

LEASE AGREEMENT

This Lease Agreement is dated effective the 25th day of April, 2014.

BETWEEN:

TOWN OF CANMORE

a municipal corporation in the Province of Alberta
(the "Landlord", hereafter "the Town")

and

CANMORE ART GUILD

a society under the Societies Act, S-14, R.S.A. 2000
(the "CAG")
(the "Tenant", hereafter "the Service Operator")

IN CONSIDERATION of the rents, covenants and agreements hereinafter contained, the following constitutes a Lease between the parties of the Leased Premises in the building hereinafter set out:

1. BASIC TERMS, SCHEDULES AND DEFINITIONS

1.1 Basic Terms

The following are certain basic lease provisions which are part of the Lease:

- a) **Landlord:** the Town of Canmore, "the Town"
- b) **Address:** 902 7th Avenue, Canmore AB T1W 3K1
Facsimile No. of Landlord: 1.403.678.1524
- c) **Tenant:** The Canmore Art Guild (CAG), "the Service Operator"
- d) **Address:** 102, 700 Railway Avenue, Canmore, AB T1W 1P4
- e) **Address of the Leased Premises:** 102, 700 Railway Avenue, Canmore AB T1W 1P4
- f) **Floor Area:** 1,020 square feet (94.5 square metres) more or less
- g) **Term:** 25 years with possibility of renewal for another 25 years (subject to early termination as set out in paragraph 3.1 herein)
- h) **Commencement Date:** January 1st, 2014
- i) **Basic Rent:** \$1 including GST/year due on April 1st annually.

- j) **Permitted Use of the Leased Premises:** the Service Operator is permitted to use the Leased Premises for the purposes of operating an art display area and gallery, and for associated storage and administrative functions and events subject to the terms and conditions herein.
- k) **Legal Description of Leased Premises:** Area outlined in red in premises located at: Plan 011 1974, Block 6, Lot 6 as detailed in Schedule "A" of this agreement.
- l) The foregoing Basic Terms are hereby approved by the parties and each reference in this Lease to any of the Basic Terms shall be construed to include the provisions set forth above as well as all of the additional terms and conditions of the applicable sections of this Lease where such Basic Terms are more fully set forth.

1.2 Schedules

The following schedules to this Lease are incorporated into and form a part of this Lease:

Schedule "A" – Leased Premises outlined in red

Schedule "B" – Definitions

1.3 Definitions

In this Lease, the words, phrases and expressions set forth in Schedule "B" are used with the meanings defined therein.

2. **GRANT OF LEASE**

2.1 Leased Premises

In consideration of the rents, covenants and agreements herein contained on the part of the Service Operator to be paid, observed and performed, the Town leases to the Service Operator, and the Service Operator leases from the Town, the Leased Premises. Save and except for the completion of any Town's Work, the Service Operator accepts the Leased Premises on an "as is" basis.

2.2 Quiet Enjoyment

The Landlord covenants with the Service Operator for the quiet enjoyment, subject to the provisions of this Lease, and to observe and perform all the covenants and provisions of this Lease on its part to be observed and performed. The Landlord acknowledges that the Service Operator has exclusive control of its activities conducted within the areas shown within Schedule A, and nothing in this Lease is intended to dictate or determine how the Service Operator conducts its business or activities.

3. TERM, COMMENCEMENT, RENEWAL

3.1 Term

The Term of this Lease shall commence on the Commencement Date and run for the period set out in subsection 1.1(g), unless terminated pursuant to the provisions of this Lease.

3.2 Option to Renew

If the Service Operator duly and regularly pays all rent and other sums hereunder to be paid and performs each and every of the covenants, conditions and provisos herein contained and the Lease has not been terminated as provided for herein, the Town shall, at the expiration of the Term, upon request in writing by the Service Operator delivered to the Town at least six (6) months but not more than twelve (12) months prior to the expiration of the Term, grant to the Service Operator at the expense of the Service Operator, a renewal lease of the Leased Premises for a further term of 25 years (the "Renewal Term") from the expiration of the Term upon the same terms and conditions as contained in this Lease except as to the amount of Basic Rent which shall be determined by the Town in consultation with the Service Provider at the time of the renewal.

4. RENT

4.1 Basic Rent

If the Basic Rent indicated in subsection 1.1(i) is increased (with the agreement of both Parties), then the Service Operator shall pay to the Town in and for each Lease Year, Basic Rent in the amount per annum set out in subsection 1.1(i) for the respective Lease Year. The Basic Rent shall be invoiced to the Service Provider in conjunction with the invoicing for any Common Area Operating Costs levied on the Service Provider by the Landlord. The amount of Basic Rent may be reviewed every two (2) years by the Landlord and the Service Provider.

4.2 Payment of Basic Rent

If the Basic Rent indicated in subsection 1.1(i) is increased (with the agreement of both Parties), then the first monthly instalment of Basic Rent shall be paid in advance on the first day of each and every succeeding month throughout the Term, subject to the discretion of the Town as provided for in subsection 4.4(f).

4.3 Pro Rata Adjustment of Rent

If the Basic Rent indicated in subsection 1.1(i) is increased in accordance with subsection 4.2 (with the agreement of both Parties), then all rent shall be deemed to accrue from day to day, and if for any reason it shall become necessary to calculate rent for irregular periods of less than one (1) year or one (1) month, as the case may be, an appropriate pro rata adjustment shall be made in order to calculate rent for such irregular period.

4.4 Payments Generally

All payments by the Service Operator to the Town of whatsoever nature required or contemplated by this Lease shall be:

- a) paid to the Town by the Service Operator in lawful currency of Canada;
- b) made when due hereunder, without prior demand therefore and without any set-off, compensation or deduction whatsoever (except as otherwise provided for in this Lease), at the office of the Town;
- c) applied towards amounts then outstanding hereunder, in such manner as the Town may, in its discretion, see fit, and without restricting the generality of the foregoing, no acceptance by the Town of any amount less than the full sum which is due and owing by the Service Operator shall constitute an accord and satisfaction or oblige the Town to accept in full settlement, anything less than the full amount owing and outstanding at any time; and
- d) subject to an overdue charge if any such payment is not made when due, which charge shall be equal to the then existing Royal Bank of Canada, Main Branch, Calgary, Alberta prime lending rate plus three (3%) percent per annum and shall be payable with the next monthly instalment of Basic Rent, all without prejudice to any other right or remedy of the Town, provided that such interest will not be considered rent but the Town will have the same remedies for, and rights of recovery with respect to such amounts, as it has for the non-payment of rent.

5. TAXES

5.1 Service Operator's Taxes

The Service Operator shall pay promptly when due all business, sales, machinery, equipment and all other taxes, assessments, charges and rates, as well as any permit or license fees, attributable to the Leased Premises or property, business, sales or income of the Service Operator in respect of the Leased Premises.

As a municipal building, there will be no property taxes assessed or levied, and the Service Operator shall have no obligation in the payment of municipal property taxes, unless ownership of the building is sold or transferred by the Town to a third party as outlined under subsection 10.2(a), and municipal property taxes become owing.

