



AGENDA

A. CALL TO ORDER

B. APPROVAL OF AGENDA

1. **Motion:** *THAT the Board approve the June 18, 2024 open session agenda, as circulated.*

C. APPROVAL OF MINUTES

1. **Motion:** *THAT the Board approve the May 21, 2024 open session minutes, as circulated.* 1

D. DELEGATIONS

None.

E. EXTERNAL REPORTS & PRESENTATIONS

1. Campus and Community Planning Report – Carole Jolly, Director of Community Development and Engagement, Campus and Community Planning 5
2. Electoral Area A Director Monthly Report – Jen McCutcheon, Electoral Area A Director

F. REPORTS

1. June 2024 Management Report 8
2. UNA Administrative Office Lease Renewal Report – Wegland Sit, Operations Manager 25

Relevant Attachments:

- Lease Extension Agreement for the UNA Administrative Office 29
- Wesbrook Village Sublease Office Form Lease for the UNA Administrative Officer – 2018-2021 34
- Office Rent Comparison – June 2024 100

Recommendation:

THAT the Board approve the lease extension agreement for the UNA Administrative Office and authorize the Chair to execute the agreement, as circulated.

3. Lot 10 Community Garden Lease Extension Report – Wegland Sit, Operations Manager 101



Relevant Attachments:

- Lot 10 Community Garden License Extension 104
- Lot 10 Community Garden License Agreement 2021-2024 105

Recommendation:

THAT the Board approve the lease extension agreement for the Lot 10 Community Garden and authorize the Chair to execute the agreement, as circulated.

4. Finance & Audit Committee Update

- a. FY2023/24 Preliminary Financial Results – Athena Koon, Finance Manager 119

Relevant Attachments:

- FY2023/24 Fire Service Charge Calculation 133
 - Neighbours Fund Reserve Policy (#05-13) – Amendment #3 – December 2010 136
 - UBC Financial Support Letter – Dated July 19, 2021 141
- b. 2024/25 Insurance Renewal Report – Wegland Sit, Operations Manager 144

Recommendation:

THAT the Board authorize the Chief Administrative Officer to agree on behalf of the UNA to the insurance coverages for the period July 1, 2024 to June 30, 2025.

5. Governance & Human Resources Committee Update

- a. 2024 UNA Bylaw Amendments Report – Chris Hakim, Corporate Services Specialist 148

Relevant Attachments:

- Draft Amendments to UNA Bylaws – Clean Version 151
- Draft Amendments to UNA Bylaws – Redlined Version 154

Recommendation:

THAT the Board seek approval at the 2024 UNA Annual General Meeting for the proposed amendments to the UNA Bylaws, as circulated.

6. Neighbours Agreement Committee Update – Director Holmes

G. UNFINISHED BUSINESS

None.



UNIVERSITY
NEIGHBOURHOODS
ASSOCIATION

UNA BOARD OF DIRECTORS MEETING

Date: June 18, 2024

Time: 5:30 p.m.

Location: Social Room, Wesbrook
Community Centre

H. NEW BUSINESS

None.

I. ADJOURNMENT

Recommendation:

THAT the Board adjourn into a closed session to discuss matters that are, or are related to, discussions and dealings with other entities or individuals where disclosure of the information being discussed could be harmful to the UNA's interests; the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and the approval of minutes for a closed session or restricted closed session of a Board meeting.



MINUTES

PRESENT:

Richard Watson – Chair
Bill Holmes
Eagle Glassheim
Fei Liu
Murray McCutcheon

UBC MEMBERS:

Carole Jolly
Holly Shepherd

AMS DESIGNATED STUDENT:

Ayesha Irfan

STAFF:

Paul Thorkelsson – Chief Administrative Officer
Athena Koon – Finance Manager
Chris Hakim – Corporate Services Specialist
Dave Gillis – Recreation Manager
Emmanuel Samoglou – Social Media Specialist
Glenda Ollero – Communications Manager
Wegland Sit – Operations Manager

A. CALL TO ORDER

The University Neighbourhoods Association (UNA) Board meeting's open session was called to order at 5:32 p.m.

The Chair welcomed Ayesha Irfan, the newly appointed AMS Designated Student. The Chair also welcomed Holly Shepherd, who returned to her role as a UBC Member.

The Chair acknowledged that the meeting was held on the traditional and unceded territories of the Musqueam people.

B. APPROVAL OF AGENDA

MOVED by the Chair

SECONDED by Director Glassheim

THAT the Board approve the May 21, 2024 open session agenda, as circulated.

CARRIED

C. APPROVAL OF MINUTES

MOVED by the Chair



SECONDED by Director McCutcheon

THAT the Board approve the April 16, 2024 open session minutes, as circulated.

CARRIED

D. DELEGATIONS

None.

E. EXTERNAL REPORTS & PRESENTATIONS

1. Campus and Community Planning Report

Carole Jolly, the UBC Director of Community Development and Engagement, presented the report contained in the meeting package, followed by a question from the Board.

2. Electoral Area A Monthly Report

A report was not presented this meeting. No questions followed.

F. REPORTS

1. May 2024 Management Report

The Management team presented their respective reports contained in the meeting package, followed by questions from and discussion amongst the Board.

2. Online Version of the *UNA Guidebook* Report

The Communications Manager presented the report contained in the meeting package, followed by questions from the Board.

MOVED by the Chair

SECONDED by Director Glassheim

THAT the Board approve the online version of the UNA Guidebook for publication on the UNA website and distribution to the community.

CARRIED

3. UNA Administrative Office Lease Renewal Report

The Operations Manager presented the report contained in the meeting package, followed by questions from and discussion amongst the Board.

4. Print Issue Publication Options for *The Campus Resident* Report

The Communications Manager presented the report contained in the meeting package, followed by questions from and discussion amongst the Board.

5. UNA Staff Parking Plan Report

The Operations Manager presented the report contained in the meeting package, followed by questions from and discussion amongst the Board.



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The Board recessed at 7:04 p.m. and reconvened at 7:25 p.m.

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6. UBC Community Amenity Charges Report

The Chief Administrative Officer presented the report contained in the meeting package, followed by a question from the Board.

7. Governance & Human Resources Committee Update

a. Corporate Policy Framework Report

The Corporate Services Specialist presented the report contained in the meeting package. No questions followed.

MOVED by the Chair

SECONDED by Director Holmes

THAT the Board approve the proposed Corporate Policy Framework (#01-19), as circulated.

CARRIED

b. 2024 UNA Board of Directors Election Planning Report

The Corporate Services Specialist presented the report contained in the meeting package, followed by questions from and discussion amongst the Board.

8. Neighbours Agreement Committee Update

Director Holmes provided a verbal report. No questions followed.

G. UNFINISHED BUSINESS

None.

H. NEW BUSINESS

None.

I. ADJOURNMENT

MOVED by the Chair

SECONDED by Director McCutcheon

THAT the Board adjourn into a closed session to discuss matters that are, or are related to, discussions and dealings with other entities or individuals where disclosure of the information being discussed could be harmful to the UNA's interests, and the approval of minutes for a closed session or restricted closed session of a Board meeting.

CARRIED



UNIVERSITY
NEIGHBOURHOODS
ASSOCIATION

UNA BOARD OF DIRECTORS MEETING
Open Session

Tuesday, May 21, 2024
Wesbrook Community Centre

The meeting adjourned into a closed session at 7:49 p.m.

* * * *



THE UNIVERSITY OF BRITISH COLUMBIA

Campus + Community Planning

Memorandum

From: Simmi Puri, Communications Manager, Campus + Community Planning
To: UNA Board
Date: June 18, 2024
Subject: Monthly Update from Campus and Community Planning

Film & Events Notification

June

Vancouver Half Marathon. Road closures will apply.

Sunday, June 23rd from 7:30-11am.

Learn more: <https://planning.ubc.ca/event/vancouver-half-marathon>

Exams

June 24th to 28th

July

Canada Day. University closed.

Monday, July 1st

Roadwork update

- The watermain replacement work on 16th Avenue is progressing well and the northbound lane on Wesbrook Mall from Berton Avenue to 16th Avenue is currently open. Crews will be returning at the end of June to wrap up the project, at which time the northbound lane will be closed again but a date has not been confirmed. Updates to the project will be posted on the C+CP roadwork page: <https://planning.ubc.ca/roadwork>.
- Ross Drive recently reopened following the completion of the Neighbourhood District Energy System infrastructure. There will still be ongoing construction nearby at BCR 5/6 as well as some utility work on Wesbrook Mall later this summer. More updates will be provided once they are known.

The various projects in Wesbrook Place are being coordinated to minimize impacts to neighbourhood residents and visitors.

Update on NCAP

The UBC Board of Governors has approved the Neighborhood Climate Action Plan (NCAP), which sets a pathway to a net-zero and climate resilient community for the residential neighbourhoods on UBC's Vancouver campus.

Community feedback from two rounds of public engagement alongside collaboration with the UNA, UBC Properties Trust and industry, utility and academic partnerships have been essential in ensuring NCAP is both ambitious and achievable.

NCAP will guide neighbourhood climate action work for years to come, including residential building policies and programs, ecology, climate emergency preparedness, transportation and zero waste planning. It will also guide amended and future neighbourhood plans, shaping how UBC's Land Use Plan is implemented. This work will be undertaken in close partnership with UNA staff.

NCAP is a living plan and will adapt and evolve over time, responding to new information, technologies and a changing provincial and federal policy landscape. Learn more about NCAP: <https://planning.ubc.ca/NCAP>

Development Update

- UBC Properties Trust has applied for a Development Permit for lot BCR 7 on Wesbrook Mall in the Wesbrook Place neighbourhood. The application includes a 14-storey market rental residential tower with 2-storey townhomes at the base and a 6-storey faculty/staff rental building along Wesbrook Mall. Adjacent to the park to the east, 6-storey faculty/staff buildings with 2-storey townhomes at the base are proposed. 2.5 levels of underground parking and a total of 303 units will be provided. A public open house is scheduled for June 19, 2024 from 5:30 PM to 7:00 PM at the Wesbrook Community Centre Social Room. Share your written feedback from June 5 to June 26, 2024. Learn more: <https://planning.ubc.ca/bcr7>
- A Development Permit amendment has been issued for a new projecting sign for JJ Bean in Central along University Boulevard.
- A Development Permit amendment has been issued for a new commercial tenant (Chipotle) in Central for two new under canopy signs and changes to the storefront to accommodate a pick-up window.

Community Update

Lions, and Toddlers, and Bears—oh my!

Join UBC Inspired and Active Kids for an afternoon of pop-up circus play at Tough Toddler on June 23, from 11-2! This event is for UBC campus residents 6 and under—get to know your neighbours while you juggle, balance, bounce, and play at Osborne Gym. Check out all the fun [from last year's event](#) and don't forget to register this year—registration link can be found at www.inspired.ubc.ca/toughtoddler. We hope to see you there!

Inspiring Community Grants

When your idea comes to life, you can help create inclusivity, belonging, and community at UBC. Inspiring Community Grants provide up to \$500 to support projects that inspire community building and foster connectedness on campus. From coding camps to film festivals, art exhibits to soccer sessions, we're always excited to see the ideas the UBC community has to connect. The next cycle of grants is now available—apply at www.inspired.ubc.ca/communitygrants



Report Date: June 3, 2024
Meeting Date: June 18, 2024
From: Paul Thorkelsson, Chief Administrative Officer
Subject: June 2024 Management Report

Background

The June 2024 Management Report is presented for information.

Decision Requested

For information.

Discussion

CHIEF ADMINISTRATIVE OFFICER

Some of the key areas that I worked on include the following:

Board Relations

- Attended the May 2024 Land Use Advisory Committee meeting and the June 2024 Governance & Human Resources Committee, Finance & Audit Committee, and Neighbours Agreement Committee meetings.
- Continued the weekly meeting schedule with the UNA Chair.
- Supported the Board in preparation for the June meeting with UBC President.

Operations

- Continued planning for the upcoming 2024 UNA Board of Directors election and AGM.
- Re-initiated discussion with Municipal Insurance Authority on opportunities for UNA insurance coverage in the future.
- Confirmed UNA membership and access to information from the Union of British Columbia Municipalities (UBCM)
- Participated in and supported work with UBC to implement emergency water source program for UBC and the neighbourhoods.

Finance

- Supported financial system implementation and year end processes.



- Reviewed financial investment opportunities for the UNA with the Municipal Finance Authority (MFA).

Programs and Services

- Supported the Neighbours Agreement Committee in its ongoing negotiations with UBC on the new Neighbours Agreement.
- Participated and support continuing work on provision of Childcare Services in the UNA, beginning preparations for new Wesbrook facility in 2025.

Human Resources

- Supported and led internal UNA HR processes hiring, performance review, internal reviews.
- Ongoing work on the 2024 UNA Compensation review with external consultant.

Community Relations

- With UNA Chair met with the new AMS President to exchange introductions and share priorities.
- Met with UBC C+CP and Properties Trust for initial introductions and discussion of UNA priorities and opportunities

COMMUNICATIONS

UNA Website

The Communications Department is working with the Operations Team and our developers to upgrade the security and stability of our website by moving it to a new server and adding a redundancy server that will run parallel to the main server to ensure minimal to zero down time.

The Campus Resident

The Campus Resident published its latest print issue online on June 6, 2024. The next issue will be an online issue for release on July 4, 2024. To read the latest issue, please visit

Online *UNA Guidebook* Launch

The Board approved the online *UNA Guidebook* last May and it is scheduled to launch on June 21, 2024.

UNA Annual Report 2023

The Communications Department is working on a modified format for the Annual Report that will include more metrics, departmental information and services summary. The Annual Report is distributed at the Annual General Meeting in September.

Additional Promotions for UNA Camps

The Communications Department has been working with the Recreation Team to help boost promotions for UNA Camps. This year, the Recreation Team has increased the number of camps by 50% and additional promotions to help fill spots include an afternoon booth at Wesbrook Village, additional take-away materials (post cards) and new promotional materials (flags and lawn signs).

Spring Art Fair Promotions

The Communications Department has been working with Recreation Team to promote the Spring Art Fair happening on June 15. Promotional tactics include creating a landing page for all event info, running a bookmark contest for a design that will be featured in the event's program/schedule print collateral, and producing additional print signage.

Others:

- Support for the Operations Team for signage and lawn signs.
- Support for the Recreation Team for posters and event promotions (Canada Day, National Indigenous People's Day, Spring Art Fair, etc.)
- Continuing promotions for the UNA Card (Schedule F and F1) and coordinating with
- Continuing communications support for the parking.
- Continuing communications support for the UNA Community Field resurfacing.
- Coordinating with UBC on the content and production of the Services Levy information flyer.
- Coordinating with UBC on roadworks and traffic updates in and around the neighbourhoods.
- Meeting with the UBC Farm communications team to find ways to collaborate on event promotions and advisories.
- Working on updating the UNA's current media relations policy and develop a framework for responding to and pitching stories to the media.
- Working on a report with metrics for the UNA website, UNA newsletter and social media.
- Working on a social media report for the Board to help with decisions on staffing and additional work.

RECREATION

Highlights of the June 2024 report include:

Operations

- Arrival of new events SeaCan for storage located at WCC.

Finance

- Transfer of record of purchase to the new financial system provides greater ease and information.

Risk Management

- Health and Safety Meeting – No Information Available.

Programs and Services

- Fall program planning is underway.
- Summer Camps are being set up to run – registration is lower than expected and previous years.

Community Relations

- Opening of Splash Pad
- Next UBC–UNA Recreation Meeting – June 18
- UBC has agreed to provide metrics of residents' use of recreation facilities for each term

FACILITIES REPORT

Building Hours

In May, both OBCC and WCC operated on regular hours as follows:

Hours of Operation	Wesbrook Community Centre		Old Barn Community Centre	
	Main Facility	Fitness Centre	Main Facility	Fitness Centre
Weekday	8:30 am to 10:00 pm	6:00 am to 10:00 pm	7:00 am to 9:00 pm	7:00 am to 9:00 pm
	Mon – Fri	Mon – Fri	Mon - Fri	Mon - Fri
Weekend	8:30 am to 9:00 pm	7:00 am to 9:00 pm	7:00 am to 7:00 pm	7:00 am to 7:00 pm
	Sat & Sun	Sat & Sun	Sat & Sun	Sat & Sun

- On Victoria Day on May 20, both centres observed the holiday hours: the main facility opened from 10:00 am to 5:00 pm, and WCC Fitness Centre opened from 7:00 am to 5:00 pm.

Total hours of operations in May:

	WCC	OBCC	Total
Building Hours	382	411	793
FD Staffing Hours	1046.82	452.62	1500

Staffing

- 2024 Performance Review with applicable Front Desk employees were completed on May 19, 2024.

Wesbrook and Old Barn Community Centre

Front Desk General Services (May)

	2022	2023	2024
Open Gym	105	430	380
Parent & Tot Drop in	165	256	264
Sports Drop in	70	72	632
Parking Permit Issued	48	125	164
New Clients	396	400	443

- OBCC remains an attractive social space for residents and families with children. It provides great support to the outdoor activities in Jim Taylor Park and Hawthorn Neighbourhood.

Parking Services

- The parking renewal for Wesbrook and Hampton Place has gone very well in May with a gradual increase in the number of permit purchases.

Issued UNA parking permits (May 1- May 31)	Total Number of Permit
Wesbrook Resident Parking Permit	111
Wesbrook Visitor Parking Permit	29
Hampton Resident Parking Permit	8
Hampton Visitor Parking Permit	11
2023 Hawthorn Resident and Visitor Parking Permit	5

UNA Card & Registration

- The number of new clients registered in the UNA system remain steady compared to what in the previous months. See the report below:

	2022	2023	2024
New Clients	396	400	443
UNA Discount Enrollment	216	252	279
UBC/UTown Discount Enrollment	41	77	58

PROGRAMMING REPORT

Registration Updates

	Spring/Summer 2022	Spring/Summer 2023	Spring/Summer #s as of Mar 27, 2024	Spring/Summer #s as of Apr 29, 2024	Spring/Summer #s as of
Programs Offered	428	485	485	461	475
Registered Participants	2752	3567	1879	2302	2552
Waitlist	349	381	250	287	327
Withdrawals	417	488	46	168	209

Category	Spring/Summer 2022	Spring/Summer 2023	Spring/Summer Revenue as of Mar 27, 2024	Spring/Summer Revenue as of Apr 29, 2024	Spring/Summer Revenue as of
Physical Activity	\$86,007.03	\$120,544.69	\$91,833.89	\$104,967.19	\$111,587.24
Arts	\$48,040.83	\$64,155.15	\$37,861.07	\$50,129.88	\$53,387.16
Music	\$28,801.80	\$29,153.55	\$29,162.00	\$27,272.75	\$28,448.75
Education	\$22,546.40	\$28,666.25	\$27,040.15	\$31,184.28	\$31,815.33
Camps	\$115,809.72	\$138,387.30	\$55,205.60	\$63,013.90	\$69,075.90
Events	\$955.00	\$1,452.00	\$800.00	\$854.00	\$854.00
TOTAL	\$302,160.80	\$382,658.90	\$244,280.70	\$277,422.00	\$295,188.38

Highlight Programming – Wesbrook Community Centre

- For Fall 2024, we are working on extending musical private lessons by two days and introducing three new programs for children, two for adults, and six for preschoolers. We are also enhancing facility space usage by adjusting the timing of existing programs.
- Working to establish a “Seniors Council” to help guide our programs for seniors and to encourage volunteerism. Using a “bottom up” approach to ensure that we are meeting the needs and interests of our community.
- Working with the Youth Coordinator to explore potential programs where youth and seniors can come together.

Highlight Programming – Old Barn Community Centre

- New table tennis is drawing good usage.

Staffing

- Linda (Senior Coordinator) has returned after lengthy absence.
- Kieran (Fitness Supervisor) is away on leave.

Youth Coordinator – UBC - UTown

- Youth Leadership Program is organizing a Youth Dance on Saturday, June 22 from 7-9 PM with a Hollywood theme. We are projecting approximately 140 youth in attendance.
- Meeting with local community organizations and school administrators to understand the needs of youth in the community and what they can provide in terms of workshop and support at UNA

Connected Communities Coordinator - UBC

- Family Movie Night - Attendance: 68
- Revenue: \$282.50 (a record!)
- Norma Rose Point Spring Fair
- Hosted an engagement booth at the NRP Spring Fair on May 10, where youth volunteers served popcorn and cotton candy to over 600 community members.

Community Relations

- The Program & Events Team had a two full-day retreat to set goals and plans to achieve them this year.
- Some notable achievements from last year include:
 - Increased events that foster community connection – e.g. Spring Art Fair, open mic, busking
 - Incorporated more cultural aspects to events – e.g. performers
 - Increased physical activity options for adults, especially in evenings and weekends – e.g. bootcamps, spin
 - Optimized gymnasium & drop-in schedule
 - Established multigenerational programs – e.g. tech for seniors led by youth
 - Continued offering workshops that promote mental and intellectual health – e.g. Weaving Wellness, Brain health workshop
- Some goals that have been set for this year include:
 - Build a culture around volunteering
 - Implement a new Volunteer Management System that allows easier communication, recruitment, and tracking of hours
 - Build rapport with volunteers through appreciation and opportunities for professional development
 - Focus on increasing social programming – e.g. board game nights, youth drop-ins
 - Increase consistent events offerings at Barn on evenings – e.g. comedy nights, film screenings
 - Increase early years programming

- Implement streamlined programs & events feedback process

FITNESS REPORT – Kieran Petty

UNA Fitness Centre Attendance

Wesbrook Monthly Totals		3935	Old Barn Monthly Totals		495
Sunday Total		454	Sunday Total		57
Monday total		501	Monday total		73
Tuesday total		623	Tuesday total		79
Wednesday Total		678	Wednesday Total		97
Thursday total		622	Thursday total		75
Friday Total		659	Friday Total		76
Saturday total		398	Saturday total		38

Combined Monthly Totals		4430
Sunday Total		511
Monday total		574
Tuesday total		702
Wednesday Total		775
Thursday total		697
Friday Total		735
Saturday total		436

Wesbrook Community Centre - Membership Revenue

Pass	Youth	Youth Revenue	Resident	Resident Revenue	Non-Resident	Non-Resident Revenue	Total #	Total \$
10 Punch Pass	9	\$342.90	65	\$3,095.30	21	\$1,199.94	95	\$4,638.14
1 Month Pass	23	\$876.30	94	\$4,476.28	15	\$857.10	132	\$6,209.68
3 Month Pass	5	\$209.52	44	\$5,028.76	0	\$-	49	\$5,238.28
6 Month Pass	0	\$0.00	7	\$1,466.64	0	\$-	7	\$1,466.64
Year Pass	0	\$0.00	10	\$3,047.60	0	\$-	10	\$3,047.60
Total	37	1428.72	220	17114.58	36	2057.04	293	20600.34

Old Barn Community Centre - Membership Revenue

Pass	Youth	Youth Revenue	Resident	Resident Revenue	Non-Resident	Non-Resident Revenue	Total #	Total \$
10 Punch Pass	1	\$23.81	19	\$542.83	2	\$76.20	22	\$642.84
1 Month Pass	4	\$95.24	13	\$371.41	3	\$152.40	20	\$619.05

Combined - Membership Revenue

Pass	Youth	Youth Revenue	Resident	Resident Revenue	Non-Resident	Non-Resident Revenue	Total #	Total \$
10 Punch Pass	10	\$366.71	84	\$3,638.13	23	\$1,276.14	117	\$5,280.98
1 Month Pass	27	\$971.54	107	\$4,847.69	18	\$1,009.50	152	\$6,828.73
3 Month Pass	5	\$209.52	44	\$5,028.76	0	\$-	49	\$5,238.28
6 Month Pass	0	\$0.00	7	\$1,466.64	0	\$-	7	\$1,466.64
Year Pass	0	\$0.00	10	\$3,047.60	0	\$-	10	\$3,047.60
Total	42	1547.77	252	18028.82	41	2285.64	335	21862.23

May 2023 & May 2024 Membership & Revenue Comparisons

Month & Year	10 Punch Pass	1 month Pass	3 month pass	6 month pass	1 year pass	TOTALS	DIFFERENCE IN YEARS
May 2023 Purchases	82	126	44	5	2	259	+76 new memberships in May 2024
May 2024 Purchases	117	152	49	7	10	335	
May 2023 Revenue	\$3,500.05	\$3,500.05	\$5,095.39	\$1,047.60	\$1,380.95	\$14,524.04	\$7338.19 more made in May 2024
May 2024 Revenue	\$5,280.98	\$6,828.73	\$5,238.28	\$1,466.64	\$3,047.60	\$21,862.23	

Fitness News & Updates:

- In June, 2 new treadmills will be installed in the Wesbrook Fitness Centre, replacing 2 old treadmills that were no longer able to be maintained with the safety of patrons in mind. These new treads are the same as the new ones that were installed at the Old Barn Fitness Centre during renovations in 2023.

EVENTS REPORT

- Preparations for the **Spring Art Fare** on June 15th are underway, involving the development of a performance schedule featuring 24 music and dance acts, coordination with instructors, and gathering art pieces for the gallery show.
- Developing plans for **Canada Day** event with Elias to offer floor hockey among other events for the day.
- **Neighbours Day** has signed their headline act: "DaBoon" A retro British rock band inspired by 80's band the Clash. The band is expected to close out the day with two 45-minute sets.

