

Licence xxxx

Between the

**Greater London International
Airport Authority**

and

Licensee Name

DESCRIPTION:

360 Acres of Land for Agricultural Purposes

LEASE TERM:

5 Years

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THIS INDENTURE made this _____ day of _____, 2025

B E T W E E N:

GREATER LONDON INTERNATIONAL AIRPORT AUTHORITY

(hereinafter called "the Licensor")

OF THE FIRST PART;

- and -

LICENSEE NAME

(hereinafter called "the Licensee")

OF THE SECOND PART;

WHEREAS pursuant to the Head Lease the London International Airport was Leased to the Licensor; and

WHEREAS the Licensor and the Licensee wish to enter into this Licence Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the rents, covenants, provisos and conditions herein reserved and contained, and subject always to the reservations and exceptions contained herein, the Licensor demises and grants a Licence Agreement to the Licensee for the term and subject to the provisions of this Licence, and the parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 In this Licence:

- (a) "Additional Rent" means any and all sums of money or charges required to be paid by the Licensee under this Licence (except Annual Rent) whether or not designated as "Additional Rent";
- (b) "Annual Rent" means the annual rent payable by the Licensee pursuant to and in the manner set out in Article 4 hereof;
- (c) "Claim" or "Claims" means any claims, losses, suits, proceedings, actions, causes of action, demands, judgements, executions, liabilities, and responsibilities for any Damages and for any Injuries;
- (d) "Commencement Date" means January 1, 2026;
- (e) "Cost" or "Costs" means all expenses, losses, charges, and payments relating to an event and including any professional, consultant, and legal fees (on a "solicitor and his own client" basis) of professionals and consultants retained by a party;
- (f) "Crown" means Her Majesty the Queen, In Right of Canada, represented by the Minister of Transport and Her successors and assigns; in any section of this Licence that contains a release, hold harmless, indemnity or other exculpatory language in favour of the Crown, the term "Crown" also means any Department of the Government of Canada, any Minister of the Crown, any officers, servants, employees, agents or contractors of the Crown and any other Person for whom the Crown may be responsible in law and any Person who has a right of contribution as against the Crown;
- (g) "Crown's Non-Disturbance Agreement" has the meaning ascribed to such term in section 14 hereof;
- (h) "Damage" or "Damages" means any loss, cost or damage including, but not limited to, direct, indirect, incidental, special, exemplary, consequential or otherwise, loss of profits or revenue, interference with business operations, loss of Licensees, lenders, investors or buyers, inability to use any part of London International Airport or the Licenced Premises, and Costs; and
- (i) "Force Majeure" means an event causing a bona fide delay, notwithstanding the commercially reasonable best efforts of the party delayed with respect thereto, in the performance of any obligations under this Licence arising from causes beyond the reasonable control of such party, including without restriction, failure to receive requisite permits from governmental authorities, including strike, lockout, riot, insurrection, war, fire, tempest, Act of God or lack of material; provided that the party so delayed shall forthwith notify the other party upon becoming aware of the commencement of an event of the type described herein; and provided further that the lack or shortage of funds shall not constitute such an event;
- (j) "Head Lease" means the Lease agreement in writing dated August 1, 1998, made between Her Majesty the Queen, In Right of Canada, represented therein by the Minister of Transport as Lessor, and The Greater London International Airport Authority, as Lessee;
- (k) "Injury" means any personal injury and bodily injury, including death resulting there from, and whether the death occurs before or after the end of the Term of this Licence or after any period when the Licensee is using the Airport Premises.
- (l) "Insurance" means any insurance that is required in this Licence;
- (m) "Land" means that certain parcel of land situate within the London International Airport being comprised of an area of 360 acres, more or less, as more particularly shown on Drawing No. O127 O407 N040 hereto annexed as Schedule "A";
- (n) "Lender's Non-Disturbance Agreement" has the meaning ascribed to such term in section 14.4 hereof;
- (o) "Licence" means this agreement, including any Schedules and/or attachments hereto annexed, and any supplemental agreements to such Licence as may be made from time to time;

- (p) "Licensee" means **Licensee Name** and includes any of its successors or permitted assigns; in any section of this Licence that contains a release, hold harmless, indemnity or other exculpatory language in favour of the Licensee, the term "Licence" also means any officers, servants, employees, agents or contractors of the Licensee and any other Person for whom the Licensee may be responsible in law and any Person who has a right of contribution as against the Licensee;
- (q) "Licensor" means the Greater London International Airport Authority and includes any of its successors or assigns; in any section of this Licence that contains a release, hold harmless, indemnity or other exculpatory language in favour of the Licensor, the term "Licensor" also means any officers, servants, employees, agents or contractors of the Licensor and any other Person for whom the Licensor may be responsible in law and any Person who has a right of contribution as against the Licensor;
- (r) "Licensor's Bank" means the Canadian Imperial Bank of Commerce or such other financial institution with which the Licensor may have banking arrangements;
- (s) "London International Airport" means the airport located at London, Ontario which is operated by the Licensor and located on the lands legally described as:

Township of London:

Concession C, Lots 1 and 2
 Concession 1, Lots 1 to 5 both inclusive
 Concession 2, Lots 1 to 5 both inclusive
 Concession 3, Lots 1 to 6 both inclusive
 Concession 4, Lots 1 to 4 both inclusive, and Lots 5 & 6 South of the Thames River
 Concession 5, Lots 1 to 4 both inclusive
 Registered Plans Numbered 18, 260, 561, 598, 606, 611, 660, 666, 748, 765, 848, 921, and all of Block "R" as shown on Plan 876 and part of Plan 556

Township of West Nissouri:

Concession 1, Lots 1 and 2 and Lots 6 to 10 both inclusive
 Concession 2, Lots 1 to 4 both inclusive and Lots 6 to 9 both inclusive
 Concession 3, Lots 1 to 8 both inclusive
 Concession 4, Lots 2 to 7 both inclusive
 Registered Plan Numbered 655

Township of North Dorchester:

Concession 1, North of the River Thames Lots 1 to 6 both inclusive
 Concession 2, North of the River Thames, the North 3000 feet of Lots 3 to 5 both inclusive
 Registered Plans Numbered 17 and 802

- (t) "Minister" means the Minister of Transport and any person authorized in writing by the Minister of Transport to act on his or her behalf.
- (u) "Occupant" means the Licensee, sublease, concessionaire, franchisee, user or other third party who undertakes activity at London International Airport under this Licence Agreement.
- (v) "Occupant Agreement" means a sublease, licence, concession, franchise or any other agreement between the Licensee and a third party whereby the Licensee grants a right to such third party to undertake activity under this agreement that is less than the total remainder of the Term but, for greater certainty, shall exclude any sublease, licence, concession, franchise or other agreement which creates a privity of estate or a privity of contract between the Licensor and the third party and shall exclude a Leasehold Mortgage;
- (w) "Person" means any individual, company, corporation, partnership, firm, trust, sole proprietorship, government or government agency, authority or entity, however designated or constituted;

- (x) "Prime Lending Rate" means the rate of interest expressed as an annual rate reported by the Licensors Bank as the interest rate charged by it on the first day of any calendar month on demand loans made in Canada in Canadian currency to its most credit-worthy commercial customers; the certificate of an officer of the Licensors Bank as to the interest rate so reported by it for any specified day shall be in the absence of manifest error, conclusive evidence thereof;
- (y) "Rent" means all Annual Rent and Additional Rent payable pursuant to this Licence;
- (z) "Rent Commencement Date" means the date on which payment of Annual Rent shall commence, which date shall be January 1, 2026;
- (aa) "Rent Review Date" is the anniversary date of this Licence on which the Revised Annual Rent shall become effective;
- (bb) "Rental Year" means each of the consecutive periods of time comprising the Term, the first Rental Year commencing on the Commencement Date and ending on the last day of December immediately following; each Rental Year thereafter shall consist of consecutive periods of twelve (12) months but for the last Renewal Year of the Term which shall end on the day which is the day immediately preceding the anniversary of the Commencement Date;
- (cc) "Rules and Regulations" means the rules and regulations adopted and promulgated by the Licensors from time to time in connection with the London International Airport; such rules are equally applicable in relation to all Licensees and relate to the operation of the airport.
- (dd) "Site Improvements" means and includes all improvements (other than the construction of Buildings) from time to time made, constructed, erected or installed by, for or on behalf of the Licensee.
- (ee) "Trade Fixtures" means the chattels and equipment installed during the Term in, on or which serve the Licence Agreement, for the sole purpose of the Licensee carrying on its business and which Trade Fixtures the Licensee is permitted to remove only to the extent permitted by the terms of this Licence.