6. SPECIFIC OPERATING COSTS AND COMMON AREA OPERATING COSTS

6.1 Payment of Specific Operating Costs and Common Area Operating Costs

The Service Operator shall pay to the Town the Service Operator's Proportionate Share of Specific Operating Cost and Common Area Operating Costs as outlined below. The Town shall invoice the Service Operator on a monthly basis or on another schedule agreeable to both Parties.

6.2 Specific Operating Costs

The Service Operator shall be obligated and directly responsible for:

- (a) the purchase cost, maintenance and lifecycle replacement of all improvements, furniture, chattels, equipment and machinery located, installed in or acquired for the operations of or use by patrons or customers of the Service Operator;
- (b) all costs and expenses of any nature directly associated with the operation, management and use of such specific facility including, without limitation:
 - (i) utility costs including a portion of electrical and natural gas charges (to be billed to the Service Operator by the Town, acting as owner, and in conjunction with Town utility providers). This cost has been established for the first full year of operation and will be adjusted from time to time as needed to reflect true costs. These costs will be billed monthly and may change, subject to notification and consultation at the Joint Use Committee;
 - (ii) phone and internet services for the Service Operator;
 - (iii) plumbing and electrical repairs and replacements (subject to the Town Facilities Work Requisition System - to be billed to the Service Operator by the Town);
 - (iv) interior painting and decorating (Subject to the Town Facilities Work Requisition System - may be billed to the Service Operator by the Town if undertaken by the Town);
 - (v) maintenance, caretaking and janitorial costs are the responsibility of each Service Operator and will be subject to the Town Facilities Work Requisition System – to be billed to the Service Operator by the Town upon request for the service by the Service Operator;
 - (vi) security costs (as applicable) are the responsibility of each Service Operator; and
- (c) If the period of occupancy in any year is not a full calendar year, then a pro rated amount shall be calculated by multiplying the amounts noted above by the number of days during such period the Service Operator occupied its space in the building and dividing by three hundred and sixty-five (365), and such instalment shall be in addition to the Basic Rent and payable upon demand by the Landlord.

6.3 Determination of Common Area Operating Costs

In determining what costs should be included within the Common Area operating costs, utilizing the formula outlined in subsection 6.4, only costs relating to expenses, services, maintenance or capital that are directly related to the operation of, improvements to, or furnishings and chattels contained within the Common Areas shall be considered. Where services or expenses received or incurred provide benefit to both an individual facility as well as to the Common Areas, the Town shall make a determination as to what portion of expense or service is received by or incurred for or on behalf of the Service Operators (which expense shall then be paid directly by the appropriate Service Operator). These costs shall be allocated to and form part of the Common Area budget.

6.4 Common Area Operating Costs-Sharing Formula

The proportional allocation of Common Area Operating Costs amongst Service Operators shall be based upon the cost-sharing formula (the "Cost-Sharing Formula") as approved and adopted by the Town.

- (a) All of the costs associated with the operation of the Common Areas, as defined in Schedule "B", shall be allocated as a percentage of square footage of occupancy:
 - (i) Town – 65%
 - (ii) Canmore Art Guild - 2%
 - (iii) Town of Canmore Library Board - 17%
 - (iv) Good Earth Cafes Limited -- as outlined in the Town of Canmore – Good Earth Cafés Limited Lease agreement effective November 2012 and as renewed from time to time.

The Common Areas within Elevation Place equal the remaining 15% of the facility's square footage.

6.5 Review of Cost-Sharing Formula

The Cost-Sharing Formula referred to in subsection 6.4 was approved based upon the assumption that each individual Service Operator within Elevation Place will be operated on a full-capacity basis. The Cost-Sharing Formula will be reviewed by the Service Operator and approved by the Landlord. Revisions will be triggered by substantial or significant changes in any specific service operations.

6.6 Annual Confirmation of Specific Operating Costs and Common Area Operating Costs

Prior to October 31 in each Lease Year, the Landlord will estimate and allocate and may, during a Lease Year, re-estimate or re-allocate Operating Costs for the ensuing Lease Year on a reasonable basis and will notify the Tenant of the amount of the Specific Operating Costs and Common Area Operating Costs. Within 120 days from the date when all information necessary to calculate actual Specific Operating Costs and Common Area Operating Costs becomes available after the end of each Lease Year, the Landlord will provide the Tenant with a statement of actual Operating Costs (the "Specific Operating Costs and Common Area Operating Costs Statement") in reasonable detail including the Tenant's Proportionate Share of Specific Operating Costs and Common Area Operating Costs for the applicable Lease Year. Any readjustment required will be made without interest in the following manner. If the Tenant has overpaid, the Landlord will, at its option, provide a refund of the overpayment to the Tenant when it delivers the statement to the Tenant, or apply such overpayment to the payment of other amounts owing by the Tenant, or apply such overpayment in reduction of future payments due. If the Tenant has underpaid, the Tenant will pay the difference to the Landlord, as Additional Rent, amortized equally over the next 12 months (or in another manner mutually agreeable to the Parties) after receipt of the Specific Operating Costs and Common Area Operating Costs Statement. If Operating Costs have not been finally determined before the end of the Term, the readjustment obligation will survive the end of the Term. Failure of the Landlord to render any Specific Operating Costs and Common Area Operating Costs Statement shall not prejudice the Landlord's right to render such Specific Operating Costs and Common Area Operating Costs Statement thereafter or with respect to any other financial period. The Landlord may render amended or corrected Specific Operating Costs and Common Area Operating Costs Statements.

6.7 Common Area Operating Costs

All costs associated with the operation, maintenance, and upkeep of the Common Areas shall be paid by the Town as Landlord, and proportionally allocated as per the cost sharing formula in subsection 6.4 to each Service Operator. Costs will be billed monthly by the Town and paid within thirty (30) days. Common Area Operating Costs shall include:

- (a) cleaning, janitorial, maintenance costs, mechanical services maintenance, and management fees;
- (b) utilities, including electrical, water and natural gas services used in the Common Areas;
- (c) all other costs which are determined by the Town to be Common Area costs.

6.8 Administration of Common Area Expenses

The Landlord shall administer and handle the collection of Common Area payments from each of the Service Operators and the payment of Common Area expenses for and on behalf of the Service Operators.

6.9 Payment of Common Area Costs

The Landlord shall submit invoices to each Service Operator for their proportionate share of Common Area operating costs throughout the year on a monthly basis or as is agreeable to the Parties. Payment of Common Area Operating Costs as invoiced shall be paid to the Town within 30 days following issuance of invoices to each Service Operator and, in default of payment, interest on each Service Operator's share of Common Area Operating Costs shall be due and payable at a rate of interest equal to the Royal Bank, Main Branch, Calgary, Alberta, prime lending rate plus 3% per annum.

7. **HAZARDOUS SUBSTANCES ON THE LEASED PREMISES**

7.1 Inspection of the Building

The Town may at any time and from time to time inspect the Leased Premises and the Service Operator's records for the purpose of identifying the existence, nature and extent of Hazardous Substances on the Leased Premises and the Service Operator's use, storage and disposal of such Hazardous Substances and the Service Operator agrees to cooperate with the Town in its performance of each such inspection. If the Town, acting reasonably, determines following any such inspection that further testing or investigation is required in order to monitor the Service Operator's compliance with the Environmental Laws, and the Town may at its option require the Service Operator, at the Service Operator's expense, to arrange for such testing or investigation. Alternatively, the Town may elect to arrange for such testing or investigation itself, in which case the Town's costs of any such testing or investigation shall be paid by the Service Operator to the Town forthwith upon demand therefore.