May Event Report

- Mother's Day Tea

Upcoming Events

- Spring Art Fair – June 15
- Canada Day – July 1

Volunteers

- Working on a new Volunteer Management System. Done one demo call. Prepare to have another one or two to evaluate.

NEWCOMERS REPORT – Peng Wang

Newcomers Committee

- We are looking for two additional UNA Members to join our Newcomers Committee.

Upcoming Events

- Sep 14: Newcomer Welcoming Party

BOOKINGS REPORT – Angelica Sanchez

- Our indoor room rental is only open to meetings, workshops, birthday parties, baby showers, or lectures with capacity restriction in place.

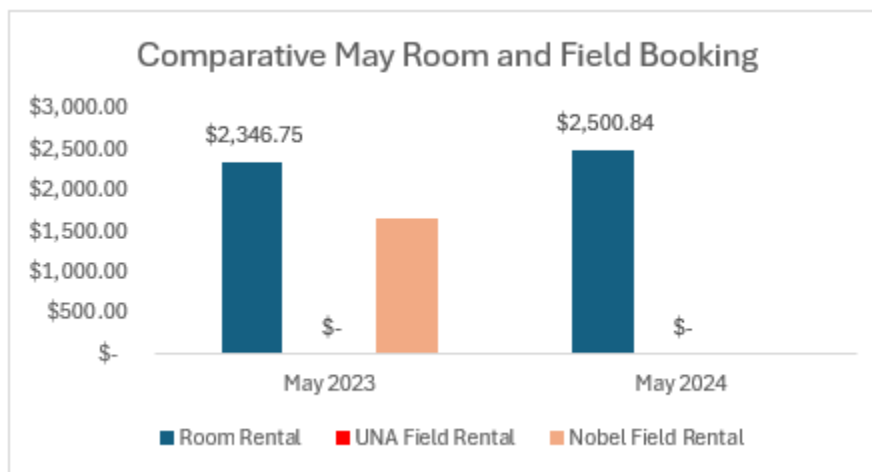
- Our outdoor rental for Turf Field and Nobel Softball Field are open to external bookings.
- We do not accept indoor room bookings in direct competition with UNA - activities or programs we already offer - in accordance with our booking policy.

Bookings Report

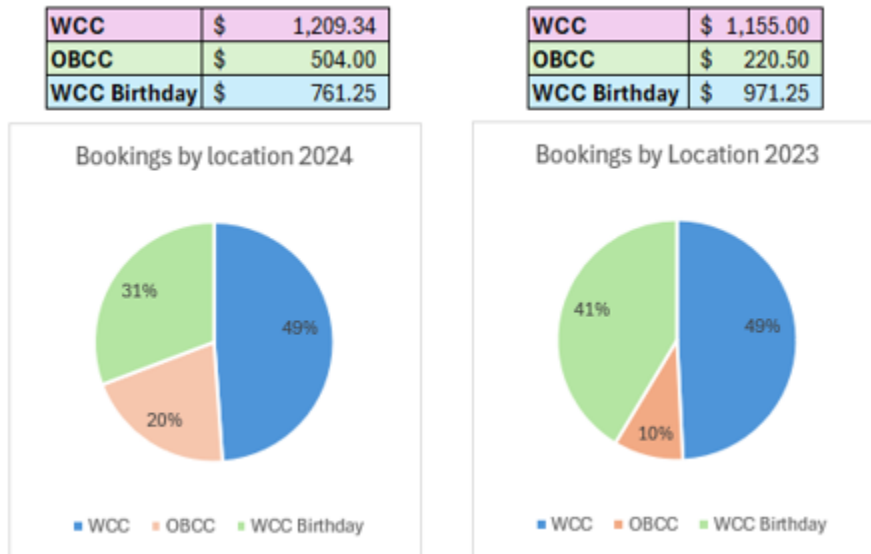
- Wesbrook has the highest request for room bookings. The main categories are sports, full-day booking (workshops), external birthday parties, and internal birthday parties' packages.
- Old Barn has a high demand for weekdays bookings, but it has very limited time available for external bookings.
- Field bookings are mostly requested by UBC sport clubs, UBC Staff, and Triumph Staff.

Submission of Rental Analysis

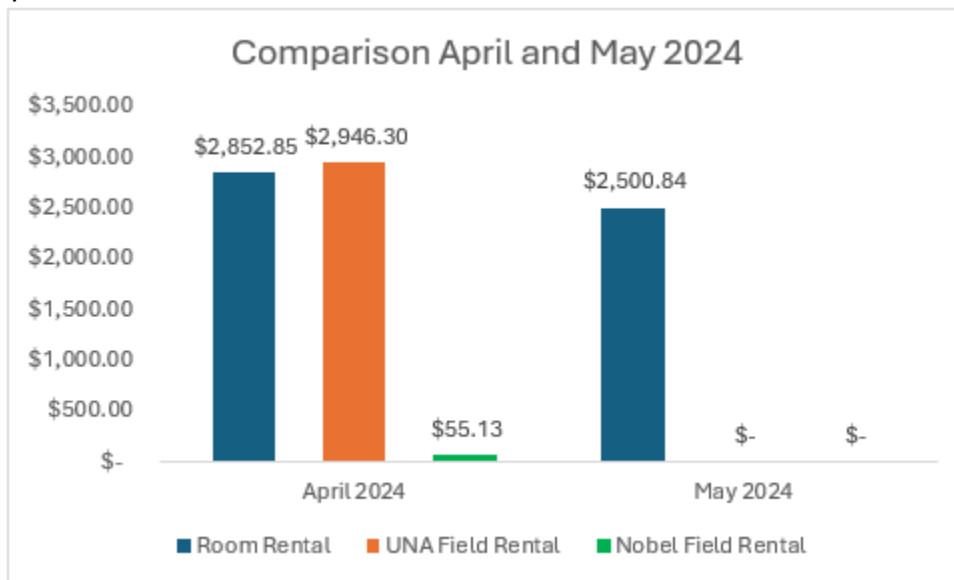
- Room rental increased by 6% in May 2024 compared to the same month last year.
- Field rental decreased in May 2024 compared to the same month last year as UNA Field is booked for each season. As from June 26th, the field will undergo repairs, therefore there is not bookings for the Summer.
- Nobel Field was booked by a High School Team for home games and practices in 2023, making a huge difference with the trend for this year's booking.



- Wesbrook Community continues to be the preferred location to host events, workshops, Strata meetings, and celebrations.
- May 2024 bookings by location is Wesbrook with a 49%, UNA Wesbrook Birthday party package with a 31%, and Old Barn with 20%.
- Bookings are a mixture of residents and non-residents.



- Room availability is limited at both community centres. People rent ahead of time to secure the room at the preferred time.
- Field booking for April, May and June, were made in April – Start of the Spring Season. The field will be closed in July and August.
- Room rental decreased by 14% in May as people are away or enjoying outdoor spaces.



- In May, we received 47 emails requesting information to book rooms at both community centres and the Field.
- We completed a total of 9 bookings for the months of May (1), June (7) and July (1).



- We couldn't complete 35 requests due to room availability and direct competition.

OPERATIONS + SUSTAINABILITY

Sustainability Report

Green Depot Update

Waste Diversion – April 2024

- In April, a total of **2522 kilograms** of waste was recycled by the Green Depot
- The Green Depot diverted **35%** more clothing in April 2024 than in April 2023

Waste Diversion – May 2024

- In May, a total of **2860 kilograms** of waste was recycled by the Green Depot
- The Green Depot diverted **24%** more clothing in May 2024 than in May 2023

Over the months of April and May 2024, nearly **1,200 people** used the Green Depot facility! And since the beginning of the 2024 calendar year, over **648 kilograms** of soft and flexible plastics have been recycled and diverted from landfill.

SEEDS Research Partnership Report Complete: *Supporting UBC Campus Landscapes and Food Systems during Extreme Weather Events*

Through the SEEDS sustainability program, the UNA worked with a group of student-researchers on a microclimate monitoring project at four community gardens – including the UNA's Greenway South garden. The report identified gardener-focused strategies for adapting to extreme weather conditions such as heat domes.

Geese and Goslings at Wesbrook

A family of Canada geese and their goslings have made Wesbrook their Spring home. Information about the protection of Canada geese and goslings under the Migratory Birds Convention Act, 1994 (MBCA) has been shared with Wesbrook stratas. Additionally, signage is being posted around the neighborhood to discourage harassment of the bird family and to help make Wesbrook a safe space for the goslings to grow.

Operations Report

Wesbrook Tree Assessment



The UNA operations team will work with UBC on the development and rollout of the Wesbrook Tree Assessment project. The project team is expected to be able deliver a report for the UNA to review late-June.

Coyote Sightings

The UNA Office has received coyotes sighting reports and reports of displayed aggressive coyote behavior in the Chancellor Area.

If you have coyote sightings, please track it with [Stanley Park Ecology Society](#). This allows us to track the frequency and location of coyote sightings. For more information and resources on how to co-exist with coyote please visit their [website](#).

If a coyote displays aggressive or threatening behaviour, report immediately to the BC Ministry of Environment emergency call centre at 1-877-952-7277.

Main Mall Greenway Phase Two

Phase Two of the Main Mall Greenway Project is planned to enhance both sides of the main mall greenway. The aim is to add representation of native species that will also bring seasonal colors in the area, while at the same time, enhance our landscape to be more adaptable to extreme climate, and with a design that has the ability to lower longer term operation cost.

With its proximity to the Rhodo wood, this area provides an excellent opportunity to create a transitional green corridor that connects the campus to the Rhodo wood as well as the future Stadium Neighborhood.

The timeline of the Phase Two of the greenway pilot project is expected to be after the summer season. UNA Sustainability and Operations department will have more information to share with the community later in this summer season.

July and August High Impact Event Schedule

June	Longest Day Road Race	Friday, June 14
	Vancouver Half Marathon	Sunday, June 23
August	N/A	



FINANCE

Annual Audit:

The annual audit started in May and so far, everything is on schedule. The Finance and Audit Committee will be meeting with the auditors from Johnsen Archer LLP at ITS next scheduled meeting on June 25. The Auditor will then be invited to meet with the Board at the July 2024 Board meeting. At this point, the fourth quarter report for fiscal 2023/24 (before audit adjustments) was submitted to the Finance & Audit Committee for review. This report was also submitted in the reports section under Finance and Audit Committee Update for the Board to review.

New Financial System:

The new financial system has been in use since the beginning of the fiscal year and so far, the feedback is positive. There are minor issues being identified and resolved as it goes, and the project has now been completed.

2024 Neighbours Levy:

We have been working with UBC for the preparation of the 2024 Neighbours Levy. Staff will report to the Board in July on what the projected levy will be.

Financial Implications

None.

Operational Implications

None.

Strategic Objective

None.

Attachments

None.



Concurrence

1. Athena Koon, Finance Manager
2. Dave Gillis, Recreation Manager
3. Glenda Ollero, Communications Manager
4. Wegland Sit, Operations Manager

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'Paul Thorkelsson', written over a horizontal line.

Paul Thorkelsson
Chief Administrative Officer



Report Date: June 11, 2024
Meeting Date: June 18, 2024
From: Wegland Sit, Operations Manager
Subject: UNA Administrative Office Lease Renewal 2024

Background

The UNA Administrative Office lease is up for renewal. Staff is recommending that the UNA renew the lease for a period of five years with conditions in the agreement that will allow the organization to move into a larger office space when one becomes available.

During the May 2024 Board meeting, the Board requested staff to revise the agreement and report back with comparable office rental data.

Decision Requested

THAT the Board approve the lease extension agreement for the UNA Administrative Office and authorize the Chair to execute the agreement, as circulated.

Discussion

The lease for the UNA Administrative Office located at 202-5923 Berton Avenue expires on July 31, 2024. The UNA has been in this current location since 2018. The UNA formerly occupied the adjacent office location at 201-5923 Berton Avenue. However, as a cost saving measure recommended by the 2016 Joint Financial Task Force (JFTF), the UNA switched locations and downsized from an area of 2859 square feet to the current location, an area of 1661 square feet.

The move to the smaller office location was done as a cost-cutting measure without the benefit of an office space needs assessment for the organization.

In 2022, an assessment of the UNA main office space was completed. The consultant suggested in the assessment report that the UNA requires approximately 3300 square feet of office space to house the full complement of administrative staff (including the administration, operations, communication, and finance departmental needs).

The UNA has worked with UBCPT since 2022 on locating a larger and more suitable office space for the UNA Main Office. Unfortunately, there has been no opportunity for new or additional office rental space. The contributing factors include the lack of suitable spaces, potential suitable spaces were in the middle of multi-year term contracts, or the existing tenant continuing their lease.



Based on the most recent communication with UBCPT, they do not expect to see any office space in the range of 3300-4000 square feet to become available within the next 2 years.

Staff will continue actively pursuing a larger office space adequate to house all administrative staff in a single location. Staff is recommending that the UNA enter into a five-year renewal for the current Berton location, with an option to move to a larger office space under the Wesbrook Properties portfolio when one becomes available.

The new agreement also includes a provision to offer five complementary secured and designated parking spaces for office staff to utilize.

Update 1 – Revision of Agreement

Section 8 of the original lease agreement was adjusted to be less restrictive and reflect the ongoing nature of the search and move to a larger and more suitable office space with the UBCPT.

Section 10 of the original lease agreement was removed as it was not relevant to the UNA.

Update 2 – Comparable Office Rental Data

The UNA reached out to UBCPT for a list of comparable office rental data. A list of comparable was subsequently provided by UBCPT and it contains a table of comparable office space.

1. Office Size
 - a. Office size ranges from 900 square ft to 15000 square ft
2. Terms of the Office Lease
 - a. Terms ranges from 1-year term to 5-year term
3. Rent per square feet
 - a. Per square feet ranges from \$32 - \$38

As each office space location, size and term is different, it will be challenging to make a direct comparison between offices. However, based on the comparable office space data, UNA staff was able to infer the following information:

- The average rent per square feet in the comparable office space is \$35.00 per square feet for 2024-2028.
- The renewal lease presented by UBCPT was \$32.00 psf for 2024 to 2026 (Year 1 and Year 2), \$35.00 psf for 2026-2028 (Year 3 and Year 4), and \$36.00 psf for 2029.
- Generally, the office rent presented by UBCPT for Year 1 and Year 2 is 6-7% lower than average. For Year 3 and Year 4, the office rent is 3% lower than



average. Unfortunately, there isn't enough data to provide a supported comparison with Year 5.

Financial Implications

UBCPT, the landlord, has agreed to renew the current lease at \$28.00 per square feet (psf) with new rates presented in the following schedule:

- **Year 1 to Year 2:** \$32.00 psf, represents a 14.3% increase versus the original base rent of \$28.00 psf since June 2022
- **Year 3 to Year 4:** \$34.00 psf (6.25% increase)
- **Year 5:** \$36.00 psf (5.88% increase)

The original Base Rent at \$28.00 has stayed the same since the second extension lease that was signed in June 2022.

The Common Area Management (CAM) cost is estimated annually and passed to the tenant in March. Currently, the CAM cost is at \$16.99 psf. In the current economic environment, in consideration of the raising inflation rate, interest rate, and the general cost of utilities, as well as material supplies and labors, it is challenging to predict an accurate CAM adjustment. UBCPT suggested that, based on their best estimate, the CAM could rise anywhere between 5% and 15%.

The funds for the current office location are fully accounted for within the approved UNA 2024-25 Budget.

Operational Implications

For the present time, the lack of sufficient and appropriate office space for the UNA main office will mean administrative staff will continue to use space within the Wesbrook Community Centre.

The UNA staff will continue to work with UBC Campus Planning and UBCPT to identify more suitable solutions to accommodating the UNA's administrative operations in the future.

Strategic Objective

Organizational Capacity



Attachments

1. Lease Extension Agreement for the UNA Administrative Office
2. Wesbrook Village Sublease Office Form Lease for the UNA Administrative Office - 2018-2021
3. Office Rent Comparison – June 2024

Concurrence

1. Athena Koon, Finance Manager

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Wegland Sit', positioned above a horizontal line.

Wegland Sit
Operations Manager

A handwritten signature in black ink, appearing to read 'Paul Thorkelsson', positioned above a horizontal line.

Paul Thorkelsson
Chief Administrative Officer

FOURTH LEASE EXTENSION AGREEMENT

THIS AGREEMENT is made as of the 6th day of June, 2024.

BETWEEN:

UBC PROPERTIES INVESTMENTS LTD., (Incorporation No. BC0578584), a British Columbia company having an office at #200 - 3313 Shrum Lane, Vancouver, British Columbia, V6S 0C8, as Trustee, for UBC Properties Trust

(the "**Landlord**")

AND:

UNIVERSITY NEIGHBOURHOODS ASSOCIATION
(Incorporation No. S0044722), a British Columbia Society having an office at Suite 202, 5923 Berton Avenue, Vancouver, British Columbia, V6S 0B3

(the "**Tenant**")

WHEREAS:

A. By a sublease dated January 21, 2018 (the "**Original Lease**"), which sublease was amended by a lease extension agreement dated April 21, 2021, a second lease extension agreement made as of March 21, 2022, and a third lease extension agreement made as of September 21, 2022 (collectively, the "**Lease**"), the Landlord did sublease to the Tenant certain premises (the "**Premises**") consisting of approximately 1,661 rentable square feet and described as Unit #202 of the Building located at 5923 Berton Avenue, Vancouver, British Columbia, all as more particularly described in the Lease for a term expiring on July 31, 2024 (the "**Term**").

B. The Landlord and the Tenant have agreed to extend the Term and further modify the terms of the Lease on the terms and conditions set out herein.

NOW THEREFORE:

In consideration of the premises, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties covenant and agree as follows:

1. The Term of the Lease is hereby extended for a period of Five (5) years commencing on August 1, 2024 and expiring on July 31, 2029 (the "**Fourth Extension Term**").

3. The Tenant shall pay to the Landlord the following Minimum Rental in accordance with the Lease and without demand, deduction or right of offset, in advance, in equal monthly instalments on the first day of each month during the Fourth Extension Term:

Period	Annual Minimum Rental	Monthly Minimum Rental	Minimum Rental per annum per square foot of the Area of the Premises
August 1, 2024 to July 31, 2026	\$53,152.00	\$4,429.33	\$32.00
August 1, 2026 to July 31, 2028	\$56,474.00	\$4,706.17	\$34.00
August 1, 2028 to July 31, 2029	\$59,796.00	\$4,983.00	\$36.00

4. The Tenant is continuing occupation of the Premises in its "as is" condition and the Landlord is not required to perform any work to the Premises. The Tenant confirms that all Landlord's Work has been completed in accordance with the terms of the Lease.

5. The Landlord and Tenant acknowledge and agree that the Tenant has no further rights of renewal or extension with respect to the Lease, as amended herein, except as set out in paragraph 10 herein.

6. Section 8.1 of the Original Lease is amended by deleting the reference to:

"However, throughout the Term, the Landlord shall make available for the Tenant, to use at its option, up to eight (8) parking stalls in the designated parking lot at 5923 Berton Avenue at the prevailing monthly rental rates, plus applicable taxes, which rental rates may be adjusted by the Landlord from time to time",

and substituting same with:

"However, throughout the Fourth Extension Term, the Landlord shall make available for the Tenant, to use at its option, up to five (5) parking stalls in the designated parking lot at 5923 Berton Avenue at no cost to the Tenant".

7. Notwithstanding any agreement or understanding to the contrary, for the duration of the Fourth Extension Term and any subsequent renewal or extension thereof, the Tenant shall be responsible for paying the Tenant's portion of cost of parking area maintenance to the Landlord and the Landlord shall include cost of parking area maintenance in the calculation of Additional Rental, including through the collection of the Common Area Maintenance Cost in section 5.1(b)(i) of the Lease.

8. The parties agree and acknowledge that, during the Fourth Extension Term, the Landlord shall provide written notice to the Tenant of any availability of a property that meets the following criteria:

- (a) is located at Wesbrook Village at the University of British Columbia's Point Grey campus;
- (b) is available for sublease by the Landlord; and
- (c) has a rentable area larger than that of the Premises

(such criteria being the "**Subleasing Criteria**").

The Landlord and Tenant may enter into an agreement to sublease a property that meets the Subleasing Criteria at fair market rents for similar property and pursuant to such terms that are mutually agreeable between the Landlord and Tenant.

9. The Tenant represents and warrants to the Landlord that, save and except as specifically set out herein, all improvement allowances and other inducements provided for in the Lease have been paid and provided and no further inducements are due to the Tenant under the Lease, as amended herein.

10. Provided that the Tenant duly, punctually and in accordance with the provisions of the Lease, as amended herein, pays Rental and performs each and every one of the covenants, provisos and agreements in the Lease, as amended herein, contained on the part of the Tenant to be paid and performed,, the Landlord will grant to the Tenant an option to extend the Term, as extended herein, for a period of Five (5) years (the "**Fifth Extension Term**"). This option of extension will be exercised by the Tenant by giving written notice to the Landlord not less than nine (9) months prior to the end of the Fourth Extension Term, and not more than twelve (12) months prior to the end of the Fourth Extension Term, electing to extend the Term, as extended herein, for the Fifth Extension Term on the same terms and conditions set forth in the Lease, as amended herein, save and except this option of extension, the Landlord's Work (if any), the fixturing period (if any), rental free periods (if any) including the Minimum Rental Free Period, and any other tenant inducements (if any), and the Minimum Rental; and the Tenant's obligations under any indemnities provided by the Tenant in favour of the Landlord or Head Landlord or any agreement by the Tenant to indemnify the Landlord or Head Landlord will continue to apply during the Fifth Extension Term and will be deemed to have commenced on the Commencement Date of Term notwithstanding any extension of the Term, as extended. The Minimum Rental for the Fifth Extension Term will be determined as follows:

- (a) Minimum Rental payable by the Tenant for the Fifth Extension Term shall be negotiated and agreed upon between the Landlord and the Tenant based on the prevailing fair market Minimum Rental as at the commencement of the Fifth Extension Term for similarly improved premises of similar size, quality, use and location in buildings similar to the Building in which the Premises is located; notwithstanding the above, the Minimum Rental for the Fifth Extension Term shall not be less than the Minimum Rental for the last year of the Fourth Extension Term. If the Landlord and the Tenant are unable to agree on the Minimum Rental for the Fifth Extension Term within three (3) months prior to the

commencement of the Fifth Extension Term, the matter shall be determined by a single arbitrator pursuant to the provisions of the *Arbitration Act* and in accordance with the foregoing provisions with all cost related to said arbitration split, equally between the Landlord and Tenant.

- (b) The Landlord and the Tenant will make *bona fide* efforts to agree as to the fair market rental value with respect to the Premises for the Fifth Extension Term.
- (c) If the Tenant fails to exercise the option of extension within the prescribed time period referred to above, such option of extension will be null and void and the Tenant will have no further option of extension in respect of the Lease as amended herein.

11. This Agreement will be read and construed together with the Lease, and the Lease, as modified hereby, will continue in full force and effect for the remainder of the Term of the Lease as extended hereby and in accordance with the terms hereof, save and except the right of further renewal or extension, Landlord's Work (if any), improvement allowances (if any), rental free period(s) (if any) and any other inducements shall not apply to the Fourth Extension Term unless specifically set out herein. The Landlord and the Tenant acknowledge and agree to perform and observe, respectively, the obligations of the Landlord and the Tenant under the Lease as modified hereby. The Landlord and the Tenant hereby confirm and ratify the terms and conditions contained in the Lease, as modified hereby. In the event of a conflict or discrepancy between the terms of the Lease and this Agreement, this Agreement will govern.

12. The Tenant agrees, from time to time, to do or cause to be done all such things, and shall execute and deliver all such documents, agreements and instruments reasonably requested by the Landlord, as may be necessary or desirable to complete the extension contemplated by this Agreement and to carry out its provisions and intention.

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

14. Any capitalized term used in this Agreement which is not defined herein but which is defined in the Lease will have the meaning ascribed to that term in the Lease.

15. This Agreement may be executed and delivered in either paper form or in digital form by facsimile transmission, electronic mail in “portable document format” (“.pdf”) form or an electronic signature platform such as www.docusign.com. Any such digital execution and delivery shall constitute effective execution and delivery of this Agreement. Provided however, in the event either the Landlord or the Tenant require this Agreement in paper form with original signatures, upon request, the parties shall manually execute this Agreement in paper form.

IN WITNESS WHEREOF the Landlord and the Tenant have executed this Agreement as of the day and year first above written.

UBC PROPERTIES INVESTMENTS LTD.,)
as Trustee for UBC PROPERTIES TRUST)
By its authorized signatory(ies):)
)
)
)
_____)
Authorized Signatory)
)
_____)
Authorized Signatory)

UNIVERSITY NEIGHBOURHOODS)
ASSOCIATION)
By its authorized signatory(ies):)
)
)
)
_____)
Authorized Signatory)
)
_____)
Authorized Signatory)

WESBROOK VILLAGE SUBLEASE

OFFICE FORM

THIS LEASE is dated for reference January 21, 2018

BETWEEN:

UBC PROPERTIES INVESTMENTS LTD., (Incorporation No. BC0578584), a British Columbia company having an office at 200-3313 Shrum Lane, Vancouver, British Columbia, V6S 0C8, as Trustee, for UBC Properties Trust

(the "Landlord")

AND:

UNIVERSITY NEIGHBOURHOODS ASSOCIATION
(Incorporation No. S0044722) a society duly incorporated under the laws of the Province of British Columbia and having an office at 6308 Thunderbird Boulevard, Vancouver, BC V6T 1Z4

(the "Tenant")

WHEREAS the parties acknowledge that this Lease is or will be a sublease and that the Landlord under this Lease is or will be a tenant under the Head Lease as defined below. The Landlord covenants and agrees with the Tenant that this Lease is effective and the Landlord will comply with the covenants of the tenant under the Head Lease. Wherever necessary to give clearer effect to this Lease, the defined terms herein shall be deemed to be modified to reflect the nature of this Lease as a sublease of the Head Lease.

