrences in or about the Project or arising from or in any way relating to the Tenant's use or occupancy of the Premises or the Project, contractual liability (including coverage of the indemnities provided for in this Lease), non-owned automobile liability and owner and contractors protective liability, in amounts which are from time to time acceptable to a prudent tenant in the community in which the Building is located (as determined by the Landlord), but not less than \$5,000,000.00 in respect of each occurrence;
- (d) Tenant's legal liability insurance for the full replacement cost of the Premises including loss of the use of the Premises;
- (e) business interruption insurance for a minimum period of 24 months in an amount that will reimburse the Tenant for direct or indirect loss of earnings attributable to all perils insured against in Sections 11.1(a) and 11.1(b) or attributable to prevention of access to the premises or the Building as a result of any such perils, including extra expense insurance if applicable; and

Should the Tenant fail to maintain any of the insurance required pursuant to this Section 11.1 and should such default continue for two Business Days after notice to the Tenant, then in addition to any other rights and remedies, the Landlord may, but shall have no obligation to, elect to obtain the required insurance and the Tenant shall upon demand pay to the Landlord, as Rent, the Landlord's cost of obtaining such insurance, together with an administration fee of 15%.

11.2 Form of Tenant Policies

Each policy required pursuant to Section 11.1 shall be in a form and with insurers acceptable to the Landlord, having reasonable deductibles, and: (a) the insurance described in Sections 11.1(a) and 11.1(b) and any other property damage insurance shall include, as additional named insureds (but without liability for premiums) as its interests may appear the Landlord, any Mortgagee and other Persons with an interest in the Project from time to time designated in writing by the Landlord; (b) the insurance described in Section 11.1(c) shall include as additional named insureds (but without liability for premiums) the Landlord, any Mortgagee, any other Persons with an interest in the Project from time to time designated in writing by the Landlord and any property manager or facilities manager retained by the Landlord in respect of the Project; (c) all property damage and liability insurance shall contain provisions for cross-liability and severability of interests among the Landlord, the other insureds and the Tenant; and (d) all property damage insurance (including boiler and machinery insurance) shall contain a waiver of any rights of subrogation which the insurer may have against the Landlord and those for whom the Landlord is in law responsible whether the damage is caused by the act, omission or negligence of the Landlord or such other Persons.

11.3 Certified Copies and Notice to Landlord

The Tenant shall provide to the Landlord, prior to the earlier of the Commencement Date and the date the Tenant begins operating in the Premises, certified copies or other evidence satisfactory to the Landlord that the Tenant has obtained all insurance policies required by this Lease and shall provide written evidence of the continuation of such policies not less than ten days prior to their respective expiry dates. Each policy required pursuant to Section 11.1 shall provide that: (a) the insurer must notify the Landlord and any Mortgagee in writing at least 30 days prior to any material change detrimental to the Landlord or any Mortgagee or the cancellation of any such policy; (b) the policy shall not be invalidated in respect of the interests of the Landlord or any Mortgagee or any other additional insureds by reason of any breach or violation of any warranties, representations, declarations or conditions contained in such policy; and (c) the policy shall be non-contributing with, and shall apply only as primary and not excess to any other insurance available to all and any of the Landlord, any Mortgagee or any other additional insured referred to above.

11.4 Landlord's Insurance

The Landlord shall effect and maintain during the Term: (a) liability insurance; (b) "all risks" property insurance; (c) boiler and machinery insurance; and (d) such other insurance on the Building and all property and interest of the Landlord in the Building as determined by the Landlord, in each case, to the extent, with coverage and in amounts as determined by the Landlord from time to time. However, despite any other provision of this Lease, as long as Sun Life Assurance Company of Canada or an affiliate thereof (as the term "affiliate" is defined in the Canada Business Corporations Act or the Insurance Companies Act (Canada)) is the Landlord, the Landlord may self-insure, in whole or in part, in respect of any and all casualties; in that event upon the request of the Tenant from time to time the Landlord will furnish a statement as to the perils in respect of which and the amounts to which it has insured the Project and the improvements and installations in the Premises, and also of the perils and amounts as to which the Landlord is self-insuring the Project and the improvements and installations in the Premises.

11.5 Insurance Risks

The Tenant shall not do, omit to do, or permit to be done or omitted to be done upon the Premises or any other portion of the Project anything that may contravene or be prohibited by any of the Landlord's insurance policies in force from time to time covering or relevant to any part of the Project or which would prevent the Landlord from procuring such policies with companies acceptable to the Landlord. If the occupancy of the Premises, the conduct of business in the Premises or any acts or omissions of the Tenant in the Premises or any other portion of the Project causes or results in any increase in premiums for any of the Landlord's insurance policies, then, without limiting any other rights or remedies of the Landlord, the Tenant shall pay any such increase and a 15% administration fee thereon as Additional Rent forthwith upon receipt of the invoices of the Landlord for such additional premiums. A written report by an Expert at the Tenant's sole cost concerning the cause of any increase in premiums will be accepted as conclusive evidence of the cause for the purposes of determining the Tenant's liability to pay for increases as Additional Rent. If the Landlord has chosen to self-insure, the Tenant will pay to the Landlord, as Additional Rent forthwith upon receipt of the invoices of the Landlord setting out reasonable particulars, the charges that otherwise would have been payable under this subsection (including the 15% administration fee thereon) had the Landlord not chosen to self-insure.