8. **FIXTURES**

8.1 Fixturing

Fixturing of, maintenance and repair of Service Operators individual Leased Premises and equipment shall be as outlined in subsection 13.7. The routine maintenance and repairs to all plumbing and

electrical fixtures shall be undertaken by the Town. The Service Operator shall promptly notify the Town of the need for repairs and maintenance to be undertaken by the Town.

8.2 Removal of Fixtures

- a) So long as the Service Operator is not in default hereunder at the expiration of the Term, the Service Operator shall then have the right to remove its trade fixtures from the Leased Premises but shall make good any damage caused to the Leased Premises resulting from the installation or removal thereof (excepting normal wear and tear to the Leased Premises resulting from the occupancy of the Service Operator); provided that all alterations, additions and improvements constructed and installed in the Leased Premises and attached in any manner to the floors, walls or ceiling, including any floor covering and light fixtures, are hereby deemed not to be trade fixtures and shall remain upon and be surrendered with the Leased Premises, except to the extent the Town requires removal thereof.
- b) If the Service Operator fails to remove its trade fixtures and restore the Leased Premises as aforesaid, all such trade fixtures shall become the property of the Town except to the extent that the Town continues to require removal thereof.
- c) Should the Service Operator abandon the Leased Premises or should this Lease be terminated before the proper expiration of the Term due to a default on the part of the Service Operator then, in such event, as of the moment of default by the Service Operator, all trade fixtures and furnishings of the Service Operator (whether or not attached in any manner to the Leased Premises) shall, except to the extent the Town requires the removal thereof, become and be deemed to be the property of the Town, without indemnity to the Service Operator and as such liquidated damages in respect of such default but without prejudice to any other right or remedy of the Town.
- d) Notwithstanding that any trade fixtures, alterations, additions, Leasehold Improvements or fixtures are or may become the property of the Town, the Service Operator shall forthwith remove all or part of the same and shall make good any damage caused to the Leased Premises resulting from the installation or removal thereof, all at the Service Operator's expense, should the Town so require by notice to the Service Operator.
- e) If the Service Operator, after receipt of a notice from the Town, fails to promptly remove any trade fixtures, furnishings, alterations, additions, improvements and fixtures in accordance with such notice, then the Town may enter into the Leased Premises and remove from the Leased Premises all or part of such trade fixtures, furnishings, alterations, additions, improvements and fixtures without liability and at the expense of the Service Operator, which expense shall forthwith be paid by the Service Operator to the Town.

8.3 Town's Alterations

The Town reserves the right to:

- a) make any changes or additions to the apparatus, appliances, conduits, ducts, equipment, pipes or structures of any kind in the Leased Premises where necessary to serve adjoining Leased Premises or other parts of the Building;

- b) make alterations or additions to the structure and facilities of the Building;

which rights may be exercised by the Town in its unfettered discretion and without any claim for damages or indemnification against the Town, its employees or agents and without diminution or abatement of rent except during any period of time during which the Service Operator is unable to carry on business with the public because of the exercise of such rights by the Town. Where changes to the building will impact the Service Operator, the Town shall provide a minimum of six (6) months' notice in writing of those changes to the building to the Service Operator.

9. SUBSTANTIAL DAMAGE AND DESTRUCTION, EXPROPRIATION

9.1 No Abatement

If during the Term the Leased Premises shall be damaged or destroyed by any cause whatsoever such that the Leased Premises are rendered unfit for occupancy by the Service Operator, the rent hereby reserved shall not abate in whole or in part except to the extent that such rent is recoverable by the Town under any policies of insurance against rental loss which the Town may have taken out, it being understood that the Town will use its best efforts to insure that full rental loss insurance is in place.

9.2 Substantial Damage or Destruction

In the event of Substantial Damage or Destruction of the Leased Premises, or of any other portion of the Building, whether or not the Leased Premises be affected thereby, the Town may within sixty (60) days after such damage or destruction and on giving reasonable written notice to the Service Operator as it can to allow the Service Operator to find alternate space, declare this Lease terminated forthwith and in such event, the Term shall be deemed to have expired and the Service Operator shall deliver up possession of the Leased Premises accordingly, rent all be apportioned and shall be payable up to the date of termination stated in such notice and the Service Operator shall be entitled to be repaid by the Town any rent paid in advance and unearned or an appropriate portion thereof.

9.3 Rebuilding

If this Lease is not terminated pursuant to this Section, and such damage or destruction is insured against by the Town the Town shall cause such damage or destruction to be repaired, restored or reconstructed, save as to items which are the responsibility of the Service Operator pursuant to any provision of this Lease.

10. ASSIGNMENT, SUBLETTING, SALE OR MORTGAGE

10.1 Assignment and Subletting

The Service Operator shall not assign this Lease in whole or in part, nor sublet all or any part of the Leased Premises, nor grant any license or part with possession of the Leased Premises or transfer any other right or interest under this Lease, without the written consent of the Town, which consent may be arbitrarily withheld.

10.2 Mortgage, Transfer of Ownership by the Town

- a) Should the Town elect to mortgage or transfer ownership of the building, this Lease and the Service Operator's rights herein may transfer to the mortgage holder or new owner now or the Service Provider may choose to terminate this Lease. The Town will provide one (1) year's notice in writing to the Service Operator, of any plans to transfer ownership of the building. The Town shall use its best efforts to ensure that no subordination, sale or transfer as required by this Section shall have the effect of disturbing the Service Operator's occupation and possession of the Leased Premises, provided that the Service Operator is not in default hereunder and complies with all of the covenants, terms and conditions hereof.

11. INDEMNITY, LIENS, INSURANCE

11.1 Personal Injury and Property Damage

The Town shall not be liable or responsible for:

- a) any personal injury or consequential damage of any nature whatsoever, however caused, that may be suffered or sustained by the Service Operator or by any other person who may be upon the Leased Premises; or
- b) any loss or damage of any nature whatsoever, however caused, to the Leased Premises, any property belonging to the Service Operator or to any other person while such property is in or about the Leased Premises, unless said damage, injury or loss is attributable to the Town's negligence, or the negligence of those for whom the Town is at law responsible.

11.2 Granting of Security Interest

- a) The Service Operator shall not grant a Security Interest in any goods that have become affixed to the Leased Premises, and the Service Operator shall not affix to the Leased Premises any goods which are subject to a Security Interest without the consent of the Town and only upon the Service Operator's undertaking to the Town to remove such identified fixtures at the end of the tenancy and repair any damage caused to the Leased Premises by such removal.
- b) Except with the prior written consent of the Town, the Service Operator shall not permit any notice claiming a Security Interest in any fixture to be registered against title to the Building and shall, immediately upon demand by the Town, remove or cause to be removed any such notice and institute and diligently prosecute any proceedings pertinent thereto.