In consideration of the mutual promises in this Lease, the Landlord and the Tenant covenant and agree as follows:

SUMMARY OF BASIC LEASE PROVISIONS

There follows a summary of certain basic provisions of the Lease, which are referred to in subsequent provisions of this Lease. If there is any conflict between the contents of this summary and the remaining provisions of this Lease, the remaining provisions shall govern.

(a) Name and Address of Landlord's Agent

Wesbrook Properties
Attn: Director, Property Management
#201 - 5923 Berton Avenue
Vancouver, BC
V6S 0B3

Fax: 604-569-0954
Phone: 778-945-5108

(b) Name and Address of Tenant

University Neighbourhoods Association
6308 Thunderbird Boulevard,
Vancouver, BC,
V6S 0B5

Fax No.: 604-827-5375

Phone: 604-827-5317


(c) Name and Address of Indemnifier

N/A

(d) Tenant's Business or Trade Name

University Neighbourhoods Association

(e) Permitted Use of Premises

The Permitted Use of the Premises shall be limited to general office use and the Tenant shall comply with the rules of the Municipal Authority Having Jurisdiction in place from time to time. ~~The Tenant's hours of operation shall be seven days a week from 08:00 hours to 23:00 hours or such other hours as determined by the Landlord and Tenant, acting reasonably.~~ 

(f) Minimum Rental*

Period	Annual Minimum Rental	Monthly Minimum Rental	Minimum Rental per annum per square foot of the Area of the Premises
Entire Term	\$41,525.00	\$3,460.42	\$25.00

* All amounts listed in this subsection (f) are subject to Sales Taxes as described in Section 12.5.

(g) Commencement Date of Rental Payment

Additional Rental: Same as Commencement Date of Term.

Minimum Rental: Same as Commencement Date of Term.

(h) Term: Commencing on the Commencement Date of Term and expiring on May 31, 2021.

- (i) The Commencement Date of Term means January 22, 2018.
- (j) Area of the Premises: 1,661 rentable square feet, subject to adjustment. See Section 5.9.
- (k) Address of the Premises: Unit #202, 5923 Berton Avenue, Vancouver, BC, V6S 0B3.
- (l) Address: The parties agree that this Lease is being entered into to give effect to an office swap between Village Gate Homes and the Tenant. As of the date of this Lease, (A) Village Gate Homes is the tenant of the Premises and the Premises are designated as Unit 201; and (B) the Tenant is the tenant of premises adjacent to the Premises (the "Adjacent Premises") and the Adjacent Premises are designated as Unit 202. For administrative ease, upon the parties switching offices, the Premises shall be designated as Unit 202 and the Adjacent Premises shall be designated as Unit 201. For greater certainty, notwithstanding the Tenant moving from the Adjacent Premises to the Premises, the designation of its premises from time to time shall remain the same, namely, Unit 202.
- (m) Deposits
Rental Deposit: Nil.
Security Deposit: Nil.
- (n) Fixturing Period: N/A.
- (o) Special Provisions: N/A.

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1. SCHEDULES

The schedules to this Lease are:

Schedule A—Description of Landlord's Work and Tenant's Work

Schedule B—Procedure for Tenant's Work and Landlord's Work

Schedule C—Intentionally Deleted.

Schedule D—Plan of Premises

Schedule E—Legal Description of Property

Schedule E-1—Legal Description of Shopping Centre

Schedule F—Rules and Regulations

Schedule G—Plan of Shopping Centre

2. DEFINITIONS

2.1 Definitions

In this Lease the following terms shall have the following meanings:

- (a) **"Additional Rental"** means the moneys payable under Article 5 of this Lease together with all other sums of money, whether or not designated as Additional Rental, to be paid by the Tenant whether to the Landlord or otherwise under this Lease, save and except Minimum Rental, and any other sums of money payable hereunder;
- (b) **"Anchor Tenants"** mean the tenants occupying the space situated on the Property or Shopping Centre and designated as ANCHOR TENANTS shown on Schedule G to this Lease and any other tenants designated as such by the Landlord at present or in future;
- (c) **"Architect"** means the architect for the Shopping Centre or the Property from time to time named by the Landlord. Any Architect's certificate provided for in this Lease shall bind the parties;
- (d) **"Area of the Premises"** means the area of the Premises specified in subsection (g)(i) of the Summary of Basic Lease Provisions, which area shall be measured from the exterior of all exterior walls enclosing the Premises, (whether such walls face the Common Areas or not), doors, and windows adjoining Common Areas and from the centre line of walls separating the Premises from other leaseable premises. Where a storefront, entrance, or rear exit is recessed from the demising line, the area of such recess shall, for all purposes, be a part of the Premises and within the Area of the Premises. The Area of the Premises shall include a proportionate share of Common Areas in the Building and shall include interior space even if it is occupied by projections, structures or columns, structural or non-structural, and if the front of the Premises is recessed from the

lease line the area of the recess shall be included in the calculation of the Area of the Premises.

Any dispute as to the Area of the Premises shall be resolved at the expense of the Tenant by the calculation of such area by a British Columbia land surveyor named by the Landlord, whose decision shall bind the parties.

- (e) **"Building"** or **"building"** means the building located upon the Property containing the Premises and where written in lower case or where the context requires means other structures located upon the Shopping Centre;
- (f) **"Campus"** means the lands and premises west of the Point Grey District of the City of Vancouver which comprise the campus of UBC, but excluding any lands and premises owned by UBC which are situate within the UEL;
- (g) **"Campus and Community Planning"** means The University of British Columbia's Department of Campus & Community Planning;
- (h) **"Commencement Date for Additional Rental"** means the day and year referred to in subsection (g) of the Summary of Basic Lease Provisions;
- (i) **"Commencement Date for Minimum Rental"** means the day and year referred to in subsection (g) of the Summary of Basic Lease Provisions;
- (j) **"Commencement Date of Rental Payment"** means the Commencement Date for Additional Rental, or the Commencement Date for Minimum Rental, as applicable;
- (k) **"Commencement Date of Term"** means the day referred to in subsection (h) of the Summary of Basic Lease Provisions;
- (l) **"Common Areas"** means those areas designated by the Landlord as common areas for use of occupants of the Property or the Shopping Centre (whether such areas located within or near the Property or Shopping Centre, provided that if they are outside the Property or Shopping Centre, they serve or are for the benefit of the Property or the Shopping Centre), which designation may be changed by the Landlord from time to time in its sole discretion, including but not limited to the exterior walls, exterior and interior structural elements and bearing walls, exterior and interior landscaped areas, parking areas (including below-grade parking, if any), roadways, driveways, truck courts, parcel pick-up facilities, common loading areas, sidewalks (moving or otherwise), tunnels, pedestrian bridges, all enclosed or open malls, courts, and arcades, fountains, public hallways, service and fire corridors, stairways, escalators, ramps, and elevators, public washrooms, administration offices, auditoriums, and any other public facilities if and when provided, and electrical, telephone, meter, valve, mechanical, mail, and janitor rooms and storage areas;
- (m) **"Common Area Maintenance Cost"** means the total, without duplication, of the expenses incurred by the Landlord for operating, renting, maintaining, insuring, repairing, and replacing the Common Facilities and the Common Areas determined by the Landlord in its sole discretion, including but not limited to:

- (i) the cost of repairs, maintenance, and such replacements to the Common Areas and the Common Facilities, including the cost of capital replacements where these are required by any Municipal Authority Having Jurisdiction, or municipal, federal, or provincial government or agency;
- (ii) depreciation, at rates determined by the Landlord, acting reasonably, on the equipment and machinery employed in operating, maintaining, repairing, and replacing the Common Facilities or the Common Areas;
- (iii) Cost of Insurance which the Landlord may reasonably allocate to the Common Areas and Common Facilities;
- (iv) the cost of gardening and landscaping, line repainting, garbage removal, sanitary control, snow removal, and cleaning of the Common Areas and Common Facilities;
- (v) wages paid for maintenance, security, and operating personnel, including payments for workers' compensation, unemployment insurance, vacation pay, Canada Pension Plan, and other fringe benefits whether statutory or otherwise;
- (vi) wages and other costs paid to personnel in connection with the administration and management of the Shopping Centre or portions thereof (including any on-site manager for the Shopping Centre or portions thereof) including payments for workers' compensation, unemployment insurance, vacation pay, Canada Pension Plan, and other fringe benefits whether statutory or otherwise;
- (vii) all costs of supplies and equipment required for the administration and management of the Shopping Centre or portions thereof;
- (viii) accounting costs required for the administration and management of the Shopping Centre or portions thereof;
- (ix) that portion of Municipal Tax Cost which the Landlord reasonably allocates to the Common Areas and Common Facilities;
- (x) sales and excise taxes, value added taxes, harmonized sales taxes and goods and services taxes, net of any tax refunds or credits, on goods and services provided by the Landlord to manage, operate, repair, replace, or maintain the Common Areas and Common Facilities;
- (xi) the cost of gas, electrical power and other utilities furnished to the Common Areas and Common Facilities;
- (xii) that portion of the Cost of Heating, Ventilating, and Air-Conditioning which the Landlord may elect to reasonably allocate to the Common Areas and Common Facilities;
- (xiii) all such sums as may be payable in respect of the replacement, cleaning and maintenance of light fixtures, ballasts, starters and tubes by the Landlord, it being agreed that the Landlord shall have the exclusive right

to attend to such cleaning, maintenance and replacement and may adopt a system of re-lamping and re-ballasting periodically on a group basis in accordance with good practice in this regard; and

- (xiv) an administrative fee equal to 15% of the total of expenses incurred by the Landlord referred to in this Section.

Common Area Maintenance Cost shall not include the cost of servicing the Landlord's debt relating to the Shopping Centre or portions thereof, any rent payable by the Landlord under the Head Lease; the cost of maintaining the structural integrity of the Shopping Centre or portions thereof (except as provided in this Lease) or the cost of repairs to the extent that the cost is paid by the Landlord's insurers.

There will be deducted from Common Area Maintenance Cost as determined by the Landlord in its sole discretion but, acting reasonably contributions to Common Area Maintenance Costs by Anchor Tenants or other tenants who by the terms of their lease do not contribute fully to Common Area Maintenance Cost or whose areas are not included in the definition of Gross Leaseable Area for Common Area Maintenance Cost Purposes.

- (n) **"Common Facilities"** means those facilities within the Property or Shopping Centre or portions thereof, or on other lands, which are designated by the Landlord as common facilities, which designation may be changed by the Landlord from time to time in its sole discretion, including the electrical, mechanical, heating, ventilating, and air-conditioning, plumbing and drainage, lighting, fire prevention, security, music and public address systems, equipment, and installations, and any enclosures constructed for such facilities, together with all signage including pylon signs, directional signs, sign bands, and all signs identifying the Property or Shopping Centre;
- (o) **"Cost of Heating, Ventilating and Air-Conditioning"** means the total, without duplication, of the expenses incurred by the Landlord for operating, maintaining, repairing, and replacing the HVAC System, including but not limited to:
 - (i) the amount expended by the Landlord for supply and storage of fuel, water, electricity, oil, gas, or other forms of energy and additives for the HVAC System, including, but not limited to, the costs that may be expended by the Landlord in complying with any requirements to connect to a district energy system (contemplated by a hydronic heat energy bylaw which is presently being considered by UBC) providing hydronic heat energy for space heating, domestic hot water and heat for ventilation make up air to properties which include the Building;
 - (ii) the total annual cost of boiler and pressure vessel insurance coverage paid by the Landlord;
 - (iii) wages paid to maintenance and operating personnel for operating the HVAC System, including payments for workers' compensation, unemployment insurance, vacation pay, Canada Pension Plan, and other fringe benefits whether statutory or otherwise;

- (iv) the cost of equipment furnished to such operating personnel referred to in (iii) above;
 - (v) the cost of repairs, maintenance, and such replacements to the HVAC System as are properly chargeable to operating expenses as distinguished from capital replacements or improvements, in accordance with generally accepted accounting practice;
 - (vi) depreciation on the capital cost of the facilities in the HVAC System and any capital replacements thereto, at rates determined by the Landlord, acting reasonably;
 - (vii) that portion of Municipal Tax Cost which the Landlord reasonably allocates to the HVAC System; and
 - (viii) an administrative fee equal to 15% of the total of the expenses incurred by the Landlord referred to in this Section;
- (p) **"Cost of Insurance"** means the annual cost to the Landlord to take out public liability insurance, insurance against loss of Minimum Rental and Additional Rental due from tenants in the Property or Shopping Centre in accordance with the provisions of their leases in such amounts as the Landlord from time to time requires, insurance relating to the improvements comprising the Property or Shopping Centre (with the exception of leased premises in the Property or Shopping Centre from time to time where the tenants have placed and independently paid for such insurance or other areas as determined by the Landlord in its sole discretion) against damage from Insurable Hazards, to such limits as the Landlord may from time to time determine in its sole discretion but not in excess of the replacement cost of the buildings comprising the Property or Shopping Centre, and such other insurance as the Landlord or any mortgagee of the Property or Shopping Centre may in its sole discretion require, including an administrative fee equal to 15% of the total costs incurred by the Landlord referred to in this Section;
- (q) **"CPI"** means the Consumer Price Index (All Items for Regional Cities) for the City of Vancouver (or any index published in substitution for the Consumer Price Index or any other replacement index designated by the Landlord, acting reasonably, if it is no longer published) published by Statistics Canada (or by any successor thereof or any other governmental agency including a provincial agency). In case of any required substitution, the Landlord, acting reasonably, shall be entitled to make all necessary conversions for comparison purposes;
- (r) **"Development Handbook"** means The University of British Columbia Development Handbook that is in effect from time to time to manage non-institutional use and development of lands on the Campus and all amendments thereto whether made before or after the date of this Lease;
- (s) **"Fixturing Period"** means the period, if any, specified in subsection (n) of the Summary of Basic Lease Provisions provided to the Tenant to perform its fixturing of the Premises. During any Fixturing Period the Tenant shall be entitled to occupy the Premises in accordance with all terms of this Lease (including the Tenant's obligations to pay for all utilities and services) and provided the Tenant

has obtained its building permit and placed the insurance for its occupation of the Premises, but shall not be obligated to pay Minimum Rental, or the Tenant's share of any of the costs set out in Section 5.1(b), provided that all Rental shall commence on the date the Tenant opens for business (or commences the operation of its business, whether of an office or retail nature) if the Tenant opens for business before the expiry of the Fixturing Period;

- (t) **"Gross Leaseable Area"** means the aggregate floor area in square feet of all floors of rentable areas of the Shopping Centre. For the purposes of this definition, floor area shall be measured from the exterior of all exterior walls (whether such walls face the Common Areas or not), doors, and windows adjoining Common Areas (and shall include the area of access where a storefront, rear exit, or entrance is recessed) and where applicable from the centre line of partition walls between leaseable premises.

If there is a dispute as to the calculation of any area in this definition or the related definitions immediately following, such dispute shall be resolved at the expense of the Tenant by a British Columbia land surveyor named by the Landlord, whose decision shall bind the parties.

For greater certainty, the Landlord may deduct in its sole discretion from the Gross Leaseable Area for specific calculations or specific payments set out in this Lease the aggregate area in square feet of specific leased premises in the Shopping Centre or Property including without limitation areas which stand alone or the area demised to Anchor Tenants;

- (u) **"Gross Leaseable Area for Common Area Maintenance Cost Purposes"** means the Gross Leaseable Area less the gross leaseable areas of Anchor Tenants or tenants of any other leased premises in the Property or Shopping Centre or portions thereof from time to time, who do not by the terms of their lease contribute to or do not contribute fully to Common Area Maintenance Cost (provided their partial contributions shall be applied against Common Area Maintenance Cost), the gross leaseable areas of buildings or portions thereof which are included in Common Areas and Common Facilities, the gross leaseable areas of residential premises, administrative or property management related offices, if any, kiosks, free standing buildings, or other portions of the Shopping Centre which pay costs independently of the Shopping Centre all as determined in the sole discretion of the Landlord;
- (v) **"Gross Leaseable Area for Heating, Ventilating, and Air-Conditioning Purposes"** means the aggregate area in square feet of all leased premises from time to time connected to the HVAC System less the gross leaseable areas of Anchor Tenants, or tenants of any other leased premises in the Property or Shopping Centre or portions thereof from time to time, for which the maintenance of their portion of the HVAC System is performed and paid by the tenants thereof, all determined in the Landlord's sole discretion;
- (w) **"Gross Leaseable Area for Insurance Purposes"** means the Gross Leaseable Area less the gross leaseable areas of Anchor Tenants or of any other leased premises in the Property or Shopping Centre or portions thereof from time to time, the insurance in respect of which is placed and paid for by the tenants thereof, all determined in the Landlord's sole discretion;

- (x) **"Gross Leaseable Area for Taxation Purposes"** means the Gross Leaseable Area less the gross leaseable areas of Anchor Tenants or tenants of any other leased premises in the Property or Shopping Centre or portions thereof from time to time, the Municipal Tax Cost in respect of which is paid directly by the tenants thereof, all determined in the Landlord's sole discretion;
- (y) **"Hazardous Substances"** means any hazardous or polluting material referred to in any law or regulation now or hereafter in force by any governmental or regulatory authority having jurisdiction over the Landlord, the Tenant or the Premises;
- (z) **"Head Lease"** means any Lease from UBC regarding the Shopping Centre or portions thereof, or of the Property and with the Landlord as tenant which forms or will form the head lease under which this Lease is or will be a sublease;
- (aa) **"HVAC System"** means the heating, ventilating, and air-conditioning plants and systems used to heat, ventilate, and air-condition the Common Areas and all leaseable premises excepting those leaseable premises and other areas designated by the Landlord in its sole discretion as having entirely separate plants and systems (which may include Anchor Tenants) which are paid for by tenants or occupants of those leaseable premises and other areas and includes, without limitation, the chilled and heated water systems, freon systems or air generating facilities and any storage and distribution systems leading therefrom, together with any cooling towers, thermostats, fans, pumps, and all other equipment and facilities connected therewith;
- (bb) **"Insurable Hazards"** means fire and other perils and occurrences for which insurance is available and which in the Landlord's opinion should be insured against;
- (cc) **"Land Use Rules"** means the plans, policies, handbooks, guidelines, rules, regulations, bylaws and any other documents no matter how they are titled, adopted in accordance with policy(ies) passed by the Board of Governors of The University of British Columbia from time to time, including the Development Handbook and all other rules governing land use and the construction, renovation, maintenance, repair and replacement of buildings on the Campus and in the neighbourhood in which the Property is situate;
- (dd) **"Landlord's Rules and Regulations"** means the rules and regulations described in Section 20.4(a);
- (ee) **"Landlord's Work"** means the work to be performed by the Landlord as described in Section A of Schedule A;
- (ff) **"Lease"** means this lease, all schedules attached hereto, the Architect's certificates, if any, all certificates issued by the Landlord under this Lease and the rules and regulations made from time to time by the Landlord under the provisions of this Lease;
- (gg) **"Lease Year"** means a 12-month period beginning on the first day of January in one calendar year and ending on the last day of December of that year, providing that the first Lease Year shall begin on the Commencement Date of Term and

end on the last day of the following December and the last Lease Year shall end on the last day of the Term and begin on the first day of January preceding that date. If the Landlord considers it necessary or convenient for the Landlord's accounting purposes, the Landlord may at any time and from time to time, by written notice to the Tenant, specify an annual date on which each subsequent Lease Year is to begin and, in such event, the then current Lease Year shall terminate on the day preceding the beginning of such new Lease Year and each succeeding Lease Year shall terminate on the day preceding such annual date;

- (hh) **"Minimum Rental"** means the minimum annual rental set out in subsection (f) of the Summary of Basic Lease Provisions;
- (ii) **"Municipal Authority Having Jurisdiction"** means Campus and Community Planning in its capacity as regulatory, inspection and permitting authority for the Campus or such other department of UBC as becomes responsible for this function from time to time. In the event that the lands comprising the Property or Shopping Centre become part of a municipality or the UEL, or any other governing body acquires jurisdiction over the Property or Shopping Centre similar to that of municipalities and assumes these functions, that governing body shall become the Municipal Authority Having Jurisdiction;
- (jj) **"Municipal Tax Cost"** means the total, without duplication, of sums paid by the Landlord in respect of Municipal Taxes and the Services Levy, but not including Municipal Taxes or the Services Levy paid separately for their premises by tenants;
- (kk) **"Municipal Taxes"** means all taxes, rates, and assessments, whether general or specially levied or assessed by the Surveyor of Taxes under the *Taxation (Rural Area) Act*, as amended from time to time, or any legislation substituted therefor for municipal, rural, school, or other purposes, or levied or assessed by other lawful governmental authority for such purposes payable by the Landlord in respect of the Property or the Shopping Centre and immovable accessories, whether therein referred to as "Property Taxes", "Municipal Taxes", "Taxes" or by some other term and which are attributable to the Property or Shopping Centre and shall also include any other taxes which are imposed in substitution of the foregoing Municipal Taxes, the whole as finally determined for each applicable period of time as a result of an assessment, appeal, or judicial review and shall include any legal fees or appraiser's fees incurred by the Landlord in respect of such final determination thereof;
- (ll) **"Premises"** means that portion of the Building outlined in heavy black line and marked "<@>" on Schedule D, measured in accordance with the definition of "Area of the Premises" in this Lease. The Landlord may make minor variations in the form or siting of the Premises and such minor variations shall not render this Lease void or voidable;
- (mm) **"Prime Rate"** means the annual rate of interest established by the Landlord's bank from time to time as its "prime rate" and used as the base or reference rate of interest for the determination of interest rates charged to its customers for Canadian dollar loans;

- (nn) **"Property"** means the lands and Building civically known as 5923 Berton Avenue, Vancouver, British Columbia in Wesbrook Place at UBC and legally described in Schedule E;
- (oo) **"Rental"** means Additional Rental, and Minimum Rental;
- (pp) **"Sales Taxes"** has the meaning given to it in Section 12.5;
- (qq) **"Services Levy"** shall mean the charge levied by UBC against the Landlord for (a) the supply of utilities, including without limitation, water, sewer, telephone, cable, electricity and gas; (b) the use, provision, maintenance and repair from time to time of certain services sometimes provided by municipalities or other public authorities, including, without limitation, connections and lines for water, sewer, telephone, cable, electricity and gas; (c) the use, provision, maintenance and repair from time to time of all infrastructure installations, including without limitation, of street lighting, sidewalks, curbs, gutters, roads, landscaping; (d) making available for use and maintaining and repairing from time to time open spaces and other public amenities; and (e) providing other public services from time to time, including without limitation, traffic control, parking, noise control and pet control;
- (rr) **"Shopping Centre"** means the Property together with the buildings, improvements, facilities, air rights, and underground and overhead walkways from time to time located thereon or contiguous thereto as reasonably designated by the Landlord from time to time forming part of the Wesbrook Village shopping centre, which at the date of this Lease consist of the lands legally described in Schedule E-1 and shown in Schedule G;
- (ss) **"Summary of Basic Lease Provisions"** means the summary set out on the first pages of this Lease and so headed;
- (tt) **"Taxing Authority"** means any duly constituted authority, whether federal, provincial, municipal, or otherwise legally empowered to impose taxes, rates, assessments, or charges, or other charges in lieu thereof, on, upon or in respect of the Landlord or the Property or Shopping Centre and includes UBC with regard to the Services Levy;
- (uu) **"Tenant's Work"** means the work to be performed by the Tenant at its cost and expense more particularly set forth in Section B of Schedule A;
- (vv) **"Term"** means the term of this Lease set out in subsection (h) of the Summary of Basic Lease Provisions and any renewal or extension thereof;
- (ww) **"Transfer"** has the meaning given to that term in Section 21.1;
- (xx) **"Transferee"** means an assignee or a subtenant or other entity having a right to occupy the Premises by or through the Tenant and who is the transferee under a Transfer;
- (yy) **"UBC"** shall mean The University of British Columbia in its capacity as the owner of the Campus with regulatory powers with respect thereto under the *University Act* as amended from time to time, or any legislation substituted therefor, and in the context of any release, limitation of liability, or indemnity provision in this

Lease, includes the members of its board of governors, the members of its senate and its officers, employees, agents, successors and assigns and each of its subsidiary, affiliated or associated corporations and all others for whose conduct The University of British Columbia is responsible in law;

(zz) **"UBC's Rules and Regulations"** means those rules (including the Land Use Rules), policies, bylaws and regulations passed by The University of British Columbia from time to time, whether made before or after the date of this Lease, which are applicable to the Shopping Centre and/or the residents thereof and/or the Campus generally

(aaa) **"UEL"** shall mean the administration set up pursuant to the *University Endowment Land Act* as amended from time to time, or any legislation substituted therefor for the purpose of administering all land included within the definition of land set out in Section 1 of the *University Endowment Land Act*, which lands can be generally described as being situate in the areas east of Wesbrook Mall and north of Agronomy Road; and

(bbb) **"UNA"** means the University Neighbourhoods Association.

