

This **LEASE AGREEMENT** is made as of the XXst day of XX, 2021

B E T W E E N:

**THE CORPORATION OF THE
MUNICIPALITY OF CLARINGTON**
(the "Landlord")

- and -

LAKERIDGE HEALTH
(the "Tenant")

PART 1 - INTERPRETATION

Definitions

1. In this Lease,

"Lease" means this lease as it may be amended from time to time;

"Premises" means the portion of the property municipally known as 1150 Haines Street, Bowmanville and depicted on Schedule "A"; and

"Sales Taxes" means all sales taxes, value added taxes and any other taxes imposed on the Landlord or the Tenant in respect of the Rent or the provision of any goods or services by the Landlord to the Tenant under this Lease.

Severability

2. All of the provisions of this Lease are to be construed as covenants even where not expressed as such. If any such provision is held to be or rendered invalid, unenforceable or illegal, then it shall be considered separate and severable from this Lease and the remaining provisions of this Lease shall remain in force.

Governing Law

3. This Lease shall be governed by, and interpreted and enforced in accordance with, the laws in force in the Province of Ontario.

Extended Meanings

4. This Lease shall be read with all changes in gender or number as the context requires.

5. In this Lease, unless otherwise specified,
 - (a) a grammatical variation of a defined word or expression has a corresponding meaning;
 - (b) references to an Act or by-law shall include any amendments to or replacements of such Act or by-law;
 - (c) references to sections and Schedules are references to sections, and Schedules in this Lease; and
 - (d) every provision by which the Tenant is required to act shall be deemed to include the words "at the Tenant's cost, including the payment of any applicable taxes".

Headings

6. The division of this Lease into Parts, sections and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Lease.

PART 2 - GRANT AND USE

Grant

7. In consideration of the performance by the Tenant of its obligations under this Lease, the Landlord leases to the Tenant the Premises for the duration of the Term and agrees to observe and perform all of its covenants and obligations in accordance with this Lease. In consideration of the performance by the Landlord of its obligations under this Lease, the Tenant takes the Premises on lease from the Landlord and covenants to pay the Rent and to observe and perform all other covenants to be observed and performed by the Tenant under this Lease.

Use of Premises

8. The Premises shall be used only for the purposes of an air ambulance heliport and no other purpose without the prior written consent of the Landlord.
9. The Tenant acknowledges and agrees that prior to making any improvements to the Premises for the purpose of an air ambulance heliport, the Tenant shall submit a site plan to the satisfaction of the Landlord. The site plan shall include, but not be limited to, provisions for vehicular access and circulation, parking area(s), snow storage, adequate lighting, a grading and drainage plan, signage, and any other item reasonably required by the Landlord to determine the compatibility of the site with adjacent areas.

Nuisance

10. The Tenant shall not carry on any business or do or suffer any act or thing that constitutes a nuisance, or which is offensive to or an annoyance to the Landlord.

PART 3 - TERM

Term

11. The term of this Lease shall be for 10 years commencing on May 1, 2021 and ending on April 30, 2031 (the "Term").

Overholding

12. If the Tenant remains in possession of the Premises after the expiry of the Term or any renewal term, there shall be no tacit renewal of this Lease or the Term, notwithstanding statutory provisions or legal presumption to the contrary, and the Tenant shall be deemed to be occupying the Premises as a tenant from month to month at a monthly rent equal to the amount paid in the last month of the Term or the renewal term, as the case may be, and otherwise upon the same terms, covenants and conditions as are set forth in this Lease insofar as they are applicable to a monthly tenancy.

PART 4 - RENT

Rent

13. The Tenant shall pay to the Landlord as rent in lawful money of Canada the annual sum of ONE (\$1.00) DOLLAR (the "Rent").

Sales Taxes

14. The Tenant shall pay to the Landlord all applicable Sales Taxes at the same time as the amounts to which such Sales Taxes apply are payable to the Landlord under the terms of this Lease.

Property Taxes

15. The Tenant shall pay all real estate taxes, general taxes, school taxes, levies, rates, duties, assessments and charges imposed against the Premises by municipal or other governmental authorities having jurisdiction.
16. The Tenant shall have the right to contest or review the assessment of the Premises for property taxes by legal proceedings or in such a manner as the Tenants in their option deem advisable.

Realignment of Recreational Trail

17. The Tenant acknowledges and agrees that the Landlord has previously approved the installation of a recreational trail on the Premises. The Landlord acknowledges that the recreational trail will be temporarily realigned to accommodate the Tenant's use of the Premises, and the Tenant acknowledges and agrees to pay the actual cost to install and construct the temporary connection (approximately 60 metres) depicted on Schedule "B" to a maximum of \$20,000.00.