11.3 Insurance Coverage

- a) In connection with specific lease area and operations as described in Schedule "A" of this agreement, the Service Operator shall at all times during the Term of this Agreement and at its own expense, obtain and maintain or have maintained with insurers registered and licensed under the laws of the Province of Alberta, the following insurance policies:

(i) an "all risks" Direct Damage Property Insurance policy in an amount not less than the replacement cost of all furniture, chattels, assets, equipment, machinery, and other improvements to such specific facility; and

(ii) a comprehensive commercial general or professional liability insurance policy (to the satisfaction of the Town) including but not limited to bodily injury (including death) and property damage in an amount of not less than two million dollars (\$2,000,000.00) inclusive limit for any one occurrence which policy shall name the Town as an Additional Insured and contain a "cross liability and indemnification" article in favour of or in relation to the Town and all other Service Operators within the Facility described in 1.1(e) of this Lease and this insurance shall not have a participants exclusion article.

- b) The Town will be responsible for insuring the building structure, envelope, common areas and all mechanical systems.

12. DEFAULT, REMEDIES, TERMINATION

12.1 Default

If and whenever:

- a) the Service Operator fails to pay any Basic Rent, Operating Costs, Taxes, utility or common area operating costs or other sums payable hereunder on the day or date appointed for the payment thereof, whether demanded or not;
- b) the Service Operator becomes bankrupt or insolvent or takes the benefit of any act now or hereafter in force for bankrupt or insolvent debtors or files any proposal or makes any assignment for the benefit of creditors or any arrangement or compromise;
- c) a receiver or a receiver and manager is appointed for all or a portion of the property of the Service Operator or any Indemnifier or any person occupying the Leased Premises or any part thereof
- d) any steps are taken or any action or proceedings are instituted by the Service Operator or by any other party including, without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of the Service Operator or its assets;
- e) this Lease or any of the Service Operator's assets are taken under any writ of execution;
- f) the Service Operator shall fail to commence, diligently pursue and complete the Service Operator's work to be performed pursuant to any agreement to lease pertaining to the Leased Premises or other agreement signed by the parties or fail to open for business when required by the provisions of this Lease, or vacate or abandon the Leased Premises or fail or cease to operate pursuant to the provisions of this Lease or otherwise cease to conduct business from the Leased Premises, or use or permit or suffer the use of the Leased Premises for any purposes other than as allowed pursuant to this Lease, or fail to remedy or rectify any act or omission hereunder, or if the Service Operator should make a bulk sale of

its goods and assets which has not been consented to by the Town, or move or commence, attempt or threaten to move its goods, chattels and equipment out of the Leased Premises other than in the routine and ordinary course of its business; or

- g) the Service Operator or any agent of the Service Operator falsifies any report or statement required to be furnished to the Town or anyone else pursuant to this Lease; or
- h) the Service Operator makes a sale in bulk of any of its assets, wherever situated (other than a bulk sale made to an Assignee or Sublessee pursuant to a permitted assignment or subletting hereunder); or
- i) the Service Operator abandons or attempts to abandon the Leased Premises, or sells or disposes the trade fixtures, goods or chattels of the Service Operator or removes them from the Leased Premises; or
- j) the Leased Premises become and remain vacant for a period of thirty (30) consecutive days or are used by any persons other than such as are entitled to use them hereunder; or
- k) ownership or control of the Service Operator changes or the Service Operator assigns, transfers, encumbers, sublets or permits the occupation or use the parting with or sharing possession of all or any part of the Leased Premises by anyone; or
- l) re-entry is permitted under any other term of this Lease; or
- m) the Service Operator shall not observe, perform and keep each and every of the covenants, agreements, stipulations, obligations, conditions and other provisions of this Lease to be observed, performed and kept by the Service Operator and shall persist in such default, after twenty eight (28) days following written notice from the Town requiring that the Service Operator remedy, correct or comply or, in the case of any such default which would reasonably require more than twenty eight (28) days to rectify, unless the Service Operator shall commence rectification within the said twenty eight (28) day notice period and thereafter promptly and diligently and continuously proceed with the rectification of any such default;

then, and in each of such cases, and at the option of the Town and in addition to any other rights or remedies the Town may have pursuant to this Lease or at law, the Town may:

- (i) immediately re-enter upon the Leased Premises and may expel all occupants thereof and remove all property from the Leased Premises and such property may be removed and sold or disposed of by the Town in such manner as it deems advisable, including by private sale, or may be stored in a public warehouse or elsewhere at the cost and for the account of the Service Operator, all without service of notice or resort to legal process and without the Town being considered guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby. If the Town elects to re-enter the Leased Premises as herein provided, or if it takes possession, may from time to time without terminating this Lease, make such alterations and repairs as are necessary in order to re-let the Leased Premises, or any part thereof, for such term or terms (which may be for a term extending beyond the

Term) and at such other terms, covenants and conditions as the Town in its sole discretion considers advisable; or

- (ii) Terminate this Lease by providing the Service Operator notice in writing that the Lease will terminate no less than six (6) months from the date of the written notice of termination.

12.2 Mutual Agreement To Terminate

If the Town and the Service Operator both wish to terminate this Lease, then the Lease shall be terminated no less than twelve (12) months from the date that the Parties agree that the Lease be terminated in writing (unless the Parties to agree to a period of less than 12 months).

12.3 Town May Perform

If the Service Operator shall fail to observe, perform or keep any of the provisions of this Lease to be observed, performed and kept by the Service Operator, the Town may, but shall not be obliged to, at its discretion and without prejudice to any other right, claim or action it may have, rectify the default of the Service Operator, whether or not performance by the Town on behalf of the Service Operator is otherwise expressly referred to in the applicable Section of this Lease. For such purpose the Town may make any payment or do or cause to be done such things as may be required including, without limiting the generality of the foregoing, entry upon the Leased Premises. Any such performance by or at the behest of the Town shall be at the expense of the Service Operator and the Service Operator shall pay to the Town as Additional Rent the cost thereof.

12.4 Costs and Interests

All costs, expenses and expenditures of the Town, incurred upon by default by the Service Operator hereunder, including, without limitation, the legal costs incurred by the Town on an indemnification basis as between solicitor and his own client shall, forthwith on demand, be paid by the Service Operator to the Town as Additional Rent.

12.5 Vacate Upon Termination, Survival

At the termination of this Lease, whether by passage of time or otherwise, the Service Operator shall vacate and deliver up possession of the Leased Premises in the same state and condition as they were in upon delivery of possession to the Service Operator (excepting normal wear and tear to the Leased Premises resulting from the occupancy of the Service Operator), subject to the exceptions from the Service Operator's obligation to repair and subject to the Service Operator's rights and obligations in respect of removal and the Service Operator shall thereupon surrender all keys to the Leased Premises to the Town at the place then fixed for payment of rent and shall inform the Town of all combinations on locks, safes and vaults, if any, in the Leased Premises. The indemnity agreements contained in this Lease shall survive the termination of this Lease.