11.6 Release of Landlord

The Tenant hereby releases the Landlord from any and all claims, actions, causes of action, damages, demands for damages and other liabilities, howsoever arising, that may be made by the Tenant against the Landlord under the provisions of this Lease to the extent of all insurance proceeds paid under the policies of insurance maintained by the Tenant or which would have been paid if the Tenant had maintained the insurance required under this Lease and had diligently processed any claims thereunder. In addition and without limitation, the Tenant agrees that the

the Landlord and, notwithstanding anything else herein contained, shall not be liable for and hereby releases the Landlord from:

- (a) any and all claims, actions, causes of action, damages, demands for damages and other liabilities:
 - (i) for or related to any bodily injury, personal injury, illness or discomfort to or death of the Tenant or any of its agents, officers, contractors, employees, invitees, licensees and any other Person for whom the Tenant is legally responsible in or about the Project or the Premises; and
 - (ii) for or related to any loss or damage to property owned by the Tenant or by others and for which property the Tenant is responsible in or about the Project or the Premises, and, without limiting the foregoing, the Landlord shall not be liable for any damage caused by steam, water, rain or snow which may leak into, issue or flow from part of the Project, including the Premises, or from the pipes or plumbing works thereof, or from any other place or for any damage caused by or attributable to the condition or arrangement of any electric or other wiring;
- (b) any loss or damage caused as a result of any damage, destruction, construction, alteration, expansion, expropriation, reduction, repair or reconstruction from time to time of the Project, any parts or components of the Project or of improvements on adjoining properties or by anything done or omitted to be done by any other tenant or occupant;
- (c) any act or omission (including theft, malfeasance or negligence) on the part of any agent, contractor or person from time to time employed by Landlord to perform janitorial services, security services, supervision or any other work in or about the Premises or the Project;
- (d) any loss or damage, however caused, to books of account, records, files, money, securities, negotiable instruments, papers, computer disks, tapes, software, data and other electronic files and their storage media of any kind or to other valuables of the Tenant including art, artworks, statuary, antiques, gems and precious metals of the Tenant and of others;
- (e) any loss or damage arising from obstruction of deliveries to or from the Premises or interruption, cessation, faulty operation, breakdown or failure of any Building Systems, including but not limited to, the supply of any utilities, telecommunication services (whether controlled or owned by the Landlord or not) or other services in, to or serving the Project or the Premises, whether they are supplied by the Landlord or by others; and
- (f) any indirect or consequential damages including, but not limited to, loss of profit.

11.7 Release of Tenant

The Landlord hereby releases the Tenant, and its agents, officers and employees, and any other Person for whom the Tenant is legally responsible from any liability or claim that may be made by the Landlord against the Tenant under the provisions of this Lease with respect to such loss to the extent of the lesser of: (a) the amount, if any, by which such loss exceeds the amount of insurance the Tenant is required to maintain under the terms of this Lease or actually maintains, whichever is greater; and (b) the proceeds actually paid to the Landlord with respect to such loss under the policies of insurance maintained by the Landlord pursuant to Section 11.4 or which would have been paid if the Landlord had maintained the insurance required under this Lease and had diligently processed any claims thereunder. This release shall be operative only if it is not prohibited by the Landlord's insurance policies and would not place the Landlord in breach of such policies or expose the Landlord to additional costs under or in connection with such policies.

11.8 Indemnity by Tenant

The Tenant shall indemnify and save harmless the Landlord from and against any and all claims, actions, causes of action, damages, demands for damages, losses and other liabilities and expenses (including, without limitation, those in connection with bodily injury (including death), personal injury, illness or discomfort or damage to property and legal fees on a solicitor and client basis) due to or arising from or out of all and any of:

- (a) subject to Section 11.7, any occurrence in, on or at the Premises or the occupancy or use by the Tenant of the Premises or any other part of the Project or occasioned wholly or in part by any act or omission of the Tenant, its officers, employees, agents, contractors, invitees, licensees or by any Person permitted by the Tenant to be on the Premises or the Project or due to or arising out of any breach by the Tenant of this Lease; and
- (b) any fault, default, negligence, gross negligence, wilful action or omission of the Landlord, its agents, servants, employees or anyone for whom at law the Landlord is liable, which causes interference with or obstruction of deliveries to or from the Premises or interruption, cessation, faulty operation, breakdown or failure of the Building Systems or utilities or services, including but not limited to telecommunication or similar services (whether they are part of the Building Systems or not) and suffered by customers, suppliers or other third parties with whom the Tenant

telecommunications network to which the Tenant or any other occupant of the Project is or are connected.