1.2 Extended Meanings

- (a) The words "hereof", "herein", "hereunder" and similar expressions used in this Licence relate to the whole of this Licence, unless the context indicates otherwise. Words importing the singular shall include the plural and vice versa and words importing a particular gender shall include all genders. The use of the neuter singular pronoun to refer to the Licensors or the Licensee is deemed a proper reference even though the Licensors or the Licensee may be an individual, a partnership, an association, a corporation or a group of two or more individuals, partnerships, associations or corporations. The necessary grammatical changes required to make the provisions of this Licence apply in the plural sense where there is more than one Licensors or Licensee and to either corporations, associations, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.
- (b) In this Licence, "includes" means "includes, without limitation"; "including" means "including, without limitation"; "without any set-off" means "without any set-off, notice, demand, deduction, alteration, diminution, compensation or abatement whatsoever"; "construct" means "construct or erect"; "construction" means "construction or erection"; "alterations" means "alterations, changes, material repairs, renewals, restorations, additions, reconstructions, replacements, modifications, improvements, betterments, and installations", in each case, provided such are of a material nature; "any" means "any and all"; "Licensee shall not permit" means "Licensee shall not cause, suffer or permit"; "law" means "law, by-law, regulation, order, decision and rule"; and "Licensee agrees" or "Licensee acknowledges" means "Licensee expressly acknowledges and agrees".

1.3 Consents or Approvals

Unless expressly provided in this Licence to the contrary, whenever a consent or approval is required to be given under this Licence by either party to the other, the granting of such consent or approval shall not be unreasonably withheld or delayed.

ARTICLE 2 - USE AND ACCEPTANCE OF LAND

2.1 Purpose

Subject to Clause 2.2, the said land shall be used for agricultural purposes only and the said land shall be used for no other purpose or purposes whatsoever and, without restricting the foregoing, shall not be used as a site for the sale of produce.

2.1 Land Use Restrictions

The following restrictions shall apply:

- (a) Only low crops (beans) can be planted from 225 to 475 feet of the runway edge – Parcels 3a, 5a, 6a, and 9a.
- (b) High crops (corn, wheat, hay, clover, grasses and alfalfa) can be planted in all other Parcels.
- (c) Cultivation of any cannabis products is prohibited.
- (d) No planting can take place within 100 feet of the runway approach lights.
- (e) For planting restrictions within instrument landing systems (equipment at the end of the runway), (see Schedule “A”).
- (f) No planting can take place within 12 feet of all fencing.
- (g) Must not plow land during daylight hours.
No plowing of land on one side of a runway shall be carried out within 24 hours of plowing of land on the other side of the runway.
- (h) Must not discharge a firearm on or into Airport property.
Must call Nav Canada (519) 451-9610 and S.O.C. (519) 452-4000 to notify when accessing Airport property and for how long.
- (j) Movement within 200 feet of the active runways, taxiways, aprons or ramps requires security escort. Please make arrangements in advance by calling SOC at (519) 452-4000 for an escort.
- (k) Must ensure gates are locked at all times. If a gate key is loaned out, it must be to a known individual and you must provide that individual with the rules of “Land Use Restrictions” before they access Airport property.
- (l) If any crop grown or any agricultural activity conducted on the said land attracts birds or in any way causes a hazard to the safety of aircraft operations; the Licensee shall, at the request of the London International Airport, remove the crop or desist from the agricultural activity or otherwise reduce the hazard to aircraft operations. If the Licensee is unable to take the necessary action for any reason, the Licensor shall have the right to take such action and the Licensee hereby agrees that all costs and expense incurred by the Licensor in such action shall be debited to the Licensee’s account.

2.3 Acceptance of the Land

The Licensee acknowledges that it has inspected and is familiar with the physical attributes and condition of the Land at the date hereof, and that the Licensor has made no representations or warranties of any kind as to the Land except those expressly set out in this Licence. Subject to the provisions of Article 2 hereof, the Licensee shall not be responsible for any defect in the Land (either latent or patent) or for the existence of any other circumstance or condition not expressly represented or warranted by the Licensor in this Licence, and the Licensee accepts the Land in an “as is” condition. Except as may be otherwise provided in Article 2 hereof, any improvements to the Land to make it suitable for operations of the Licensee shall be at the risk, cost and expense of the Licensee.

ARTICLE 3 - TERM

3.1 Length of Term

This Licence shall be for a term of five years from and including the Commencement Date of January 1, 2026 to and including December 31, 2030.

3.2 Option to Renew

At the expiration of the five-year term, and subject to the Licensor’s approval, such approval not to be unreasonably withheld, the Licensee has the option to renew the Lease for a further five-year term at a fair market value rate provided that:

- (a) the Licensee shall have paid the Rent as and when due and shall have punctually observed and performed the terms, covenants and conditions in accordance with the terms of this Agreement;
- (b) the Licensee advises the Licensor in writing that it wishes to renew this Lease not less than sixty (60) days prior to the expiration of the initial term.

3.3 Overholding Tenancy

- (a) If the Licensee remains in possession of the Licenced Premises after the end of the Term with the permission of the Licensor and without any further written agreement, then:
- (i) this Licence shall not be deemed thereby to have been renewed; and
 - (ii) the Licensee will be considered to be occupying the Licenced Premises as a Licensee on a month to month basis as an overholding Licensee at the sufferance of the Licensor; and
 - (iii) the consideration for such continued possession shall be a monthly rental payable in advance on the first day of each month equal to the monthly installment of Rent payable for the last month of the Term.
- (b) If the Licensee remains in possession of the Licenced Premises either after the end of the Term without the permission of the Licensor or after the expiry or termination of any permitted overholding, then the Licensee will be considered to be occupying the Licenced Premises solely at the sufferance of the Licensor and shall be liable to pay to the Licensor occupational rent on a daily basis in an amount equal to twice the Rent for the last month of the Term calculated on a per diem basis;
- (c) The Licensee shall also be responsible for the payment of any Additional Rent during any period of overholding.
- (d) It is expressly agreed that neither the acceptance of any consideration during any overholding period nor the operation of any implied condition, nor any implication of law, shall be construed or shall operate so as to reinstate, continue or extend the Term or otherwise renew this Licence or operate as a waiver of the right of the Licensor to enforce the payment of Rent then due or thereafter falling due, or operate as a waiver of the right of the Licensor to recover possession of the Licenced Premises. During such overholding period the parties shall be subject to all other covenants and conditions herein contained except as to length of term and consideration.

ARTICLE 4 - RENT

4.1 Annual Rent

The Licensee shall pay during the currency of this Licence to the Licensor, in lawful money of Canada, the following Annual Rent which will be payable on December 1st of each year.

Term	Acreage	Rate/Acre	Total Annual Rent
Jan 1, 2026 – Dec 31, 2030	360	\$XXX.XX	\$XXX.XX

AND payment of Annual Rent shall be made by the Licensee without prior demand by the Licensor, to the Greater London International Airport Authority and delivered to:

London International Airport
10 Seabrook Way
London, Ontario
N5V 3B6

4.2 Payment of Rent

The Licensee shall pay all rent herein reserved at the time and in the manner in this Licence set forth, without any abatement or deduction whatever.