12.6 Additional Rights on Default or Re-Entry

If the Service Operator shall be in default under this Lease beyond any period given herein to rectify such default, or if the Town shall re-enter the Leased Premises or terminate this Lease when entitled to do so pursuant to default of the Service Operator hereunder, then:

- a) notwithstanding any such re-entry, termination, or the Term thereby becoming forfeited and void, the provisions of this Lease relating to the consequences of termination shall survive;
- b) the Town may use such force as it may deem necessary for the purpose of gaining admittance to and retaking possession of the Leased Premises and the Service Operator hereby releases the Town from all actions, proceedings, claims and demands whatsoever for or in respect of any such forcible entry or any loss or damage in connection therewith or consequential thereupon;
- c) the Service Operator shall pay to the Town on demand:
 - i) rent and all other amounts payable hereunder up to the time of re-entry or to termination, whichever shall be the later; and
 - ii) such reasonable expenses as the Town may incur or has incurred in connection with the re-entering, terminating, re-letting, collecting sums due or payable by the Service Operator, realizing upon assets seized, including without limitation brokerage, legal fees and disbursements on an indemnification basis as between a solicitor and his own client, and the expenses of keeping the Leased Premises in good order, repairing the same and preparing them for re-letting.

12.7 No Waiver

No provision of this Lease shall be deemed to have been waived by the Town unless a written waiver from the Town has first been obtained and, without limiting the generality of the foregoing, no acceptance of rent subsequent to any default and no condoning, excusing or overlooking by the Town on previous occasions of any default nor any earlier written waiver shall be taken to operate as a waiver by the Town or in any way defeat or affect the rights and remedies of the Town.

12.8 Remedies Cumulative

No reference to or exercise of any specific right or remedy by the Town shall prejudice or preclude the Town from any other such remedy, whether allowed at law or in equity or expressly provided for herein. No such remedy shall be exclusive or dependent upon any other such remedy, but the Town may from time to time exercise any one or more of such remedies independently or in combination. Without limiting the generality of the foregoing, the Town shall be entitled to commence and maintain an action against the Service Operator to collect any rent not paid when due, without exercising the option to terminate this Lease.

12.9 For Lease Signs

The Town shall have the right within six (6) months prior to the expiration of the Term, subsequent to the notification of termination of the lease, to place upon the Leased Premises a notice, of reasonable dimensions and reasonably placed so as not to interfere with the business of the Service Operator, stating that the Leased Premises are to let and the Service Operator shall not remove or obscure such notice or permit the same to be removed or obscured.

12.10 Holding Over

If the Service Operator continues to occupy the Leased Premises with the written consent of the Town after the expiration or other termination of the Term, then subject to written confirmation from the Town, the Service Operator shall be a Service Operator from month to month at the aggregate of:

- a) a minimum monthly rent equal to one hundred and twenty (120%) per cent of the monthly Basic Rent prevailing immediately prior to expiration or termination;

and subject always to all of the other provisions in this Lease insofar as the same are applicable to a month to month tenancy and a tenancy from year to year shall not be created by implication of law.

12.11 Failure to Pay

Should the Service Operator fail to make any payment required by the Service Operator pursuant to this Lease, the Town may, without prejudice to any other right or remedy of the Town, pay all or part of such required payment without prior notice to the Service Operator and recover such payment from the Service Operator as Operating Costs.

13. GENERAL PROVISIONS

13.1 Approvals

No provision in this Lease requiring the Town's consent or approval shall be deemed to have been fulfilled or waived unless the written consent or approval of the Town relating to the particular matter or instance has first been obtained and, without limiting the generality of the foregoing, no prior consent or approval and no condoning, excusing or overlooking by the Town on previous occasions when such a consent or approval was required shall be taken to operate as a waiver of the necessity of such consent or approval whenever required under this Lease.

13.2 Building Envelope, Exterior and Common Areas

The Town shall be responsible for the day-to-day management, including cleaning services and life-cycle repair and replacement of the building envelope, exterior and interior Common Areas of Elevation Place and will manage all contractors who perform work on these areas.

13.3 HVAC, Fire Alarm, Suppression and Mechanical Systems

The Town shall be responsible for servicing, maintenance and replacement costs relating to all of the HVAC, fire alarm or fire suppression, or other mechanical systems or equipment that service both common areas and any individual operation.

13.4 Damage by the Tenant

Should damage to the Facility result from the actions of a Service Operator, the Town as Landlord, shall acting reasonably, make all decisions on the allocation of all costs related to damage to the Facility, under the following conditions:

- (a) With respect to damage to the building envelope or systems or Common Areas, all of the Service Operators mutually acknowledge and agree that, where the person or Service Operator who caused the damage can be identified, they shall then pay for the damages;
- (b) If the identity of the person(s) causing the damage cannot be determined and repairs are required, the respective Service Operator is responsible to pay for all costs related to the repair and if applicable or desirable file an insurance claim for same under the respective Operator's policy;
- (c) In the event that the building envelope or systems or Common Areas sustains major damage or destruction requiring substantial repairs, reconstruction, or replacement, including substantial glass replacement not covered in subsection 9 of Lease agreement, the cost of such repairs, reconstruction or replacement, shall be determined and allocated by the Town and will consider the respective insurance policies held by each Service Operator.

13.5 Health and Safety

All service operators shall;

- (a) comply with all applicable Alberta Occupational Health & Safety Legislation;
- (b) take every precaution to ensure a safe worksite, including maintaining an orderly, well-kept area and training staff and volunteers;
- (c) keep the Town advised of any safety concerns; and
- (d) cooperate and participate in the Town's Emergency Evacuation procedures for the Facility.

Creating and following standard operating procedures (SOPs) shall be the responsibility of each Service Operator as they pertain to the health and safety of their staff, customers and specific operation within Elevation Place.

13.6 Facility Access and Security

- a) The Town shall be responsible for the management of the Facility's security and access systems. Each Service Operator will authorize and sign-off on the provision of access cards or keys to the responsible, designated individuals in their respective Service Operation;
- (b) Each individual Service Operator shall be responsible for the opening, closing and securing of their own Leased Premises;
- (c) Due to the nature of the services in Elevation Place and age of patrons, all Service Operator employees and unsupervised volunteers will be requested to complete an RCMP Clearance prior to working or volunteering unsupervised in the Leased Premises. Each Service Operator will be responsible for clearing and authorizing its own employees and volunteers;

- (d) The Service Operator shall ensure that adequate security is provided to both the Leased Premises and the remainder of the Building when it wishes to operate between 10:00 p.m. and 6:00 a.m. and on statutory holidays when the Building is otherwise closed.

13.7 Repair and Maintenance

- (a) Unless directed otherwise by the Town, each Service Operator shall be responsible to identify, repair and maintain all furniture, fixtures, equipment, floor coverings (where installed by the Service Operator) and leasehold improvements in their respective operation, and may carry out all interior painting. The Town, acting as Landlord, may act to coordinate this work through to completion. When the Town does coordinate and undertake work on behalf of the Service Operators, the costs will be billed back to the relevant Service Operator;
- (b) No modifications may be made to the Leased Premises by any of the Service Operators without the prior written consent of the Town;
- (c) The Town shall be solely responsible for the repair, maintenance and replacement of all materials and equipment associated with the building structure, building envelope, heating, ventilation, electrical, mechanical and fire protection systems;
- (d) Cleaning standards for Elevation Place will be developed and monitored by the Town's Facilities Department. The Town may provide a cleaning service to all Service Operators within the Facility including individual operation areas and common areas and will proportionally determine a cost for each based on overall square footage and complexity of service provided to each Service Operator's space.