ARTICLE 12 - ASSIGNMENT, SUBLETTING AND OTHER TRANSFERS

12.1 Transfers

The Tenant shall not enter into, consent to, or permit any Transfer without the prior written consent of the Landlord, which consent shall be subject to the Landlord's rights under Section 12.2. The Tenant shall pay to the Landlord the Transfer Application Fee in respect of the proposed Transfer. Notwithstanding any statutory provision to the contrary, it shall not be considered unreasonable for the Landlord to withhold its consent if, without limiting any other factors or circumstances which the Landlord may take into account:

- (a) an Event of Default on the part of the Tenant hereunder has occurred and is continuing, or the Tenant has previously been in material or persistent breach of any of its obligations under this Lease;
- (b) the proposed Transfer would be or could result in violation or breach of any covenants or restrictions made or granted by the Landlord to other tenants or occupants, or prospective tenants or occupants, of the Project;
- (c) in the Landlord's opinion:
 - (i) either the financial background or the business history and capability of the proposed Transferee is not satisfactory;
 - (ii) the nature or character of the proposed business of the proposed Transferee is such that it might harm the Landlord's business or reputation or reflect unfavourably on the Project, the Landlord, or other tenants of the Project, or the image of any of them, or is unethical, immoral or illegal;
 - (iii) the use of the Premises by the proposed Transferee could be incompatible with the other businesses or activities being carried on in the Project or could result in excessive demands being placed on the Building Systems or other Common Areas and Facilities; or
 - (iv) if the Transfer affects less than all of the Premises, the portion affected or the portion remaining are not acceptable in respect of size, access or configuration;
- (d) the proposed Transferee or any principal of the proposed Transferee or any principal shareholder of the proposed Transferee has a history of defaults under other commercial leases or does not have a satisfactory history of compliance with laws;
- (e) the Landlord at the time has, or will have in the next ensuing three month period, other premises in the Project suitable for leasing to the proposed Transferee;
- (f) the basic and additional rent payable by the Transferee is less than the Basic Rent and Additional Rent payable by the Tenant hereunder as at the effective date of the Transfer except in the case where the Landlord determines, in its sole discretion, that payment of lesser rent by the Transferee will not detrimentally affect the leasing program for the Project; or
- (g) the proposed Transfer is to: (i) an existing tenant or occupant of the Project; or (ii) a consulate, embassy, trade commission or other representative of a foreign government; or (iii) a government, quasi-government or public agency, service or office; or (iv) a proposed Transferee whose proposed use is one that the Landlord in its sole discretion determines involves more pedestrian or other traffic than would be usual for an ordinary office use; or (v) a proposed Transferee whose proposed use is one that the Landlord in its sole discretion determines could place on the Building Systems and Common Areas and Facilities burdens exceeding those which would be usual for an ordinary office use.

Any consent by the Landlord to a Transfer shall not constitute a waiver of the necessity for such consent to any subsequent Transfer.

12.2 Tenant's Notice, Landlord's Right to Terminate

If the Tenant intends to effect a Transfer the Tenant shall give prior written notice to the Landlord of such intent specifying the identity of the Transferee, the type of Transfer contemplated, the part of the Premises affected and the financial and other terms of the Transfer, and shall provide such financial, business or other information relating to the proposed Transferee and its principals as the Landlord or any Mortgagee reasonably requires, together with copies of all documents which record the particulars of the proposed Transfer. The Landlord shall, within 20 days

- (a) it consents or does not consent to the Transfer in accordance with the provisions of this Lease; or
- (b) it elects to terminate this Lease as to the part of the Premises affected by the proposed Transfer, or as to the whole Lease and Premises if the proposed Transfer affects all of the Premises.

If the Landlord elects to terminate this Lease it shall stipulate in its notice the termination date of this Lease, which date shall be the date of possession contemplated under the proposed Transfer (provided that if such date is less than 30 days or more than 90 days following the giving of notice of such election, the Landlord may elect to have the termination date 30 days or 90 days, respectively, following the giving of notice). If the Landlord elects to terminate this Lease, the Tenant may notify the Landlord in writing within ten days following receipt of such notice of the Tenant's intention to refrain from such Transfer and, if the Tenant provides such written notice within such time period, then the Landlord's election to terminate this Lease shall become void. If the Tenant fails to deliver such notice within such time period, then this Lease shall, as to the whole or affected part of the Premises, as the case may be, be terminated on the date of termination stipulated by the Landlord in its notice of election to terminate. If the Tenant is required to deliver possession of a part only of the Premises, the Tenant shall pay all costs incurred in connection with rendering that part functionally separate and suitable for separate use and occupancy, including partitioning and providing entrances and services.