Net Lease

18. The Tenant acknowledges that this is a net lease and the Tenant agrees to pay all charges, impositions and outlays of every nature and kind relating to the Premises except as expressly set out in this Lease, including but not limited to all utilities and services for the benefit of the Premises.

PART 5 - MAINTENANCE, REPAIRS AND ALTERATIONS

Maintenance and Repair of Premises

19. The Tenant accepts the Premises on an "as is" basis. The Tenant shall maintain the Premises and keep them in a good and substantial state of repair. This shall include maintenance of the access road including snow ploughing, and cutting the grass within the perimeter fencing and two swaths on the outside of the fence.

Alterations/Improvements to Premises

20. The Landlord shall permit the Tenant to make alterations/improvements to the Premises to construct an air ambulance heliport, subject to all applicable regulatory requirements. The Tenant shall not make any other alterations and improvements to the Premises without prior approval of the Landlord. Any such alterations or improvements that are fixtures to the land shall immediately become the property of the Landlord without compensation to the Tenant.

Removal of Improvements

21. At the conclusion of Tenant's occupancy of the Premises, the Tenant shall, unless specifically requested by the Landlord not to do so, remove all improvements that it has installed on the Premises and shall restore the Premises, as nearly as possible, to the state they were in before such improvements were made.

PART 6 - INSURANCE AND INDEMNITY

Tenant's Insurance

22. The Tenant shall take out and maintain,

- (a) insurance upon property owned by it which is located in the Premises; and
 - (b) commercial general liability insurance pertaining to the Tenant's liability to others in respect of injury, death or damage to property occurring upon, in or about the Premises, such insurance to be of an amount which is reasonable and sufficient having regard to the scope of the risk and the current practice of prudent owners of similar premises for the carrying on of similar businesses and activities, but in any event in an amount not less than five million dollars (\$5,000,000.00) for claims arising out of one occurrence. Such policy shall also name the Landlord as an additional named insured and may not be cancelled unless prior notice by registered letter has been given to the Landlord by the insurer 30 days in advance of the expiry date.
23. Prior to the commencement of the Term, the Tenant shall file with the Landlord a Certificate of Insurance in a form satisfactory to the Landlord's Director of Finance, verifying that the commercial general liability insurance policy is in effect and setting out the essential terms and conditions of the insurance.
24. The provision of the insurance policy required by this section shall not relieve the Tenant from liability for claims not covered by the policy or which exceed its limits, if any, for which the Tenant may be held responsible.

Insurance Risks

25. The Tenant shall not do, omit to do, or permit to be done or omit to be done upon the Premises 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 Premises or which would prevent the Landlord from procuring its policies of insurance 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 on the Premises causes or results in any increase in premiums for any of the Landlord's insurance policies, the Tenant shall pay such increase to the Landlord.

Indemnification

26. Each of the Landlord and the Tenant shall indemnify and save harmless the other from and against any and all actions, losses, damages, claims, costs and expenses (including solicitors' fees on a solicitor and client basis) to which the party being indemnified shall or may become liable by reason of any breach, violation or non-performance by the party so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property by reason of any wrongful act, neglect or default on the part of the party so indemnifying or any of those persons for whom it is in law responsible. For greater certainty, the limitation of liability set out above in this section does not extend to claims, losses or damages resulting in whole or in part from the gross negligence or

wilful misconduct of the party claiming indemnification, its employees or those for whom it is in law responsible.

Damage or Destruction

27. If the Premises are destroyed or damaged by fire, lightning, tempest or other casualty, then and in every such event if, in the opinion of the Landlord, the damage or destruction renders the whole or any substantial part of the Premises unfit for occupancy or impossible or unsafe for use and occupancy or impossible for the Tenant to continue to carry on its business, either the Landlord or the Tenant may at its option, terminate this Lease by giving to the other notice in writing of such termination, in which event, this Lease and the Term shall cease and be at an end as of the date of such destruction or damage, 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 such destruction or damage.

PART 7 - REMEDIES

Landlord's Right to Remedy Default

28. In addition to all other remedies the Landlord may have under this Lease and in law, if the Tenant is in default of any of its obligations under this Lease, and such default has continued for a period of 10 days after receipt of notice by the Tenant (or such longer period as may be reasonably required in the circumstances to cure such default, except in an emergency where the Landlord will not be required to give notice), the Landlord, without prejudice to any other rights which it may have with respect to such default, may remedy such default and the Tenant shall be responsible for all such costs.

