

THIS INDENTURE

Made as of the 1st day of February two thousand and twenty-one, In
pursuance of The Short Forms of Leases Act

BETWEEN:

THE CORPORATION OF THE TOWN OF GODERICH

herein called the "**Lessor**",
of the First Part

and **Goderich Owners & Aircraft Association**
C/O Chris Watson

herein called the "**Lessee**",
of the Second Part

WITNESSETH, that in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Lessee, the Lessor doth demise and lease unto the Lessee, Lessee's heirs, executors, administrators and permitted assigns, all that

"T" Hangar Unit #6 (sixth unit from south end of Hangar #1, the most easterly "T" Hangar) located on Part of Block A, Western Division in the Township of Ashfield-Colborne-Wawanosh, that is occupied by the establishment known as "Goderich Municipal Airport" for the sole purpose of storing an aircraft (the "demised premises").

1. TERM

1.1 To have and to hold the said demised premises for and during the term of three years, commencing on the 1st day of February, 2021, and ending on the 31st day of January, 2024 (the "term"). The Lessee may terminate this lease without cause with 30 days' written notice to the Lessor and such termination shall take effect at the end of the month following the month in which the notice was given. The Lessor may not terminate this lease during the term, except as set out herein.

2. RENT

2.1 Yielding and paying therefore monthly and every month during the said term unto the said Lessor, the sum of \$190.69 per month plus applicable taxes (the "rent") to be adjusted annually on January 1st by the CPI. The CPI rate to be that of the average CPI rate of the previous 12 months of each year of the term of the lease. Payment to be made in advance on the first day of each month. The rent shall include the use of the demised premises, any and all Goderich Municipal Airport access fees both by land and by air, hydro or other applicable utilities and any real property taxes.

2.2 The first of such payments to become due and be paid on the 1st day of February, 2021 and the last payment to become due and be paid on the 1st day of January, 2024.

2.3 Provided that in the event of fire, riot, explosion, settling or shifting of any building, lightning, falling aircraft, tempest, any other Act of God, any capital improvements required by the Lessor as set out herein are being carried out, such that the demised premises are no longer suitable for the use and enjoyment set out herein, rent shall cease until the premises are rebuilt or repairs are completed such that the Lessee may continue to use the demised premises as set out herein.

3. LESSEE'S COVENANTS

The Lessee hereby covenants and agrees with the Lessor as follows:

3.1 To pay the rent set out herein to the Lessor.

3.2. To repair any damage to the demised premises caused by the Lessee during the term and to keep the demised premises in reasonably clean condition. The said Lessor may enter and view the state of repair and cleanliness, upon reasonable written notice and at reasonable times, and provide the Lessee with notice in writing of any such damage or deficiencies. The Lessee will be provided a reasonable opportunity to repair such damage or deficiency within a reasonable period of time after receiving such notice. Notwithstanding the foregoing, the Lessee shall not be responsible for repairing reasonable wear and tear to the demised premises, capital maintenance to the demised premises and any damage as a result of fire, riot, explosion, settling or shifting of any building, lightning, falling aircraft, tempest or any other Act of God.

3.3 To obtain, and pay the premium for liability insurance in respect to aircraft that are to be stored in the said demised premises, in the minimum amount of \$2,000,000 with the Town of Goderich named as an additional insured and agree to forward to the Lessor a copy of the policy of such insurance and the annual renewals thereof upon written request by the Lessor.

3.4 To indemnify the Lessor against all demands, actions, causes of action and costs including legal costs of any kind to which the Lessor may become liable by reason of any breach, violations or non-performance by the Lessee of any covenant, term or provision of this lease or any injury, death or damage to property occasioned to or suffered by any person by reason of any act, neglect or default by the Lessee or its servants, employees, agents or invitees.

3.5 To not use any building within the demised premises or any part thereof except for the storing of aircraft and other related purposes, nor to use the lands within the demised premises and beyond the building except for usual airport purposes.

