

**THIS SUBLEASE** made effective the \_\_\_\_ day of \_\_\_\_\_, 2016

**BETWEEN:**

**HIGH RIVER REGIONAL AIRPORT LIMITED**  
(the "Lessee")

- and -

\_\_\_\_\_  
(the "Sublessee")

**SUBLEASE**

**WHEREAS:**

- A. Pursuant to the Lease Agreement and Amending Agreement between the Landlords and the Lessee, the Landlords leased the Leased Premises to the Lessee;
- B. Pursuant to Section 3.9 of the Lease Agreement, the Lessee is entitled to sublease the Leased Premises;
- C. The Lessee has agreed to sublease the Subleased Premises to the Sublessee in accordance with the terms, covenants and conditions contained herein.

**NOW THEREFORE** in consideration of the rents and the mutual covenants and agreements contained herein, the sufficiency of which is hereby acknowledged by each of the parties, the parties hereby agree as follows:

**ARTICLE 1 - DEFINITIONS**

1.1 **Definitions**

In this Sublease:

- (a) "Airport" means the High River Regional Airport upon which the Leased Premises are located;
- (b) "Amending Agreement" means the agreement to renew and amend terms of lease agreement executed by the Lessee and the Landlords and dated \_\_\_\_\_;
- (c) "Basic Rent" means the annual rent payable by the Sublessee to the Lessee pursuant to Section 4.2 of this Sublease;
- (d) "Board" means the board of directors of the Lessee;
- (e) "Commencement Date" means the \_\_\_ day of \_\_\_\_\_, 2016;
- (f) "Hazardous Substances" means any substance which is hazardous to persons or property and includes, without limiting the generality of the foregoing:

- (i) radioactive materials;
  - (ii) explosives;
  - (iii) any substance that, if added to any water, would degrade or alter or form part of a process of degradation or alteration of the quality of that water to the extent that it is detrimental to its use by man or by any animal, fish or plant;
  - (iv) any solid, liquid, gas or odor or combination of any of them that, if emitted into the air, would create or contribute to the creation of a condition of the air that:
    - (A) endangers the health, safety or welfare of persons or the health of animal life;
    - (B) interferes with normal enjoyment of life or property; or
    - (C) causes damage to plant life or to property;
  - (v) toxic substances including, without restriction, urea formaldehyde foam insulation, asbestos and poly-chlorinated biphenyls; and
  - (vi) substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority having jurisdiction over the Lessee, the Sublessee, or the Leased Premises;
- (g) "Head Lease" means the Lease Agreement together with the Amending Agreement;
  - (h) "Initial Fee" means the fee as described in Section 4.1 of this Sublease;
  - (i) "Initial Term" means the initial term of this Sublease as specified in Section 3.1 of this Sublease;
  - (j) "Landlords" means the Town of High River and the Municipal District of Foothills No. 31;
  - (k) "Lease Agreement" means the lease agreement executed by the Lessee and the Landlords and dated June 25, 2003;
  - (l) "Leased Premises" means the Leased Premises as defined in the Lease Agreement;
  - (m) "Permitted Use" means use as a site for the construction and operation of an aircraft hangar or other aviation purposes in accordance with all federal, provincial, and municipal laws;
  - (n) "Renewal Term" means the Renewal Term of this Sublease as specified in Section 3.2 of this Sublease;
  - (o) "Rent" means Basic Rent, together with any other amounts payable by the Sublessee pursuant to the terms of this Sublease;
  - (p) "Sublease" means this sublease agreement as from time to time amended in writing and agreed to by the parties hereto;
  - (q) "Subleased Premises" means the portion of the Leased Premises referred to as airport lot \_\_\_ as outlined in the attached Schedule "A"; and
  - (r) "Term" means the Initial Term of this Sublease and any Renewal Term of this Sublease as specified in Section 3 of this Sublease.