Separate Remedies

29. The Landlord may from time to time resort to any or all of the rights and remedies available to it upon default, either by any provision of this Lease or by statute or the general law, all of which rights and remedies are intended to be cumulative and not alternative and may be exercised generally or in combination.

Waiver

30. No condoning, excusing or overlooking by the Landlord of any default, breach or non-observance by the Tenant at any time in respect of any covenant or obligation under this Lease shall operate as a waiver of the Landlord's rights under this Lease in respect of any continuing or subsequent default, breach or non-observance, or so as to defeat or affect in any way the rights of the Landlord in respect of any such continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Tenant save only an express waiver in writing.

PART 8 - MISCELLANEOUS

Quiet Enjoyment

31. The Landlord shall permit the Tenant to peaceably possess and enjoy the Premises during the Term without any interference from the Landlord, or any person lawfully claiming by, from or under the Landlord provided the Tenant is not in default.

Right of Entry

32. The Tenant agrees to permit the Landlord and authorized representatives of the Landlord to enter the Premises during normal business hours for the purpose of inspecting the same on prior notice to the Tenant (except in an emergency where no notice shall be required), and the Tenant shall arrange for such entry at a time convenient to both parties. The Landlord shall use its best efforts to minimize the disruption to the Tenant's business operations during any such entry.

Signs

33. The Tenant may only erect signs on the Premises with the Landlord's prior approval. All such signs shall be removed from the Premises at the end of the Term.

Compliance with Laws

34. The Tenant shall comply with all legal requirements (including statutes, laws, by-laws, regulations, ordinances, orders, rules and regulations of every governmental authority having jurisdiction) that relate to the use or occupation of the Premises by the Tenant or the making of any improvements to the Premises by the Tenant.

Notice

35. Any notice, demand, acceptance or request required to be given hereunder in writing, shall be deemed to be given if either personally delivered or mailed by E-mail, registered mail, postage prepaid, at any time other than during a general discontinuance of postal services due to a strike, lockout or otherwise, and addressed to the Municipality or the Participating Owners at the addresses set out below:

The Corporation of the Municipality of Clarington

40 Temperance Street

Bowmanville, Ontario

L1C 3A6

Attn: Municipal Clerk

Tel: 905-623-3379

Fax: 905-623-6020

and to:

Lakeridge Health
1 Hospital Court
Oshawa, Ontario
L1G 2B9Attn: Mark Murphy, Sr. Director, Capital & Planning
Tel: 905-576-8711 ext. 34388

or such change of address as the applicable Party has by written notification forwarded to the Municipality and the other Parties. Any notice shall be deemed to have been given to and received by the Party to which it is addressed on the date it is personally delivered, or on the fifth (5th) business day after the mailing thereof, whichever is earlier.

Assignment and Subletting

36. The Tenant shall not assign this Lease or sublet all or any portion of the Premises without the prior written consent of the Landlord.

Successors and Assigns

37. This Lease shall enure to the benefit of and be binding upon the parties and their respective successors (including any successor by reason of amalgamation or statutory arrangement) and permitted assigns.

Time of Essence

38. Time shall be of the essence in all respects under this Lease.

Entire Agreement

39. This Lease constitutes the entire agreement between the parties concerning the Premises and may only be amended or supplemented by an agreement in writing signed by both parties.

40. The following Schedules are incorporated into and form part of this Lease:

Schedule "A" – Map of the Premises

Schedule "B" – Preliminary Site Plan Showing Recreational Trail Extension

- *signatures appear on the following page* -

The Landlord has executed this Lease by the signature of its duly authorized signing officers on this ____ day of _____, 2021.

**THE CORPORATION OF THE
MUNICIPALITY OF CLARINGTON**

PER: _____
Adrian Foster, Mayor

PER: _____
June Gallagher, Municipal Clerk

We have the authority to bind the Corporation

Authorized by By-law No.2020-0XX

The Tenant has executed this Lease by the signature of its duly authorized signing officers on this ____ day of _____, 2021.