12.3 Conditions of Transfer

The following terms and conditions apply in respect of a Transfer:

- (a) if the Transfer is an assignment of this Lease in whole or in part, the Tenant and the Transferee shall execute, prior to the Transfer being made, an agreement with the Landlord in the Landlord's form including the Transferee's covenant to be bound by all of the terms of this Lease;
- (b) notwithstanding any Transfer, the Tenant shall remain liable under this Lease and shall not be released from performing any of the terms of this Lease. The Tenant's liability shall continue notwithstanding any amendment of this Lease throughout the Term and any exercise of any renewal or extension of the Term provided for herein, regardless of whether or when an amendment of this Lease is made (however the original Tenant's liability will not be increased by any amendment that it is not a party to) and notwithstanding that the Landlord may collect rent from the Transferee. Without limiting the foregoing, the Tenant shall be responsible for all acts or omissions of any subtenant, licensee or occupant;
- (c) if the basic and additional rent (net of reasonable out of pocket costs for commissions, for cash allowances and for Alterations required by and made for the Transferee by the Tenant, amortized on a straight line basis over the term of the Transfer) to be paid by the Transferee under such Transfer exceeds the Basic Rent and Additional Rent payable by the Tenant hereunder, the amount of such excess shall be paid by the Tenant to the Landlord. If the Tenant receives from any Transferee, either directly or indirectly, any consideration other than basic rent or additional rent for such Transfer, either in the form of cash, goods or services, the Tenant shall immediately pay to the Landlord an amount equivalent to such consideration;
- (d) if the Transfer is a sublease, the Transferee will execute a covenant in the Landlord's form and will agree to waive any statutory or other right to apply to a court or to otherwise elect to: (i) retain the unexpired term of the Lease or the unexpired term of the sublease; (ii) obtain any right to enter into any lease or other agreement directly with the Landlord; or (iii) otherwise remain in possession of any portion of the Premises, in any case where the Lease is terminated, surrendered or otherwise cancelled, including, without limitation, any disclaimer, repudiation, surrender or other termination (each of these transactions being referred to as an "Early Termination") by any trustee in bankruptcy of the Tenant or a Transferee; by any court appointed officer, or by the Tenant or a Transferee in connection with any insolvency proceedings;
- (e) if there is an Early Termination, the Tenant and any Transferee (except the bankrupt or insolvent Tenant or Transferee) to whom the Landlord gives notice within 60 days after the Early Termination, shall be considered to have entered into a lease with the Landlord on the same terms and conditions as are contained in this Lease except that the term of the lease shall commence on the date of the Early Termination and shall expire on the date this Lease would have expired but for the Early Termination; and
- (f) notwithstanding the effective date of any permitted Transfer as between the Tenant and the Transferee, all Rent for the month in which such effective date occurs shall be paid in advance by the Tenant so that the Landlord will not be required to accept partial payments of Rent for such month from either the Tenant or the Transferee.
- (g) the Tenant shall pay to the Landlord the Transfer Application Fee in respect of any Transfer.

12.4 Corporate Records

Upon the Landlord's request, the Tenant shall: (a) deliver a statutory declaration by one of its senior officers setting

Change of Control has occurred; and (c) cause the Indemnifier(s), if any, to provide any of the foregoing in respect of such Indemnifier(s).

12.5 Permitted Transfers

Notwithstanding Section 12.1 and provided that the Required Conditions are satisfied and there is not then an Event of Default, the Tenant shall have the right on prior written notice to the Landlord, but without being required to obtain the Landlord's consent, to effect a Transfer in compliance with Section 12.3 in favour of a Permitted Transferee and the Landlord's right to terminate shall not apply to such a Transfer. Notwithstanding that consent is not required to such Transfer, the Tenant and the Permitted Transferee shall execute an agreement with the Landlord in the Landlord's form including the Permitted Transferee's covenant to be bound by all of the terms of this Lease, and the Tenant shall pay to the Landlord the Transfer Application Fee in respect of such Transfer.

12.6 No Advertising

The Tenant shall not advertise that the whole or any part of the Premises are available for a Transfer 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.

12.7 Sales or Dispositions by Landlord

The Landlord shall have the unrestricted right to sell, transfer, lease, license, charge or otherwise dispose of all or any part of its interest in the Project or any interest of the Landlord in this Lease. In the event of any sale, transfer, lease or other disposition the Landlord shall thereupon, and without further agreement, be released of all liability under this Lease arising from and after such disposition. If required by the Landlord in connection with any sale, transfer, charge or other disposition the Tenant shall, within five Business Days of request, provide to the Landlord, prospective purchasers and Mortgagees and their respective agents and consultants, access to the current financial statements of the Tenant and any Indemnifier. If the Tenant is listed on a recognized stock exchange in Canada or the United States, the Tenant agrees to provide instead copies of the Tenant's annual reports, quarterly reports and all other publicly distributed reporting materials.