**ARTICLE 2 - DEMISE**

2.1 Demise

The Lessee hereby subleases to the Sublessee and the Sublessee hereby subleases from the Lessee the Subleased Premises for the Term and upon and subject to the terms, covenants and conditions contained within this Sublease.

**ARTICLE 3 - TERM**

3.1 Initial Term

The Sublessee shall have and hold the Subleased Premises for the period of 5 years from the Commencement Date, subject to earlier termination as stated herein.

3.2 Option to Renew

Provided that this Sublease remains in good standing and the Sublessee is not in default of any of its obligations under this Sublease, the Sublessee shall have the option to renew this Sublease for 4 further consecutive Renewal Terms of 5 years each, subject to the following provisions:

- (a) this option shall be exercised by the Sublessee by delivering to the Lessee written notice of the Sublessee's intention to exercise the option for each Renewal Term as may be provided in this Sublease;
- (b) such written notice of the option being exercised shall be delivered to the Lessee no earlier than 12 months before and no later than 6 months before the last day of the Initial Term or the Renewal Term, as the case may be;
- (c) upon the receipt of such written notice by the Lessee, the Term shall be extended for the period(s) specified, subject to all of the terms, conditions, covenants and provisos contained in this Sublease, save and except that the basic rent charged for any renewal period shall be at the Board's sole discretion, such basic rent not to exceed the basic rent chargeable for the period immediately prior to such renewal, plus 10%.

It is understood and agreed that notwithstanding any such option to renew as set for the above, any Renewal Term shall not exceed the balance of the term of the Head Lease, less one day. To the extent that the term of the Head Lease must be renewed in order for the Sublessee's option to renew contained within this Sublease to be effective, the renewal of the Head Lease shall be a condition precedent to the Sublessee's option to renew this Sublease and the Sublessee's ability to exercise its option to renew.

**ARTICLE 4 - RENT**

4.1 Initial Fee

On or before the Commencement Date, the Sublessee shall pay to the Lessee an Initial Fee in the amount of \$\_\_\_\_\_ for the initial development of the Subleased Premises including utility installation and lot preparation. The Initial Fee will also include any applicable prime location fee payable by the Sublessee to the Lessee.

4.2 Basic Rent

The Sublessee shall pay to the Lessee Basic Rent in the amount of \$\_\_\_\_\_ for the first calendar year of the term, such Basic Rent to be payable by the Sublessee in advance. Thereafter, the Sublessee

shall pay to the Lessee Basic Rent at the Board's sole discretion, such Basic Rent not to exceed the Basic Rent chargeable for the previous calendar year plus 10%.

On or before the Commencement Date, the Sublessee shall pay to the Lessee the proportionate amount of annual Basic Rent owing from the Commencement Date to December 31<sup>st</sup> of the first year of the Term. Thereafter, the Sublessee shall pay to the Lessee, on or before January 1<sup>st</sup> of each year of the Term, the annual Basic Rent due, or proportionate share thereof, for the next succeeding calendar year.

#### 4.3 Additional Rent

The Sublessee shall pay, in each and every year during the Term, its proportionate share of the operating costs of the Subleased Premises, calculated on the basis of the ratio of the frontal footage of the Subleased Premises to the Leased Premises as a whole and applied against the total operating costs and expenses of the Leased Premises.

Furthermore, the Board may, at its sole discretion, approach the Sublessee, as well as other sublessees within the Leased Premises, for consultation on necessary extraordinary expenditures for the Airport. If, at the Board's sole discretion, those extraordinary expenditures are undertaken, the Sublessee shall pay its proportionate share of any extraordinary expenditure, calculated on the basis of the ratio of the frontal footage of the Subleased Premises to the Leased Premises as a whole and applied against the total extraordinary expenditure.

Such Additional Rent, together with the Initial Fee set out in Section 4.1 and Basic Rent set out in Section 4.2 herein, shall constitute the Rent.