3. CONSTRUCTION AND FIXTURING OF PREMISES

3.1 Landlord's Work and Tenant's Work

The Landlord's Work in the Premises is limited to the work described as the Landlord's Work in Section A of Schedule A. On or before the date of expiry of the Fixturing Period or, if there is no Fixturing Period, the date of delivery of possession of the Premises to the Tenant, or such other date as is established by the Landlord by notice to the Tenant, the Tenant shall complete the Tenant's Work. The Tenant's Work includes the procurement and installation, at its own expense, of those items set forth in Section B of Schedule A which are to be installed and procured by the Tenant in accordance with the procedures set out in Schedule B and all such other work as the Tenant may desire to perform in the Premises and to which the Landlord may agree, provided no such work shall be commenced by the Tenant until architectural or engineering plans and specifications relating to the Tenant's Work have been supplied to the Landlord and approved by the Landlord in writing.

3.2 Completion of Landlord's Work

If the Premises or any part thereof are not ready for occupancy as determined by the Landlord on a date which will allow the Tenant to complete the Tenant's Work in accordance with the provisions of this Lease on or before the Commencement Date of Term by reason of the fact that the Premises are not in a condition which will allow the Tenant's Work to be commenced, the Lease shall not be void or voidable and the Tenant shall not have any claims for any losses or damages, no matter how the delay has been caused; however, the Commencement Date of Term will be postponed by the length of such delay. The Tenant shall not be entitled to any abatement of Rental for any delay in occupancy due to the Tenant's failure or delay to provide plans or to complete any special installations or other work required for its purposes or due to any other reason, nor shall the Tenant be entitled to any abatement of Rental for any delay in occupancy if the Landlord has been unable to complete construction of the Premises by

reason of such failure or delay by the Tenant. Notwithstanding any postponement in the Commencement Date of Term, the expiry date of this Lease shall remain unchanged.

Notwithstanding any other clause in this Lease, if completion of the Landlord's Work is delayed as a result of a strike, lockout, labour unrest, inability to obtain or delay in delivery of labour or materials, or other cause or event beyond the Landlord's reasonable control, then the Landlord may extend the commencement date of the Fixturing Period for a period equivalent to such period or periods of delay. The Landlord will give the Tenant notice of such delay within thirty (30) days after the delay or delays occur. This right of extension is in addition to any other rights of extension in this Lease or agreed to by the parties.

3.3 **Completion of Premises**

The Tenant shall, prior to opening the Premises for business, furnish the Landlord with the following:

- (a) an affidavit sworn by an officer of the Tenant stating that the Tenant's Work has been completed to its satisfaction and in strict accordance with Schedule A and Schedule B and the approved plans and specifications, which affidavit may be relied upon by the Landlord, it being understood that any deliberate or negligent misstatement or false statement by or on behalf of the Tenant shall constitute a default under this Lease;
- (b) an affidavit sworn by the contractor or contractors or an officer or officers of the contractor or contractors performing the Tenant's Work stating that the Tenant's Work has been fully completed in accordance with Schedule A and Schedule B, listing all sub-contractors, workmen, and materialmen supplying work and materials for the Tenant's Work, and stating that all sub-contractors, workmen, and materialmen supplying work and materials for the Tenant's Work have been paid in full; and
- (c) if requested by the Landlord a waiver of lien with respect to work done and material supplied to the Premises, executed by the contractor or contractors, and if requested by the Landlord, waivers of lien executed by the sub-contractors, workmen, and materialmen supplying work and materials for the Tenant's Work.

3.4 **Acceptance of Premises**

The opening by the Tenant of its business in the Premises shall constitute an acknowledgement by the Tenant that the Premises are in the condition called for by this Lease, that the Landlord has performed all of the Landlord's Work, and that the Tenant reserves or asserts no rights for claims, offsets, or backcharges.

3.5 **Tenant's Work**

All work or equipment, other than those items specified as Landlord's Work, shall be performed and supplied by the Tenant at its own cost and expense, and the Tenant shall, in accordance with the procedures set out in Schedule B and subject to obtaining the consent of the Landlord as provided for in this Lease, fully equip the Premises with modern and first class trade equipment, lighting fixtures, furniture, operating equipment, furnishings, fixtures, floor coverings, heating, ventilating, and air-conditioning equipment and all other equipment necessary for the proper operation of the Tenant's business and

such installation shall be completed without damage to the structure of the Premises or to the heating, ventilating, air-conditioning, sprinkler, plumbing, electrical, and other mechanical systems of the Shopping Centre or portions thereof. The Tenant shall provide proper hoarding to the satisfaction of the Landlord in front of the Premises during construction.

3.6 **Tenant's Fixtures**

Any alterations, additions, improvements or fixtures made to or installed upon or in the Premises, whether before or after the Commencement Date of Term, other than unattached moveable trade fixtures, shall immediately upon affixation become the property of the Landlord and remain upon and be surrendered to the Landlord with the Premises as part thereof upon the expiration or earlier termination of this Lease, unless the Landlord shall by notice in writing require the Tenant to remove them, in which event the Tenant shall restore the Premises to the state in which they were prior to commencing any of the Tenant's Work and make good any damage or injury caused to the Premises resulting from such installation and removal, reasonable wear and tear only excepted. The Tenant represents and warrants that it will have legal and beneficial title to such goods, alterations, additions, improvements, and fixtures and that such title shall pass to the Landlord free and clear of all leases, liens, mortgages, charges, security interests, and encumbrances. For greater certainty, the Tenant's trade fixtures shall not include any heating, ventilating, or air-conditioning systems, facilities, and equipment in or serving the Premises, floor coverings affixed to the floor of the Premises either by cement or perimeter fastenings, light fixtures, storefront, and doors, plumbing equipment and fixtures, and internal stairways, all of which are deemed to be leasehold improvements.

3.7 **Installation and Operation of Signs**

The Tenant shall first request the approval of the Landlord with respect to any signs before requesting a permit from the Municipal Authority Having Jurisdiction. The Tenant shall obtain all necessary sign permits from the Municipal Authority Having Jurisdiction and abide by all signage rules set out in this Lease, as amended from time to time by the Landlord and all other signage rules imposed by the Landlord on tenants and subtenants within the Building, the Property or the Shopping Centre, as such signage rules are amended from time to time in the Landlord's sole discretion.

Throughout the Term, the Tenant, if required by the Landlord and after first obtaining the written approval of the Landlord and any Municipal Authority Having Jurisdiction to the specifications, design, location, and method of installation, which matters shall be wholly within the discretion of the Landlord, shall at its own expense install, maintain, and operate during such hours as the Landlord may determine in its sole discretion signs on the exterior of the Premises. If the Tenant erects a sign without first complying with the signage provisions in this Lease, the Tenant shall pay to the Landlord \$50 per day from the date of erection of such sign until the date such non-compliance is rectified and in addition to such fine, the Landlord, at the expense of the Tenant, may remove such non-complying sign without notice to the Tenant. At the expiry or sooner termination of the Term, all signs or panels shall be removed by the Tenant and the Tenant shall make good any damage caused by such removal.

Further, the Tenant covenants to comply with the provisions of any signage design criteria approved by the Landlord, Campus and Community Planning or any other authority having jurisdiction.

3.8 As Is/Where Is

If the Premises have been previously fixtured and improved by the Landlord or a prior tenant, the Tenant acknowledges that, notwithstanding the provisions of Schedule A and Schedule B, it has accepted the Premises on an "as is/where is" basis, and that the cost of any renovations, improvements, or fixturing required by the Tenant shall be payable by the Tenant. The Tenant shall submit to the Landlord for approval the drawings and specifications relating to any such further Tenant's Work as set forth in Schedule B hereto. All further work carried out by the Tenant in the Premises shall be in accordance with the provisions of this Lease, including, without limitation, the provisions of Schedule A and Schedule B.

3.9 Services Provided By Landlord

- (a) If there is an elevator in the Building, subject to the Landlord's Rules and Regulations, the Landlord shall provide elevator service during normal business hours for use by the Tenant in common with others, except when prevented by repairs. The Landlord will operate one passenger elevator for use by tenants at all times except in the case of fire or other emergencies.
- (b) The Landlord will provide cleaning services in the Building consistent with the standards of a first class office building (excluding interior glass areas and areas used exclusively for computer equipment), provided that the Tenant at the end of each business day shall provide access to the persons performing the janitor services and leave the Premises in a reasonably clean and tidy condition. The Tenant hereby agrees that the Landlord shall have no responsibility or liability whatsoever for any act or omission on the part of the person, persons, or corporation employed to perform the cleaning services, provided such persons are bonded.
- (c) Subject to the Landlord's Rules and Regulations, the Landlord shall provide heating, ventilating or air-conditioning services during normal business hours, as determined by the Landlord, acting reasonably, for the Premises, except when prevented by reason of accident, repair, alterations or improvements necessary to be made. Subject to the Landlord's Rules and Regulations, upon request give a reasonable period of time in advance, the Landlord may provide heating, ventilating or air-conditioning services outside normal business hours and the Tenant shall pay an incremental charge therefor as an additional service at the prevailing hourly rate, which may be adjusted by the Landlord from time-to-time. The Tenant shall not install any equipment or systems that will exceed, or overload the capacity or interfere with the normal operation of the heating, ventilating or air-conditioning or any other service or facility in the Property or Building and agrees that if any equipment or systems installed by the Tenant requires additional heating, ventilating or air-conditioning equipment system or any other service or facility, as determined by the Landlord acting reasonably, the same shall be installed at the Tenant's expense.

- (d) If installation of any equipment, fixture or system on the Premises by the Tenant necessitates rebalancing or readjustment of the heating, ventilating and air-conditioning system by the Landlord, the same will be performed by the Landlord at the Tenant's sole expense.
- (e) The Tenant shall not, without the Landlord's prior written consent in each instance, connect any equipment, fixtures, systems or appliances (other than normal office electrical fixtures, computers, typewriters, word processors, small office machines and lamps) to the Building's electric distribution system or make any alteration or addition to the electric system of the Premises.

4. DEMISE AND TERM

4.1 Demise and Term

The Landlord leases the Premises to the Tenant TO HAVE AND TO HOLD from the Commencement Date of Term for and during the Term, unless sooner terminated as provided in this Lease. In addition, the Tenant shall be entitled for the benefit of the Premises to enjoy, on the terms and conditions set out in this Lease, the non-exclusive use of the Common Areas or portions designated by the Landlord under this Lease in common with all others entitled thereto.

4.2 Early Occupancy

If the Tenant is given possession of the Premises before the Commencement Date of Term, all provisions of this Lease shall apply to the period falling between such dates except as specifically otherwise provided in this Lease, provided that the Term shall not commence to run until the Commencement Date of Term.

5. RENTAL

5.1 Tenant to Pay Rental

The Tenant will pay to the Landlord, or as the Landlord may in writing direct, in lawful money of Canada, without any set-off, compensation, or deduction whatsoever, on the days and at the times specified in this Lease, Rental which shall include the aggregate of the sums required to be paid by this Article:

(a) Minimum Rental

The Tenant shall pay Minimum Rental;

(b) Additional Rental

In addition to the Minimum Rental, the Tenant shall pay the Tenant's portion (as defined in Section 5.2) of each of the following:

- (i) Common Area Maintenance Cost;
- (ii) Cost of Heating, Ventilating, and Air-Conditioning to the extent not included in subsection 5.1(b)(i);
- (iii) Cost of Insurance to the extent not included in subsection 5.1(b)(i); and

- (iv) Municipal Tax Cost to the extent not included in subsection 5.1(b)(i);

The Landlord may in its sole discretion without duplication aggregate some or all of the Cost of Heating, Ventilating, and Air-Conditioning, Cost of Insurance or Municipal Tax Cost and Common Area Maintenance Cost and apportion the Tenant's or other tenant's portion of such costs to the extent it determines such aggregation or apportionment permits an equitable method of calculating Additional Rental and the portions payable by the Tenant or other tenants. For greater certainty, the Tenant shall also pay a portion of the Services Levy referred to in Article 12 determined by the Landlord as part of Municipal Tax Cost;

(c) **Additional Rental (Premises)**

In addition to the Additional Rental described in subsection 5.1(b), the Tenant shall also pay those costs which directly relate to the Tenant's use of the Premises, which include:

- (i) the cost, charge, or expense for water, garbage collection, janitorial services and any other like service rendered to the Premises for the benefit of the Tenant and paid by the Landlord;
- (ii) that portion of the cost of lighting, heating, ventilating, and air-conditioning the Premises attributable to the fact that the demands of the Tenant in the Premises is in excess of the normal operating demands or in excess of normal hours for the Shopping Centre or Property; and
- (iii) any special service or utility required by the Tenant and arising from its use of the Premises.

5.2 Tenant's Portion

The Tenant's portion of the costs described in subsection 5.1(b) shall unless otherwise determined by the Landlord, be that sum which is equal to the aggregate of those costs or portion thereof multiplied by a fraction the numerator of which is in each instance the Area of the Premises and the denominator of which is the appropriate gross leaseable area as defined in Section 2.1 and subject to the Landlord's right to allocate or apportion.

5.3 Procedure For Payment of Rental

The Rental provided for in this Article shall be paid promptly and punctually by the Tenant as follows:

(a) **Payment of Minimum Rental**

Minimum Rental shall be paid on a monthly basis. The first monthly instalment of Minimum Rental shall be paid on the Commencement Date for Minimum Rental. Where the Commencement Date for Minimum Rental is the first day of a month, such instalment shall be in respect of such month. Where the Commencement Date for Minimum Rental is not the first day of a calendar month, Minimum Rental for the period from the Commencement Date for Minimum Rental to the first day of the next calendar month shall be pro-rated on a per diem basis and paid on the first day of the next month and the instalment of Minimum Rental paid

upon the Commencement Date for Minimum Rental shall be in respect of the Minimum Rental for the first full calendar month following the Commencement Date for Minimum Rental. Thereafter, subsequent monthly instalments shall each be in advance on the first day of each ensuing calendar month. The Landlord may require the Tenant to participate in an automatic debit system, including without limitation requiring the Tenant from time to time to furnish the Landlord with a series of post-dated cheques covering the next 12 instalments of monthly Minimum Rental and the Tenant shall, forthwith upon request, deliver such cheques to the Landlord.

(b) Additional Rental Payments

The amount of Additional Rental to be paid by the Tenant under subsections 5.1(b) and 5.1(c) shall be estimated by the Landlord for such period or periods as the Landlord may determine in its sole discretion. The Tenant shall pay promptly and punctually to the Landlord such amount in advance during such period on the dates and at the times for payment of Minimum Rental provided for in this Lease commencing on the Commencement Date for Additional Rental.

(c) Landlord Discretion

Notwithstanding any other term of this Lease, for any specific item of Additional Rental or any period of operation determined by the Landlord, the Landlord may in its sole discretion apportion Additional Rental or any component of Additional Rental including without limitation Common Area Maintenance Cost between the various portions of the Property or Shopping Centre including without limitation retail, office, residential, institutional or other portions, on a basis that is fair and that reflects the use by and benefit to the tenants and occupants of such portions of the Property or Shopping Centre and the Landlord may in its sole discretion allocate such items of Additional Rental among tenants and the Tenant acting reasonably and it is understood and agreed that such items may include an allocation to and within the Property or Premises of costs which are levied, rated, charged or assessed against or upon the Shopping Centre generally or the Property or other lands.

For greater certainty, in computing any Additional Rental or other payments to be allocated to tenants or made by tenants in the Shopping Centre or portions thereof or when allocating portions of such payments among tenants:

- (i) where the Landlord determines, in its sole discretion, that any item(s) of Additional Rental are provided only to or for the benefit of a portion of the Shopping Centre, then the Landlord shall be entitled, but not obligated, to allocate the cost of those item(s) over such portion of the Shopping Centre and adjust the Tenant's payment based on such allocation;
- (ii) if the Shopping Centre or any portion thereof is comprised of different categories of leaseable premises, the Landlord shall be entitled, but not obligated, to allocate Additional Rental among the various categories on the basis of such factors as the Landlord determines to be relevant and to adjust the Tenant's payment based on such allocation; and
- (iii) if any Common Facilities, or other facilities, services or utilities:

- (A) for the operation, administration, management, repair and maintenance of the Building are provided from another building or other buildings (whether within the Shopping Centre or elsewhere);
- (B) for the operation, administration, management, repair and maintenance of another building or other buildings (whether within the Shopping Centre or elsewhere) owned or operated by the Landlord are provided from the Building; or
- (C) are otherwise shared between the Building and another building or other buildings (whether within the Shopping Centre or elsewhere),

the costs, charges and expenses of such items may be allocated by the Landlord in its sole discretion between the Building and other building or buildings (whether within the Shopping Centre or elsewhere) on a reasonable basis.

The Tenant shall comply with any practices or procedures that the Landlord, may from time to time introduce to reduce or control Additional Rental and shall pay, as Additional Rental, all costs, as determined by the Landlord, that may be incurred by the Landlord as a result of any non-compliance. The Landlord may use an expert to assist it in making such determination.

(d) Tenant's Delay

If the Tenant fails to take possession and open the Premises for business fully fixtured, stocked, and staffed on the earliest of the Commencement Date of Rental Payment or the Commencement Date of Term, whichever is the earlier, the Landlord shall, in addition to the other remedies described in this Lease, have the right at its option to collect not only Minimum Rental and Additional Rental but a daily amount equal to the greater of 15 cents per square foot of the Area of the Premises or \$50 per day for each and every day the Tenant fails to do business as required by this Lease.

(e) Basis of Determining Minimum Rental and Additional Rental

Minimum Rental is calculated on the basis of the Area of the Premises being as set out in subsection (j) of the Summary of Basic Lease Provisions. The Minimum Rental and any Additional Rental, the calculation of which is based on the Area of the Premises, shall be adjusted if the Area of the Premises is found to be different.

5.4 **Reporting of Costs**

Within 180 days after the end of each Lease Year, the Landlord shall furnish to the Tenant a statement of the actual cost during such Lease Year of those items comprised in Additional Rental and the Tenant's portion thereof, showing in reasonable detail the information relevant and necessary to the exact calculation of those amounts. (the "**Statement**") If the amount payable by the Tenant as shown on the Statement is greater or less than the Additional Rental paid by the Tenant to the Landlord the adjustment shall be made within 14 days after delivery of the Statement.

The Statement shall be binding upon the Tenant but the Tenant shall have the right to, at any time within 12 months of the delivery of the Statement to inspect the books and records of the Landlord pertaining to such costs upon reasonable notice at reasonable times, and/or submit a substantiated claim that the amount payable by the Tenant is less than the Additional Rental paid by the Tenant to the Landlord.

Any payment made by the Landlord or made by the Tenant to the Landlord in respect of any such adjustment, shall be without prejudice to the right of the Landlord to claim a readjustment provided such claim is made within 25 months from the date of delivery of the Statement. The Landlord's failure to provide the Statement within such 180-day period shall in no way excuse the Tenant from its obligation under this Section or constitute a waiver of the Landlord's right to bill and collect any moneys payable by the Tenant under this Section.

5.5 **Rental For Irregular Periods**

All Rental reserved by this Lease shall accrue from day to day, and if for any reason it becomes necessary to calculate Rental for irregular periods of less than one year an appropriate pro-rata adjustment shall be made on a daily basis.

5.6 **Place of Payment**

All payments to be made to the Landlord under this Lease shall be made to the Landlord's agent at the address referred to in the Summary of Basic Lease Provisions, unless otherwise directed by the Landlord.

5.7 **Rental Deposit**

Intentionally deleted.

5.8 **Security Deposit**

Intentionally deleted.

5.9 **Re-Survey Or Re-Measurement of Premises**

The Landlord may, from time to time, as it determines necessary, cause the Area of the Premises, the Building or any part thereof to be re-calculated or re-measured, such re-measurement or re-calculation to be made in accordance with any of the methods set out in subsection 2.1(d) under the definition of "**Area of the Premises**" or in accordance with the Landlord's reasonable standard from time to time, which standard may be the Standard Method for Measuring Floor Area in Office Buildings – ANSI/BOMA Z 65.1-1996 as amended by the terms of this Lease or such other standard as similar to that used in other similar quality office buildings as selected and determined by the Landlord, and the cost thereof shall be included as Additional Rental (except as otherwise provided for in this Section 5.9). Upon such re-calculation or re-measurement, Rental (including, without limitation, Minimum Rental) shall be adjusted accordingly. If any calculation or determination by the Landlord of the area of any premises (including the Premises) is disputed or called into question, it shall be calculated or determined by the Architect or surveyor from time to time appointed for that purpose, whose certificate shall be conclusive and binding upon the parties hereunder. The cost of such calculation or determination shall be included as Additional Rental, provided that if the Tenant disputes the Landlord's calculation or determination and the calculation or determination by the

Architect or survey agrees with the Landlord's calculation or determination within a 2% variance, the Tenant shall pay the full cost of such calculation or determination forthwith upon demand. If the Tenant and any one or more of the other tenants in the Building are responsible to pay such costs, the Tenant shall be jointly and severally liable with such other tenant or tenants.

If any error shall be found in the calculation of the Area of the Premises or in the calculation of the Tenant's Portion (as described in Section 5.2 of this Lease) of Additional Rental and of Minimal Rental shall be adjusted for the Lease Year in which the error is discovered and for the Lease Year preceding the Lease Year in which the error was discovered, if any, and thereafter, but not for any prior period.

6. CONDUCT OF BUSINESS

6.1 Use and Operation of Premises

(a) Use of Premises

The Tenant shall not use or occupy the Premises or any part thereof for any purpose other than the operation of the business described in subsection (e) of the Summary of Basic Lease Provisions under the name referred to in subsection (d) of the Summary of Basic Lease Provisions. The Tenant shall be open for business on the Premises during the times set out in and in compliance with subsection (e) of the Summary of Basic Lease Provisions.

(b) Prohibited Uses

The Tenant shall not conduct or carry on any of the following businesses on the Premises:

- any in-premises retail selling;
- any mail-order business or catalogue sales;
- any operation in which the Tenant uses any fraudulent or deceptive advertising or selling procedures; and
- any business which because of the methods likely to be used would in the opinion of the Landlord tend to lower the character of the Shopping Centre or Property.

(c) To Operate During the Term

The Tenant shall not during the Term vacate the Premises either in whole or in part, whether actually or constructively, but shall:

- (i) commence and conduct its business from the entire Premises from not later than the earlier of the Commencement Date of Term or the earliest Commencement Date of Rental Payment;
- (ii) remain open for business during the business days and hours for the Shopping Centre or Property, as determined by the Landlord from time to time in its sole discretion, unless prevented by the Municipal Authority

Having Jurisdiction or federal, provincial, municipal, or any other government authority; and

- (iii) continuously, actively, and diligently carry on in the Premises the type of business for which the Premises are leased to the Tenant.

(d) Use of Landlord or UBC's Name

The Tenant shall not, without the prior written consent of the Landlord and UBC (as applicable), use the Landlord's or UBC's name nor any mark, logo or trademark of the Landlord or UBC in any publication, advertisement, notice, document, website, e-mail address or other materials and shall not hold itself out, directly or indirectly, as being associated with the Landlord or UBC; provided however, the Tenant may use UBC's name in its material directing people to the location of the Premises provided UBC has approved the form of such wording. It is understood and agreed that the Landlord and UBC may arbitrarily withhold their consent to the use of their respective name, marks, logos or trademarks.

(e) Signs

Except as provided in Section 3.7 and the Landlord's Rules and Regulations, the Tenant shall not maintain any sign on the exterior walls of the Premises or on the walls of the Building or elsewhere on the Property or Shopping Centre, nor shall the Tenant place in the display windows any sign, decoration, lettering, or advertising matter of any kind, including signs placed in the interior of the Premises for exterior view, nor shall the Tenant permit the use of any travelling or flashing lights, loudspeakers, television, phonographs, radios, or other devices in a manner so as to be seen or heard outside the Premises without first obtaining the Landlord's written consent in each instance, which consent shall be in the Landlord's sole discretion. The Tenant shall be solely responsible for all costs associated with any signage, display or other form of advertisement contemplated herein; and shall be required to obtain all necessary permits and approvals as required by any Municipal Authority Having Jurisdiction.

(f) Machines

The Tenant shall not cause, permit, or suffer any machines selling merchandise, services, or entertainment, including vending machines, video machines, automated banking/teller machines or other machines operated by coins or other devices, to be present on the Premises unless expressly permitted in writing by the Landlord, which permission may be withheld in the Landlord's sole discretion.

(g) Nuisance

The Tenant shall not carry on any business practice or act or activity on the Premises which is a nuisance or which may injure the Building or the Shopping Centre or any part thereof, nor cause or permit annoying noises or vibrations, nor offensive odours to issue from the Premises, nor cause or suffer or permit any oil or grease or harmful, objectionable, dangerous, poisonous, hazardous, flammable, or explosive matters or substances to be discharged into the Premises or into adjoining premises or into Common Areas, drains, or sewers, and shall take all measures necessary to ensure that any effluent discharged will

not be corrosive, poisonous, or otherwise harmful or hazardous, or cause obstruction, deposit, or pollution within the Shopping Centre. The Landlord may determine in its sole discretion whether the Tenant is in breach of this Section.