ARTICLE 13 - LANDLORD FINANCING AND STATUS CERTIFICATES

13.1 Subordination and Postponement

- (a) This Lease and the rights of the Tenant in this Lease shall be subject and subordinate to any and all Mortgages and the Tenant, on request by and without cost to the Landlord, shall, within five Business Days after such request, execute and deliver any and all instruments required by the Landlord to evidence such subordination. Upon request by the Tenant at the time of any request for confirmation of subordination, the Landlord shall make reasonable efforts to obtain from any Mortgagee an acknowledgement and assurance in writing addressed to the Tenant, whereby such Mortgagee acknowledges that, in the event of any such Mortgagee realizing upon the security, it will not disturb the Tenant and will permit the Tenant to remain in possession under this Lease in accordance with its terms, so long as the Tenant is not in default.
- (b) The Landlord, as to any Mortgage, and a Mortgagee, as to any Mortgage held by it, may, by notice to the Tenant, elect that this Lease and the rights of the Tenant hereunder shall be prior to such Mortgage(s) and the Tenant, on request by and without cost to the Landlord, shall, within five Business Days after such request, execute and deliver any and all instruments required by the Landlord or the Mortgagee, as the case may be, to confirm priority to this Lease over the Mortgage(s).

13.2 Attornment

At any time after any of the following has occurred:

- (a) if a Mortgagee delivers a notice of attornment;
- (b) if a Mortgagee shall take possession of the Building or the Premises; or
- (c) if the interest of the Landlord is transferred to any Person (in this Article referred to as a "Purchaser") by reason of foreclosure or other proceedings for enforcement of any Mortgage, or by delivery of a conveyance,

the Tenant shall, at the option of the Mortgagee or the Purchaser, as the case may be, exercisable by notice in writing to the Tenant, be deemed to have attorned to the Mortgagee or the Purchaser, as the case may be, upon receipt of such notice. The Landlord, the Mortgagee or the Purchaser, as the case may be, may require the Tenant to enter into all instruments required by the Landlord, the Mortgagee or the Purchaser, as the case may be, to confirm such attornment. Upon such attornment the obligations of the Tenant under this Lease shall continue in full force and effect upon all the same terms, conditions and covenants in this Lease

13.3 Status Certificates

The Tenant shall at any time and from time to time execute and deliver to the Landlord, or as the Landlord, a Mortgagee or a Purchaser may direct, within five Business Days after it is requested, a certificate of the Tenant, in the form supplied, addressed to the Landlord, the Mortgagee or the Purchaser, as the case may be, and/or any prospective purchaser, lessor or Mortgagee, certifying such particulars, information and other matters in respect of the Tenant (including its financial standing), the Premises and this Lease that the Landlord, the Mortgagee or the Purchaser, as the case may be, may request. The Tenant will be liable for damages to the Landlord for failure to execute and deliver the requested certificate. Failure to execute the requested certificate within the stipulated five Business Day period is a default under this Lease and the Landlord may, at its option, terminate this Lease without incurring any liability for so doing.

13.4 Reliance

Notwithstanding that a Mortgagee or a Purchaser is not a party to this Lease, it shall be entitled to rely upon and enforce the provisions of this Lease which are stated to be for its benefit and, without limitation, the Mortgagee shall be entitled to act as agent for the Landlord to the extent necessary to enforce any such provisions.

ARTICLE 14 - DAMAGE, DESTRUCTION, DEMOLITION, EXPROPRIATION

14.1 Damage to Premises

If all or any material part of the Premises is rendered untenable or completely inaccessible by damage from fire or other casualty to the Building or Project, then:

- (a) if in the opinion of the Expert, the damage can be substantially repaired under Applicable Laws within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), the Landlord shall forthwith repair such damage other than damage to Leasehold Improvements and any other property that is not the responsibility of or is not owned by Landlord; and
- (b) if in the opinion of the Expert, the damage cannot be substantially repaired under Applicable Laws within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then:
 - (i) the Landlord may elect to terminate this Lease as of the date of such casualty by notice delivered to the Tenant not more than 20 days after receipt of the Expert's opinion; and
 - (ii) if such damage occurs during the last two Lease Years of the Term, the Tenant may elect to terminate this Lease as of the date of such casualty by notice delivered to Landlord not more than 20 days after receipt of the Expert's opinion,

failing which the Landlord shall forthwith repair such damage other than damage to Leasehold Improvements or property that is not the responsibility of or is not owned by Landlord.

14.2 Abatement

If the Landlord is required to repair damage to the Premises under Section 14.1 the Basic Rent payable by the Tenant shall be proportionately reduced to the extent that the Premises are rendered untenable or inaccessible, from the date of the casualty until 30 days after completion by the Landlord of the repairs to the Premises or until the Tenant again uses the Premises (or the part thereof rendered untenable), whichever first occurs. The Tenant shall effect its own repairs as soon as possible after completion of the Landlord's repairs. Notwithstanding the foregoing, there shall be no abatement or reduction of Rent where the Landlord's repairs to the Premises take less than ten days to complete after the damage occurs.

