

Appendix 1

Proposed Terms of Lease Amending Agreement

Tenant:

1158093 Ontario Limited o/a Café on the Square

Outstanding Rent Arrears:

On or prior to execution of the Lease Amending Agreement, Tenant shall pay, by certified cheque, the outstanding rent arrears owing to the City as of January 31, 2015, in the amount of \$216,307.74.

Effective Date of Lease Amending Agreement:

February 1, 2015

Common Area and Maintenance Costs (CAM):

Tenant shall pay a fixed amount of \$653.17 per month on account of CAM costs, rather than its proportionate share of actual CAM costs, during the period February 1, 2015 to December 31, 2015.

Expiry of Term:

The term of the Lease shall expire on December 31, 2015, rather than May 31, 2022.

Prepayment of Rent:

Upon execution of the Lease Amending Agreement, Tenant shall prepay the Basic Rent and the CAM costs always three (3) months ahead on a rolling basis for the amended term.

Leasehold Improvements:

Tenant shall be released from the obligation to complete the leasehold improvements listed in Schedule "D" (Initial Renovations) of the Lease.

Extension of Term by Mutual Agreement:

The term of the Lease may be extended beyond December 31, 2015 only upon the mutual agreement of the parties.

Other Terms of Lease:

All other terms of the Lease shall remain the same and unchanged.

Participation in Future Commercial Tenant Selection Processes

If the Tenant fulfills all of its obligations under the Lease, as amended by the Lease Amending Agreement, Tenant shall be considered to be in good standing under the Lease. In the event that the City elects to proceed with a selection process to find a new commercial food service operator(s) to provide food services at City Hall, the Tenant shall not be excluded from participating in the process. Tenant shall acknowledge that the City may elect to proceed with a social enterprise model at City Hall, rather than a commercial tenant selection process, in which case, Tenant will not be eligible to participate.