(h) Not to Affect Landlord's Insurance

The Tenant shall not do or omit to do anything which causes the rate of insurance upon the Shopping Centre or any part thereof to be increased, and if the insurance rate shall be thereby increased the Tenant shall pay to the Landlord as Additional Rental the amount by which the insurance premiums shall be so increased. The Tenant shall not store or permit to be stored upon or in the Premises anything that is of a dangerous, flammable, or explosive nature nor anything which would have the effect of increasing the Landlord's insurance costs or of leading to the cancellation of such insurance. If any insurance policy upon the Premises or the Property or Shopping Centre is cancelled or threatened to be cancelled by the insurer by reason of the use and occupation of the Premises or any part thereof by the Tenant or by any assignee, sub-tenant, concessionaire, or licensee of the Tenant, or by anyone permitted by the Tenant to be upon the Premises, the Landlord may at its option upon giving the Tenant 48 hours' written notice, terminate this Lease by notice in writing, and the Tenant shall immediately deliver up vacant possession of the Premises to the Landlord or the Landlord may at its option and at the expense of the Tenant enter upon the Premises and rectify the situation causing such actual or threatened cancellation or rate increase.

(i) Business Hours Restriction

The Tenant shall not, during the Term, support the enacting or renewal of any bylaw or law amending business hours in or the operations of the Landlord on the Shopping Centre or Property.

(j) Advertising Assignment of Lease

The Tenant shall not print, publish, post, display, or broadcast any notice or advertisement with respect to the assignment of this Lease, the subletting of the Premises in whole or in part, or the sale of the business conducted thereon, nor permit any broker or other person to do any of the foregoing.

(k) Pest Control

In order to maintain satisfactory and uniform pest control the Tenant shall engage for the Premises at its sole cost and expense such pest extermination contractor from time to time as the Landlord directs.

6.2 **Specific Performance**

All the Tenant's covenants and obligations set forth in Section 6.1 are covenants and obligations designed for the mutual benefit and protection of commercial premises in the Property and Shopping Centre and to make the Shopping Centre attractive to the shopping public to the greatest extent possible. If the Tenant is in breach of any such covenants or obligations then, without prejudice to any other right or remedy which the Landlord may have under the terms of this Lease or otherwise at law or equity, the Landlord shall have the right to bring action in any court of competent jurisdiction against

the Tenant for a judgment or order directing the Tenant to remedy such breach and to observe and perform such covenant or obligation.

7. REPAIRS

7.1 Tenant Repair Covenants

(a) Tenant's Repairs

The Tenant shall at all times during the Term:

- (i) keep the Premises in good order and repair, as a prudent owner would do;
- (ii) keep all equipment and fixtures, including unattached trade fixtures, in the Premises in good order and repair and replace them when necessary, as a prudent owner would do, including, without limitation, the floor, exterior and interior doors, exterior storefronts, windows, plate glass, partitions, lighting, wiring, heating, ventilating, and air-conditioning (situate within the Premises), plumbing, sprinkler, mechanical and electrical equipment, and fixtures, including all the parts, wiring, and pipes thereof, within the Premises, and any improvements now or hereafter made to the Premises;

except for repairs for which the Landlord is responsible under Section 7.2;

(b) Painting

The Tenant shall keep the interior of the Premises well painted at all times in accordance with the reasonable requests of the Landlord from time to time, in such colours as shall have first been approved in writing by the Landlord, such approval not to be unreasonably withheld or delayed.

(c) Landlord's Examination of Premises

The Landlord and any employee, servant, or agent of the Landlord shall be entitled, at any reasonable time during normal business hours and during any emergency, to enter and examine the state of maintenance, repair, and order of the Premises, all equipment and fixtures within the Premises and any improvements now or hereafter made to the Premises, and the Landlord may give notice to the Tenant requiring that the Tenant perform such maintenance or effect such repairs or replacements as may be found necessary from such examination. The failure of the Landlord to give such notice shall not relieve the Tenant from its obligation to keep the Premises and appurtenances in good order and repair and to make such replacements as may be necessary.

(d) Repairs by Designated Tradesmen

The Tenant shall, when necessary, and whether upon receipt of notice from the Landlord or not, effect and pay for such maintenance, repairs, or replacements as may be the responsibility of the Tenant under subsections 7.1(a) and 7.1(b), provided that no maintenance, repairs, or replacements to the structure, roof, any perimeter wall, the storefront, the sprinkler system, the heating, ventilating, air-conditioning, plumbing, electrical, or mechanical equipment, or the concrete floor

shall be made without the prior written consent of the Landlord, and in so doing the Tenant shall use contractors or other workmen designated or approved by the Landlord in writing, such approval not to be unreasonably withheld or delayed. In fulfillment of its obligation to repair and maintain the heating, ventilating, and air-conditioning equipment, the Tenant will enter into a maintenance contract with such firm or persons as are designated by the Landlord to regularly maintain and service such equipment and shall within 10 days of being requested to do so provide the Landlord with written evidence that it has so entered into such contract and will pay when due all sums owing to such firm or persons. If the Tenant fails to comply with the Landlord's request to effect repairs, replacements, decorations, or maintenance within the time provided for by the Landlord, the Landlord may cause such repairs, replacements, decorations, or maintenance to be undertaken and Section 14.5 shall apply.

(e) Repair at End of Term

At the end of the Term the Tenant shall deliver to the Landlord vacant possession of the Premises in the condition in which the Tenant is required to maintain the Premises by the terms of this Lease. This provision shall survive the expiration or earlier termination of the Lease.

(f) Fee for Supervision

Should the Landlord deem it necessary after giving written notice to the Tenant to undertake any repairs or to do anything which is required to be undertaken or done by the Tenant under this Lease, then the Tenant shall pay to the Landlord as a fee for supervision or carrying out the Tenant's obligation an amount equal to 15% of the moneys expended or of the cost of repairs or other work carried out by or under the supervision of the Landlord, which amount shall be in addition to the cost of such work or moneys expended.

(g) Landlord's Right to Enter for Repairs

The agents and representatives of the Landlord shall have the right to enter the Premises at all times during business hours to examine them, to make alterations or repairs as they shall deem necessary for the safety, preservation, proper administration, or improvement of the Premises, the Property, the Shopping Centre, and any premises adjoining the Premises.

7.2 **Landlord's Repair Covenants**

So long as the Landlord does not terminate this Lease or elect not to rebuild the Shopping Centre or Property under Section 7.3, the Landlord will:

(a) Landlord's Repairs

Maintain at its own expense, subject to specific repair obligations of the Tenant under this Lease, the structure of the roof, foundations, sub-floors, and outer walls (excluding exterior storefronts, if applicable, and the glass component thereof or other structural elements installed by or on behalf of the Tenant) of the Building;

(b) Common Areas and Common Facilities

Maintain in good order and repair the Common Areas and Common Facilities, normal wear and tear only excepted;

(c) Structural Defects

At its own expense repair any damage caused, in the opinion of the Architect acting reasonably, to the Premises by reason of a structural defect in the Building;

(d) Construction

Subject to Sections 3.1, 3.2, 3.4 and 7.3, at its own expense and cost, carry out and complete the Landlord's Work. The Landlord shall have the right at all times to enter the Premises for the purposes of performing the Landlord's Work. The Tenant acknowledges that the Landlord's Work and other work related to the Shopping Centre may require ongoing construction, noise, dust and disruption in proximity to the Premises and that there may be, from time to time, further subdivision, excavation and construction of and on lands adjacent to or in proximity to the Premises. The Tenant hereby waives all claims it may have now or in the future against the Landlord or UBC or any other entity involved in such work. The Landlord shall use commercially reasonable efforts to minimize the disturbances to the Tenant arising from such work; and

(e) Heating, Ventilating, and Air-Conditioning

Subject to subsections 7.1(a) and 7.2(b) and to Section 7.3, maintain and operate the HVAC System, and supply from the HVAC System to the Premises, conditioned air in accordance with the Landlord's standards from time to time so established, provided that if the Premises contains an independent heating, ventilating, and air-conditioning system, as so designated by the Landlord, the responsibility and expense for maintaining, operating, and replacing that system shall rest with the Tenant.

Notwithstanding anything in the Lease to the contrary, if the repairs described in this Section are required because of the negligent act or omission of the Tenant, or of its contractors, agents, or employees, the Tenant shall pay the cost of such repairs to the Landlord on demand as Additional Rental.

7.3 Damage Or Destruction

(a) Damage or Destruction

- (i) Subject to the Landlord's right of termination contained in this Section and subject to subsection 7.3(d), if the Premises or any part thereof are destroyed or damaged during the Term as a result of a casualty fully insured against by the Landlord, the Landlord shall repair the Premises to the standard set out in Schedule A - Landlord's Work. If such damage or destruction is not caused by an act or omission of the Tenant, or of a person for whom the Tenant is in law responsible, and if as a result of such occurrence the Premises cannot be used, in whole or in part, for the business of the Tenant, the Minimum Rental, or a proportionate part

thereof, according to the nature and extent of the destruction or damage sustained, shall be suspended until the Landlord repairs the Premises to the standard set out in Schedule A - Landlord's Work;

- (ii) If there is damage to 50% or more of the area of the Property or the buildings forming part of the Shopping Centre, or substantial destruction of the Property or the Shopping Centre (whether or not in either event the Premises are damaged), the Landlord may terminate this Lease by written notice to the Tenant to be given within 90 days after the occurrence of such damage or destruction. If such notice is given this Lease shall immediately terminate. If the Landlord has exercised its right of termination, the Tenant, after receipt of the notice of termination, shall forthwith deliver up possession of the Premises to the Landlord and make payment of the Rental due to the date of termination and the Tenant shall be entitled to no set off whatsoever, and specifically shall not be entitled to compensation for any undepreciated cost of inducements. All Rental shall be apportioned to the date of such termination, provided that such termination shall not affect the obligation of any guarantor to or indemnifier of the Landlord arising from obligations of the Tenant existing prior to the date of such notice of termination;
- (iii) The terms "**Shopping Centre**" and "**Property**" and "**Premises**", for the purposes of this Section shall be deemed not to include the improvements installed in the Premises under the provisions of Schedule A respecting Tenant's Work.

(b) Termination

If the Landlord fails to give notice of termination within the 90 days mentioned in subsection 7.3(a) and fails to complete the repair or reconstruction within 20 months after the occurrence of such damage to or destruction of the Premises or the Property or Shopping Centre, the Tenant shall have the right to give to the Landlord notice of termination of this Lease and thereupon, subject to payment of any Rental then due by the Tenant to the Landlord, this Lease shall forthwith cease and determine, provided that if the Landlord's failure to complete the repair or reconstruction within 20 months is due to some circumstance beyond the reasonable control of the Landlord, then the 20-month period shall be extended by the same number of days as the Landlord was delayed by such circumstance.

(c) Tenant's Obligation to Rebuild

Subject to subsections 7.3(a) and 7.3(b), if there is damage or destruction as contemplated by this Article, the Tenant shall at the request of the Landlord, repair and rebuild that part of the Premises so damaged or destroyed, in accordance with the provisions of Schedule A and Schedule B with all due diligence, but without the benefit of any allowances, inducements, or rent-free periods.

(d) Landlord's Obligation to Rebuild

Nothing in this Article 7 requires the Landlord to rebuild the Shopping Centre or any part thereof and if the Landlord elects to rebuild or repair the Shopping

Centre or any part, it may make such changes, alterations, modifications, adaptations, or extensions in, to, or of the original buildings or structures forming part of the Shopping Centre or part thereof, including the location of the Premises, as it in its sole discretion shall see fit.

8. COMMON AREAS

8.1 Use and Control of Common Areas

(a) Tenant's Use of Parking Areas

- (i) The Tenant acknowledges that there exists no designated parking available for the occupants or invitees of the Premises. There is street parking available along Wesbrook Mall, Birney Avenue and Shrum Lane, subject to any parking fees and regulations imposed by the UNA or any other authority having jurisdiction over such areas. In addition there will be surface and underground pay parking lot in the Shopping Centre which will be generally available for the use of customers and visitors of the Shopping Centre. However, throughout the Term, the Landlord shall make available for the Tenant, to use at its option, up to eight (8) parking stalls in the designated parking lot at 5923 Berton Avenue at the prevailing monthly rental rates, plus applicable taxes, which rental rates may be adjusted by the Landlord from time to time.
- (ii) The Landlord reserves the right to impose charges for the use of the parking areas in the Shopping Centre. Such charges shall be determined by the Landlord, having regard to the parking facilities provided, and may be in amounts sufficient in the judgment of the Landlord to discourage long-term and non-customer parking and to secure a sufficient turnover of parking spaces to accommodate the customers of the Property and the Shopping Centre.
- (iii) Parking shall be regulated by the Landlord in a reasonable manner, and the Tenant and its employees, suppliers, and other persons not customers shall abide by such regulations as may from time to time be established by the Landlord.

(b) Landlord's Right to Remove Vehicles

Should the Tenant, its employees, suppliers, and other persons not customers having business with the Tenant park vehicles in areas not allocated for that purpose, the Landlord shall have the right to remove such vehicles, and the Tenant will save harmless the Landlord from any and all damages arising therefrom, and the Tenant will pay the costs of such removal.

(c) Control of Common Areas and Common Facilities

The Landlord will have the right of control at all times, over the Common Areas and Common Facilities. Such control applies to signs, use of show windows, and the Tenant's publicity visible from the Common Areas and Premises. The Landlord shall have the right, at its option, to close the Property and Shopping Centre or parts thereof to the public and to all tenants outside regular business

hours of the Shopping Centre, as determined by the Landlord, Sundays and holidays included.

Notwithstanding the foregoing, the Landlord shall have the right to temporarily close the entire Shopping Centre during periods of civic unrest or at other times acting reasonably without any abatement of Rental.

Notwithstanding any other term of this Lease, the Landlord may designate any Common Areas or Common Facilities or portions thereof for the exclusive use of tenants of portions of the Property or Shopping Centre and allocate the cost of maintaining same to those tenants or any other group of tenants upon the Property or Shopping Centre (including the Tenant or other tenants of the Property) in its sole discretion.

(d) Merchandise on Common Areas

The Tenant shall not keep, display, or sell any merchandise on or otherwise obstruct or use any part of the Common Areas and Common Facilities, except as permitted by the Landlord.

(e) Changes to Common Areas and Common Facilities

The Landlord shall have the right, from time to time, to alter, expand, reduce or otherwise change the location, area, level, or arrangement of the Property, Shopping Centre and Common Areas and Common Facilities, including the parking areas, service entrances, loading and unloading facilities, driveways and sidewalks, and ingress to and egress from the Property, to make such changes or additions as in its sole discretion the Landlord may consider necessary or desirable, and to construct and erect additional buildings whether of a temporary or permanent nature or to enlarge or extend or contract or reduce or in any other way modify buildings on the lands upon which the Shopping Centre and Property are located, provided only that the Landlord shall at all times provide reasonable access to the Premises across and through the Property and Common Areas for the Tenant, its servants, agents, clients, and customers.

(f) Increase in Common Area Maintenance Cost

The Tenant shall not do or omit to do, or permit to be done or omitted, upon or about the Premises, anything which will cause the Additional Rental or Common Area Maintenance Cost to be increased. If the Additional Rental or Common Area Maintenance Cost shall be so increased, the Tenant shall pay the amount of such increase to the Landlord upon demand.

9. PROMOTION OF THE SHOPPING CENTRE

(a) Centre Name

The Tenant shall promote the name and logo or emblem which the Landlord may from time to time designate for the Shopping Centre in any advertisements or promotional material published or initiated by the Tenant if in the reasonable opinion of the Landlord such promotion would be of benefit to the Shopping Centre.

(b) Permits

The Tenant shall comply with all development and other permits issued or applicable to the Shopping Centre or any parts thereof, including without limitation the Property and the Premises. The Tenant shall obtain and maintain, and comply with, during the Term and any renewals or extensions thereof, all necessary permits and licenses required by applicable laws and the rules and regulations of the Municipal Authority Having Jurisdiction, now or hereafter in force, which pertain to the conduct of the Tenant's business in the Premises.

10. INSURANCE

10.1 Tenant to Insure

The Tenant will take out and keep in force during the Term, owned and non-owned automobile insurance with respect to all motor vehicles owned and/or operated by the Tenant in its business from the Premises, insurance upon all glass and plate glass in the Premises; whether installed by the Landlord or the Tenant, boiler and pressure vessel insurance, and a commercial all-risk insurance policy which shall cover damage to the stock-in-trade, furniture, fixtures, improvements (including leasehold improvements), and all other contents of the Premises to the full replacement cost thereof, and comprehensive general liability insurance in an amount not less than \$5,000,000 per occurrence or as may be reasonably required by the Landlord from time to time, and tenant's fire legal liability insurance to the replacement cost of the Premises, and with policies and insurers acceptable to the Landlord. Each policy shall name UBC Properties Investments Ltd. as trustee for UBC Properties Trust and The University of British Columbia as additional insureds as their interests may appear, and in the case of such public liability insurance shall contain a provision for cross-liability and severability of interest in favour of UBC Properties Investments Ltd. as trustee for UBC Properties Trust and The University of British Columbia. The insurance requirements and obligations set out in this Section **Error! Reference source not found.** may be mended from time to time in the Landlord's sole discretion.

Each policy shall provide that the insurer shall not have any right of subrogation against the Landlord or UBC on account of any loss or damage covered by such insurance or on account of payments made to discharge claims against or liabilities of the Landlord, UBC or Tenant covered by such insurance. The cost or premium for each and every such policy shall be paid by the Tenant. The Tenant shall obtain from the insurers under such policies undertakings to notify the Landlord in writing at least 30 days prior to any cancellation or any material change. The Tenant shall, within 30 days of placing insurance, provide the Landlord with written evidence satisfactory to the Landlord of the existence of the insurance policies described in this Section, and a copy shall thereafter be provided to the Landlord annually.

Notwithstanding any other term in this Lease, including the above paragraphs in this Section 10.1, provided that the Tenant's present insurer and insurance policy in place at the time this Lease is entered into does not change, the Tenant shall not be subject to the above requirements in this Section 10.1 in respect of insurance coverage.

10.2 **Workers' Compensation**

If the nature of the Tenant's operations is such as to place all or any of its employees under the coverage of local workers' compensation or similar insurance, the Tenant shall also keep in force at its expense, so long as this Lease remains in effect, workers' compensation or similar insurance affording statutory coverage and containing statutory limits.

10.3 **No Insurable Interest in Landlord's Insurance**

Notwithstanding any contribution by the Tenant to the Landlord's insurance premiums as provided in this Lease, no insurable interest is conferred upon the Tenant under policies carried by the Landlord. The Landlord shall in no way be accountable to the Tenant regarding the use of any insurance proceeds arising from any claim and the Landlord shall not be obliged on account of such contributions to apply such proceeds to the repair or restoration of that which was insured. The Tenant shall insure for its own account and shall not look to the Landlord for reimbursement or recovery if there is loss or damage from any cause, whether or not the Landlord has insured and recovered therefor. The Tenant is not relieved of any liability arising from or contributed to by its negligence or its wilful acts or omissions, notwithstanding any contribution by the Tenant to the Landlord's insurance premiums.

10.4 **Landlord to Insure**

The Landlord shall throughout the Term carry or cause to be carried an all-risk policy with normal extended coverage endorsements in respect of the Property in a form and to the extent deemed necessary by the Landlord, on the Building and other buildings forming part of the Shopping Centre in an amount determined by the Landlord; provided however that the Landlord will not be required to insure any Anchor Tenants, or other premises against damage from Insurable Hazards if the respective tenants of such stores have taken out insurance policies in respect thereof which are satisfactory to the Landlord.

11. **TENANT ALTERATIONS**

11.1 **Painting and Decorations**

Upon prior written consent by the Landlord and, if applicable, of the Municipal Authority Having Jurisdiction, the Tenant may at any time and from time to time make such changes, alterations, additions, and improvements in and to the Premises as shall in the judgment of the Tenant better adapt the Premises for the purpose of its business; provided however that no changes, alterations, additions, or improvements to the structure, any perimeter wall, the storefront, the sprinkler system, the heating, ventilating, air-conditioning, plumbing, electrical, or mechanical equipment, the concrete floor, columns, or the roof shall be made without the prior written consent of the Landlord and without the use of contractors or other qualified workmen designated or approved by the Landlord in writing. Any structural alteration or alteration which requires tie-in to base systems of the Building will require the prior approval of the Landlord and the Landlord may require that such work be done by its contractors at the cost of the Tenant plus 15%. All changes, alterations, additions, and improvements, whether structural or otherwise, shall comply with all applicable statutes, regulations, or bylaws of any Municipal Authority Having Jurisdiction, or federal, provincial, municipal, or other

governmental authority. The Tenant shall pay to the Landlord the amount of the increase to any insurance coverage or Municipal Taxes to the extent that such increase is attributable to any action by the Tenant, and such insurance shall not thereby be made liable to avoidance or cancellation by the insurer by reason of such changes, alterations, additions, or improvements.

11.2 **Landlord's Property**

Subject to Section 3.6, at the end of the Term all changes, alterations, additions, and improvements made to or installed upon or in the Premises and which in any manner are attached in, to, on, or under the floors, walls, or ceilings, shall remain upon and be surrendered to the Landlord with the Premises as a part thereof and, upon affixation, these shall become the absolute property of the Landlord without any payment or indemnity by the Landlord to the Tenant.

If goods of the Landlord are, subsequent to the Commencement Date of Term, affixed to the Premises, such goods shall, forthwith upon affixation, become fixtures and the Tenant shall have no rights in and to such goods, under this Lease or otherwise.

11.3 **Prohibitions**

The Tenant and its employees, agents, or representatives may not enter upon the roof of the Building or any building in the Property or Shopping Centre for any reason, nor shall the Tenant make any repairs, openings, or additions to any part of the exterior of the Premises, nor place any attachments, decorations, signs, or displays in or upon any Common Areas without the prior written consent of the Landlord, failing which the Tenant will, in addition to the Landlord's other rights and remedies described in this Lease, be held responsible for all ensuing costs and damages including the cost of removing such items and the cost of any repairs needed as a result of such acts.

11.4 **No Charges**

The Tenant will not permit, do, or cause anything to be done to the Premises during the period of construction and fixturing of the Premises or at any other time which would allow any lien, certificate of pending litigation, judgment, or certificate of any court, or any mortgage, charge, conditional sale agreement, personal property security, or encumbrance of any nature whatsoever, to be imposed or to remain upon the title to the Property or Shopping Centre or the interest of the Landlord therein, the Premises or the Tenant's fixtures, trade fixtures, personal property, or leasehold improvements in the Premises. If any lien, charge, conditional sale agreement, personal property security, or other encumbrance is registered against the Property or Shopping Centre the Tenant shall, immediately cause them to be discharged whether by payment or giving security or in such other manner as may be permitted by law, and if this is not done within 10 days of receipt of written notice from the Landlord, the Landlord may, but shall not be required to, make any payments required to procure the discharge of such lien, charge, or encumbrance and the Tenant shall forthwith reimburse the Landlord for all such payments, including legal fees on a solicitor—client basis in connection therewith together with interest thereon at the rate specified in Section 14.6 from the date such expenses are incurred until paid.

12. PUBLIC UTILITIES, TAXES AND SERVICES LEVY

12.1 Public Utilities, Business Tax, and Machinery

The Tenant shall pay for the electricity, gas, other fuel, telephone, water, and other similar utilities consumed on the Premises and all business taxes, garbage taxes, licences, rates, and other charges, taxes, licences, or rates levied or assessed on or in respect of or in relation to the Tenant, the business carried on by the Tenant and the assets of the Tenant within the Premises, or in respect of any fixtures, machinery, equipment, or apparatus installed in the Premises or elsewhere in the Shopping Centre by the Tenant, including Municipal Taxes and the Services Levy which, in the Landlord's opinion, are attributable to improvements made by the Tenant whether such taxes, licences, charges, or rates are charged to the Landlord or to the Tenant, and including a 15% administration fee on those charges paid for and administered by the Landlord on behalf of the Tenant. The Tenant shall, upon request by the Landlord, deliver to the Landlord notices of assessments of such rates, levies, charges, and taxes and receipts for their payment.

12.2 Payment of Taxes and Services Levy

Subject to the rights which the Landlord has at law to contest Municipal Taxes, the Landlord will pay all Municipal Taxes including without limitation the Services Levy out of funds collected from the tenants in the Property or the Shopping Centre or portions thereof except to the extent tenants pay Municipal Taxes or the Services Levy directly.

12.3 Allocation of Municipal Taxes and Services Levy

If a separate allocation of Municipal Taxes is not issued by the relevant Taxing Authority with respect to the Premises, Common Areas, or Anchor Tenants premises, or any leaseable area located in the Shopping Centre, the Landlord may from time to time apply to the Taxing Authority for a determination of a separate allocation to be calculated, which determination shall be conclusive for the purposes of this Article. If the Landlord does not make such application or no such determination can be obtained from the Taxing Authority, the Landlord shall determine the portion, if any, of the Municipal Taxes attributable to the Premises, Common Areas, Anchor Tenants, or any leaseable area using either:

- (a) the then-current established principles of assessment employed by the Taxing Authority; or
- (b) such method of determination which the Landlord, in its sole discretion, shall choose;

which determination shall be conclusive and binding between the parties.

The Landlord shall also similarly allocate the Services Levy to the Premises, Common Areas, or Anchor Tenants premises, or any leaseable area located in the Property or Shopping Centre following receipt of the determination contemplated above from the Taxing Authority, or alternatively, concurrently with making the Landlord's own allocation of Municipal Taxes as set out above, using the same methodology to allocate the Services Levy as is used to allocate Municipal Taxes and the Tenant shall pay a portion of the Services Levy determined by the Landlord in a manner equivalent to the payment of Municipal Taxes with the intent that the Services Levy shall be treated, for the

purposes of Landlord recovery, in the same way as Municipal Taxes as part of Municipal Tax Cost.