14.3 Termination Rights

Notwithstanding anything else contained in this Lease, if: (a) the Building is partially destroyed or damaged so as to affect 25% or more of the Rentable Area of the Building; or (b) in the opinion of the Expert the Building is unsafe or access or services are affected and, in either case, cannot be substantially repaired under Applicable Laws within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium); or (c) the proceeds of insurance are substantially insufficient to pay for the costs of repair or rebuilding or are not payable to or received by the Landlord; or (d) any Mortgagee(s) or other Person entitled to the insurance proceeds shall not consent to the repair and rebuilding, then the Landlord may terminate this Lease by giving to the Tenant notice of such termination within 60 days of the damage or destruction, in which event the Term shall cease and be at an end as of the date of such damage or destruction and the Rent and all other payments for which the Tenant is liable under the terms of this Lease shall be apportioned and paid in full to the date of termination (subject to any abatement under Section 14.2).

14.4 Landlord's Rights on Rebuilding

In the event of damage to the Building and if this Lease is not terminated in accordance with Sections 14.1 or 14.3, the Landlord shall forthwith repair any damage to the Building, but only to the extent of the Landlord's obligations under the terms of the various leases for premises in the Building (including this Lease) and exclusive of any tenant's responsibilities with respect to such repair. In repairing or rebuilding the Building or the Premises the Landlord may use drawings, designs, plans and specifications other than those used in the original construction and may alter or relocate the Building, the Common Areas and Facilities or any part thereof, and may alter or relocate the Premises, provided that the Building as repaired or rebuilt is of a similar standard and the Premises as altered or relocated shall be of approximately the same size as the original Premises.

14.5 Landlord's Demolition Rights

Despite any other provisions of this Lease, if the Landlord intends to demolish or renovate substantially the Building or a substantial portion of the Building, the Landlord may terminate this Lease on not less than 180 days' notice to the Tenant. The Tenant shall on the date set out in the notice from the Landlord vacate the Premises in accordance with the terms of this Lease. Also on such date, the Term shall cease and be at an end and the Rent and all other payments for which the Tenant is liable under the terms of this Lease shall be apportioned and paid in full to the date of termination.

14.6 Expropriation

The Landlord and the Tenant shall co-operate in respect of any expropriation of all or any part of the Premises or the Lands and Building so that each party may receive the maximum award to which it is entitled in law. If the whole or any part of the Premises or of the Lands and Building are expropriated, as between the parties hereto, their respective rights and obligations under this Lease shall continue until the day on which the expropriating authority takes possession thereof. If, in the case of partial expropriation of the Premises this Lease is not frustrated by operation of governing law and such expropriation does not render the remaining part of the Premises untenable for the purposes of this Lease, the Tenant and the Landlord shall restore the part not so taken in accordance with their respective repair obligations under the provisions of Sections 14.1(a) and 14.2 of this Lease. In this Section 14.6 the word "expropriation" shall include a sale by the Landlord to any authority with powers of expropriation, in lieu of or under threat of expropriation.

ARTICLE 15 - DEFAULT AND REMEDIES

15.1 Events of Default

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

- (a) any Rent (which term for the purpose of this Article 15 shall include Rental Taxes) is in arrears and is not paid within five days after notice from the Landlord;
- (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 15.1, after notice from the Landlord:
 - (i) the Tenant fails to remedy such breach within ten days (or such shorter period as may be provided in this Lease); or
 - (ii) if such breach cannot reasonably be remedied within ten days or such shorter period, the Tenant fails to commence to remedy such breach within such ten days or shorter period or thereafter fails to proceed diligently to remedy such breach;
- (c) the Lease or any goods, chattels or equipment of the Tenant is seized, taken or exigible in execution or in attachment or if a writ of execution or enforcement is issued against the Tenant and such writ is not stayed or vacated within ten days after the date of such issue;
- (d) the Tenant or any Indemnifier becomes insolvent or commits an act of bankruptcy or takes the benefit of any statute for bankrupt or insolvent debtors or makes any proposal, assignment, compromise or arrangement with its creditors, or if a receiver is appointed for all or part of the business, property, affairs or revenues of the Tenant;
- (e) the Tenant makes a bulk sale of its goods (other than in conjunction with a Transfer approved by the Landlord) or moves or commences, attempts or threatens to move its goods, chattels and equipment out of the Premises (other than in the normal course of its business);
- (f) the Tenant fails to take possession of and occupy the Premises on the Commencement Date, or if thereafter the Tenant abandons or attempts to abandon the Premises or ceases to conduct business from the Premises, or the Premises become vacant or substantially unoccupied for a period of ten consecutive days; or

15.2 Remedies

If and whenever an Event of Default occurs, the Landlord shall have the following rights and remedies, exercisable immediately and without further notice and at any time while the Event of Default continues:

- (a) to terminate this Lease and re-enter the Premises. The Landlord may 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. Notwithstanding any termination of this Lease, the Landlord shall be entitled to receive Rent and all Rental Taxes up to the time of termination plus accelerated Rent as provided in this Lease and damages including, without limitation: (i) damages for the loss of Rent suffered by reason of this Lease having been prematurely terminated; (ii) costs of reclaiming, repairing and re-leasing the Premises; and (iii) legal fees and disbursements on a solicitor and client basis;
- (b) to enter the Premises as agent of the Tenant and to relet the Premises for whatever length of time and on such terms as the Landlord in its discretion may determine including, without limitation the right to: (i) take possession of any property of the Tenant on the Premises; (ii) store such property at the expense and risk of the Tenant; (iii) sell or otherwise dispose of such property in such manner as the Landlord sees fit; and (iv) make alterations to the Premises to facilitate the reletting. The Landlord shall receive the rent and proceeds of sale as agent of the Tenant and shall apply the proceeds of any such sale or reletting first, to the payment of any expenses incurred by the Landlord with respect to any such reletting or sale, second, to the payment of any indebtedness of the Tenant to the Landlord other than Rent and third, to the payment of Rent in arrears, with the residue to be held by the Landlord and applied to payment of future Rent as it becomes due and payable. The Tenant shall remain liable for any deficiency to the Landlord;
- (c) to remedy or attempt to remedy the Event of Default for the account of the Tenant and to enter upon the Premises for such purposes. 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 the Event of Default. The Tenant shall pay to the Landlord, on demand, all expenses incurred by the Landlord in remedying the Event of Default, together with an administration fee of 15% and interest at the Default Rate from the date such expense was incurred by Landlord;
- (d) to recover from the Tenant all damages, costs and expenses incurred by the Landlord as a result of the Event of Default including any deficiency between those amounts which would have been payable by the Tenant for the portion of the Term following such termination and the net amounts actually received by the Landlord during such period of time with respect to the Premises; and
- (e) to recover from the Tenant the full amount of the current month's Rent together with the next three months' instalments of Rent, which shall immediately become due and payable as accelerated rent.

15.3 Distress

Notwithstanding any provision of this Lease or any provision of any present or future Applicable Laws, none of the goods, chattels or trade fixtures on the Premises at any time during the Term shall be exempt from levy by distress for Rent in arrears, and the Tenant waives any such exemption. If the Landlord makes any claim against the goods and chattels of the Tenant by way of distress this provision may be pleaded as an estoppel against the Tenant in any action brought to test the right of the Landlord to levy such distress.

15.4 Interest and Costs

The Tenant shall pay to the Landlord upon demand: (a) interest at the Default Rate on all Rent required to be paid hereunder from the due date for payment until fully paid and satisfied; and (b) the Landlord's then current administration charge for each notice of default given by the Landlord to the Tenant under this Lease. The Tenant shall pay and indemnify the Landlord against damages, costs and expenses (including, without limitation, all legal fees on a solicitor and client basis) incurred 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.

15.5 Remedies Cumulative

No reference to or exercise of any specific right or remedy by the Landlord shall prejudice or preclude the Landlord from exercising or invoking any other remedy, whether allowed under this Lease or generally at law or in equity, and the express provisions of 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 generally at law or in equity.

ARTICLE 16 – MISCELLANEOUS

16.1 Relationship of Parties

Nothing contained in this Lease shall create any relationship between the parties other than that of landlord and tenant, and, without limitation, nothing in this Lease shall be construed to constitute the Landlord and the Tenant as partners, joint venturers or members of a joint or common enterprise.

16.2 Consent Not to be Unreasonably Withheld

Except as otherwise specifically provided in this Lease, the Landlord and the Tenant, and each Person acting for them, in granting a consent or approval or making a determination, designation, calculation, estimate, conversion or allocation under this Lease, will act reasonably and in good faith and each Expert or other professional Person employed or retained by the Landlord will act in accordance with the applicable principles and standards of such Person's profession; however, the foregoing shall not apply in respect of any actions taken by or on behalf of the Landlord under Article 15. The Tenant's sole remedy against the Landlord in respect of any breach or alleged breach of this Section shall be an action for specific performance and, without limitation, the Landlord shall not be liable for damages and the Tenant shall not be entitled to any other rights or remedies.

16.3 Overholding

The Tenant has no right to remain in possession of the Premises after the end of the Term. If the Tenant remains in possession of the Premises after the end of the Term with the consent of the Landlord but without entering into a new lease or other agreement then, notwithstanding any statutory provisions, legal presumption or reasonableness requirement to the contrary, there shall be no tacit renewal of this Lease or the Term and the Tenant shall be deemed to be occupying the Premises as a tenant from month to month (with either party having the right to terminate such month to month tenancy at any time on 30 days' notice, whether or not the date of termination is at the end of a rental period) at a monthly Basic Rent payable in advance on the first day of each month equal to double the monthly amount of Basic Rent payable during the last month of the Term (or which would have been payable but for any discount or rent-free period applicable to such last month) and otherwise upon the same terms, covenants and conditions as in this Lease insofar as these are applicable to a monthly tenancy and, for greater certainty, including liability for all Additional Rent.