4.3 Payment of Taxes

- (a) The Licensee shall pay any business tax, value added tax, multi-stage sales tax, sales tax, goods and services tax or any other tax imposed on any Rent receivable by the Licensor hereunder by any governmental or other taxing authority having jurisdiction, whether known as business transfer tax, value added tax, goods and services tax, or by any other name.

ARTICLE 5 - FORCE MAJEURE

5.1 Relief from Performance

- (b) Whenever and to the extent that either party is bona fide unable to fulfil or is delayed or restricted in fulfilling any of its obligations under this Licence by an event of Force Majeure, such

party shall be relieved from the fulfilment of the part of its obligations affected by Force Majeure during the period of Force Majeure save and except as provided otherwise in section 5 of this Licence.

- (c) Notwithstanding an event of Force Majeure, the party affected shall proceed with the performance of its obligations not thereby affected.
- (d) The provisions of this Article shall not operate to excuse the Licensee from the payment of any Rent, the provision of or payment for any insurance or any other obligation to pay money.

ARTICLE 6 - CONDUCT OF BUSINESS

6.1 Compliance with Laws

- (a) The Licensee shall comply with and ensure that all Occupants comply with all requirements of all applicable laws relating to the Licensee's or any Occupant's use and occupation of the Land. Without restricting the generality of the foregoing, the Licensee shall in all respects comply with or ensure compliance with all provisions of law applicable to the Land now or hereafter in force including, without limitation, federal and provincial legislative enactments, zoning and building bylaws, and any other governmental or municipal regulations.
- (b) The Licensee shall deliver to the Licensors a copy of any written notice of non-compliance with any applicable law received by the Licensee or any Occupant (and provided by the Occupant to the Licensee), and the Licensee or Occupant shall promptly commence to remedy such non-compliance forthwith upon receipt of such notice and thereafter with due diligence, continuously prosecute the remedying of the non-compliance to completion within a reasonable period of time.
- (c) The Licensee shall deliver to the Licensors a copy of any written notice of non-compliance with any applicable laws relating to the Licensee's or occupant's use and occupation of the Land and the operation of the business conducted thereon received by the Licensee or any Occupant (and provided by the Occupant to the Licensee) and the Licensee shall comply or ensure compliance with any lawful directives issued in relation to such non-compliance.
- (d) The Licensors shall deliver to the Licensee a copy of any written notice of non-compliance with any applicable law received by the Licensors as such may relate to the Licenced Premises and the operation of any business conducted thereon, and the Licensee shall promptly commence to remedy such non-compliance or cause such non-compliance to be remedied forthwith upon receipt of such notice.

6.2 Compliance with Rules and Regulations

The Licensee shall abide by and comply with and ensure that all Occupants abide by and comply with all Rules and Regulations and directives regarding traffic control, airport security, sanitation and all other regulations and directives relative to the management and operation of the London International Airport

6.3 Compliance by Occupant

The Licensee shall ensure that all Occupants do all things necessary to comply with, and to enable compliance by the Licensee with, this Licence.

6.4 Maintenance of Licenced Premises

At all times during the Term, the Licensee shall at its expense keep or cause the Licenced Premises to be kept in a neat and tidy condition and shall keep, operate and maintain the Licenced Premises or cause the Licenced Premises to be kept, operated and maintained in good order, first class condition and repair

6.5 Police and Fire Protection

The Licensors shall not be responsible for providing fire protection to, nor policing of, the Licenced Premises.

6.6 Licences, Permits, etc.

The Licensee shall procure and maintain, at the cost and expense of the Licensee, such licenses, permits or approvals from Federal, Provincial, Municipal or other government authorities having jurisdiction, and such private permits as may be necessary to enable the Licensee to carry on its business from the Licenced Premises.

6.7 Dangerous Goods

When required by the Licensor so to advise, the Licensee shall advise the Licensor of the type and quantity of goods of an explosive, dangerous, inflammable or noxious nature stored in or upon the Licenced Premises.

6.8 Drainage and Discharge of Material

The Licensee shall not knowingly discharge, cause or permit to be discharged or howsoever to pass into the sewer systems, storm drains or surface drainage facilities at the London International Airport or elsewhere any deleterious material, noxious, contaminated or poisonous substances. The cost incurred in the clean up to the satisfaction of the Licensor, shall be to the Licensee's account.

6.9 Interference or Hazards

The Licensee shall not during the Term of this Licence or any period when it is in possession of the Land conduct any operation, make any addition, improvement or other work, or install any facility or equipment, or do anything else which will in any manner cause physical, visual or electronic interference or hazard to the navigation of any aircraft or violate any safety-related standards, procedures or recommended practices affecting aircraft safety or airport certification.

ARTICLE 7 - LAND, SERVICES AND IMPROVEMENTS

7.1 Damage to Works of the Licensor

- a) During the Term of this Licence the Licensee shall not do, suffer or permit to be done any act or thing which may impair, damage or injure any works of the Licensor on the London International Airport.
- (b) If, at any time or times hereafter, any damage or injury (ordinary wear and tear and damages by Acts of God only excepted) should be occasioned to any works of the Licensor on the London International Airport by reason of or on account of the operations of the Licensee hereunder or those for whom the Licensee is responsible at law, or any action taken or things done or maintained by virtue thereof, then, and in every such case, the Licensee shall, at the option of the Licensor, within a reasonable time upon written notice thereof from the Licensor, repair and restore the same in good, sufficient and workmanlike manner. In the event of failure on the part of the Licensee to so repair or restore, the Licensor may, at its option, repair or restore such damage or injury, in which case the Licensee shall reimburse the Licensor for all costs and expenses connected therewith or incidental thereto to the extent the Licensee is liable pursuant to this Licence plus such additional charges as may be applicable in accordance with the policies of the Licensor for administration and overhead forthwith upon receipt by the Licensee of appropriate accounts therefor from the Licensor.

7.2 Vesting of Improvements

The improvements to the Licenced Premises which by their nature are determined to be affixed to the Land including, without limitation, all Site Improvements, Leasehold Improvements and appurtenances from time to time constructed on the Licenced Premises shall, upon termination of this Licence, except and subject as in this Licence otherwise specifically provided, be vested in title to the Licensor without any payment or compensation being made therefor and free and clear of (subject to any right of non-disturbance which may be granted by the Crown to the Licensee) any mortgages, charges, and encumbrances whatsoever.

ARTICLE 8 - LIABILITY, RELEASE AND INDEMNITY

8.1 Limitations on Licensor's Liability

- (a) The Licensee acknowledges and agrees that neither the Licensor nor the Crown will be liable or responsible for any Injury to any Person or for the loss of or Damage to any property of the Licensee or any other Person in respect of any occurrence during the Term of this Licence and any period in which the Licensee is in possession of the Licenced Premises, arising from any act or omission in, upon, at, or relating to the Licenced Premises, the London International Airport, or any part thereof or from the ownership, occupancy or use of the Licenced Premises or the London International Airport in any such case, unless such Injury, loss or Damage results from any fault, default, negligent act or omission of the Licensor, the Crown, or their respective agents, servants, employees, contractors or any other Persons for whom the Licensor or the Crown is, in law, responsible.

- (b) Notwithstanding the foregoing provisions of subsection 8.1 (a), the Licensee agrees that neither the Licensor nor the Crown will be responsible for any claims or demands of any nature, which are caused, result from or arise from or are contributed to by reason of:
- (i) the condition of the Licenced Premises unless the Licensor is liable for such condition pursuant to the provisions of Article 9 or such claims or demands arising from damage to the Licenced Premises caused by the Licensor after the Commencement Date;
 - (ii) the temporary interruption, suspension, discontinuance or failure of any utility or other service to be supplied by the Licensor pursuant to this Licence (provided that the Licensor takes reasonable steps to restore such utility or service);
 - (iii) any act or omission by or on behalf of the Licensor, acting reasonably, in curing or attempting to cure any default of the Licensee under this Licence or in responding to any emergency;
 - (iv) the removal by or on behalf of the Licensor at the Licensor's request of any building or work on the Licenced Premises causing any interference, obstruction or hazard which, in any manner, causes physical, visual or electronic interference or hazard to the navigation of aircraft or which violates any safety-related standards, procedures or recommended practices affecting aircraft safety or airport certification.

