

APPENDIX "A"

Major terms and Conditions Lease Agreements – 705 Progress Avenue – Unit #18-19 Black Cat Advertising Inc.

Term:

Two (2) year Term commencing on September 1, 2009 and ending on August 31, 2011.

Minimum Annual Rent:

Annual Net Rent of twenty-five thousand, three hundred and fifty dollars (\$25,350.00) at a rate of Six Dollars and twenty-five cents (\$6.25) per Square Foot. A total sum of fifty thousand, seven hundred dollars (\$50,700.00) over the two year term.

Rent- Free Period:

No rent free period will be provided to the Tenant

Additional Rent/ Operating Expenses:

The lease shall be entirely Net to the Landlord. The Tenant shall be responsible for its pro rate share of realty taxes and building insurance and maintenance. These are currently estimated to be Five Dollars and Twenty One Cents (\$5.21) per square foot for 2009. In addition, the Tenant agrees to pay for all other costs of occupancy including, but without limiting the generality of the foregoing goods and services tax (G.S.T.), insurance on contents, water, gas, hydro, heating and air conditioning. The Tenant's pro rate share shall be defined as the ratio of the Rentable Area of the Leased Premises over the whole of the total Rentable Area of the building.

Leasehold Improvements:

The Tenant will complete its leasehold improvements at its sole cost and expense and agree to submit all drawings detailing the particulars of any changes or modifications to the premises to the Landlord for its approval, said approval not to be unreasonably withheld.

Overholding:

In the event the Tenant remains in occupation of the premises at the expiration of the lease or any renewal or extension thereof, it will remain as an overholding tenant, on a month to month basis at a rental per month of one-sixth (1/6) of the Minimum Rent payable for the calendar year immediately preceding such expiration, payable monthly in advance on the first day of each month.

NSF Fee, Late Payment Charge, Post-Dated Cheques:

The Tenant will pay Thirty-Five dollars (\$35.00) for every cheque that is not honoured by the bank on which it is drawn (the "NSF Fee"). For any late payment amount by the Tenant, interest on the amount outstanding from time to time shall bear simple interest at the rate of 1.25% per month (15% per year). The Tenant will deliver to the Landlord on or before the commencement of each Lease Year monthly post-dated cheques for each month of such Lease Year in respect of the monthly payments of Minimum Rent and Additional Rent. If requested by the Landlord, the Tenant shall arrange to pay the same by pre-authorized bank payment, in lieu of providing post-dated cheques.

Early Termination:

At any time during the Term and any extension thereof, the Landlord shall have the right (but not the obligation) to terminate the Lease upon giving written notice (the "Termination Notice") of such termination to the Tenant. The Termination Notice shall specify the termination date (the "Termination Date") which shall be six (6) months after the Termination Notice is given.

Taxes:

The Tenant is responsible for all taxes including GST. The tenants have been paying all applicable taxes for the space they currently occupy respectively.