3.6 To not carry on upon the said demised premises any business.

3.7 To not erect any building or structure on the demised premises except with the Lessor's written approval.

3.8 To observe and fulfil the lawful provisions and requirements of all statutes, by-laws, rules and regulations, municipal, provincial or federal, relating to the demised premises. Notwithstanding the foregoing, the Lessor shall not be permitted to prepare, cause to be prepared or participate in any way with, any by-laws, rules, regulations or similar governmental documents, which would in any way interfere with the provisions of this lease.

3.9 To not display paint, inscribe, affix or mount any sign, advertisement, notice, lettering or direction on the exterior of the hangar or on the demised premises except with the written consent of the Lessor, acting reasonably.

3.10 To not communicate by radio or other device located within the demised premises or the hangar located thereon with any aircraft on the frequency assigned by the Department of Communications to the Lessor except in the case of an emergency or as required during the usual safe operation of an aircraft.

3.11 To not bring into the Goderich Municipal Airport or store within the demised premises or offer for sale, aviation fuel, gasoline, oil or any petroleum product for any aircraft or vehicle whatsoever, but nothing herein shall prevent the Lessee from bringing into or storing any fuel, gasoline, oil or petroleum product when contained within or required for the fuel storage tank or engine of any aircraft. For clarity, the Lessee shall be permitted to store on the demised premises such of the foregoing products as are reasonably required by the Lessee for the use of an aircraft stored within the demised premises.

3.12 To comply with all regulations, requirements and orders issued by Transport Canada and the Department of Communications as same relate to the Lessee's use of the demised premises.

3.13 To not cause or permit the discharge within the demised premises of any contaminant by

which the demised premises are injured or damaged or endangered save and except as required during the usual use or maintenance of an aircraft such as fumes from a running aircraft. For the purpose of this covenant, "contaminant" means any solid, liquid or gas or any combination of them. Further, for the purpose of this covenant the demised premises shall not be considered to be endangered by any solid, liquid or gas should the same be stored or kept in any manner approved by the appropriate regulating or governing body.

4. INDEMNITY

4.1 Unless caused by the negligence of the Lessor or another person for whose negligence the Lessor is responsible in law, the Lessor shall not be liable for the death of or injury to the Lessee or others on the premises, or for the loss of or damage to property of the Lessee or others by theft or otherwise. Without limiting the generality of the forgoing, the Lessor shall not be liable for death, injury, loss or damage of or to persons or property resulting from fire, explosion, water, rain or snow or leaks from the roof or sub-surface or from any other place or by dampness or other cause of any kind unless arising through the negligence of the Lessor or other person for whose negligence the Lessor is responsible in law. The Lessor is not liable for death, injury, loss or damage caused by other Lessees or occupants on the premises or in any part of the premises unless caused by the negligence of the Lessor or another person for whose negligence the Lessor is responsible in law.

5. LESSOR'S COVENANTS

5.1 The said Lessor covenants with the said Lessee for quiet enjoyment of the demised premises. The Lessee shall and may peacefully and quietly have, hold, occupy, possess and enjoy the demised premises for the term hereinbefore provided, and during any renewals or extensions thereof provided that the Lessee pays the rent as herein set forth and keeps, observes and performs all of the other covenants and provisions as required in this lease.

5.2 The Lessor agrees during the term to cut the grass and remove snow within and around the demised premises in accordance with its usual practice or such other practice as it may determine, acting reasonably.

5.3 The Lessor agrees to repair, replace or maintain any capital repairs required at the demised premises during the term. Such capital repairs shall include, but not be limited to, repairs to the structure including the roof, walls, windows and doors and repairs to any systems such as electrical, mechanical, etc. Notwithstanding the foregoing, the Lessor shall not be responsible for any damage caused by the Lessee as set out in subsection 3.2 hereof.

6. RE-ENTRY, LEVY AND DISTRESS

6.1 The Lessee agrees that the Lessor has the right of re-entry on non-payment of rent or non-performance of the covenants subject to the provisions of this lease.