8.2 Indemnity

- (a) The Licensee agrees to fully indemnify and hold and save harmless the Licensor and the Crown from and against all Claims related to, occasioned by or arising out of:
- (i) the condition of the Licenced Premises unless the Licensor is liable for such condition pursuant to the provisions of Article 9 or 8.1(b)(i) or,
 - (ii) the fault, default, negligent act or omission of the Licensee, its agents, servants, employees, contractors or subleases and their respective agents, servants, employees or contractors in the use, occupancy or maintenance of the Licenced Premises by any of them.
- (b) The obligations of the Licensee to indemnify and hold harmless with respect to liability by reason of any matter arising prior to the expiry or early termination of this Licence shall, notwithstanding any other provisions of this Licence or any law now or hereafter in force, continue in full force and effect until discharged whether before or after the end of the Term of this Licence or the period when the Licensee is in possession of the Licenced Premises.
- (c) The Licensee shall, in any and every event in which the Licensor or the Crown is made a party to any action, suit or proceeding in respect of a Claim to which the Licensee's obligation to indemnify and hold the Licensor and the Crown harmless under any provision of this Licence extends, if so requested by the Licensor, defend such action, suit or proceeding in the name of the Licensor and the Crown, and shall pay all Costs of the Licensor and the Crown in connection with such litigation; provided that the Licensee may, in any such event, elect to compromise, pay or satisfy any such action, suit or proceeding, subject to the condition that no liability in respect of such compromise, satisfaction or payment shall extend to the Licensor or the Crown.

ARTICLE 9 - DEFAULT ARTICLE

9.1 Right of Re-Entry

- (a) If and whenever during the Term hereof:
- (i) the Licensee shall be in default in the payment of Rent or amounts collectable hereunder as Rent, and such default shall continue for a period of fifteen (15) days after the Rent has become due and payable, and following notice of default to the Licensee; or
 - (ii) the Licensee fails to perform any other of the terms, covenants or conditions of this Licence to be observed and performed by it (other than the terms, covenants or conditions set out in subparagraphs (iv) to (viii) inclusive for which no notice shall be required) and such default shall continue for a period of thirty (30) days (or such longer period as may be reasonably necessary to cure such default considering the nature

thereof) after notice by the Licenser to the Licensee specifying with reasonable particularity the nature of such default and requiring the same to be remedied; or

- (iii) if the default set out in the notice given to the Licensee by the Licenser pursuant to the immediately preceding subclause reasonably requires more time to cure than the thirty (30) day period referred to in that subclause and the Licensee has not commenced remedying or curing the same within the thirty (30) day period or, in the opinion of the Licenser fails to diligently complete the same within a reasonable time; or
- (iv) the Licensee shall make an assignment for the benefit of creditors, or shall make an assignment or have a receiving order made against it under the Bankruptcy and Insolvency Act, or becoming bankrupt or insolvent shall make application for relief under the provisions of any statute now or hereafter in force concerning bankrupt or insolvent debtors, or any action whatsoever, legislative or otherwise shall be taken with a view to the winding-up, dissolution or liquidation of the Licensee or its assets; or
- (v) a receiver, interim receiver and manager, custodian or liquidator is appointed for the business, property, affairs or revenue of the Licensee; or
- (vi) the Licensee vacates or abandons or attempts to abandon the Licenced Premises or any part thereof, or the Licenser has reasonable cause to believe that the Licensee intends to do so; or
- (vii) the Licensee effects or attempts to effect a Transfer or a change in the effective voting control of the Licensee that is not permitted under this Licence; or
- (viii) the Licensee's interest under this Licence is taken under any writ of execution or security instrument without being forthwith challenged and recovered by the Licensee; or
- (ix) re-entry is permitted under any other terms of this Licence;

then and in every such case the Licenser, in addition to any other rights or remedies it has pursuant to this Licence or at law, shall have the immediate right of re-entry upon the Licenced Premises and it may repossess the Licenced Premises and enjoy it as of its former estate, and the Licensee hereby agrees that, subject to any rights of non-disturbance granted by the Licenser, the Licenser may expel all Occupants and remove all personal property from the Licenced Premises and that such property may at the Licenser's option be removed and sold or disposed of by the Licenser by public auction or otherwise, and either in bulk or by individual item, all as the Licenser in its sole discretion may decide, and the Licensee agrees that the proceeds of such sale or disposition shall be applied by the Licenser in the same manner as set out in section 9.2(b) hereof, insofar as applicable, or may be stored in a public warehouse or elsewhere at the cost and for the account of the Licensee, all without service of notice by the Licenser to the Licensee thereof or resort by the Licenser to legal process and without the Licenser being considered guilty of trespass or becoming liable or responsible for any Injury or any loss or damage which may be occasioned thereby, or for any claim for Damages.

9.2 Right to Relet

- (a) If the Licenser elects to re-enter the Licenced Premises as herein provided, or if it takes possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Licence, or, it may from time to time without terminating this Licence, make such alterations to the Licenced Premises as are necessary in order to relet the Licenced Premises or any part thereof for such term or terms (which may be for a term extending beyond the Term) and at such rent and upon such other terms, covenants and conditions as the Licenser in its sole discretion considers advisable.
- (b) Upon each such reletting all rent received by the Licenser from such reletting shall be applied: firstly, to the payment of any indebtedness other than Rent due hereunder from the Licensee to the Licenser; secondly, to the payment of any costs and expenses of such reletting including, without limitation, brokerage, professional and solicitor's fees (on a solicitor and his own client basis) and the costs of any such alterations; thirdly, to the payment of Rent due and unpaid hereunder; and the residue, if any, shall be held by the Licenser and applied in payment of future rent as the same becomes due and payable hereunder. If such rent received from such reletting during any month is less than the Rent to be paid during that month by the Licensee hereunder, the Licensee shall pay any such deficiency, which shall be calculated and paid monthly in advance on or before the first day of each and every month.

- (c) No such re-entry or taking possession of the Licenced Premises by the Licensor shall be construed either as a forfeiture of this Licence or as an election on the Licensor's part to terminate this Licence unless a written notice of such intention is given to the Licensee. Notwithstanding any such reletting without termination, the Licensor may at any time thereafter elect to terminate this Licence for such previous breach.
- (d) If the Licensor at any time terminates this Licence for any breach, in addition to any other remedies it may have, it may recover from the Licensee all damages it incurs by reason of such breach, including without limitation the cost of recovering the Licenced Premises, professional and solicitor's fees (on a "solicitor and his own client" basis) and including the worth at the time of such termination of the excess, if any, of the amount of Rent and charges equivalent to Rent required to be paid pursuant to this Licence for the unexpired remainder of the Term, had it not been terminated, over the then rental value of the Licenced Premises, as determined by the Licensor, for such unexpired remainder of the Term, all of which amounts shall be paid by the Licensee as Additional Rent upon demand.
- (e) In any of the events referred to hereof, in addition to any and all other rights or remedies of the Licensor, including the rights referred to in this section, the full amount of the current month's installment of Rent and any other payments required to be made monthly hereunder, together with the next three (3) months' installments of Rent for the next three (3) months, all of which shall be deemed to be accruing due on a day-to-day basis, shall immediately become due and shall be paid by the Licensee to the Licensor as accelerated Rent, and the Licensor may immediately distrain for it, together with any Rent arrears then unpaid.
- (f) The Licensee's obligations shall survive the expiration or earlier termination of this Licence.