#### 4.4 Late Payment Interest

Should the Sublessee default in the prompt payment of any sum due hereunder, the Lessee shall have the same rights and remedies upon such default as if the sum were Rent in arrears, and interest shall accrue at a rate of 12% per annum, calculated daily until all late payments are received.

#### 4.5 Net Sublease

The Lessee and the Sublessee hereby represent, warrant, covenant and agree that this Sublease shall be entirely net to Lessee, and the Lessee shall not be responsible during the Term for any cost, charge, expense or outlay of any nature whatsoever arising from or relating to the Subleased Premises, or any impositions, costs and expenses of every nature and kind relating to the Subleased Premises whether or not specifically provided herein.

Without limiting the generality of the foregoing, in addition to the foregoing Rent, the Sublessee shall be responsible for any costs or expenses incurred by the Landlords or the Lessee in respect of the Subleased Premises, and the Sublessee's use, occupation, maintenance and repair of the Subleased Premises, as contemplated within this Sublease. Such additional sums, costs or expenses may include, without restriction:

- (a) costs of additional services required by the Sublessee, or required at or within the Subleased Premises, whether provided by the Landlords or the Lessee, either at the request of the Sublessee or due to the occupation and use of the Subleased Premises by the Sublessee;
- (b) costs or expenses associated with the construction and maintenance of any access road or roads servicing the Leased Premises, and other maintenance of the Leased Premises;
- (c) cost or expenses to provide lighting, security, or other services to the Leased Premises as a whole;
- (d) costs or expenses imposed by the Landlords upon either the Lessee or the Sublessee by virtue of the existence of this Sublease, any review or approval thereof, or any review or approval of the use, occupation, or alternation of the Subleased Premises by the Sublessee; and

- (e) costs or expenses imposed by the Landlords upon either the Lessee or the Sublessee by virtue of signage required or otherwise provided in respect of the Sublessee including, without restriction, the review, approval, amendment, generation, or maintenance of any such signage;

all of which shall be payable upon demand or presentation of invoice therefor and shall be deemed to be, and be collectable in the same manner as, Rent payable under this Sublease.

#### ARTICLE 5- GENERAL COVENANTS

##### 5.1 Lessee's General Covenants

The Lessee covenants with the Sublessee:

- (a) for quiet enjoyment;
- (b) to observe and perform all of the covenants and obligations of the Lessee under the Head Lease; and
- (c) to observe and perform all of the covenants and obligations of the Lessee contained within this Sublease.

##### 5.2 Sublessee's General Covenants

The Sublessee covenants with the Lessee:

- (a) to pay Rent when due;
- (b) to refrain from any act or omission that would constitute a default by the Lessee under the Head Lease;
- (c) to observe and perform all of the covenants and obligations of the Sublessee contained within this Sublease;

**\*\* (d) – (f) are optional - in the event that the Subleased Premises does not have a hangar or other building constructed on it\*\*:**

- (d) to submit all architectural plans, site plan and drawings to the Lessee within 90 days of the date of this Sublease which shall show, in sufficient detail, as to quality, size, and mode of construction, the proposed building to be erected by the Sublessee, the plan for site drainage, and access (road and ramp) in order to obtain written approval of such plans from the Lessee, such approval not to be unreasonable withheld;
- (e) to commence construction of a building to be erected upon the Subleased Premises within one year from the date that development permit approval is obtained; and
- (f) to complete construction of a building within two years of commencement.

#### ARTICLE 6- UTILITIES, TAXES AND EXPENSES

##### 6.1 Taxes

The Lessee shall be responsible for payment, when due, of all property taxes and any other levies imposed by any competent authority in respect of the Subleased Premises during the Term of this Sublease. The Sublessee shall be responsible for payment, as and when they become due, of any and all such assessments which are related to any and all alterations, additions, partitions, improvements or other structures constructed or installed upon or within the Subleased Premises by or on behalf of the Sublessee.