12.4 **Services Levy**

It is understood and agreed that the Services Levy is intended to be calculated by the Municipal Authority Having Jurisdiction or other Taxing Authority in each year by multiplying the difference between the municipal general and debt tax rate of the City of Vancouver levied on the commercial property class used for businesses pursuant to the Vancouver Charter minus the Provincial rural service rate levied on the commercial property class used for businesses pursuant to the *Taxation (Rural Area) Act* as amended from time to time, or any legislation substituted therefor times the net taxable value of that portion of the Property or Shopping Centre and Building or buildings that are subject to Municipal Taxes, and if the net taxable value of such portion of the Property or Shopping Centre and Building or buildings is nil, then times the assessed value of such portion, in both cases as prepared by the B.C. Assessment Authority. If the Property or Shopping Centre ever become part of a municipality or the UEL, the Services Levy shall be replaced by the local governing body's taxes which shall be paid direct to such local governing body. Without limiting what the Landlord can use the amounts collected on account of the Services Levy for, it is understood and agreed that the amounts collected by the Municipal Authority Having Jurisdiction or other Taxing Authority on account of the Services Levy can be used by the Municipal Authority Having Jurisdiction or other Taxing Authority, at its sole discretion, to pay for without limitation:

- (a) the supply of utilities, including, without limitation, water, sewer, telephone, cable, electricity and gas;
- (b) the types of infrastructure and public amenities on the Campus referred to in the definition of Services Levy;
- (c) upgrades to such infrastructure and public amenities as may be required from time to time on lands off the Campus, to permit development on the Campus to proceed;
- (d) such other types of infrastructure and public amenities as municipalities, generally, provide or may come to provide during the Term; and
- (e) a stabilization fund which may be created by the Municipal Authority Having Jurisdiction or other Taxing Authority if they decide that it would be prudent to do so, for the purpose of enabling the Municipal Authority Having Jurisdiction or other Taxing Authority to have sufficient funds in reserve to enable the Municipal Authority Having Jurisdiction or other Taxing Authority to pay for infrastructure and public amenities should there be a shift in the ratio from time to time of the municipal general and debt tax rate of the City of Vancouver levied on the commercial property class used for businesses pursuant to the Vancouver Charter to the Provincial rural service rate levied on the commercial property class used for businesses pursuant to the *Taxation (Rural Area) Act* as amended from time to time, or any legislation substituted therefor.

It is understood and agreed that notwithstanding anything set out in this Lease, it is the intention that the overall level of taxation on the Property and Shopping Centre, will be approximately equal to the overall level of taxation on lands and buildings situate in the

City of Vancouver having an assessed value equal to the assessed value of the Property and Shopping Centre, and that if the City of Vancouver is charging separately for services, whether or not they were formerly included in the real estate taxes, or charging for new services, then the Municipal Authority Having Jurisdiction may also charge separately for such services, or charge for new services, to the effect that there will be no significant difference in the total costs for taxes and services of similarly assessed properties whether located within the City of Vancouver or within the Campus. To the extent that the Landlord does not recover the cost of providing a service in any separate charge that is made therefor, the Landlord may recover the balance from the Services Levy collections.

12.5 **Value Added Tax**

The Tenant shall pay to the Landlord an amount equal to all goods and services taxes, sales taxes, value added taxes, business taxes, or any other taxes imposed with respect to Rental payable by the Tenant to the Landlord under this Lease, or in respect of the rental of space under this Lease, whether characterized as a goods and services tax, sales tax, value added tax, business transfer tax, harmonized sales tax or otherwise ("**Sales Taxes**"), it being the intention of the parties that the Landlord shall be fully reimbursed by the Tenant with respect to any and all Sales Taxes at the full tax rate applicable from time to time in respect of the Rental or the rental of space. The amount of sales taxes so payable by the Tenant shall be calculated by the Landlord in accordance with the applicable legislation and shall be paid to the Landlord at such time or times as the Landlord from time to time determines. The Landlord shall have all of the same remedies for and recovery of Sales Taxes as it has for recovery of Rental under this Lease.

13. **EXCLUSION OF LIABILITY AND INDEMNITY**

13.1 **Exclusion of Liability**

(a) Tenant's Property

The Landlord, its agents, servants, and employees shall not be liable for damage or injury to any property of the Tenant which is entrusted to the care or control of the Landlord, its agents, servants, or employees and this waiver shall extend to UBC in its capacity as head landlord under the Head Lease and also in its capacity as the Municipal Authority Having Jurisdiction.

(b) Personal or Consequential Damages

The Landlord, its agents, servants, and employees and UBC in its capacity as head landlord under the Head Lease and also in its capacity as the Municipal Authority Having Jurisdiction, shall not be liable nor responsible in any way for any personal or consequential injury of any nature whatsoever, including death, that may be suffered or sustained by the Tenant or any employee, agent, customer, invitee, or licensee of the Tenant or any other person who may be upon the Shopping Centre, or for any loss of or damage or injury to any property belonging to the Tenant or to its employees or to any other person while such property is in the Shopping Centre, and in particular neither the Landlord nor UBC in its capacity as head landlord under the Head Lease and also in its capacity as the Municipal Authority Having Jurisdiction, shall be liable for any

damages of any nature whatsoever to any such person or property caused by the failure, by reason of a breakdown or other cause, to supply adequate drainage, electricity, or snow or ice removal, or by reason of the interruption of any public utility or service, any interruption in the heating, ventilating, and air-conditioning system, or if steam, water, rain, or snow leaks into, issues, or flows from any part of the Shopping Centre, or from the water, steam, sprinkler, or drainage pipes or plumbing works, or from any other place or quarter, or for any damage caused by anything done or omitted to be done by any tenant, but the Landlord shall use all reasonable diligence to remedy such condition, failure, or interruption of service when not directly or indirectly attributable to the Tenant, after receiving notice thereof, when it is within its power and obligation so to do. The Tenant shall not be entitled to any abatement of Rental in respect of any such condition, failure, or interruption of service and this waiver shall extend to UBC as head landlord under the Head Lease and also in its capacity as the Municipal Authority Having Jurisdiction.

(c) **Landlord Entering Premises**

Neither the Landlord nor its agents, servants, employees, or contractors shall be liable for any damage suffered to the Premises or the contents thereof by reason of the Landlord, its agents, employees, or contractors entering upon the Premises to examine them or to carry out any work or in the case of any emergency and this waiver shall extend to UBC as head landlord under the Head Lease and also in its capacity as the Municipal Authority Having Jurisdiction.

13.2 Indemnification

The Tenant will indemnify and save harmless the Landlord and UBC in its capacity as head landlord under the Head Lease and also in its capacity as the Municipal Authority Having Jurisdiction, against and from any and all claims, including without limitation all claims for personal injury or property damage arising from the tenancy granted by this Lease or from any default by the Tenant in the observance or performance of any of its covenants and agreements or from any act, or omission of the Tenant or any employee, agent, customer, invitee, or licensee of the Tenant, and against, and from all costs, legal and other fees, expenses, and liabilities incurred in respect of any such claim or any action or proceeding brought, and this indemnity shall survive the expiration or sooner determination of the Term and this waiver shall extend to UBC as head landlord under the Head Lease and also in its capacity as the Municipal Authority Having Jurisdiction.

14. LANDLORD'S RIGHTS AND REMEDIES

14.1 Default

If and whenever the Rental, or any part thereof, shall not be paid on the day appointed for payment thereof, whether demanded or not, or in the case of breach or non-observance or non-performance of any of the covenants, agreements, provisos, conditions, or the Landlord's Rules and Regulations on the part of the Tenant to be kept, observed, or performed, or in case the Premises shall be vacated or remain unoccupied for five days, or if, without the written consent of the Landlord, the Premises shall be used by any person other than the Tenant, or for any purpose other than that for which they were let, or in case the Term shall be taken in execution or attachment for any cause whatever, then and in every such case it shall be lawful for the Landlord at any

time thereafter to enter into and upon the Premises or any part thereof in the name of the whole and to repossess the Premises, notwithstanding anything contained in this Lease to the contrary. Whenever the Landlord shall be entitled to re-enter the Premises it may, at its option and without limiting its other remedies, terminate the Lease, reserving a right to claim all costs (on a solicitor and client basis), losses, damages, and expenses arising from the Tenant's breach.

14.2 **Bankruptcy**

If, during the Term, any of the goods or chattels of the Tenant shall be at any time seized in execution or attachment by any creditor of the Tenant, or if a receiver or receiver-manager is appointed in respect of any property of the Tenant or the Tenant shall make any assignment for the benefit of creditors or shall make any bulk sale or become bankrupt or insolvent or take the benefit of any act now or hereafter in force for bankrupt or insolvent debtors, or if the Tenant receives from any of its secured creditors a notice under any legislation from benefit of insolvent debtors, including without limitation the *Companies Creditors Arrangements Act* as amended from time to time, or any legislation substituted therefor advising the Tenant that the secured creditor intends to realize upon security located at the Premises, or if the Tenant is a corporation and any order shall be made for the winding-up of the Tenant or other termination of the corporate existence of the Tenant, then in any such case at the option of the Landlord this Lease shall cease and determine and the Term shall immediately become forfeited and void and the then-current month's Rental and the next ensuing three months' Rental shall immediately become due and be paid together with any arrears then unpaid and any other amounts owing to the Landlord by the Tenant, and the Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises and become the owner of and remove the Tenant's effects therefrom, notwithstanding, any statute or law to the contrary and without prejudice to all other rights, remedies, and recourses of the Landlord.

14.3 **Payment of Landlord's Expenses**

If at any time an action is brought or the Landlord is otherwise required to employ the services of a bailiff, an agent, or its solicitors for recovery of possession of the Premises, recovery of Rental or any part thereof, or because of a breach by act or omission of any of the Tenant's covenants, the Tenant shall pay to the Landlord all expenses incurred by the Landlord in the enforcement of its rights and remedies under this Lease (including the Landlord's administrative costs) together with interest thereon at the rate specified in Section 14.6 from the date such expenses are incurred until paid, whether or not any formal proceedings in or before any court, arbitrator, or other tribunal shall have been initiated.

14.4 **Right of Landlord to Re-Let**

If the Premises shall be deserted or vacated or the Tenant is not carrying on business in the Premises, the Landlord may enter them as the agent of the Tenant either by force or otherwise, without being liable to any prosecution therefor and without terminating this Lease, to make such alterations and repairs as in the Landlord's opinion are necessary to facilitate a re-letting of the Premises, and to re-let the Premises as the agent of and at risk of the Tenant and to receive the Rental therefor. Upon each such re-letting, all Rental received by the Landlord from such re-letting shall be applied: first, to the payment of any indebtedness other than Rental due under this Lease from the Tenant to

the Landlord; second, to the payment of any costs and expenses of such re-letting, including brokerage and solicitor's fees, and of costs of any alterations and repairs; and third, to the payment of Rental due and unpaid under this Lease. The residue, if any, shall be held by the Landlord and applied in payment of future Rental as such Rental becomes due and payable under this Lease. If such Rental received from such re-letting during any month is less than that to be paid during that month by the Tenant under this Lease, the Tenant shall pay any such deficiency, which shall be calculated and paid monthly in advance on or before the first day of each and every month. No such re-entry or taking possession of the Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given to the Tenant.

14.5 Right of Landlord to Perform Tenant's Covenants

If at any time the Tenant defaults in the observance or performance of any of its covenants or agreements, the Landlord may, without waiving or releasing the Tenant from its obligations under this Lease, itself observe and perform the covenant or agreement which the Tenant has failed to observe or perform, including making payments which the Tenant has failed to make, and all costs and expenses incurred by the Landlord in the observance or performance of such covenant or covenants including legal costs as between solicitor and own client, and any moneys so paid by the Landlord will bear interest at the rate specified in Section 14.6 from the date such moneys are paid until repaid by the Tenant to the Landlord and shall be a charge on the Premises in favour of the Landlord in priority to the interest of the Tenant under this Lease and of any person claiming through or under the Tenant, and all such costs, expenses, and moneys and interest thereon shall be payable forthwith by the Tenant to the Landlord, and they shall be treated as Additional Rental due and payable to the Landlord, and the Landlord shall have the same rights and remedies and may take the same steps for recovery thereof as for the recovery of Additional Rental in arrears. If the Tenant shall in good faith dispute the amount or propriety of any such claim made upon it and if in the Landlord's opinion forfeiture of or the registration of a lien against the Property will not result from non-payment, then the Landlord shall not pay them until such dispute has been resolved either by agreement of the Tenant or by the decision of a competent authority, and then only if the Tenant has failed for 10 days or more to pay them.

14.6 Interest

The Tenant shall pay to the Landlord interest at the rate equal to 3% per annum above the Prime Rate on all payments of Rental which have become overdue so long as such payments remain unpaid.

14.7 Right of Landlord to Seize

The Tenant waives and renounces the benefit of any present or future law taking away or limiting the Landlord's rights against the property of the Tenant and, notwithstanding any such law, the Landlord may seize and sell (either by public or private sale) all of the Tenant's goods and property which at any time have been located within the Premises, and apply the proceeds of such sale to any outstanding Rental and to the costs of the seizure and sale in the same manner as might have been done if such law had not been passed. If the Tenant leaves the Premises, and any Rental remains unpaid, the Landlord, in addition to any remedy otherwise provided by law, may follow, seize, and sell such goods and property of the Tenant at any place to which the Tenant or any other

person may have removed them, in the same manner as if such goods and property had remained upon the Premises.

14.8 Non-Waiver

No condoning, excusing, or overlooking by the Landlord or Tenant of any default, breach, or non-observance by the Tenant or the Landlord at any time or times in respect of any covenant or agreement contained in this Lease shall waive the Landlord's or the Tenant's rights under this Lease in respect of any continuing or subsequent default, breach, or non-observance, or so as to defeat or affect in any way the rights of the Landlord or the Tenant described in this Lease with respect any such continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Landlord or the Tenant save only express waiver in writing.

14.9 Bankruptcy and Insolvency Act

The Tenant will not under any circumstances file any notice of termination or disclaimer seeking to take advantage of the *Bankruptcy and Insolvency Act*, as amended from time to time, or any legislation substituted therefor, and waives any and all rights to do so. If, in breach of this Section, the Tenant files such a notice, the Landlord may, in addition to all of its other remedies, produce and rely on this Section in challenging the validity of the notice in the court proceedings contemplated by the Bankruptcy and Insolvency Act as amended from time to time, or any legislation substituted therefor, and the Landlord may, in those or any other proceedings, apply for injunctive or other relief against the Tenant filing the notice.

14.10 Remedies Cumulative

All rights and remedies of the Landlord in this Lease are cumulative and not alternative.

15. MORTGAGES AND ASSIGNMENTS BY LANDLORD

15.1 Sale or Financing of Shopping Centre

The rights of the Landlord or UBC under this Lease or the Head Lease may be mortgaged, charged, transferred, or assigned at any time and from time to time to a purchaser or to a mortgagee or trustee for bond holders, and if there is a sale or default by the Landlord or UBC under any mortgage, trust deed, or trust indenture and the purchaser, mortgagee, or trustee, as the case may be, duly enters into possession of the Shopping Centre or the Property or the Premises or the Head Lease, the Tenant shall attorn to and become the tenant or subtenant of such purchaser, mortgagee, or trustee under the terms of this Lease if required by the Landlord or UBC. The Tenant shall, at the request of the Landlord or UBC, provide a written acknowledgement of receipt of a notice of assignment by the Landlord or UBC.

15.2 Subordination

This Lease is subject and subordinate to all mortgages, trust deeds, or trust indentures which may now or at any time hereafter affect in whole or in part the Premises or the Shopping Centre or the Property and whether or not any such mortgage, trust deed, or trust indenture shall affect only the Premises or the Shopping Centre or the Property or shall be a blanket mortgage, trust deed or trust indenture affecting other lands and

premises as well. This Lease shall also be subject and subordinate to all renewals, modifications, consolidations, replacements, and extensions of any such mortgage, trust deed, or trust indenture. The Tenant shall execute promptly upon request by the Landlord or UBC any certificate, instruments of postponement or attornment, or other instruments which may from time to time be requested to give effect to such subordination or agreement to attorn but only if the mortgagee or trustee agrees to permit the Tenant to continue in occupation of the Premises until this Lease is terminated. The Tenant irrevocably appoints the Landlord as the attorney for the Tenant with full power and authority to execute and deliver such instruments for and in the name of the Tenant.

15.3 **Estoppel Certificate**

If the Landlord or UBC requests the Tenant to provide an estoppel certificate upon any sale, assignment, lease, or mortgage of the Premises or the Property or the Shopping Centre or Head Lease or any interest therein, the Tenant shall deliver, in a form supplied by the Landlord or UBC, an estoppel certificate to any proposed mortgagee, assignee, lessee, or purchaser, or to the Landlord or UBC, within 10 days of a written request for such certificate, stating:

- (a) that this Lease is unmodified and in full force and effect, or if there have been modifications, that this Lease is in full force and effect as modified and identifying the modification agreements, or if this Lease is not in full force and effect, the certificate shall so state;
- (b) the Commencement Date of Term;
- (c) the Commencement Date of Rental Payment and the date to which Rental has been paid under this Lease;
- (d) whether or not there is any existing default by the Tenant in the payment of any Rental and whether or not there is any other existing or alleged default by either party under this Lease, and if there is any such default, specifying the nature and extent thereof;
- (e) whether there are any set-offs, defences, or counter-claims against enforcement of the obligations to be performed by the Tenant under this Lease;
- (f) with reasonable particularity, details respecting the Tenant's and any indemnifier's financial standing and corporate organization; and
- (g) with reasonable particularity, any other details reasonably requested by the Landlord or UBC.

15.4 **Assignment By Landlord**

The Landlord or UBC may undertake a sale or lease or assignment or other dealing in the Shopping Centre or the Property or the Head Lease or a portion thereof including the Premises, and to the extent that such purchaser, lessee under such lease, or assignee has assumed the covenants and obligations of the Landlord under this Lease, the Landlord shall, without further written agreement, be released from liability for such covenants and obligations.

If the Landlord or UBC transfers only the Property or if applicable the Head Lease or a portion thereof, all references to the Shopping Centre, to the extent the Shopping Centre is not as well transferred as part of the same transaction, shall be modified in this Lease to reflect that the transferee will have no interest in the transferred portion with the intent that the Property will thereafter be treated for all purposes under this Lease as a site separate and apart from the transferred portion, and the Tenant will sign a modification of this Lease if required by the Landlord or any transferee to reflect, acting reasonably, any such changes.

15.5 Re-Survey

If the Property or Shopping Centre is re-surveyed or amended upon completion of construction, expansion, or alteration or addition or deletion to the Building or other buildings on the Shopping Centre or the Property or the Shopping Centre or the lands related thereto, and if a new subdivision plan of the Property or Shopping Centre is filed in the appropriate land title office, the Tenant, if required, will execute and deliver all necessary plans and amendments to this Lease or the Schedules hereto and will upon the request of the Landlord and at the cost and expense of the Landlord execute all such further acts, deeds, and assurances as may be required by the Landlord.

16. OVERHOLDING TENANT

16.1 Overholding Tenant

If the Tenant remains in possession of the Premises after the end of the Term and without the execution and delivery of a new lease, there shall be no tacit renewal of this Lease or the Term, and the Tenant shall be deemed to be occupying the Premises as a tenant from month to month, at a monthly rent payable in advance on the first day of each month equal to the sum of:

- (a) two times the Minimum Rental payable during the last 12 months of the Term;
and
- (b) the Additional Rental, payable under this Lease during the last 12 months of the Term;

and otherwise on the same terms, conditions, and provisos as are set out in this Lease to the extent that they are applicable to a monthly tenancy.

17. QUIET ENJOYMENT

17.1 Quiet Enjoyment

If the Tenant pays the Rental and performs its covenants and agreements as required by this Lease, it may, subject to the terms of this Lease, peaceably possess and enjoy the Premises for the Term without any interruption or disturbance from the Landlord or any person claiming under it.

However, in no event shall the Tenant receive an abatement or discount in Rental because of construction occurring on, or in proximity to, the Property or Shopping Centre.

18. LEGAL RELATIONSHIP

18.1 No Partnership

It is understood and agreed that nothing contained in this Lease nor any act of the parties shall be deemed to create any relationship between the parties other than the relationship of landlord and tenant.

18.2 Several Tenants

Should the Tenant comprise two or more persons, each of them shall be jointly and severally bound with the other or others for the due performance of the obligations of the Tenant under this Lease. References to the Landlord and the Tenant shall be read with such changes in gender as may be appropriate and, when appropriate, the singular shall mean the plural and vice-versa.

18.3 Successors and Assigns

Subject to the provisions of this Lease respecting assignment, this Lease shall enure to the benefit of and be binding upon the Landlord, its successors and assigns, and the heirs, executors, administrators, and other personal legal representatives, successors, and permitted assigns of the Tenant.

19. NOTICE

Any notice, demand, request, consent, or objection required or contemplated to be given or made by any provision of the Lease shall be given or made in writing and either delivered personally or sent by facsimile addressed to the Landlord at the address for the Landlord set out on the first page of this lease with a copy to the Landlord's Agent described in the Summary of Basic Lease Provisions or addressed to the Tenant at the address referred to in the Summary of Basic Lease Provisions or to such other address and facsimile number in Canada that either party may from time to time notify the other in writing. The time of giving or making such notice, demand, request, consent, or objection shall be, if delivered, when delivered or, if facsimile transmission, when sent. If in this Lease two or more persons are named as Tenant, such notice, demand, request, consent, or objection shall be sufficiently given or made if and when given to any one of such persons.

20. GENERAL CONDITIONS

20.1 Garbage, Debris

The Premises shall be kept by the Tenant in a clean, tidy, and sanitary condition and free from rodents, vermin, and the like, and no debris, garbage, trash, or refuse shall be placed or left on any part of the Shopping Centre, but shall be deposited by the Tenant in areas and at times and in a manner designated by the Landlord from time to time. If any of these items are perishable, they shall be kept in a properly refrigerated area provided at the cost of the Tenant. The Tenant shall pay any costs for removal of such items additional to the removal service provided by the Landlord or by the Municipal Authority Having Jurisdiction. If such costs are billed to and paid by the Landlord, the Tenant shall pay such costs to the Landlord on demand together with an administration fee equal to 15% of the total of such costs.

20.2 **Environmental Matters**

The Tenant shall not use the Premises or permit any activities thereon, to generate, manufacture, refine, treat, transport, store, handle, dispose, transfer, produce or process any Hazardous Substances or pollutants or special wastes whatsoever, unless as specifically permitted in writing by the Landlord. The Tenant shall treat all Hazardous Substances, pollutants wastes and other materials and substances disposed of, in compliance with all appropriate laws, regulations and orders. The Landlord may conduct, or have conducted, an environmental assessment of the Premises. If such an assessment indicates the presence (or previous and/or continuing release) of any Hazardous Substances or pollution, the Tenant shall undertake at its own expense remediation work that complies with the applicable or relevant and appropriate requirements of all federal, provincial, municipal and local laws. The Tenant indemnifies and saves harmless the Landlord from any damage whatsoever caused by such Hazardous Substances or polluting materials brought onto the Premises, Building or Shopping Centre by the Tenant or those for whom the Tenant is responsible.

20.3 **Compliance With Laws**

The Tenant shall comply with and abide by all municipal, federal, provincial and other applicable laws, bylaws, rules, regulations, ordinances, orders, and requirements, including UBC's Rules and Regulations, in connection with the Premises, and all equipment, machinery, and other facilities therein, and the Tenant's use, occupation, condition, maintenance, alterations, and repairs thereof, and the Tenant's use, storage, disposal, and clean-up of Hazardous Substances, whether or not in force at the date of this Lease and in accordance with all directions, rules, and regulations of the health officer, fire marshal, building inspector, or other proper officers of the Municipal Authority Having Jurisdiction or other agencies, whether municipal, federal, or provincial, having jurisdiction, or the insurers of the Landlord. If the Tenant fails to comply with the foregoing provisions, the Landlord may comply on behalf of the Tenant and collect the expense for such work from the Tenant in the same manner as arrears of Additional Rental.

20.4 **Rules and Regulations**

- (a) Landlord's Rules and Regulations: The Tenant will abide by any and all rules and regulations which may from time to time be established by the Landlord for the Building, Property or the Shopping Centre (the "**Landlord's Rules and Regulations**"). The rules and regulations set forth in Schedule F shall be the Landlord's Rules and Regulations in force until amended by the Landlord. The Landlord shall not be responsible to the Tenant for the non-observance or violation by any other tenant of the Landlord's Rules and Regulations.
- (b) UBC's Rules and Regulations: The Tenant covenants with the Landlord that, notwithstanding any other provision of this Lease to the contrary, throughout the Term the Tenant will comply with all provisions of law including, without limitation, municipal, regional, provincial and federal legislative enactments including, without limitation, all police, fire and sanitary regulations, zoning and building by laws, and any municipal, regional, provincial, federal, other governmental regulations or regulations of The University of British Columbia, including, without limitation, UBC's Rules and Regulations. The Landlord shall not be responsible to

the Tenant for the non-observance or violation by any other tenant of UBC's Rules and Regulations.