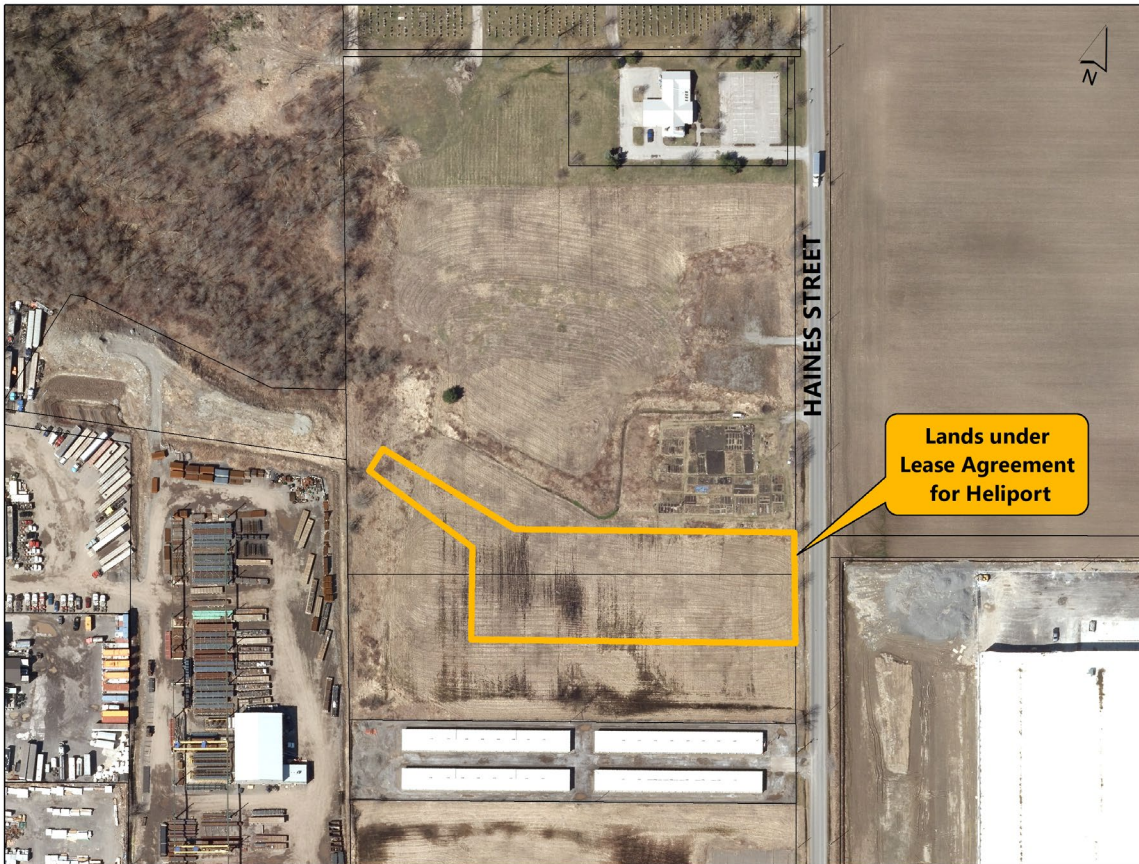
LAKERIDGE HEALTH

PER: _____
Mark Murphy, Sr. Director, Capital
Planning and Development

PER: _____
Natalie Hovey, Vice President, Corporate
Services & CFO

We have the authority to bind the Corporation

Schedule "A" – Map of the Premises



Schedule "B" – Preliminary Site Plan Showing Recreational Trail Extension

DRAFT



HAINES STREET

PROPOSED OBSTRUCTION LIGHTS

PROPOSED ACCESS ROAD

PROPOSED EQUIPMENT YARD ACCESS ROAD (BY OTHERS)

PROPOSED ELECTRICAL DISTRIBUTION BOX

PROPOSED STORAGE CONTAINER

PROPOSED ACCESS ROAD

PROPOSED WIND SOCK

ANTICIPATED LIMITS OF GRADING

PROPOSED GATE ACCESS

PROPOSED CEMETERY EQUIPMENT YARD (BY OTHERS)

PROPOSED CEMETERY EXPANSION

PROPOSED CEMETERY ACCESS ROAD (BY OTHERS)

PROPOSED FATO EDGE LIGHT (TYP.)

PROPOSED STAKE MOUNTED FLOODLIGHT (TYP.)

RECREATIONAL TRAIL EXTENSION

PROPOSED HELIPAD

ROTOR DOWNWASH PROTECTION AREA (TYP.)

PROPOSED HELIPORT PERIMETER FENCING

PROPOSED POLE MOUNT FLOODLIGHT (TYP.)

Clarington

BOWMANVILLE HOSPITAL
TEMPORARY HELIPAD
GENERAL LAYOUT
ARRANGEMENT

DATE: APRIL 2021 SCALE: 1:1000 DRAWING No. G-1