## 6.2 Sublessee's Taxes

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

## 6.3 Utilities

The Sublessee shall be responsible for the prompt payment, when due, of all costs associated with the supply of all utility services (including, without restriction, water, gas, electricity and telephone) to the Subleased Premises and the consumption of such utilities within the Subleased Premises. The Sublessee shall also be responsible for the prompt payment, when due, of all costs associated with the hook up of all such utility services and rental of related equipment which are not already provided by the Lessee with the Subleased Premises. Payments shall either be made directly to the supplier of the services or equipment, or shall be paid to the Lessee as reimbursement for payment of such costs if paid by the Lessee to the said supplier(s).

## 6.4 Goods and Services Tax

To the extent that Goods and Services Tax applies to any sums payable by the Sublessee pursuant to the terms of this Sublease (whether payable to the Lessee or to any third party), the Sublessee shall be responsible for payment of all applicable Goods and Services Tax as and when required. Consequently, the Rent and any other amounts or payment stated as being payable pursuant to the terms of this Sublease shall be deemed to be exclusive of Goods and Services Tax.

## 6.5 Caretaking

All cleaning and caretaking of the Subleased Premises shall be carried out by the Sublessee at the Sublessee's expense including, without restriction, the picking up and removal of all trash and litter from the Subleased Premises on a regular basis and as and when necessary to maintain a clean and tidy condition.

# **ARTICLE 7 – SUBLESSEE ALTERATIONS, INSTALLATIONS, INSURANCE AND REPAIRS**

## 7.1 Alterations and Installations

The Sublessee will not, without the prior written consent of the Lessee, construct, install, erect or permit to be constructed, or erected upon or within the Subleased Premises any alteration, addition, partition, fence, improvement or other structure. If the Sublessee desires to construct, install, erect or permit to be constructed, or erected any alteration, addition, partition, fence, improvement or other structure upon or within the Subleased Premises, the Sublessee shall, at the time of its application for the Lessee's consent, inform the Lessee and furnish plans and specifications of the necessary work and if the Lessee shall consent to such work being done, the Lessee shall have the right impose any reasonable conditions upon such consent which the Lessee may deem necessary. In the event any alteration, addition, improvement or installation has been made without the written consent of the Lessee, the Lessee may require the Sublessee to restore the Subleased Premises to such an extent as the Lessee deems expedient.

Upon the expiration or other termination of this Sublease, all alterations, additions, partitions, improvements or structures which may have been made or installed by the Sublessee upon or within the Subleased Premises, (whether with or without the Lessee's consent) and which are attached to the Subleased Premises shall remain upon and be surrendered with the Subleased Premises as a part of the Subleased Premises without disturbance, molestation or injury and such be and become the absolute property of the Lessee without compensation to the Sublessee.

Notwithstanding the foregoing, the Lessee may, by written notice to the Sublessee prior to or after the termination or expiration of the Term, require the removal at the expense of the Sublessee of any and all alterations, additions, partitions, improvements or structures on the Subleased Premises and/or the restoration of the Subleased Premises to

the same condition that they were in before any alterations, additions, partitions, improvements or structures were made, erected or installed, such work to be done by or at the direction of the Lessee.

## 7.2 Hazardous Substances

The Sublessee represents, covenants and warrants to and in favor of the Lessee that:

- (a) it shall not allow any Hazardous Substances to be placed, held, located or disposed of on, under or at the Subleased Premises without the prior written consent of the Lessee, which consent may be arbitrarily or unreasonably withheld;
- (b) it shall not allow the Subleased Premises to be utilized in any manner in contravention of any applicable laws intended to protect the environment, including without limitation, laws respecting the disposal and emission of Hazardous Substances;
- (c) to the extent that Hazardous Substances are, with the Lessee's consent, placed, held, located or disposed of on, under or at the Subleased Premises in accordance with the terms hereof, the Sublessee shall:
  - (i) comply in all respects with all laws, ordinances, rules and regulations relating to the storage, transport, use or disposal of Hazardous Substance, including specifically, without limitation, the *Environmental Protection and Enhancement Act* (Alberta), as amended; and
  - (ii) at the request of the Lessee, provide evidence to the Lessee of compliance with all applicable laws and regulations, such evidence to include inspection reports and such tests as the Lessee may reasonably require, all at the expense of the Sublessee;
- (d) if any authority shall require the cleanup of any Hazardous Substances held, released, spilled, abandoned or placed upon the Subleased Premises or released into the environment by the Sublessee in the course of the Sublessee's business or as a result of the Sublessee's use or occupancy of the Subleased Premises, then the Sublessee shall at its own expense, prepare all necessary studies, plans and proposals and submit the same for approval, provide all bonds and other security required by applicable authorities and carry out and complete the work required, provide to the Lessee full information with respect to proposed plans and the status from time to time of its cleanup work and comply with the Lessee's reasonable requirements with respect to such plans; and
- (e) upon the expiration or early termination of the Term (or any extension thereof), the Sublessee at its sole expense shall remove and dispose of all Hazardous Substances and all storage tanks and other containers therefor in accordance with all applicable environmental laws to the extent required by the Lessee.

## 7.3 Insurance

The Sublessee shall throughout the Term and during any other time the Sublessee occupies the Subleased Premises or a portion thereof, at its sole cost and expense, take out and keep in full force and effect, the following insurance:

- (a) comprehensive general liability insurance with inclusive limits of not less than FIVE MILLION \$5,000,000.00 per occurrence;
- (b) all risk coverage respecting any and all property of the Sublessee which from time to time may be located within or upon the Lands, Leased Premises, or the Subleased Premises, such coverage to be for 100% of replacement cost; and

- (c) any other form of insurance as the Lessee or Sublessee may reasonably require from time to time in form, in amounts and for insurance risks against which a prudent Sublessee under similar circumstances would insure.

Each insurance policy referred in to above shall name the Lessee, the Landlord, and any person, firm or corporation designated by the Lessee as additional insureds as their interest may appear and such policies will contain where appropriate:

- (a) a waiver of any subordination rights which the Sublessee's insurers may have against the Lessee;
- (b) a severability of interests clause or a cross liability clause; and
- (c) a clause stating that the Sublessee's insurance policy will be considered as the primary insurance and shall not call into contribution any other insurance that may be available to the Lessee.

All policies shall be taken out with insurers and shall be in a form acceptable to the Lessee acting reasonably. The Sublessee agrees that certificates of insurance acceptable to the Lessee or if required by the Lessee, certified copies of each such insurance policy, will be delivered to the Lessee as soon as practicable after the placing of the required insurance. All policies shall contain an undertaking by the insurers to notify the Lessee and the Landlords in writing of any material change, cancellation or termination of any provision of any policy, not less than thirty (30) days prior to the material change, cancellation or termination thereof.

#### 7.4 Sublessee's Repairs

The Sublessee covenants to maintain, repair and keep tidy the Subleased Premises (including any and all alterations, additions, partitions, improvements or structures which may have been made or installed by the Sublessee upon or within the Subleased Premises) as determined by the Lessee acting reasonably, as and when the same become damaged or in any way non-functioning, or otherwise as and when required in order to maintain the Subleased Premises in the substantially the same condition as existed as of the Commencement Date. The Sublessee shall take all preventative measures and obey all operating instructions of the Lessee relative thereto and shall not permit waste. The Sublessee shall make all repairs and maintenance with all due diligence and to the satisfaction of the Lessee acting reasonably.

#### 7.5 Repair on Termination

Upon the expiration of the Term (or any extension thereof) or upon the earlier termination of the Sublease, the Sublessee covenants to surrender the Subleased Premises broom swept and in substantially the same condition as the Subleased Premises were in upon delivery of possession thereof under this Sublease except for reasonable wear and tear.