9.3 Expenses

- (a) If any legal proceeding is brought for recovery of possession of the Licenced Premises, for the recovery of Rent or any other amount due under this Licence, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Licensee to be kept or performed, and provided that the Licensor obtains a judgement in respect thereof against the Licensee, then the Licensee shall pay to the Licensor as Additional Rent, upon demand, all reasonable costs and expenses incurred therefor (including without limitation all professional and consultant fees, and all legal fees on a "solicitor and his own client" basis, disbursements and all court costs and expenses of any legal proceeding); and the term "proceeding" shall include, without limitation, any arbitration, administrative, governmental, quasi-governmental or any other mediation proceeding and the term "judgement" shall include, without limitation, an award in favour of the Licensee pursuant to such proceeding.
- (b) Without limiting the generality of the immediately preceding clause or any other provisions of this Licence, the Licensee shall pay to the Licensor, as Additional Rent upon demand, all costs and expenses (including without limitation, those fees and disbursements, costs and expenses set out in the bracketed insert in the immediately preceding clause of this section) which the Licensor may incur or pay out by reason of, or in connection with:
 - (i) any proceeding by the Licensor to terminate this Licence or for the recovery of possession of the Licenced Premises or for the recovery of Rent;
 - (ii) any other proceeding by the Licensor against the Licensee relating to default by the Licensee;
 - (iii) any distress levied by the Licensor against the Licensee's goods, chattels and inventory or any of them on the Licenced Premises for the recovery of Rent;
 - (iv) any material default by the Licensee in the observance or performance of any obligations of the Licensee under this Licence whether or not the Licensor commences any proceeding against the Licensee;
 - (v) any proceeding brought by the Licensee against the Licensor (or any officer, agent or employee of the Licensor) in which the Licensee fails to secure a final judgement against the Licensor;
 - (vi) excluding any expenses incurred prior to execution of this Licence, any amendment, modification or change in any of the terms of this Licence initiated by the Licensee and

any request or negotiations pertaining thereto, whether or not such amendment, modification or change is finally agreed on;

- (vii) any renewal, extension, surrender or release of this Licence initiated by the Licensee and any request or negotiations pertaining thereto, whether or not such renewal, extension, surrender or release becomes effective;
 - (viii) any Transfer of this Licence or any leasehold Mortgage and any request or negotiations pertaining thereto, whether or not such Transfer is approved and finally agreed on; and
 - (ix) any Occupant Agreement not in the Ordinary Course of Operations.
- (c) The Licensee's obligations under this section shall survive the expiration or earlier termination of this Licence.

9.4 Licensor May Cure Licensee's Default or Perform Licensee's Covenants

- (a) If the Licensee is in default in the performance of any of its obligations hereunder (other than the payment of Rent required to be paid by the Licensee pursuant to this Licence) the Licensor may from time to time (but shall not be obligated) after giving such notice as it considers sufficient (or without notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be required, including without limitation, entering upon the Licenced Premises and doing such things upon or in respect of the Licenced Premises or any part thereof as the Licensor considers requisite or necessary.
- (b) All expenses incurred and expenditures made pursuant to this section, plus a sum equal to 15% thereof representing the Licensor's overhead, shall be paid to the Licensor as Additional Rent upon demand.
- (c) The Licensor shall have no liability to the Licensee or to any other Person for any claims, actions, damages, loss or injury resulting from any such action, entry or performance of any work by the Licensor upon the Licenced Premises.

9.5 Remedies Cumulative

The Licensor may, from time to time, resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Licensee, either by any provision of this Licence or by law, all of which rights are intended to be cumulative and not alternative. The express provision hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Licensor by law.

ARTICLE 10 - OBLIGATIONS OF THE LICENSOR

10.1 Quiet Enjoyment

The Licensor covenants and agrees with the Licensee throughout the term of this Licence that upon payment of the Rent hereby reserved at the times and in the manner herein provided and upon the observance and performance of each and every of the covenants, conditions, restrictions and stipulations by the Licensee to be observed or performed, the Licensee shall and may peaceably and quietly possess and enjoy the Licenced Premises during the term of the Licence without any interruption from or by the Licensor or any other Persons lawfully claiming by, through or under it, save and except as expressly provided in this Licence.

10.2 Access to Common Facilities

The Licensee and its employees and invitees will be permitted by the Licensor to have the use in accordance with the provisions of this Licence, in common with others entitled thereto, of the areas of the London International Airport used by the public or other Licensees generally from time to time and roadways providing access to the Leasehold Premises. Notwithstanding the foregoing, the Licensor, acting reasonably, has the right to restrict for security, safety and operational purposes, the Licensee's access to other areas within the London International Airport.

10.3 Superior Licence Obligation

The Licensor shall perform its obligations as Licensee under the Head Licence respecting, inter alia, the Licenced Premises, and the Licensor shall make reasonable efforts to exercise its rights under the Head Licence for the benefit of the Licensee. Provided, however, that the Licensor shall not be liable for the delay or default of the Crown in honouring any of its covenants under the Head Licence.

10.4 Conduct of Business

The Licensor agrees that it will, during the Term, conduct business in a commercially reasonable manner having regard to its responsibility for the overall operations of the London International Airport as a commercial airport facility.

10.5 Licensor's Right to Sublet

The Licensor represents and warrants that it has the right to grant this Licence on the terms and conditions contained herein and that such grant and the proposed use hereunder does not constitute a breach of the Head Licence.

ARTICLE 11 - SURRENDER OF LICENCED PREMISES

11.1 Surrender upon Expiration of the Term

At the expiration of the Term the Licensee shall peaceably surrender and yield up to the Licensor the Licenced Premises.

ARTICLE 12 - INSURANCE

12.1 General Requirements

The Licensee covenants and agrees that throughout the Term of this Licence and any period when it is using the Licenced Premises, it shall purchase, provide and maintain, at its expense, or cause to be maintained the Insurance set out in Schedule "B" attached subject to reasonable deductibles and the requirements, terms and conditions set out below.

12.2 Policies of Insurance

Each policy of the Insurance shall:

- (a) with respect to liability Insurance, be enforceable by any party named as an additional insured thereunder and contain a cross liability and severability of interest clause;
- (b) be primary, non-contributing with, and not in excess of any other insurance available to the Licensor;
- (c) specify that the Licensor and the Crown are named as additional insured's to the extent of the Licensee's obligations hereunder;
- (d) contain a prohibition against cancellation or material change that reduces or restricts the Insurance except on no less than thirty (30) days' prior written notice to the Licensor;
- (e) with respect to property insurance:
- (f) name the Licensor as loss payee to the extent of its interest;
- (g) contain a waiver of any subrogation rights that the insurers may have against either the Licensor or the Crown and against those for whom either the Licensor or the Crown are responsible in law to the extent of the Licensee's obligations hereunder; and
- (h) not contain any co-insurance requirements or in the alternative, be written on a stated amount co-insurance only; and
- (i) be in a form and with insurers satisfactory to the Licensor, acting reasonably.

12.3 Compliance with Policies of Insurance

The Licensee shall not do nor omit to do or suffer anything to be done in or about the Land and Buildings which will in any way invalidate, adversely affect or limit any Insurance.

12.4 Licensor's Right to Remedy

If any Insurance policy shall be cancelled or shall be threatened by the insurer to be cancelled, refused to be renewed or the coverage thereunder reduced in any way by the insurer by reason of the use, occupation, operation or maintenance of the Licenced Premises or any part thereof by the Licensee or anyone permitted by the Licensee to be upon the Licenced Premises, or if the Licensee neglects or omits to pay any premiums or other sums of money payable for maintaining Insurance, and if the Licensee fails to remedy the condition giving rise to cancellation, threatened cancellation or reduction in coverage within 48 hours after notice thereof from the insurer or if the Licensee is unable or unwilling to

purchase, provide or maintain any Insurance required hereunder, the Licensor, in addition to any other remedy, may, at its option:

- (a) remedy the condition giving rise to such cancellation, threatened cancellation or reduction in coverage and the Licensee shall forthwith pay the costs thereof to the Licensor as Additional Rent; and
- (b) without assuming any obligation in connection therewith and without prejudice to any other rights and remedies of the Licensor, pay such premiums or other amounts or effect such Insurance at the sole cost of the Licensee, and all outlays and expenses incurred by the Licensor shall be immediately paid by the Licensee to the Licensor as Additional Rent.