6.2 That in consideration of the demised premises, and of the leasing and letting by the Lessor to the Lessee of the lands and premises above named for the term hereby created (and it is upon that express understanding that these presents are entered into) that notwithstanding anything contained in the Commercial Tenancies Act, R.S.O. 1990, c.L.7, or in any other Act, which has been or may hereafter be passed in amendment thereof, or substitution therefor, none of the goods or chattels of the Lessee at any time during the continuance of the term hereby created, on said premises shall be exempt from levy by distress for rent in arrears by the Lessee as provided for by any Act above named, and that upon any claim being made for such exemption by the Lessee, or on distress being made by the Lessor, this covenant and agreement may be pleaded as an estoppel against the Lessee in any action brought to test the right to the levying upon any such goods as are named as exempted in said Act or Acts, the Lessee waiving, as the Lessee hereby does, all and every benefit that could or might have accrued to the Lessee under any or by virtue of the said Acts, or any amendment thereof, but for the above covenant.

7. DEFAULT

7.1 It is hereby agreed between the parties hereto that if the term hereby granted, or any of the goods or chattels of the Lessee, shall at any time during the said term be seized or taken in execution or in attachment by any creditor of the Lessee or if the Lessee shall make any assignment for the benefit of creditors, or becoming bankrupt or insolvent shall take the benefit of any Act that may be in force for bankrupt or insolvent debtors, the then current and next ensuing rent shall immediately become due and payable, and the said term shall, at the option of the Lessor, immediately become forfeited and determined, and in such case the Lessor may re-enter and take possession of the said demised premises as though the Lessee, or the Lessee's servants, or any other occupant of the said demised premises was holding over after the expiration of the said term.

7.2 If the Lessee shall fail to pay any rent when due and shall allow such default to continue for ten (10) days after written notice from the Lessor or shall fail to perform any of the other covenants, conditions or agreements herein contained and shall allow any such default to continue for thirty (30) days after written notice of such default from the Lessor, save and except any repairs required pursuant to subsection 3.2 that require additional time to complete, acting reasonably, then the lease hereby granted may, at the option of the Lessor be terminated and the estate hereby vested in the Lessee and any other rights of the Lessee hereunder shall thereupon immediately cease and expire.

7.3 If the Lessee shall default in the performance of any covenant in this lease (except the covenant to pay rent) and if such default shall continue beyond the period set out in subsection 7.2, the Lessor may perform that covenant on the Lessee's behalf and may enter the demised premises for that purpose and shall not be liable to the Lessee save and except any negligence of the Lessor or another person for whose negligence the Lessor is responsible in law. If the Lessor at any time is compelled to pay any reasonable expense including legal fees in instituting, prosecuting or defending any action or proceeding based upon any default of the Lessee of this lease (including any action or proceeding against the Lessee), any reasonable sum including legal costs so paid by the Lessor together with all interest and damages, shall be payable to the Lessor on demand.

8. ENTRY BY LANDLORD

8.1 The Lessor may place "For Rent" or "For Sale" signs in or on the demised premises, provided that "For Rent" signs shall not be placed in or on the demised premises prior to the sixty (60) days at the end of the term or any renewal thereof. The Lessee will not remove or permit anyone to remove any such signs. The Lessor shall have the right to show the demised premises to any Mortgagee or Purchaser upon reasonable notice to the Lessee and at reasonable hours.

9. NO WAIVER

9.1 No exercise of a specific right or remedy by the Lessor or by the Lessee precludes it from or prejudices it in exercising another right or pursuing another remedy or maintaining an action to which it may otherwise be entitled either at law or in equity.

9.2 The waiver by the Lessor or the Lessee of a breach of a term, covenant, or condition of this lease will not be considered to be a waiver of a subsequent breach of the term, covenant or condition or other term, covenant or condition. The subsequent acceptance of rent by the Lessor will not be considered to be a waiver of a preceding breach by the Lessee of a term, covenant or condition of this lease and regardless of the Lessor's knowledge of the preceding breach of this lease, it will not be considered to have been waived by the Lessor or by the Lessee unless the waiver is in writing signed by the Lessor or by the Lessee as the case may be.