### **ARTICLE 8 - INDEMNITY**

#### 8.1 Indemnity

The Sublessee hereby indemnifies and saves harmless the Lessee and its successors and assigns from and against any and all losses, liabilities, damages, costs (on a solicitor and his own client basis) and expense of any kind whatsoever including, without limitation:

- (a) the costs of defending, counter-claiming or claiming over against third parties in respect of any action or matter including legal fees, costs and disbursements on a solicitor and his own client basis and at all court levels;
- (b) any cost, liability or damage arising out of a settlement of any action entered into by the Lessee with or without the consent of the Sublessee; and

- (c) the costs of repair, clean-up or restoration paid by the Lessee and any fines levied against the Lessee,

which at any time or from time to time may be paid, incurred or asserted against the Lessee, whatsoever arising from or out of, directly or indirectly, the Sublessee's use or occupancy of the Subleased Premises or occasioned wholly or in part by any act or omission of the Sublessee, its agents, contractors, employees, sub-Lessees, licensees, concessionaires or anyone permitted by the Sublessee to be in or on the Subleased Premises. This indemnification shall include any and all such costs that may arise due to the release of hazardous substances by the Sublessee (or those for whom the Sublessee is responsible), and shall survive the expiration of the Term of this Sublease and the termination of this Sublease for whatever cause or any renewal of this Sublease.

#### **ARTICLE 9 - LICENSES, ASSIGNMENTS AND SUBLETTINGS**

##### 9.1 Licenses, Assignments and Sublettings

The Sublessee will not transfer, assign, license or sublet this Sublease, the Subleased Premises, or any portions thereof.

#### **ARTICLE 10- LIABILITIES**

##### 10.1 Theft

The Lessee shall not be liable for the theft of any property at any time in or on the Subleased Premises.

##### 10.2 Personal Injury

The Lessee shall not be liable for any injuries or death, or any losses or damages caused to any individual while within the Subleased Premises as a result of or in any way arising out of the occupation or use of the Subleased Premises by the Sublessee or any of its invitees.

#### **ARTICLE 11 - SUBLESSEE'S DEFAULT**

##### 11.1 Default

Notwithstanding anything herein contained to the contrary, upon the occurrence of any one of the following events the Lessee may, at its option, re-enter and take possession of the Subleased Premises with or without terminating this Sublease as though the Sublessee or the servants of the Sublessee or any other occupants of the Subleased Premises was or were holding over at the expiration of the Term:

- (a) if the Term or any of the goods and chattels of the Sublessee on the Subleased Premises are seized or taken in execution or attachment by a creditor of the Sublessee;
- (b) if the Sublessee becomes insolvent or bankrupt, or makes an assignment for the benefit of creditors, or is declared bankrupt, or takes the benefit of any legislation that may be in force for bankrupt or insolvent debtors;
- (c) if proceedings are taken against the Sublessee under any legislation to wind up companies;
- (d) if the Sublessee sells or attempts to sell all or substantially all of its assets;
- (e) if the Sublessee (or its agent) falsifies any report or information required to be furnished to the Lessee pursuant to this Sublease;
- (f) if the Sublessee fails to pay the Rent when due; or

- (g) if the Sublessee fails to perform any of its obligations under this Sublease as and when required, and such default continues for a period of seven (7) days after written notice from the Lessee of such default.

#### 11.2 Remedies Upon Default

Upon the occurrence of an event of default, as defined within Section 11.1 of this Sublease, The Lessee shall be entitled, at its option, to declare the current month's Rent, together with the Rent for the next three (3) months ensuing, to be immediately due and payable and, at the Lessee's option, the Term shall become forfeited and void, and the Lessee may without notice or any form of legal process whatsoever forthwith re-enter upon the Subleased Premises, or any part thereof, in the name of the whole and repossess and enjoy the same as its former estate, anything contained in any statute or law to the contrary notwithstanding. No re-entry or taking possession of the Subleased Premises shall be construed as an election on the part of Lessee to terminate this Sublease unless at the time of or subsequent to such re-entry or taking of possession written notice of such termination has been given to the Sublessee.