12.5 Proof of Insurance

The Licensee shall, prior to the Commencement Date, deliver to the Licensor certificates of insurance reasonably acceptable to the Licensor signed by the Licensee's insurer, agent or broker evidencing the required Insurance and shall provide upon request evidence from time to time that any such policy is in full force and effect during the Term of this Licence and any period of time when the Licensee is using the Licenced Premises, and shall provide to the Licensor evidence of renewal of such Insurance. Where the Licensor is of the reasonable opinion that any such certificates of insurance do not sufficiently describe the Insurance then the Licensee shall provide such further information respecting the Insurance as the Licensor may request, other than for the actual policies of Insurance. Delivery to and examination by the Licensor of any certificate of Insurance or other evidence of Insurance in no way shall relieve the Licensee of any of its obligations to ensure strict compliance with the provisions of this Article nor in respect of its obligations to indemnify as contained in this Licence, and in no way shall operate as a waiver by the Licensor of any of its rights.

ARTICLE 13 - GENERAL ARTICLE

13.1 Agency

The parties hereto specifically agree that nothing in this Licence shall be construed to establish any partnership, joint venture or relationship of agent and principal as between the Licensor and the Licensee herein.

13.2 Headings

Any note appearing as a heading in this Licence has been so inserted for convenience and reference only and of itself cannot define, limit or expand the scope or meaning of the present Licence or any of its provisions.

13.3 Enurement

This Licence and everything herein contained shall enure to the benefit of and be binding upon the successors and permitted assigns of the Licensee, as the case may be, and nothing herein shall restrict the ability of the Licensor to transfer or assign its interests herein.

13.4 Provisions Separately Valid

If any covenant, obligation, agreement, term or condition of this Licence or the application thereof to any Person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Licence or the application of such covenant, obligation, agreement, term or condition to Persons or circumstances other than those in respect of which it is held invalid or unenforceable, shall not be affected thereby and each covenant, obligation, agreement, term and condition of this Licence shall be separately valid and enforceable to the fullest extent permitted by law.

13.5 Waiver Negated

The waiver or acquiescence by either party or any breach of any covenant, term or condition of this Licence shall not be deemed to be a waiver of the covenant, term or condition or any subsequent or other breach of any covenant, term or condition of this Licence.

13.6 Subordination and Attornment

- (a) This Licence is and shall be subordinate at all times to any mortgage or mortgages, granted by the Licensor, or the lien or charge resulting from any other method of financing or refinancing, now or hereafter in force in respect of the London International Airport of which the Licenced Premises are a part and to all advances made or hereafter to be made upon the security thereof; provided that, so long as the Licensee is not in default, the Licensor shall obtain from the holder of any such mortgage, lien or charge in respect of which the Licensee has executed an instrument of postponement, subordination or attornment as required hereby, its agreement to

permit the Licensee to continue in occupation of the Licenced Premises in accordance with the terms of this Licence.

- (b) Upon request at any time and from time to time, the Licensee shall subordinate this Licence and all of its rights hereunder in such form as the Licensor requires to any and all mortgages or the charge or lien resulting from, or any instrument of, any financing, refinancing and to all advances made or hereafter to be made upon the security thereof, and shall, if applicable, postpone any instrument registered by the Licensee pursuant to section 15.9 hereof, and if requested, the Licensee shall attorn to the holder thereof and to the registered owners of the London International Airport or any part thereof; provided that, so long as the Licensee is not in default, the Licensor shall obtain from the holder of any such mortgage, lien or charge in respect of which the Licensee has executed an instrument of postponement, subordination or attornment as required hereby, its agreement to permit the Licensee to continue in occupation of the Licenced Premises in accordance with the terms of this Licence.

13.7 Certificate by Licensee

Within ten (10) days after any request therefor by the Licensor, or upon any sale, assignment, Licence or mortgage of the Land or the London International Airport or any part thereof by the Licensor, the Licensee shall in each instance execute and deliver, in a form to be supplied by the Licensor, a status statement to the Licensor or to any assignee, mortgagee, purchaser or any other Person designated by the Licensor stating (if such is the case):

- (a) That this Licence is unmodified and in full force and effect (or if there have been modifications, that this Licence is in full force and effect as modified and identifying the modification agreements), and that this Licence constitutes the whole of the legal relationship between the Licensor and the Licensee;
- (b) Whether or not this Licence is in good standing and whether there are any existing or alleged outstanding claims by either the Licensor or the Licensee under this Licence with respect to which a notice of default has been served, and specifying the nature and extent thereof;
- (c) Whether or not there are any set-offs, defences or counterclaims against enforcement of the obligations to be performed by the Licensee under this Licence;
- (d) The state of the Rent account; and
- (e) Such other matters relating to this Licence as may be requested by the Licensor acting reasonably.

13.8 Certificate by Licensor

Within ten (10) days after any request therefor by the Licensee upon any sale, assignment, Licence or mortgage of the Licenced Premises or any part thereof by the Licensee, the Licensor shall in each instance execute and deliver, in a form to be supplied by the Licensee, a status statement to the Licensee or to any assignee, mortgagee, or purchaser designated by the Licensee stating (if such is the case):

- (a) That this Licence is unmodified and in full force and effect (or if there have been modifications, that this Licence is in full force and effect as modified and identifying the modification agreements), and that this Licence constitutes the whole of the legal relationship between the Licensor and the Licensee;
- (b) Whether or not this Licence is in good standing and whether there are any existing or alleged outstanding claims by either the Licensor or the Licensee under this Licence with respect to which a notice of default has been served, and specifying the nature and extent thereof;
- (c) Whether or not there are any set-offs, defences or counterclaims against enforcement of the obligations to be performed by the Licensor under this Licence;
- (d) The state of the Rent account; and
- (e) Such other matters relating to this Licence as may be requested by the Licensee acting reasonably.

13.9 Registration of Licence

- (a) Neither the Licensee nor anyone on the Licensee's behalf or claiming under the Licensee shall register this Licence in whole or in part or any assignment or sublease of this Licence against the titles to the Land or the lands comprising the London International Airport, but may register a notice with respect thereto provided that such notice of Licence shall only disclose the parties, the Licenced Premises, and the Commencement Date and expiration date of the Term (including any renewal rights contained in this Licence), and provided that the Licensors must approve the forms of such notice of Licence. All costs and expenses involved in the preparation, approval, execution and registration of any such caveat shall be the sole responsibility of the Licensee, and the Licensee shall provide the Licensors with a registered or certified copy of such document containing the details of registration.
- (b) Upon the expiration or earlier termination of this Licence, the Licensee shall, at its expense, forthwith remove and discharge such caveat, if any, from the title to the Lands and the lands comprising London International Airport. This obligation shall survive the expiration or earlier termination of this Licence.

13.10 Governing Law

This Licence shall be construed and governed by the laws of the Province of Ontario and the parties agree to attorn to the jurisdiction of the courts of Ontario.

13.11 Time of the Essence

Time shall be strictly of the essence of this Licence.

13.12 Further Assurances

The parties shall execute such further assurances as may reasonably be required to give effect to any provision of this Licence.

13.13 Entire Agreement

This Licence shall be deemed to constitute the entire agreement between the Licensors and the Licensee hereto with respect to the subject matter thereof and shall supersede all previous negotiations, representations and documents in relation hereto made by any party to this Licence.

13.14 Canadian Funds

All references to "dollars" herein shall mean "Canadian dollars".