16.4 Registration

Neither the Tenant nor anyone on the Tenant's behalf or claiming under the Tenant (including any Transferee) shall register this Lease or any Transfer against the Lands. The Tenant may at its sole cost register a notice or caveat of this Lease provided that: (a) a copy of the Lease is not attached; (b) no financial terms are disclosed; (c) the Landlord gives its prior written approval to the notice or caveat; and (d) the Tenant pays the Landlord's costs on account of the matter. The Landlord may limit such registration to one or more parts of the Lands. Upon the expiration or other termination of the Term the Tenant shall immediately discharge or otherwise vacate any such notice or caveat at its sole cost. If any part of the Lands which in the opinion of the Landlord are 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 Lands are made subject to any easement, right-of-way or similar right, the Tenant at its sole cost shall immediately at the request of the Landlord, which request the Landlord may make in its sole discretion, postpone its registered interest to such easement, right-of-way or similar right.

16.5 Unavoidable Delay

If any party is bona fide delayed, or hindered in or prevented from the performance of any term, covenant or act required by this Lease by reason of any cause beyond the control of the party affected including, without limitation, strikes, lockouts or other labour disputes, the enactment, amendment or repeal of any Applicable Laws, the failure of any existing tenant or occupant to vacate the Premises, shortages or unavailability of labour or materials, riots, insurrection, sabotage, rebellion, war, acts of terrorism, act of God, or any other similar reason ("Unavoidable Delay"), then performance of such term, covenant or act is excused for the period of the delay and the party so delayed, hindered or prevented shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay. However, the provisions of this Section do not operate to excuse the Tenant from the prompt payment of Rent and any other payments required by this Lease or from vacating the Premises as and when required pursuant to any provision of this Lease and Unavoidable Delay shall not include any delay caused by the parties' default or act or omission, any delay avoidable by the exercise of reasonable care by such party or any delay caused by lack of funds of such party. The Landlord shall also be excused from the performance of any term, covenant or act required hereunder if the performance of such item would be in conflict with any directive, policy or request of any governmental or quasi-governmental authority in respect of any energy, conservation, safety or security matter.

16.6 Decisions of Experts; Arbitration

The decision of any Expert whenever provided for under this Lease and any certificate of an Expert shall be final and binding on the parties and there shall be no further right of dispute or appeal.

Wherever under any provision of this Lease it is stated that a matter is to be determined by Arbitration, it shall be

shall appoint an arbitrator whose sole determination shall be final. The arbitrator shall be a disinterested person of recognized competence in the real estate business where the Premises are situate. The expense of such arbitration shall be borne equally by the Landlord and the Tenant.

16.7 Notices

Any notice, demand, statement or request ("Notice") required or permitted to be given under this Lease shall be in writing and shall be deemed to have been duly given if personally delivered, delivered by courier or mailed by registered prepaid post, in the case of Notice to the Landlord, to it at the address set out in Section 1.1(a)(ii) and in the case of Notice to the Tenant, to it at the Premises. Notice may not be given by facsimile transmission, electronic mail or any other electronic communication.

Any such Notice given in accordance with the above requirements shall be deemed to have been given, if mailed, on the fifth day following the date of such mailing or, if delivered, on the day on which it was delivered so long as such delivery was prior to 5:00 p.m. on a Business Day (and, if after 5:00 p.m. or if any such day is not a Business Day, then it shall be deemed to have been delivered on the next Business Day). Either party may from time to time by Notice change the address to which notices to it are to be given. Notwithstanding the foregoing, during any interruption or threatened interruption in postal services, any Notice shall be personally delivered or delivered by courier. If a copy of any Notice to the Tenant is to be sent to a second address or to another Person other than the Tenant, the failure to give any such copy shall not vitiate the delivery of the Notice to the Tenant.

16.8 Confidentiality

The Tenant shall keep confidential all financial information in respect of this Lease, provided that it may disclose such information to its auditors, consultants and professional advisors so long as they have first agreed to respect such confidentiality.

16.9 Power, Capacity and Authority

The Landlord and the Tenant covenant, represent and warrant to each other that they have the power, capacity and authority to enter into this Lease and to perform its obligations hereunder and that there are no covenants, restrictions or commitments given by it which would prevent or inhibit it from entering into this Lease.

16.10 Liability of Landlord

Any liability of the Landlord under this Lease shall be limited to its interest in the Building from time to time. If the Landlord consists of more than one Person, the liability of each such Person shall be several and be limited to its percentage interest in the Building.

SCHEDULES

The following schedules are attached to this Lease and form an integral part thereof.

- "A" Building Specific Information
- "B" Sketch Showing Premises
- "C" Rules and Regulations
- "D" Indemnity Agreement – Intentionally deleted

IN WITNESS WHEREOF the parties hereto have executed this Lease.

Bentall Real Estate Services Limited Partnership, by its General Partner, Bentall Real Estate Services G.P. Ltd., as Authorized Agents for

**SUN LIFE ASSURANCE COMPANY OF CANADA
and 156 O'CONNOR LIMITED
(Landlord)**

**DAVID PRIDHAM
LEASING MANAGER**

Per: _____

Per: _____

I/We have authority to bind the Landlord



EMBASSY OF CHILE

(Tenant)

Per: _____

Name:

EUGENIO ORTEGA

Title:

AMBASSADOR

Per: _____

Name:

Title:

I/We have authority to bind the Embassy