20.5 **Apportionment of Rent**

If this Lease is terminated prior to the end of the Term, then without prejudice to any other rights of the Landlord, the Rental shall be apportioned and paid in full to the date of such termination, and the Tenant shall immediately deliver up vacant possession of the Premises to the Landlord; provided that, and notwithstanding such termination, if at the date of such termination the actual amount of the Rental cannot be exactly ascertained, the Tenant shall pay to the Landlord the amount of the Rental as estimated by the Landlord and forthwith upon the exact amount of such sum being ascertained, the Landlord and the Tenant shall make any required readjustments.

20.6 **Relocation of Premises**

The Landlord may alter the configuration of the Premises or change the location of the Premises if such alteration or relocation is necessary, in the opinion of the Landlord, for the efficient operation of the Property or Shopping Centre and will not materially and adversely affect the business of the Tenant carried on from the Premises, provided the Tenant is reimbursed for all out-of-pocket costs actually incurred relating to such alteration or relocation.

20.7 **Energy Conservation**

- (a) The Tenant will:
 - (i) cooperate with the Landlord in the conservation of all forms of energy in the Property and Shopping Centre, including the Premises;
 - (ii) comply with all laws, bylaws, regulations, and orders relating to the conservation of energy and affecting the Premises or the Property or Shopping Centre; and
 - (iii) at its own cost and expense comply with all reasonable requests and demands of the Landlord made with a view to such energy conservation, provided that such requests are made in accordance with good management practice and would be made by a prudent owner of like property of like age.
- (b) All costs and expenses paid or incurred by the Landlord in complying with such laws, bylaws, regulations, and orders shall be included in the Common Area Maintenance Cost.
- (c) The Landlord shall not be liable to the Tenant in any way for any loss, costs, damages, or expenses, whether direct or consequential, paid, suffered, or incurred by the Tenant as a result of any reduction in the services provided by the Landlord to the Tenant or to the Building as a result of the Landlord's compliance with such laws, bylaws, regulations, or orders.

21. TENANT TRANSFERS

21.1 Tenant Transfer

The Tenant shall not be entitled to assign or sublet or otherwise part with possession (the "**Transfer**") of all or any part of the Premises, without the prior written consent of the Landlord which consent may be unreasonably withheld.

21.2 Minimum Rental to Increase

If the Tenant obtains the written consent of the Landlord to a Transfer, the Landlord may amend this Lease as of the date of such Transfer to provide that the Minimum Rental payable under the Lease, shall at the effective date of the Transfer be the greater of: (i) the then fair market net rental for the Premises as determined by Landlord taking into account the then actual rental rates for comparable, improved retail premises within the Shopping Centre and within similar types of shopping centres (if any) within a comparable trading area, or (ii) the average of the aggregate of Minimum Rental paid or payable by Tenant for the two (2) calendar years immediately preceding the date of the Transfer (hereinafter called the "Transfer Date"), or, if less than two (2) calendar years have elapsed from the Commencement Date of Term to the Transfer Date, or there has been an abatement of rent during the said two (2) calendar years, the Minimum Rental payable by the transferee, or Tenant in the case of a sublease or licence will be increased to be equal to the product obtained by multiplying 365 by the average daily Minimum Rental paid or payable during the period in question (excluding from such calculations, all rental and all days during which there has been an abatement of rent); provided that Tenant and transferee will not be thereby relieved from paying any greater Minimum Rental as may be otherwise specified in this Lease.

21.3 Change of Control of Tenant

A change in control of the Tenant shall be deemed a transfer which requires the written consent of the Landlord. If the Tenant is a private corporation or is not a reporting corporation and if by the sale, encumbering, or other disposition of its securities the control or the beneficial ownership of the Tenant is changed at any time during the Term, the Landlord may, at its option, cancel this Lease and the Term granted by this Lease, unless it consents to such change of control.

21.4 No Release

Notwithstanding any Transfer, the Tenant shall remain fully liable on this Lease and shall not be released from performing any of the terms, covenants, and conditions of this Lease.

21.5 Excess Rental

No Transfer shall be made or proposed if the Rental or other consideration to be received by the Tenant from the Transferee exceeds that stipulated in this Lease as being payable by the Tenant to the Landlord, unless the Tenant undertakes to pay such excess to the Landlord.

21.6 Operation of Law

The prohibition against a Transfer, without the consent required by this Article, shall be construed to include a prohibition against:

- (a) any Transfer by operation of law; and
- (b) a mortgage of this Lease by the Tenant either by way of assignment or sublease and in such event, the provisions of this Article shall, mutatis mutandis, apply to such mortgage.

21.7 No Waiver

The consent by the Landlord to any Transfer shall not constitute a waiver of the necessity for such consent to any subsequent Transfer.

21.8 Consent Extinguished

The right to enter into a Transfer by the Tenant shall extinguish upon the first consent by the Landlord. The Transferee or occupant shall have no further right to assign the Lease or sublet the whole or any part of the sublet premises.

22. EXPROPRIATION

22.1 Expropriation

The Landlord and Tenant shall co-operate in respect of any "public taking" of the Premises or any part thereof so that each of them may receive the maximum award to which respectively they are entitled in law. In this Section, the words "public taking" shall include expropriation and condemnation and shall include a sale by the Landlord to an authority with powers of expropriation, condemnation, or taking in lieu of or under the threat of expropriation, condemnation, or taking.

23. LANDLORD'S LIABILITY

23.1 Landlord's Liability

If the Landlord consists of more than one entity, the liability under this Lease of each of the entities comprising the Landlord shall, in every case, be several and not either joint or joint and several and shall be limited to liability for a portion of the total liability equal to the respective ownership proportions of each entity from time to time.

24. MISCELLANEOUS

24.1 No Offer

The Landlord shall not be deemed to have made an offer to the Tenant by furnishing to the Tenant a copy of this Lease with particulars inserted. Notwithstanding that Rental may be received by the Landlord, no contractual or other rights shall exist or be created between the Landlord and Tenant until all parties to this Lease have executed and delivered it.

24.2 Management of Shopping Centre

The Landlord may appoint a manager or agent for the Shopping Centre or Property and upon notice to the Tenant of any such appointment, such manager or agent shall be the person at the Shopping Centre authorized to deal with the Tenant. Until further notice the agent referred to in the Summary of Basic Lease Provisions shall be the agent for the Landlord.

24.3 Showing Premises

The Landlord may at any time within 180 days before the end of the Term or earlier termination thereof enter the Premises and bring others at all reasonable hours for the purpose of offering them for rent.

24.4 Time of the Essence

Time shall be of the essence in this Lease.

24.5 Captions

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

24.6 Governing Law

This Lease shall be construed and governed by the laws of the province of British Columbia and the laws of Canada which are applicable therein, and the Tenant shall attorn to the jurisdiction of the courts of British Columbia.

24.7 Covenants

All of the provisions of this Lease shall be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate section.

24.8 Survival of Covenants

All obligations of the Tenant which by their nature require all or part of their performance or fulfilment after the expiry or termination of the Lease shall (whether specifically provided for in this Lease or not) survive the expiry or termination of the Lease.

24.9 Severability

Should any provision or provisions of this Lease or its conditions be illegal or not enforceable, it or they shall be considered separate and severable from this Lease, and its remaining provisions and conditions shall remain in force and be binding upon the parties as though such provision or provisions or conditions had never been included.

24.10 Entire Agreement

The Tenant acknowledges that there have been no representations made by the Landlord which are not set out in this Lease, that the plans attached as Schedules set forth the general layout of the Property and Building and Shopping Centre and the

adjoining lands and buildings and shall not be deemed to be a representation or agreement of the Landlord that the Property or Shopping Centre and the adjoining lands and buildings will be exactly as indicated on such plans, and that nothing contained in this Lease shall be construed so as to prevent the Landlord or UBC from adding additional lands to the Property or Shopping Centre which upon such addition shall be included in the definition of "**Shopping Centre**" or "**Property**" as applicable. The Landlord or UBC may transfer, add to or dispose of portions of the Property or Shopping Centre or dedicate or transfer to or from the Municipal Authority Having Jurisdiction or government authorities lands for road widening and other purposes and when and so often as the Landlord or UBC shall transfer, add to, dispose of or dedicate any portion of the Property or Shopping Centre, then the reference in this Lease to "**Shopping Centre**" or "**Property**" as appropriate shall if so determined by the Landlord in its sole discretion, mean and refer to the portion of the Shopping Centre or Property remaining after any such transfer, addition to, disposition, or dedication together with any adjacent land which may be acquired by the Landlord or UBC on any such transfer, addition to, disposition, or dedication.

This Lease constitutes the entire agreement between the Landlord and the Tenant and may not be modified except as herein explicitly provided or except by subsequent agreement in writing duly signed by the Landlord and the Tenant.

24.11 **Net Lease**

This Lease shall be a completely carefree net lease for the Landlord except as shall be otherwise provided in the specific provisions contained in this Lease, and the Landlord shall not be responsible during the Term for any costs, charges, expenses, and outlays of any nature whatsoever arising from or relating to the Premises, Property and Shopping Centre, and the Tenant, except as otherwise provided in the specific provisions of this Lease, shall pay all, or a proportionate part of, as the case may be, charges, impositions, and costs of every nature and kind relating to the Premises, Property and Shopping Centre whether or not referred to in this Lease and whether or not within the contemplation of the Landlord and the Tenant.

24.12 **Registration of Tenant**

If at any time during the Term the Tenant is or becomes a corporation which, under the laws of the province of British Columbia, is required to be registered or extra-provincially registered, as the case may be, under the *Business Corporations Act*, as amended from time to time, or any legislation substituted therefor or any other legislation in order to carry on business in the province of British Columbia in the manner contemplated by this Lease, or to hold the leasehold interest granted by this Lease throughout the Term, the Tenant shall obtain such registration as is required and shall promptly and at its sole cost and expense take all steps necessary to maintain such registration in good standing throughout the Term. The Tenant shall from time to time, at the request of the Landlord, provide the Landlord with evidence satisfactory to the Landlord and its solicitors of the status and the particulars of any such registration, or the basis on which the Tenant is not obligated to be registered.

24.13 **Registration of Lease**

The Landlord shall not be required to provide a copy of this Lease in a form that is registrable against title to the Property at the Land Title Office, and the Tenant agrees

not to register this Lease against title to the Property at the Land Title Office except in accordance with the terms of this Section.

If the Landlord requires this Lease to be registered, whether or not in priority to any mortgage, trust deed, or trust indenture which may now or any time hereafter affect in whole or in part the Premises or the Shopping Centre, and whether or not any such mortgage, trust deed, or trust indenture shall affect only the Premises or the Shopping Centre or shall be a blanket mortgage, trust deed, or trust indenture affecting other lands and premises as well, the Tenant shall execute promptly upon request by the Landlord any certificate, tripartite agreement, or other instrument which may from time to time be requested, to give effect thereto. The Tenant irrevocably appoints the Landlord as attorney for the Tenant with full power and authority to execute and deliver such instruments for and in the name of the Tenant. The Landlord is not otherwise required to deliver this Lease in registrable form and the Tenant covenants not to register this lease or any notice thereof in any office of public record.

24.14 Investment Canada Act

The Tenant represents and warrants that it is not a non-Canadian within the meaning of the *Investment Canada Act*, as amended from time to time, or any legislation substituted therefor or that it has or shall have prior to the Commencement Date of Term complied with all requirements of the *Investment Canada Act* as amended from time to time, or any legislation substituted therefor which may be applicable to the business which the Tenant shall carry on from the Premises.

24.15 Power and Authority to Enter Into Lease

The Tenant and Landlord each represents, warrants, and covenants to the other that it has the power and authority to enter into this Lease.

24.16 Obligation to Act Reasonably

No consent required of the Landlord or Tenant hereunder will be unreasonably delayed or withheld, unless otherwise specified in this Lease. The Landlord and Tenant shall, at all times, act reasonably in the exercise of their rights hereunder.

25. LABOUR DISPUTES

25.1 Labour Obligations


The Landlord and the Tenant covenant to cooperate with each other in minimizing the effect of any labour dispute which either party may have upon the operations of the other party or UBC. The Landlord and the Tenant each covenant that in the event of a labour dispute the party hereto involved in such dispute shall take all appropriate steps to protect the party hereto not involved in the dispute or UBC from the interference with its operations caused by the dispute and without limiting the generality of the foregoing to eliminate picketing which may cause such interference. Such steps shall be taken at the expense of the party involved in the dispute and the non-involved party shall have the right to retain counsel at its own expense to recommend to the party involved in the dispute appropriate action to protect the party not involved. In the event of such recommendation, the party involved shall give due consideration to the recommendation of counsel for the party not involved. This clause shall not be construed to require a party involved in a dispute to meet the demands of any party with whom it has the

dispute. Neither the Landlord nor the Tenant shall bring action against, or claim damages or compensation from the other for any loss, cost, expense or liability suffered as a result of a labour dispute other than in respect of a breach of the covenant contained in this clause

[remainder of page intentionally left blank; signatures are on the next page]

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED THIS LEASE:

**UBC PROPERTIES INVESTMENTS LTD.,
AS TRUSTEE FOR UBC PROPERTIES
TRUST**, by its authorized signatories:

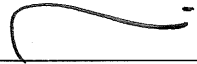


Authorized Signatory
Name:
Title:

Authorized Signatory
Name:
Title:

**UNIVERSITY NEIGHBOURHOODS
ASSOCIATION**

by its authorized signatory(ies):



Sign Name

JOHANNE BLENNIN

Print Name
EXECUTIVE DIRECTOR

Sign Name

Print Name

This is the execution page of the Lease between UBC Properties Investments Ltd., as Landlord and University Neighbourhoods Association, as Tenant, dated for reference January 21, 2018, for premises located at Unit #202, 5923 Berton Avenue, Vancouver, BC, V6S 0B3.

SCHEDULE A

DESCRIPTION OF LANDLORD'S WORK AND TENANT'S WORK

A. BASIC BUILDING

There is no Landlord's Work and the Tenant shall accept the Premises on an "as is" basis.

B. PREMISES — WORK BY TENANT

The Tenant shall provide and install at its expense all materials and work required to complete construction of the Premises (and not provided for as Landlord's Work in Sections A of this Schedule A, unless otherwise noted) in accordance with the Premises Drawing and Landlord-approved Tenant Plans and Specifications (both as defined in Schedule B).

The Tenant, at its cost, shall be responsible for all work and material necessary to construct and prepare the interior of the Premises for the Tenant's ongoing use of the Premises, excepting only the Landlord's Work. Without limitation the Tenant shall be responsible for installation and maintenance of the Tenant's telephones, and any computers and special communications equipment.

The Tenant shall be responsible for preparation of all space plan services with respect to its improvements. The Tenant shall submit to the Landlord working drawings of the proposed improvements, which drawings must be approved in accordance with section "A" of Schedule B, prior to the commencement of any work. The Tenant shall secure all necessary building permits and approvals required by the Landlord, the Municipal Authority Having Jurisdiction or any other authority having jurisdiction. Such permits must be secured before any work shall commence on the Premises. The Tenant shall also be responsible for making application for a certificate of occupancy as required by the Landlord, the Municipal Authority Having Jurisdiction or any other authority having jurisdiction as it applies to the improvements.

Without limiting the foregoing, the Tenant shall be responsible for:

- (a) all signage costs with respect to the Premises as the Landlord will provide the signage requested (as approved by the Landlord in accordance with the terms of this Lease), provided that the Tenant delivers to the Landlord the appropriate computer files of the Tenant's logo and/or company brand;
- (b) all Tenant leasehold improvements in the Premises;
- (c) all permits for all Tenant's Work;
- (d) hot water for the Premises; and
- (e) a domestic cold water connection from the connection point provided by the Landlord to the Premises.

SCHEDULE B

PROCEDURE FOR TENANT'S WORK AND LANDLORD'S WORK

A. PROCEDURE FOR TENANT'S WORK

APPROVAL OF PLANS AND SPECIFICATIONS

The Tenant shall prepare and submit to the Landlord for approval as soon as reasonably possible after receipt of the Premises Drawing referred to in Section B of this Schedule B, but in any event not later than 21 days (see Section B—Procedure for Landlord's Work) after receipt thereof, electronic copies of complete drawings and specifications, which shall be in imperial measurement and of uniform size and scale, relating to Tenant's Work and a detailed construction schedule showing anticipated dates for completion of and details of construction (the "**Tenant Plans and Specifications**"), including but not limited to details of:

- (1) storefront and show windows including elevations of exterior storefront and exterior signage;
- (2) identification signs designed in accordance with the criteria required under this Lease (including without limitation Sections 3.7 and 6.1(e) of this Lease), including sample materials;
- (3) electrical wiring;
- (4) plumbing;
- (5) sprinklers and other fire detection devices, if other than Landlord's Work;
- (6) heating, ventilating, and air-conditioning;
- (7) reflected ceiling plan;
- (8) underfloor electrical or mechanical (if any);
- (9) floor plans, elevations and complete interior finishing schedules; and
- (10) such other items of Tenant's Work and such other information as the Landlord may require.

Failure of the Tenant to provide the Tenant Plans and Specifications shall constitute a default by the Tenant under this Lease.

TENANT PLANS AND SPECIFICATIONS

Tenant Plans and Specifications shall:

- (1) include all plans, Sections, elevations, and details of architectural, electrical, mechanical, and plumbing work for which the Tenant is responsible, drawn to scale;
- (2) be approved in writing by the Landlord prior to the Tenant's Building Permit application to Campus and Community Planning and the commencement of Tenant's Work. Tenant Plans and Specifications as approved and any revisions thereto requested by the

Landlord must be undertaken by the Tenant diligently and expeditiously. If the Tenant fails to do so, the provisions of the Lease contained in Section B of this Schedule will apply as if the complete Tenant Plans and Specifications had not been provided by the Tenant within 21 days of delivery of the Tenant Package; and

- (3) be prepared, at the Tenant's expense, by qualified designers selected by the Tenant, save that the Tenant must engage the Architect or such other architectural firm as the Landlord may approve to prepare those portions of the Tenant Plans and Specifications dealing with the heating, ventilating, and air-conditioning system to be installed by the Tenant in the Premises, any alterations to the sprinkler system, and any structural change to the basic building.

COMMENCEMENT OF WORK

Tenant's Work shall commence forthwith after the last to occur of approval by the Landlord of the Tenant Plans and Specifications or the date of delivery of possession of the Premises to the Tenant sufficiently complete to permit commencement of construction of the Tenant's Work (which date shall be established by the Landlord by written notice to the Tenant) and shall be completed before the expiry of the Fixturing Period, or in any event before the Commencement Date of Term.

Conditions Respecting Work—All work, including the Tenant's Work, undertaken by the Tenant within and about the Premises during the continuance of this Lease shall be governed by the following:

- (1) the Tenant shall, prior to the commencement of work, secure all required approvals and permits from the Municipal Authority Having Jurisdiction and any other authorities having jurisdiction thereover (including insurance underwriters) and shall submit satisfactory proof to the Landlord;
- (2) all work by the Tenant shall be completed in a good and workmanlike manner in accordance with the Tenant Plans and Specifications as approved by the Landlord, shall utilize new materials, and shall conform to all statutes, regulations, or bylaws of any municipal, provincial, or other authority. Mediocre or inferior materials and/or workmanship shall be replaced to the satisfaction of the Landlord. The cost of delays (to be determined by the Landlord) incurred by the Landlord's general contractor as a result of such replacements shall be paid by the Tenant to the Landlord;
- (3) all work shall be undertaken by contractors and sub-contractors pre-qualified by the Landlord from time to time, and in all other cases by contractors and sub-contractors approved by the Landlord. The Tenant shall not employ or permit the employment of any firm or persons unfit or unskilled in the work assigned to them or who will cause labour disputes or work stoppages among others performing work in the Shopping Centre. The Tenant shall require all such contractors and sub-contractors to effect adequate liability insurance to such limits as the Landlord shall stipulate and will produce evidence thereof satisfactory to the Landlord upon request;
- (4) the Tenant shall not impose or permit to be imposed upon the floor areas of the Premises a working load in excess of a live load of 100 pounds per square foot uniformly distributed;

- (5) suspended loads shall not be permitted save for those referred to in Schedule A without the prior written approval of the Architect;
- (6) the Tenant shall not permit any persons to enter on to any roof in the Shopping Centre or portions thereof or make any openings in any roof. If the Landlord permits any work by the Tenant respecting any roof, such work will be undertaken by the Landlord for the Tenant's account and payment therefor shall be made by the Tenant to the Landlord as set forth herein; and
- (7) the Tenant shall comply with any noise bylaw imposed by the Municipal Authority Having Jurisdiction and any other authorities having jurisdiction thereover.

ITEMIZED LIST

Any equipment or work other than that provided for under Tenant's Work which is to be supplied or performed by the Landlord for or at the request of the Tenant shall be paid for by the Tenant as set forth herein.

CONDITION OF PREMISES

The Tenant shall, during construction and merchandising, maintain the Premises in a clean and orderly condition, promptly removing unused construction materials, merchandise, shipping containers, equipment, all debris, and flammable material from the Property. During the construction, merchandising, and subsequent store operation the Tenant shall contain all construction materials, equipment, store fixtures, merchandise, shipping containers, and general debris within the Premises. Any service corridor and exterior of the basic building are to be kept clear of all Tenant's materials, equipment, and refuse at all times. These areas are to be used for access and egress only. The Tenant is to arrange for the supply of trash containers and their removal. The Landlord shall have the right to remove any Tenant construction materials, equipment, and merchandise from common areas, corridors, and the building exterior at the Tenant's expense without further notification at the Tenant's expense after the Landlord gives written notice or at a removal fee of \$100 a time.

NO LOADING DOCK

The Tenant acknowledges that there is no loading dock servicing either the Building or the Premises.

SCREENS AND HOARDINGS

Screens and hoardings shall be erected at the Tenant's expense around the work and the Premises, and all tools and materials shall be kept within these areas; and if the Property or Shopping Centre is open for business to the public, cutting, drilling, and other noisy work shall be limited to outside normal business hours.

ACCESS BY LANDLORD

The Landlord, Its employees, contractors, Architect and other professional advisers, and public utilities authorized by the Landlord or the Municipal Authority Having Jurisdiction may enter the Premises upon request to Tenant at all times for the performance of the Landlord's Work, the inspection or correction of the Tenant's Work and all other necessary purposes in connection with the construction and completion of the Premises, including without limitation, during the performance of the Tenant's Work and after the Commencement Date of Term.

B. PROCEDURE FOR LANDLORD'S WORK

Upon execution of this Lease or any agreement to lease to which these Schedules are attached, the Landlord will provide to the Tenant an outline drawing or drawings of the Premises and Building and Shopping Centre where applicable (in this Lease called the "Premises Drawing") showing among other things the sprinkler layout, availability of electrical power and details of the heating, ventilating, and air-conditioning system, elevation plans, and complete sign criteria as required under this Lease (including without limitation, Sections 3.7 and 6.1(e) of this Lease).

If the Tenant Plans and Specifications and all revisions thereto requested by the Architect are not prepared and submitted to the Architect within the 21 day time period specified in the preceding Section of this Schedule, then the Landlord's Work shall be deemed complete 35 days after the expiry of such time period or upon completion of those parts of the Landlord's Work which can be completed independent of the Tenant Plans and Specifications as verified by the Architect's Certificate, whichever shall last occur. In no event shall the Landlord be responsible for the cost of any underfloor work or removal or replacement of the floor slabs.

Tenant Agreements with Architect or Consultant

The Tenant may choose to have its work designed and/or supervised and/or installed by the Architect and/or other consultants and general contractor, and in such event the Tenant will enter into a separate agreement with the those parties, which agreement shall not in any way be considered as a part of this Lease. Neither the Landlords Architect, or other consultant or general contractor or the Tenant are under any obligation to enter into a contract if they do not so desire.

Extensions to Documents, Plans and Specifications

If the Landlord or any consultant requires revisions to the Tenant Plans and Specifications prior to giving approval, such revisions are to be made by the Tenant within 15 days of receipt of notice from the Landlord.

Evidence of Insurance

The Tenant shall provide the Landlord evidence of the construction insurance and comprehensive general liability insurance prior to commencement of Tenant's Work.

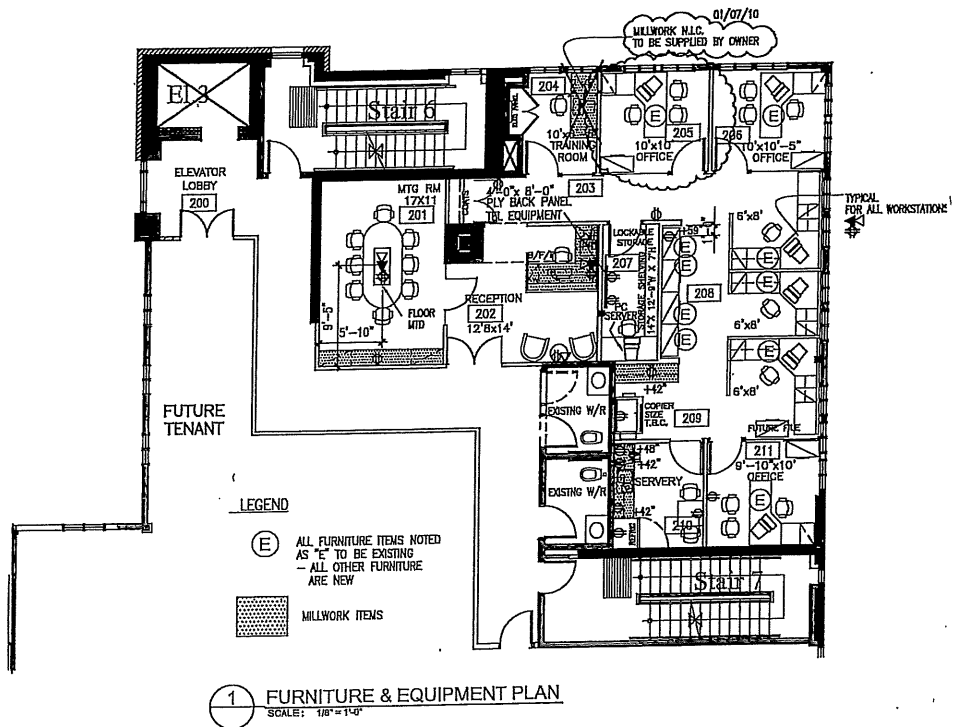
SCHEDULE C

SIGN POLICY

Intentionally Deleted.