13.15 Joint Venture etc.

The Licensee agrees that it will not assert that a joint venture, partnership or principal-and-agent relationship exists between the Licensors and the Crown.

13.16 Planning Act

This Licence is entered into subject to the provisions of and compliance with the provisions of all applicable legislation dealing with planning restrictions in the event that the same are applicable. If the Term, including any rights of renewal under this Licence, shall be expressed to extend for a period in excess of the maximum period for which a Licence may be granted without the consent of the body having jurisdiction pursuant to such legislation ("Maximum Period") then, until any necessary consent to this Licence is obtained pursuant to the provisions of the applicable legislation, the Term together with any rights of renewal pursuant to this Licence shall be conclusively deemed to extend for the Maximum Period less one (1) day from the Commencement Date; any application required to obtain any necessary consent pursuant to the applicable legislation shall be prosecuted by the Licensee and the Licensee shall be solely responsible for all costs of such application and all costs, levies and charges of any kind whatever which shall be charged or imposed as a result of the application for consent pursuant to the applicable legislation and to obtain such consent. The Licensee shall provide to the Licensors copies of all applications, correspondence and other documents in relation to any application for consent pursuant to such legislation and shall keep the Licensors informed of all matters relating to the prosecution of such application. Notwithstanding the foregoing, the Licensors shall have the right, at its option, to apply for any such necessary consent and if the Licensors do so, the Licensee shall bear the full cost thereof and shall be responsible for all costs, levies and other charges charged or imposed as a result of such application or in order to obtain such consent.

ARTICLE 14 - NON-DISTURBANCE AGREEMENTS

14.1 Application to Crown

If, either as a condition of this Licence or at any time during the Term of this Licence, the Licensee shall require that an agreement be obtained from the Crown whereby upon the expiration or early termination of the Head Licence the Crown will accept and acknowledge the attornment of the Licensee and permit the Licensee to remain in quiet possession of the Licenced Premises without interruption from the Crown (the "Crown's Non-Disturbance Agreement"), and provided that the Licensee is not then in default of any of its obligations to be performed under this Licence, then both the Licensors and the Licensee shall use their respective best efforts, acting reasonably to apply for and obtain the Crown's Non-Disturbance Agreement at the sole cost and expense of the Licensee.

14.2 Conditions of Non-Disturbance Agreement

It shall be a condition of the application for the Non-Disturbance Agreement that in the Crown's Non-Disturbance Agreement the Licensee covenants with the Crown to:

- (a) attorn to the Crown and perform all of its obligations to be performed under this Licence; and
- (b) assign to the Crown any security provided by the Licensee at any time to secure the performance by the Licensee of its obligations under this Licence;

upon the expiration or early termination of the Head Licence.

14.3 Information to be Supplied on Application for Non-Disturbance Agreement

The Licensors and the Licensee agree to provide to the Crown such status statements, information and any other documents which in any way relate to this Licence and the Licenced Premises which the Crown may require, including, without limitation such credit, financial and business information relating to the Licensee as the Crown may require, when applying for the Crown's Non-Disturbance Agreement.

14.4 Information Supplied on Application for Lender's Non-Disturbance Agreement

The Licensors and the Licensee agree to provide to any mortgagee or chargee of the London International Airport, of which the Demised Premises form a part, such status statements, information and any other documents which in any way relate to this Licence and the Licenced Premises which such mortgagee or chargee may require, including, without limitation such credit, financial and business information relating to the Licensee as such mortgagee or chargee may reasonably require, when applying for the Lender's Non-Disturbance Agreement.

ARTICLE 15 - ENVIRONMENTAL MATTERS ARTICLE

15.1 Environmental Report

- (a) The Licensors have commissioned at its cost the preparation of an environmental report (the "Environmental Report") of the Land by an independent consultant in accordance with terms and conditions agreed to as between the parties hereto prior to the commissioning of such report.
- (b) The Licensors shall furnish to the Licensee a copy of the Environmental Report.
- (c) Upon the Licensee's receipt of the Environmental Report:
 - (i) the Licensee may require that the Licensors undertake a further environmental assessment of the Land at the Licensee's cost (the "Supplemental Report"); or
 - (ii) the Licensee may undertake the Supplement Report at its cost.
- (d) The party hereto who undertakes the Supplemental Report shall furnish the other party with a copy of the Supplemental Report forthwith upon receipt of same.

15.2 Acceptability of Environmental Report

The Environmental Report shall constitute the Baseline Report, which Baseline Report shall constitute:

- (a) the environmental baseline for the Land as at Commencement Date; and
- (b) prima facie evidence of the existence of any substance and the quantity thereof affecting the soil of the ground water in, on, or over the Land as at Commencement Date.

15.3 Agreement on Remedial Work

If the Baseline Report indicates the existence of a substance adversely affecting the soil of or the ground water in, on, or over the Land, the parties hereto shall meet to attempt to arrive at an agreement with respect to determining the nature, extent, cost and allocation of the cost of any work required to remedy the adverse environmental condition caused by the existence of the substance, as aforesaid.

15.4 Termination of Licence

In the event that the parties hereto are unable to reach the agreement as contemplated in section 17.3 hereof, then either party may forthwith terminate this Licence. In the event of such termination, this Licence shall be absolutely null and void and each of the parties hereto shall be relieved of any and all obligations to the other arising out of this Licence.

15.5 Compliance with Laws Relating to the Environment

- (a) Without limiting the generality of any other covenants herein, from and after the Commencement Date, the Licensee shall, at its own cost and expense, comply with, and shall ensure that all Occupants and Transferees comply with all applicable laws from time to time in force relating to environmental matters, the manufacture, use, storage, disposal and transportation of any substance and the protection of the environment generally and shall immediately give written notice to the Licensor of the occurrence of any event in or on the Licenced Premises constituting a breach of or an offence thereunder or a breach of this provision and, if the Licensee shall, either alone or with its agents, servants, employees or contractors, or other Persons for whom it is, in law, responsible, cause the happening of any such event, the Licensee shall, at its own expense:
- (i) immediately give the Licensor notice to that effect and thereafter give the Licensor from time to time written notice of the extent and nature of the Licensee's compliance with the following provisions of this subsection;
 - (ii) promptly perform any work at Licensee's cost and expense, which will result in conformity and compliance with all applicable laws governing such substance;
 - (iii) if requested by the Licensor, and at Licensee's cost and expense, obtain a certificate from an independent consultant designated or approved by the Licensor verifying the complete and proper compliance with the requirements of any applicable law relating to such substances or, if such is not the case, reporting as to the extent and nature of any failure to comply with the foregoing provisions of this subsection;
 - (iv) promptly cease any activity which causes or permits any substance to be released, spilled, leaked or to flow onto or into the Licenced Premises or any adjacent land, air or water or results in any substance being released into the environment and which constitutes a breach of applicable laws from time to time in force relating to environmental matters; and
 - (v) if requested by the Licensor, and at Licensee's cost and expenses, obtain a certificate from an independent consultant designated or approved by the Licensor verifying that any activity referred to in paragraph (iv) above has ceased.
- (b) The Licensee shall, at its own cost and expense, remedy any damage to the Licenced Premises or adjacent land, air or water caused by the occurrence of an event of the nature described in paragraph (a) above or caused by the performance or lack of performance of any of the Licensee's obligations under this section, failing which, the Licensor may enter upon the Licenced Premises and perform such remedial work at the expense of the Licensee and such expense shall be deemed as Additional Rent.
- (c) To the extent that it is commercially reasonable so to do, the Licensee shall at all times maintain environmental damage liability insurance in an amount and form and with loss payable satisfactory to the Licensor and shall submit proof thereof to the Licensor.