10. DESTRUCTION OR DAMAGE

10.1 Notwithstanding subsection 2.3, if during the term of this lease or any renewal thereof, the hangar or any other building on the demised premises is destroyed by any cause whatsoever or partially destroyed by any such cause so that it cannot be repaired with reasonable diligence within one hundred and twenty (120) days of the cause of such damage, then the lease shall cease and become null and void from the date of such damage or destruction. If the hangar or such building shall be irreparable as aforesaid within one hundred and twenty (120) days from the happening of said damage, the rent shall not run or accrue after the date of the said damage. In the event the

hangar or any other building on the demised premises can be repaired or rebuilt with reasonable diligence within one hundred and twenty (120) days of the cause of such damage, the Lessor shall repair or rebuild the hangar or such building with all reasonable speed and the rent shall recommence immediately after such repairs have been completed.

11. NOTICE

All notices which it may be necessary or proper for either party to give to the other shall be effectively given if personally served or if sent by prepaid registered mail in the case of the Lessor to:

The Town of Goderich
57 West Street,
Goderich, ON N7A 4M2

Attention: Clerk

In the case of the Lessee to:

Goderich Owners & Aircraft Association
C/O Chris Watson
105 North Street
Goderich, ON N7A 2T9

All notices so mailed shall be deemed to be received on the third business day after mailing.

Each party may from time to time specify in writing a new address to which any such notice shall thereafter and until further notice be sent.

12. SUBLEASE OR ASSIGNMENT

The Lessee may not sublet or assign its interest in this lease without the written consent of the Lessor, such consent not to be unreasonably withheld. The Lessor may not assign its interest in this lease without the written consent of the Lessee, such consent not to be unreasonably withheld.

13. PRIOR LEASE

The Lessee acknowledges that any previous lease between it and the Lessor in respect of the demised premises is terminated and that the Lessor is the owner of the hangar erected thereon by the Lessee or its predecessors and that, except as provided in this lease, the Lessee has no right, title, claim or interest in such hangar.

14. GENERAL TERMS

14.1 This Lease contains all the representations, warranties, covenants, agreements, conditions and understandings between the Lessor and the Lessee concerning the demised premises or the subject matter of this lease.

14.2 No alternation, amendment, change or addition to this lease will bind the Lessor or the Lessee unless in writing and signed by both of them.

14.3 It is hereby declared and agreed that the expressions "Lessor" and "Lessee", wherever used in this Indenture, shall, when the context allows, include, be binding on and enure to the benefit of not only the parties hereto, but also their respective heirs, executors, administrators, successors, assigns,

and permitted assigns, as the case may be.

14.4 And it is further agreed between the parties hereto that wherever the singular and masculine are used throughout this lease they shall be construed as if the plural or the feminine had been used, where the context or the party or parties hereto so require, and the rest of the sentence shall be construed as if the grammatical and terminological changes thereby rendered necessary had been made.

14.5 The headings in this lease are inserted for convenience of reference only and are not to be considered when interpreting the lease.

14.6 The parties agree that this lease shall be construed in accordance with the laws of Canada and the Province of Ontario, as applicable.

IN WITNESS WHEREOF the said parties hereto have hereunto set out their hands and seals.

SIGNED, SEALED AND DELIVERED	)	GODERICH OWNERS & AIRCRAFT
	)	ASSOCIATION
in the presence of)	
)	
)	
_____)	_____
WITNESS	)	Goderich Owners & Aircraft Association
	)	c/o Chris Watson
)	
)	
	)	THE CORPORATION OF THE TOWN OF
	)	GODERICH
)	
)	_____
	)	MAYOR, John C. Grace
)	
)	
)	_____
	)	CLERK, Andrea Fisher
)	
	)	I/We have the authority to bind the
	)	Corporation