#### 11.3 Additional Remedies

The rights and remedies of the Lessee pursuant to Section 11.1 and 11.2 of this Sublease are in addition to the rights and remedies of the Lessee at law or as otherwise contained within this Sublease. The forfeiture of this Sublease by the Sublessee shall be wholly without prejudice to the right of the Lessee to recover arrears of Rent or damages for any antecedent breach of covenant on the part of the Sublessee and, notwithstanding any such forfeiture, the Lessee may subsequently recover from the Sublessee damages for loss of Rent suffered by reason of this Sublease having been determined prior to the end of the Term and this liability and the other rights under this Section shall survive the termination of this Sublease whether by act of the parties or by operation of law.

#### 11.4 Lessee's Right to Perform

In addition to all other remedies the Lessee may have by this Sublease at law or in equity, if the Sublessee defaults in any of its obligations hereunder, the Lessee may at its option perform any such obligation after 15 days' written notice to the Sublessee and in such event the cost of performing the obligation plus an administrative charge of 20% of this cost, shall be payable by the Sublessee to the Lessee as Additional Rent. On default of this payment, the Lessee shall have the same remedies as on the default of payment of Rent.

### **ARTICLE 12- GENERAL PROVISIONS**

#### 12.1 Sublease Entire Agreement

It is understood and agreed between the parties that the terms and conditions set forth herein, together with the terms and conditions set forth in the rules and regulations and any schedules and plans annexed hereto, embrace all of the terms and conditions of this Sublease entered into by the Sublessee and the Lessee and supersede and take the place of any and all previous agreements or representations of any kind, written, oral or implied heretofore made by anyone in reference to the Subleased Premises. If any provision of this Sublease is illegal or unenforceable it shall be considered separate and severable from the remaining provisions of this Sublease, and the remaining provisions shall remain in force and be binding as though the said illegal or unenforceable provisions had never been included.

#### 12.2 Parties Hereto

This Sublease shall enure to the benefit of and be binding upon the parties hereto, and their respective heirs, executors, successors and permitted assigns of the parties hereto.

12.3 Notices

A notice, demand, request, consent or other instrument required or permitted to be given under this Sublease shall be in writing and shall be given and deemed to have been received as provided in this Section.

(a) "Notices" shall be addressed:

(i) to the Lessee as follows: High River Regional Airport Limited  
Box 5969  
High River, Alberta  
T1V 1P6

(ii) to the Sublessee as follows: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any Notice must be mailed in Canada by ordinary mail, electronic facsimile transmission or prepaid courier. A Notice shall be deemed to have been received by the party to whom the Notice is addressed on the day which is five (5) business days following the date that the Notice was mailed, provided that at the time of mailing there is not an actual or apprehended interruption in mail service by labour dispute or otherwise. Notwithstanding the aforesaid, in the event of an actual or apprehended interruption in mail service, or at any time if the party giving notice so elects, Notice shall be in writing and delivered to and left at the address for Notice of the party to whom it is to be given during normal business hours on a business day and shall have been deemed to be received on the date of delivery.

A party may at any time give Notice to the other party of a change of its address for the purpose of giving Notice and from and after the giving of such Notice, the address therein shall be deemed to be the address of that party.

12.4 Time of the Essence

Time shall be of the essence for this Sublease and for each and every part thereof.

12.5 Governing Law

This Sublease shall be governed in accordance with the laws of the Province of Alberta.

**IN WITNESS WHEREOF** the parties hereto have executed this Sublease on the \_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_.

**HIGH RIVER REGIONAL AIRPORT  
AUTHORITY LIMITED**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

\_\_\_\_\_

Per: \_\_\_\_\_

Per: \_\_\_\_\_