15.6 Limitation of Licensee's Responsibility

The Licensee's responsibility for substances adversely affecting the soil of or ground water in, on, or over the Land shall not extend to or include:

- (a) substances not identified in the Baseline Report and which either existed at the date of the Baseline Report or were added to or put in, on or over the Land on or after the Commencement

Date by any Person other than the Licensee, its agents, employees, contractors or other Persons for whom it is, in law, responsible; and

- (b) substances which existed as at the date of the Baseline Report, which were identified in the Baseline Report, but were of a quantity greater than that identified in the Baseline Report, unless such greater quantity resulted from the operations of the Licensee or the use and occupancy of the Land by the Licensee.

15.7 Licensor's Right to Have Environmental Audit Performed

- (a) Either the Licensor or its independent contractors may at Licensor's cost at any time upon 48 hours prior notice to the Licensee, enter on the Licenced Premises to determine the existence of any substance in or on any part of the Licenced Premises which causes or contributes to an adverse environmental condition, to establish the estimated cost (including usual contingencies) to remedy such adverse environmental condition and return the Land to a condition which is to be determined by the specific use thereof and which is in compliance with all applicable environmental laws, and for such purpose the Licensor or such contractor may, without limitation, carry out soils, water, environmental or other tests, measurements or surveys in, on or below the Licenced Premises or any part thereof.
- (b) The Licensor shall provide the Licensee with a copy of the environmental audit referred to above immediately after its completion.

15.8 Licensee to Perform

Should the environmental audit referred to in section 15.7 hereof reveal the existence of any substance in or on any part of the Licenced Premises which causes or contributes to an adverse environmental condition and if it is determined that such condition has been caused by or contributed by the operations of the Licensee or the use and occupancy of the Land by the Licensee, the Licensee shall forthwith, at its cost and expense, carry out any work required by applicable environmental laws to remedy such adverse environmental condition, subject to any permissible deferral pursuant to Section 15.5(a)(ii) hereof.

15.9 Licensor May Perform

In the event that the Licensee fails to promptly commence and diligently complete any work it is required to perform pursuant to section 15.7 hereof, the Licensor may enter onto the Licenced Premises itself or by its agents, servants, employees, contractors and subcontractors and perform any such work at the cost and expense of the Licensee (and such cost and expense shall be deemed Additional Rent), but having commenced such work, the Licensor shall have no obligation to the Licensee to complete such work.

15.10 Ownership of Substances

If the Licensee shall bring, permit, suffer or create in or on the Licenced Premises any substance or if the conduct of any business or undertaking on any part of the Licenced Premises or the use of any part of the Licenced Premises shall cause there to be any substances upon the whole or any part of the Licenced Premises which cause or contribute to any adverse environmental condition then, notwithstanding any rule of law to the contrary, such substances shall be and remain the sole and exclusive property of the Licensee and shall not become the property of the Licensor notwithstanding the degree of affixation of the substance or the goods containing the substance to the Licenced Premises and notwithstanding the expiry or early termination of this Licence.

15.11 Licensee's Burden of Proof

The Licensee shall have the burden to prove that:

- (a) on the Commencement Date there were substances affecting the soil and ground water in, on, or under the Land other than those identified in the Baseline Report;
- (b) on the Commencement Date the quantity of any substance identified in the Baseline Report was not more than the quantity thereof identified in the Baseline Report; and
- (c) the Licensee or its agents, employees, contractors or other Persons for whom the Licensee is, in law, responsible, have not caused or contributed to the occurrence of any event in or on the Licenced Premises constituting a breach of or an offence under all applicable laws from time to time in force relating to environmental matters by the addition of substances other than those identified in the Baseline Report or by the addition of substances in a quantity greater than the quantity thereof as identified in the Baseline Report;

In the case of such proof, the Licensee shall be relieved of any liability or responsibility for any remedial work required by the Licensee to be performed pursuant to section 17.8 hereof.

15.12 Survival of Obligations

The obligations of the Licensee under this Article shall survive the expiry or early termination of this Licence. If after the expiry or early termination of this Licence the performance of those obligations requires access to the Land, the Licensee shall have such entry and access at such times and upon such terms and conditions as the Licensor may from time to time specify.

ARTICLE 16 - NOTICES

- (a) Whenever in this Licence, it is required or permitted that notice or demand be given or served by either party of this Licence to or on the other, such notice or demand will be in writing and will be validly given or sufficiently communicated if forwarded by registered mail, priority post mail or sent by facsimile to the parties' respective addresses, as follows:

To the Licensor: London International Airport
 10 Seabrook Way
 London, ON
 N5V 3B6
 Phone: (519) 452-4018
 Fax: (519) 453-6219
 Attention: Gerry Vanderhoek
 Manager, Commercial Services & Passenger Experience
 gvanderhoek@flylondon.ca

To the Licensee: **Licensee Contact Information**

- (b) Such addresses may be changed from time to time by either party giving notice as above provided.
- (c) If any question arises as to whether any notice was or was not communicated by one party to the other, it shall be deemed to have been effectively communicated or given on the day delivered or sent by facsimile, or in the case of being given by mail, on the fifth day after it was mailed.

IN WITNESS WHEREOF, the parties have executed this Licence effective as of the day and year first above written:

Greater London International Airport Authority

Per: _____ c/s

Licensee

Per: _____ c/s

SCHEDULE "A"

(Drawing or Description of Licenced Premises)

SCHEDULE " B "

The Insurance shall be as follows:

The Licensee may elect to self-insure any of the Insurance it is required to purchase pursuant to this Licence. If the Licensee so elects, its obligation to the Licensor or the Crown shall remain as set out in the Insurance requirements notwithstanding its decision to self-insure.

- (a) with respect to property insurance:
 - (i) shall provide coverage in an amount not less than the full replacement cost of the Buildings and Leasehold Improvements.
 - (ii) shall be all risks including flood, earthquake, water damage, and spoilage (resulting from, inter alia, utility interruption or breakdowns of equipment), and, if required by the Licensor, shall include broad comprehensive boiler and machinery insurance;
 - (iii) shall, without limiting the generality of the foregoing, include:
 - (a) business interruption insurance; and
 - (b) contingent business interruption insurance or, alternatively, rental income insurance to cover loss of Rent payable by the Licensee to the Licensor hereunder for all or part of the Licenced Premises rendered unusable by an event covered or which ought to be covered by Insurance specified herein;

which coverage shall be for a minimum of twelve (12) months and include coverage for direct or indirect loss of earnings including prevention of access to the Licenced Premises or any part thereof or to the Air Terminal Building;

- (b) five million dollars of a broad form of inclusive limits comprehensive general liability insurance, on an occurrence basis, covering all operations and activities of the Licensee, including, without limitation, coverages, extensions or additions for:
 - (i) owners' and contractors' protective;
 - (ii) products and completed operations;
 - (iii) bodily injury;
 - (iv) personal injury;
 - (v) blanket contractual liability;
 - (vi) occurrence property damage;
 - (vii) defence costs;
 - (viii) garage liability;
 - (ix) cross liability; and
 - (x) legal liability coverage with respect to all construction, installations and alterations done in the Licenced Premises by the Licensee.
- (c) one million dollars inclusive limits automobile liability insurance including non-owned and contractual liability coverage, covering all licensed vehicles owned or operated by the Licensee and the Licensee shall ensure such coverage is in place with respect to any licensed vehicle operated on its behalf; and
- (d) during any time during which the Licensee is constructing the Buildings, or any improvements, renovations or alterations to the Land or Buildings, builder's all risk insurance which provides for:
 - (i) property coverage during course of construction;
 - (ii) wrap-up liability for the construction project; and
- (e) any other form of insurance that the Licensor acting reasonably requires from time to time.

For the purposes of the insurance coverage, "replacement cost" means the cost of repairing, replacing, or reinstating any item of property with new materials of like kind and quality without deduction for physical, accounting or any other depreciation and include, without limitations, the full coverage for loss resulting from the enforcement of by-laws as if the by-law or statute pursuant to which the by-law as passed were applicable to the Licensor.