13.8 Improvements by Tenant

- (a) No Service Operator shall undertake any capital or physical improvements to the building or the Common Areas without the prior consent of the Town;
- (b) The installation or replacement of furniture, chattels, equipment and machinery located, installed in or acquired for the operations of or use by patrons or customers in any specific operation does not require the approval of the Town unless such installation or replacement makes structural changes to the building/infrastructure. All installation or replacements associated with structural changes shall be communicated to the Town prior to its installation or replacement. Routine installations or replacements do not require prior notification to the Town.

13.9 Town's Performance

Notwithstanding anything in this Lease to the contrary, the Town shall not be deemed to be in default in respect of the performance of any of the terms, covenants and conditions of this Lease if any failure or delay in such performance is due to any strike, lockout, civil commotion, war-like operation, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations or controls, act of God, or other cause beyond the control of the Town.

13.10 Sole Agreement and Survival of Agreement to Lease

This Lease and any agreement to lease pertaining to the Leased Premises executed and delivered by or on behalf of the Town and the Service Operator set forth all of the warranties, representations, covenants, promises, agreements, conditions and understandings between the parties concerning the

Leased Premises and the Building and there are no warranties, representations, covenants, promises, agreements, conditions or undertakings, either oral or written, express or implied, between them other than as set forth in this Lease, or the said agreement to lease. The provisions of the said agreement to lease shall survive the execution and delivery of this Lease, provided that such provisions shall be deemed to be, and survive only as, covenants and not conditions and provided further that in the event of any conflict or contradiction between this Lease and the said agreement to lease, the provisions of this Lease shall prevail.

13.11 Modifications

Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon the Parties unless reduced to writing and signed by the Parties. At the request of the Town, the Service Operator shall execute and deliver a modification agreement reflecting the changes in this Lease resulting from an adjustment in Floor Area or reflecting any other alteration, amendment, change or addition agreed to between the parties, provided that, notwithstanding the failure of the Service Operator to do so, the Service Operator shall be bound thereby.

13.12 Registration

Neither the Service Operator, nor anyone on the Service Operator's behalf or claiming under the Service Operator, shall register a caveat with respect to this Lease or any permitted assignment or permitted sublease of this Lease against the Lands or any part thereof comprising the Building or the Leased Premises.

13.13 Construed Covenant, Severability

All of the provisions of this Lease are to be construed as covenants and agreements, should any provision of this Lease be or become illegal, invalid or not enforceable, it shall be considered separate and severable from this Lease and the remaining provisions shall remain in force and be binding upon the parties hereto and be enforceable to the fullest extent of the law.

13.14 Further Assurances

The parties hereto and each of them do hereby covenant and agree to do such things and execute such further documents, agreements and assurances as may be necessary or advisable from time to time in order to carry out the terms and conditions of this Agreement in accordance with their true intent.

13.15 Dispute Resolution

The Parties agree that they will, at all times, initially attempt to resolve any disputes with respect to issues arising out of this Lease in an amicable fashion, through good faith negotiation. Any disputes under this Agreement will be referred to the Town for review and a decision, and finally resolved in accordance with the following procedure:

- (a) A written notice of dispute shall be filed by the Town or the Service Operator and served to the other; the Parties will meet within ten (10) business days of receipt of written notice of a dispute from either Party and attempt to resolve the dispute described in the notice;
- (b) If the Parties are unable to resolve the dispute within ten (10) business days, the matter may be referred to mediation by an impartial third party acceptable to the Parties. The mediator

- shall be experienced, and preferably professionally registered in the Province of Alberta. The mediation shall be conducted in accordance with and as agreed to in writing by the Parties;
- (c) The cost of dispute resolution shall be shared equally between such disputing parties.
 - (d) In the event that a dispute cannot be resolved using the procedure outlined above, only once the procedure has concluded may the Parties seek whatever civil or legal remedies they deem appropriate to resolve the dispute.

13.16 Governing Law

This Agreement shall be governed in accordance with the laws of the Province of Alberta and the Parties hereto submit to such jurisdiction.

13.17 Time

Time shall be of the essence hereof.

13.18 Index and Headings

The index and headings in this Lease have been inserted for reference and as a matter of convenience only and in no way define, limit or enlarge the scope or meaning of this Lease or any provisions hereof.

13.19 Execution of Lease

This Lease may be executed in original or faxed form and the parties adopt any signatures received by a receiving fax machine as original signatures of the parties; provided however, that any party providing its signature in such manner shall promptly forward to the other party an original signed copy of the Lease which was so faxed.

13.20 Service Operator's Acceptance

The Service Operator hereby accepts this Lease of the Leased Premises, to be held by the Service Operator, subject to the conditions, restrictions and covenants set forth herein.

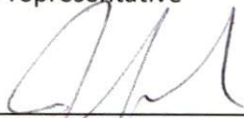
13.21 Schedules

The Schedules attached to this Agreement form a part of this Agreement and any obligation imposed on the parties in a Schedule will be deemed to be a covenant of the parties in this Agreement. To the extent that there is an inconsistency between the terms and conditions of this Agreement and anything in the Schedules, the terms and conditions of this Agreement will prevail only to the extent of the conflict.

IN WITNESS WHEREOF the parties hereto have executed this Lease as of the day and year first above written.

TOWN OF CANMORE


by its authorized representative

Per: 
Manager of Recreation

Date: Apr. 25, 2014

Per: Stephen Hanus
Manager of Facilities

CANMORE ART GUILD

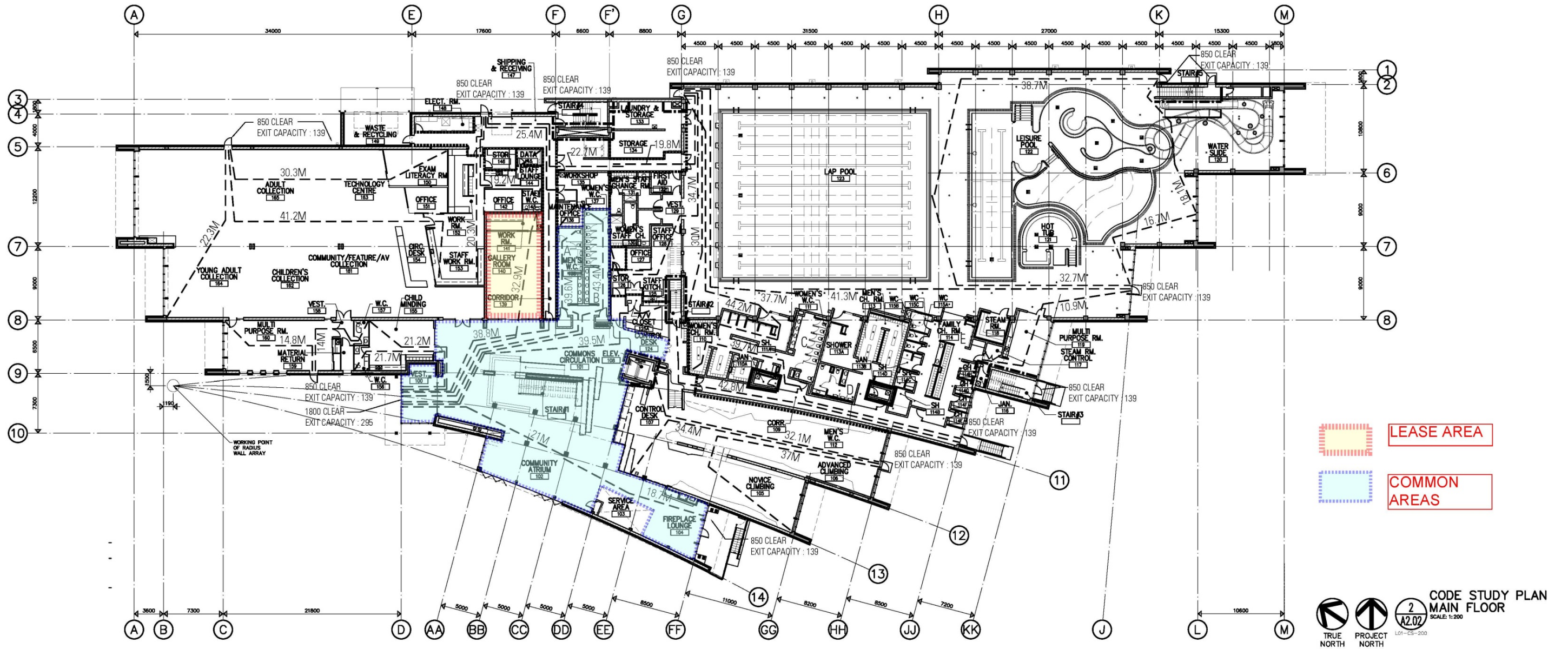
Per:  YEIG ABBOTT
Name and Title: PRESIDENT.

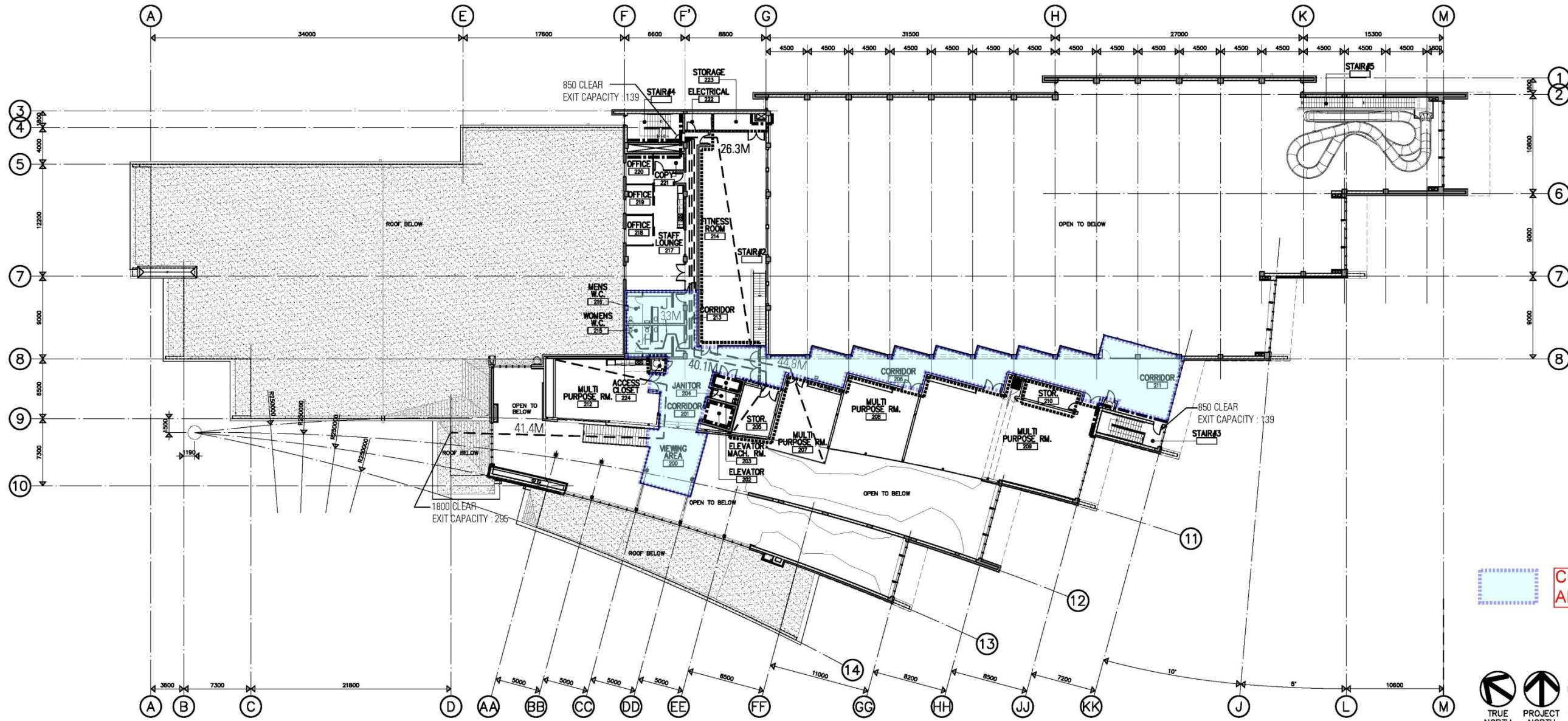
Date: Apr. 25, 2014

Per: _____
Name and Title:

SCHEDULE "A"

Pursuant to this Lease, this Schedule "A" is to be an outline of the Building with the Leased Premises outlined in red and the Common Areas in blue.





 COMMON AREAS

 TRUE NORTH
 PROJECT NORTH
 2
A2.03
102-CS-200
CODE STUDY PLAN
SECOND FLOOR
SCALE: 1:200

SCHEDULE "B"

DEFINITIONS

In this Lease, the following words, phrases, and expressions are used with meanings defined as follows:

1. **Additional Rent** means any utility or common area operating costs other than Basic Rent payable by the Service Operator to the Town pursuant to any provisions of the Lease or the Schedules attached thereto, all of which are recoverable by the Town as rent.
2. **Architect** means the firm of professional architects, engineers or other professionals engaged by the Town from time to time to prepare the construction drawings for the Building or to supervise the architectural or engineering aspects thereof and includes any surveyors or consultants engaged by the Town or such architects or engineers from time to time (all of whom may be ones generally employed by the Town).
3. **Basic Rent** means the fixed rent payable pursuant to subsection 1.1(i).
4. **Building** means the lands described in subsection 1.1(e) and all structures and improvements from time to time erected there on and their appurtenances, all as the same may be expanded or altered in accordance with this Lease from time to time.
5. **Business Day** means a day that is not a Saturday, Sunday or statutory holiday in Alberta.
6. **Commencement Date** means the date set out in subsection 1.1(h).
7. **Common Areas** means all lands, improvements, facilities, utilities, installations and equipment forming part of the Building (which may be altered, reconstructed, expanded, withdrawn from and added to from time to time) as indicated in Schedule A.
8. **Environmental Laws** means all international, federal, provincial or municipal laws, by-laws, statutes regulations, orders, permits, approvals or judgements having jurisdiction over the Town, the Service Operator or the Leased Premises and relating in any way to the environment or health matters including without limitation matters relating to the use, storage and disposal of Hazardous Substances or the release of any substance into the environment.
9. **Fair Market Rent** means the amount (exclusive of Additional Rent) that a willing Service Operator and a willing Town would accept in arms-length, bona fide negotiations, without any additional inducements, for a lease of the Leased Premises for a Four (4) year term. Fair Market Rent shall be agreed upon or determined upon consideration of the most recent leases and market renewal leases of comparable Leased Premises in the Building or in the comparable buildings owned and managed by the Town which are near to the Building. If there are no such leases which are recent, consideration shall be given to the most recent new leases and market renewal leases for comparable space in other comparable buildings that are near the Building. Appropriate adjustments may be made for the lease duration, inducements and any other special term or condition of such lease.

10. **Floor Area** means the area, expressed in square feet or such other unit as the Town may determine, of all floors and mezzanines (unless mezzanine has been constructed by a Service Operator and is used exclusively for storage) of all storeys in each interior Leased Premises in the Building, calculated by measuring from the exterior surfaces of the exterior walls and of all walls adjoining Common Areas, from the centre line of party or demising walls separating two (2) or more interior Leased Premises and from the lease line separating an interior Leased Premises from other areas in the Building where no walls exists, all without deduction or exclusion for any space occupied by or used for columns, stairs, elevators, escalators, or other interior construction or equipment or for any storefront or doorway areas recessed from the lease line, and when used in respect of the Leased Premises means the area of all floors and mezzanines (unless such mezzanine has been constructed by the Service Operator and is used exclusively for storage) of all storeys in the Leased Premises, calculated as aforesaid.
11. **Hazardous Substance** means any substance, product, material or good which may be detrimental to the environment, plant or animal life, or human health or which may adversely affect the condition, use or enjoyment of any real or personal property, and includes, but is not limited to any substance, product, material or good regulated or declared to be hazardous or toxic pursuant to any law, by-law, statute, regulation, order, permit or proceeding.
12. **Gross Area of the Building** or any portion specified thereof means the aggregate, from time to time, of the Floor Areas of all interior spaces in the Building or in such specified portion, whether actually leased or not including the Leased Premises, as the case may be.
13. **Town** means the Party described in subsection 1.1(a) and the heirs, executors, administrators, successors and assignees thereof.
14. **Joint Use Committee** means a group of representatives of the Service Operators that gather periodically to formalize and clearly lay out the manner in which they will operate as a group and their individual commitments and obligations to the management and operation of Elevation Place, including exterior areas and Common Spaces.
15. **Lease, hereof, herein, hereunder** and similar expressions mean or refer to this agreement including the schedule attached hereto and any amendments thereof made from time to time by the Parties in writing.
16. **Leased Premises** means that portion of the Building indicated and having the approximate configuration and location shown outlined in red on Schedule "A" to the Lease and containing the number of square feet of Floor Area set out in subsection 1.1(f).
17. **Leasehold Improvements** means all items generally considered as leasehold improvements, including, without limitation, all fixtures, equipment, improvements, installations, alterations and additions from time to time made, erected or installed by or on behalf of the Service Operator, or any previous occupant of the Leased Premises in the Leased Premises, and by or on behalf of other Service Operators in other premises in the Building, including any stairways for the exclusive use of the Service Operator, all partitions, however affixed and whether or not movable, and all wall-to-wall carpeting other than carpeting laid over finished floors and affixed so as to be readily removable without damage; but excluding trade fixtures, unattached furniture or free-standing partitions and equipment not of the nature of fixtures.

18. **Lease Year** means, in the case of the first Lease Year, the period beginning on the Commencement Date and terminating twelve (12) months from the last day of the calendar month in which the Commencement Date occurs (except that if the Commencement Date occurs on the first day of a calendar month, the first Lease Year shall terminate on the day prior to the first anniversary of the Commencement Date) and, in the case of each subsequent Lease Year, means each twelve (12) month period after the first Lease Year.
19. **Mortgagee** means a mortgagee, encumbrancer or charge under any mortgage or charge of or on the estate or interest of the Town in the Building or any portion thereof and includes any debenture, deed of trust and mortgage securing bonds or debentures and any similar instruments resulting from financing, refinancing or collateral financing and any renewals or extensions thereof, from time to time placed or registered by the Town or any Mortgagee against or in respect of the Building or any portion or portions thereof.
20. **Normal Business Hours** means 8:00 a.m. to 6:00 p.m. seven days a week, it being understood that the Service Operator may allow its employees access the Leased Premises from 6:00 a.m. to 10:00 p.m. seven days a week (excepting statutory holidays where hours may vary).
21. **Operating Costs** means the all of the Town's outlays, costs, charges and expenses of operating, supervising and maintaining the Building (including the Common Areas).
22. **Parking Areas** means the paved portions of the Building which have been or are to be allocated for the parking of motor vehicles, as from time to time altered, reconstructed or expanded, and includes entrances, roads and other means of access thereto and any parking structures or other parking facilities from time to time constructed.
23. **Property Taxes** means all general, special, local improvement, school and water taxes, levies, rates and charges from time to time imposed against the Building, or any part thereof, by municipal or other governmental authorities having jurisdiction, together with the costs of contesting or negotiating the same, but exclusive of income taxes, business taxes, place of business taxes, estate, inheritance, succession, capital levy or transfer tax. (Should it be found that due to changes in the method of levying or collection of any tax, levy, rate or charge to be imposed upon the Building, or any part thereof, or should any new tax, levy, rate or charge be levied or imposed in lieu of or in addition to those contemplated by the above definition, the Town and the Service Operator hereby agree to negotiate an amendment or new provision to this Lease as is necessary to deal with such tax, levy, rate or charge, in an equitable manner so as to obviate any injustice or inequity which shall have arisen and should the Town and the Service Operator fail to agree on such amendment or new provision the same shall be settled by arbitration in accordance with the Arbitration Act of the jurisdiction governing this Lease, and amendments thereto, or any like statute in effect from time to time.)
24. **Proportionate Share** means the proportion that the Floor Area of the Leased Premises bears to the Gross Area of the Building. For clarity, the Gross Area of the Building shall not be decreased or otherwise dependent upon whether all of the Gross Area is actually leased or not. The Service Operator shall not be liable to pay for Operating Costs attributed to other un-rented Leased Premises in the Building, or increase in Operating Costs due to un-rented Leased Premises in the Building which Operating Costs shall remain the Town's Operating Costs.

25. **Security Interest** means an interest in goods, chattel paper, a security, a document of title, an instrument, money or an intangible, that secures payment or performance of an obligation as more specifically defined in the Personal Property Security Act of Alberta, any amendments there or replacement thereof.
26. **Structural Repairs** means only repairs to the foundations, the structural subfloors, columns and beams and the structural portions of bearing walls and roofs of the Building and specifically excludes the maintenance of every kind.
27. **Substantial Damage or Destruction** means such damage as requires substantial alteration or reconstruction of the Leased Premises or of such other portion of the Building or such damage to the Leased Premises as cannot be repaired within a period of one hundred and eighty (180) days from the time of such damage to the state wherein the Service Operator could use substantially all of the Leased Premises for its business.
28. **Service Operator** means the Party described in subsection 1.1(c) and the heirs, executors, administrators, successors and permitted assignees thereof.