SCHEDULE D

PLAN OF PREMISES



SCHEDULE E

LEGAL DESCRIPTION OF PROPERTY

PID 027-431-673 Lot A District Lot 6494 Group 1 NWD Plan BCP35352

SCHEDULE E—1

LEGAL DESCRIPTION OF OTHER LANDS FORMING PART OF THE SHOPPING CENTRE

PID 027-431-681 Lot B District Lot 6494 Group 1 NWD Plan BCP35352

PID 027-431-690 Lot C District Lot 6494 Group 1 NWD Plan BCP35352

PID 027-431-703 Lot D District Lot 6494 Group 1 NWD Plan BCP35352 (Now Strata Lot 107, Strata Plan EPS807)

PID 027-431-711 Lot E District Lot 6494 Group 1 NWD Plan BCP35352 except Plan EPP29484

PID 027-431-720 Lot F District Lot 6494 Group 1 NWD Plan BCP35352

PID 027-306-208 Parcel A District Lot 6494 Group 1 NWD Plan BCP33333 (Now Strata Lot 2, Leasehold Strata Plan BCS3867)

SCHEDULE F

RULES AND REGULATIONS

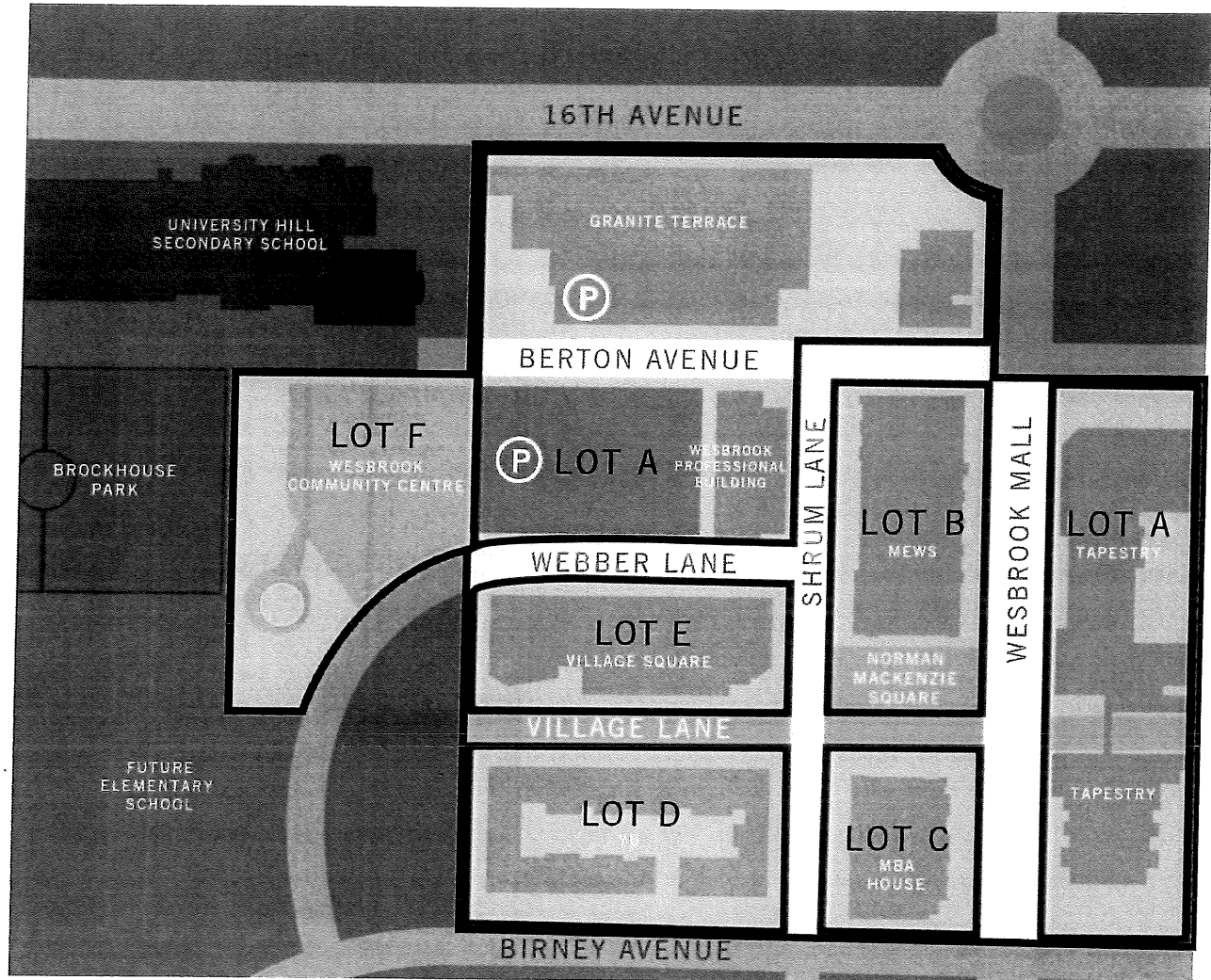
1. Sidewalks, entrances, passages, courts, elevator vestibules, stairways, corridors or halls shall not be obstructed or encumbered or used for any purpose other than ingress and egress.
2. No awnings or projections shall be attached to the outside walls of the Building except as permitted by the Landlord in writing in advance of installation. All curtains, blinds, shades, or screens attached to or hung in or used in connection with, any window or door shall be subject to the approval of the Landlord.
3. Sashes, sash doors, skylights, windows and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed, nor shall any bottles, parcels or other articles be placed on the window sills.
4. No show cases or other articles shall be put in front of or affixed to any part of the exterior of the Building, nor placed in the halls, corridors or vestibules without the prior written consent of the Landlord.
5. The water and wash closets and other plumbing fixtures shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, or other substances shall be thrown therein.
6. No occupant of the Building shall mark, paint, drill into, or in any way deface any part of the Building. No boring, cutting or stringing of wires shall be permitted, except with the prior written consent of the Landlord.
7. No bicycles, vehicles or animals of any kind shall be brought into or kept in or about the Building.
8. Unseemly or disturbing noises or disturbance or interference with occupants of the Building or neighbouring buildings or premises or those having business with them whether by the use of any musical instrument, radio, talking machine, unmusical noise, whistling, singing, or in any other way is not permitted. Nothing shall be thrown out of the doors, windows or skylights or down the passageways.
9. No locks or bolts of any kind shall be placed upon any of the doors or windows, nor shall any changes be made in existing locks or the mechanism thereof.
10. Any lost key shall be replaced at the cost of the party requiring new keys.
11. All removals, or the carrying in or out of any safes, freight, furniture or bulky matter of any description must take place during the hours which the Landlord or its agent may determine from time to time. The Landlord reserves the right to inspect all freight brought into the Building and to exclude from the Building all freight which violates any of these Rules and Regulations.
12. The Landlord may require that any person entering or leaving the Building at any time other than Business Hours identify himself and satisfy security measures prescribed by the Landlord from time to time. The Landlord may prevent any person removing any

goods therefrom without written authorization. The Landlord may institute a security system, in which case identification cards or other necessary security devices must be obtained from the Landlord at the expense of the Tenant;

13. Canvassing, soliciting and peddling in the Building is prohibited.
14. There shall not be used in any space, or in the public halls of the Building in the delivery or receipt of merchandise, mail or other materials, any hand trucks, except those equipped with rubber tires and side guards. No hand trucks shall be used in passenger elevators or through the main lobby of the Building.
15. There shall be no smoking within the Building, such restriction to include the areas directly in front of the entry and access doors to the Building including any restrictions by any authority having jurisdiction over the Building or Shopping Centre regarding smoking.
16. No burning of trash or garbage in or about the Premises or anywhere within the confines of the Property or Shopping Centre is permitted.
17. All occupants shall permit and facilitate the entry of the Landlord, or those designated by it, into all parts of the Building for the purpose of inspection, repair, and other proper purposes, and shall not permit access to main header ducts, janitor and electrical closets, and other necessary means of access to mechanical, electrical, and other facilities to be obstructed by the placement of fixtures or otherwise.
18. All signage shall be illuminated during all hours of darkness unless otherwise required by the Landlord.
19. Janitorial equipment may not be stored in the common areas of the Building and must be stored within the Premises.

The foregoing Rules and Regulations, as from time to time amended, are not necessarily of uniform application, but may be waived in whole or in part in respect of other tenants without affecting their enforceability with respect to the Tenant and the Premises, and may be waived in whole or in part with respect to the Tenant without waiving them as to future application to the Tenant, and the imposition of such Rules and Regulations shall not create or imply any obligation of the Landlord to enforce them or create any liability of the Landlord for their non-enforcement.

SCHEDULE G
PLAN OF SHOPPING CENTRE AND ANCHOR TENANTS



UNA ADMIN OFFICE TERMS				
	Size (sq. ft)	Terms		Rent (per sq. ft)
UNA	1661 sq. ft	Year 2024-2026	Year 1 and Year 2	\$32
		2026-2028	Year 3 and Year 4	\$34
		2028-2029	Year 5	\$36
			2024-26	2026-28
		Term	Year 1 to Year 2	Year 3 to Year 4
		Average Comparable Pricing	\$35	\$35
		UNA Rent	\$32	\$34
		UNA Rent vs Comparable Pricing	93%	97%

OTHER UBCPT OFFICE TERMS				
Type	Size (sq. ft)	Terms	Rent (per sq. ft)	Rent (per sq. ft)
			2024-26	2026-28
Office	2079	from 2023	\$36	
Office	990	2023-2025 2025-2028	\$33 \$35	\$35
Office	15984	2023-2025 2025-2028	\$33 \$35	\$35
Office	2611	2023-2024 2025	\$32 \$34	
Office	6957	2024-2027 2027	\$34 \$36	\$34 \$36
Office	2509	2023-2025 2025-2028	\$33 \$35	\$35
Office	2411	2024-2026 2026	\$33 \$35	
Office	1205	2023-2025	\$34	
Office	2420	2023-2026	\$35	\$35
Office	2491	2023-2024 2025-2028	\$33 \$35	\$35
Office	4189	2024-2025 2026-2029	\$33 \$35	\$35
Office	1242	2024-2025	\$38	
Office	2007	2024-2025	\$38	



Report Date: June 11, 2024
Meeting Date: June 18, 2024
From: Wegland Sit, Operations Manager
Subject: Lot 10 Community Garden License Extension

Background

The Lot 10 Community Garden (Greenway South Community Garden) is owned by the UBC and was licensed to the UNA in April 2021. The UNA original license agreement was a 3-years term agreement that expired in April 2024, and this report is about the extending the license of the Lot 10 community garden.

The UNA manages five community gardens in the Hawthorn and Wesbrook areas. Day-to-day garden operations are supported by the UNA Sustainability and Operations department, garden volunteers, and local garden representatives.

Decision Requested

THAT the Board approve the lease extension agreement for the Lot 10 Community Garden and authorize the Chair to execute the agreement, as circulated.

Discussion

The Lot 10 Community Garden (Greenway South Community Garden) is owned by the UBC, and the garden's management and operations are licensed to the UNA.

The Lot 10 Community Garden has 30 plots in total plus a garden tool shed.

This extension is based on the current UBC-UNA Lot 10 license. The extension has a five-year term, it will grant the UNA the permission to operate and manage Lot 10 as a community garden from April 2024 to April 2029. The UNA will continue to be responsible for the upkeep and maintenance of the Lot 10 Community Garden. At the end of the term, there is an option for extension. However, the extension is subject to UBC's decision.

Financial Implications

Financial implications of the Lot 10 community garden are largely divided into two main categories:

- 1) Annual Garden Revenue, and

2) Operations and Management Expense

Annual Garden Revenue

The current annual garden plot gardening fee is at \$60.00 for a full garden plot. The annual garden fee covers the use of a garden plot, access to tools and garden supplies, cover the cost of garden repairs and any other garden activities.

The Lot 10 Community Garden is fully assigned. This garden is generating \$1,850.00 of garden revenue annually.

Operations and Management Expenses

For the garden's day-to-day operations, the expenses are mainly coming from springtime topsoil delivery, green garden waste removal service, organic weed spray and line trimming. These expenses totaled approximately at \$1350.00 annually.

Operational Implications

The UNA Sustainability department continues to manage the administration, annual allotment and renewal process. The UNA Operations department will continue to support the garden's day-to-day operation and maintenance requirements.

Strategic Objective

Environmental Sustainability

Attachments

1. Lot 10 Community Garden License Extension
2. Lot 10 Community Garden License Agreement 2021-2024

Concurrence

1. Isabel Todorova, Sustainability Specialist



UNIVERSITY
NEIGHBOURHOODS
ASSOCIATION

**UNA BOARD MEETING
OPEN SESSION**

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Wegland Sit', positioned above a horizontal line.

Wegland Sit
Operations Manager

A handwritten signature in black ink, appearing to read 'Paul Thorkelsson', positioned above a horizontal line.

Paul Thorkelsson
Chief Administrative Officer



March 25, 2024

Paul Thorkelsson, Chief Administrative Officer
University Neighbourhoods Association
202-5923 Berton Avenue
Vancouver, BC V6S 0B3

Re: License Agreement Renewal

We refer to the License Agreement between The University of British Columbia (the “**Licensor**”) and University Neighbourhoods Association (the “**Licensee**”) dated April 1, 2021 (the “**License**”), to occupy a portion of lands legally described as PID: 029-436-788, Lot 10 District Lot 6494 Group 1 New Westminster District Plan EPP29484 to operate a community garden.

The current term of the License expires on April 1, 2024. This letter serves to offer you a 5-year extension of the Term of the License from April 2, 2024, to and including April 1, 2029. This extension shall be on the same terms and conditions as stipulated in the License, save and except for the Term of the License, which shall be extended as set out in the preceding paragraph.

Please indicate your agreement by signing in the designated space below and returning one copy by email to Silvia Magnano at silvia.magnano@ubc.ca.

The University of British Columbia

By: _____
Name:
Title:

By: _____
Name:
Title:

I hereby confirm acceptance of the License extension on terms and conditions as outlined above on behalf of the University Neighbourhoods Association

By: _____
Name:
Title:

LICENSE AGREEMENT
(Over Part of Lot 10, Plan EPP29484)

This License Agreement is dated for reference **April 1st, 2021**

BETWEEN:

THE UNIVERSITY OF BRITISH COLUMBIA, THE UNIVERSITY OF BRITISH COLUMBIA, a British Columbia university continued under the University Act, RSBC 1996, c 468, with an address at 224 – 6328 Memorial Road, Vancouver, BC V6T 1Z2

(the "**Licensor**")

AND: **UNIVERSITY NEIGHBOURHOODS ASSOCIATION**, a society duly incorporated under the law of British Columbia (Incorporation No. S0044722), having its registered office at #202 – 5923 Berton Avenue, Vancouver, British Columbia V6S 0B3

(the "**Licensee**")

In this License Agreement "we", "our" and "us" refer to the Licensor and "you and "your" to the Licensee.

WHEREAS:

A. The Licensor is the leasehold owner of lands lying and being situate on the campus of The University of British Columbia and legally described as:

PID: 029-436-788
Lot 10 District Lot 6494 Group 1 New Westminster District Plan
EPP29484

(the "**Lands**")

B. The Licensee has requested a license to occupy a portion of the Lands to operate a community garden as shown outlined in black dashed lines and identified on Schedule A (the "**Licensed Area**").

C. The Licensor and the Licensee have agreed to enter into this License Agreement to permit the Licensee to operate a community garden on the Licensed Area and such other ancillary facilities as may be approved by the Licensor (collectively, the "**Permitted Uses**").

NOW THEREFORE, in consideration of the license fees, mutual covenants and agreements contained in this License Agreement and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by the parties), the Licensor grants the Licensee the license and contractual right (the "**License**") to the exclusive use and enjoyment of the Licensed Area on the terms and conditions set out in this License.

1.0 GRANT OF LICENSE

1.1 The Licensors grants to the Licensee a License to occupy, subject to the terms and conditions of this License Agreement, the Licensed Area as shown outlined in black dashed lines and identified on the plan attached as Schedule A.

2.0 TERM:

2.1 The term of this License (the "**Term**") shall be three (3) years commencing on April 1st, 2021 to and including April 1st, 2024 (the "**Expiry Date**").

2.2 We may extend the term of this License on either a month-to-month, or year-to-year basis, at our sole discretion, for such additional period of time as you may require, provided however, it is always understood and agreed that we may give you notice prior to the end of a month, or year during any such extension period that, as of the end of the following month or year, the term shall be at an end.

3.0 LICENSE FEE, TAXES UTILITIES

3.1 The license fee for the term of this License shall be Ten Dollars (\$10.00), the receipt and sufficiency of which are hereby acknowledged by the Licensors.

3.2 The Licensee shall pay and discharge all existing and future taxes, levies, charges, assessments, duties and outgoings whatsoever which are now or during the term of the License shall be imposed, levied, assessed or charged upon the Licensed Area or the Licensee in respect thereof.

3.3 The Licensee covenants and agrees to pay all utilities which are incurred by the Licensee in connection with the operation of a community garden in the Licensed Area on their due dates to the providers thereof.

4.0 USE OF LICENSED AREA

4.1 The Licensed Area shall not be used by the Licensee for any purposes other than the Permitted Uses. The Licensee acknowledges that it has satisfied itself that the Licensed Area may be used for the Permitted Uses. The Licensee will not use or permit or suffer the Licensed Area to be used for any other purposes.

4.2 The Licensee shall conduct its business and affairs in the Licensed Area in a respectful and reputable manner. The Licensee shall not carry on or perform or suffer or permit to be carried on or performed or suffered on the Licensed Area any unreasonable practice or act, or engage in any activities which is or becomes a nuisance, a source of annoyance, a disturbance or interference to any person using or occupying the Lands.

4.3 For the purpose of section 4.2 above, the Licensee covenants and agrees that it will cause any individuals who are assigned a plot of land within the Licensed Area for gardening to sign the Plot Holder Agreement as annexed hereto at Schedule B, and make sure that all the rules and regulations stipulated thereon will be duly observed and performed by individual plot holder.

5.0 LIABILITY AND WAIVER

5.1 All property kept or stored by the Licensee on the Licensed Area shall be at the Licensee's sole risk. The Licensee shall be liable for any loss or damage (including; without limitation any obligation or liability with respect to any claim for personal injury, loss of life, consequential or other indirect damage with respect to property, revenues or profit) caused to the Licensee or other persons using the Licensed Area.

6.0 INSPECTION

6.1 The Licensor shall be entitled at all reasonable times (after written notice given to the Licensee specifying the purpose) to enter the Licensed Area and other improvement thereon for any of the following purposes:

- (a) inspecting the same;
- (b) inspecting the performance by the Licensee of the terms, covenants,, agreements and conditions of this License, and by any permitted sublicense claiming by, through or under the Licensee of any of its obligations under its License;
- (c) posting and keeping posted thereon notices as required or permitted by any law or regulation;
- (d) conducting an environmental audit; or
- (e) any other reasonable purpose.

In the event of a chemical spill or any incident related to hazardous materials being exposed or after receiving a complaint, the Licensor shall have the right of immediate access to the Licensed Area to inspect facilities and/or operations as necessary.

7.0 INDEMNITY

7.1 Except to the extent of the sole negligent acts of the Licensor, its employees and agents, the Licensee hereby indemnifies the Licensor, its employees and agents and save harmless the Licensor, its employees and agents from and against any and all claims, actions, damages, liabilities and expenses in connection with the loss of life, personal injury, bodily injury including death or damage to property arising from any act in the Licensed Area or through the occupancy or use of the Licensed Area, occasioned wholly or in part by an act or omission of the Licensee. In case the Licensor, its employees and agents, without actual (as opposed to merely vicarious) fault on its part, is made a party to litigation begun by or against the Licensee excepting in a bona fide action by the Licensee against the Licensor, its employees and agents, the Licensee will protect and hold harmless the Licensor, its employees and agents.

7.2 It is hereby acknowledged and agreed that any person who enters the Licensed Area shall be deemed to be the invitee of the Licensee.

7.3 The obligations of the Licensee to defend, indemnify and save harmless the Licensor shall apply and continue notwithstanding the termination of this License.

8.0 INSURANCE

8.1 The Licenser, its employees and agents shall not be responsible for damage or losses to the Licensee's property on the Licensed Area. The Licensee shall take out and keep in force during the term of this License General Liability Insurance on an occurrence basis, against claims for bodily injury, death and property damage, with respect to the Licensee's use and occupation of the Licensed Area. Such insurance shall have a per occurrence limit of not less than \$5,000,000.00 and shall include the Licenser, its employees and agents as an Additional Insured and shall contain a crossliability clause, and coverage for the Licensee's legal liability and broad form contractual liability. Evidence that the Licensee has purchased insurance in accordance with the above terms and conditions shall be provided to the Licenser upon execution of this License.

9.0 REPAIR AND MAINTENANCE

9.1 The Licensee shall execute all construction, repairs, maintenance or alterations on the Licensed Area in a good and substantial state of repair in accordance with any applicable statute, bylaw, code or regulation of any government, government agency or regulatory authority (the "**Authorities**"), including without limitation the British Columbia Building Code, the Rules and Regulations and Development Guidelines of the University of British Columbia (the "**University**") and pay all necessary fees, permits, assessments and charges related to any such construction, renovations or alterations.

9.2 The Licensee shall maintain the Licensed Area and those portions of the Lands in the immediate vicinity of the Licensed Area in a neat and sanitary condition.

9.3 The Licenser acknowledges that the Licensee shall make certain alterations, repairs, renovations, modifications, installations or improvements ("**Alterations**") to the Licensed Area consistent with the use of the Licensed Area as community gardens. The Licenser agrees that the Licensee shall not be obliged to obtain the Licenser's consent in relation to any Alterations PROVIDED that the Licensee shall not make any Alterations until it has first obtained the consent of the appropriate permitting Authorities and unless it shall first obtain and pay for all necessary fees for permits from the relevant Authorities. Upon the termination of this License and at the request of the Licenser, the Licensee shall forthwith remove any Alterations and restore the Licensed Area to its previous conditions.

9.4 All Alterations shall be done by contractors or other workers or trades-persons in good and a professional manner with first class materials in accordance with all applicable laws, building codes, rules and regulations of the University.

10.0 SIGNAGE

10.1 The Licensee shall not display any sign, picture, advertisement, or notice of any kind on any part of the Licensed Area, without the prior written consent of the Licensors. Notwithstanding the foregoing, the Licensee may only install signs in and on the Licensed Area, including facia signage to the maximum extent permitted by the University's sign criteria.

11.0 LICENSES, PERMITS AND SAFETY

11.1 The Licensee is responsible for obtaining and maintaining all licenses and permits required by the federal and provincial laws and the rules and regulations of the University, which pertain to the conduct of the Licensee's operation on the Licensed Area and the Licensee will obtain and maintain such licenses and permits during the Term or any extension period of this License.

11.2 The Licensee is solely responsible for ensuring the safety of all persons that enter the Licensed Area.

11.3 The Licensee will not install or suffer to be installed equipment which will exceed or overloaded the capacity of utility facilities servicing the Lands and if equipment installed or allowed to be installed by the Licensee requires additional utility facilities such facilities will be installed at the Licensee's expenses in accordance with plans and specifications approved by the Authorities in writing prior to installation.

12.0 PARKING

12.1 The Licensee, its agents, officers, invitees and other persons having business with the Licensee shall be prohibited from using any part of the Lands designated for parking except as permitted by the Licensors. Should the Licensee, its agents, officers or invitees park vehicles in the designated parking area or area of the Lands not allocated for that purpose, the Licensors shall have the right to remove the trespassing vehicles and the Licensee shall indemnify and save harmless the Licensors and the Licensors from any costs, claims, damage, liability and expense from any claims by third parties arising out of the removal of trespassing vehicles.

13.0 TERMINATION

13.1 The Licensors shall have the right to terminate the Licensee's license by notice to the Licensee if the Licensee defaults in performing or observing any of the terms, and conditions of this License and fail to cure the default within 30 days after notice thereof is given to the Licensee.

13.2 If the Licensors terminate the Licensee's license pursuant to this License Agreement or if this License otherwise expires, the Licensee shall, upon the request of the Licensors and at the Licensors's sole discretion, be required at its expense to reinstate the Licensed Area to its original conditions immediately before the commencement of this License.

14.0 ASSIGNMENT

14.1 The Licensee shall not assign or sublicense or otherwise part with possession or permit others to use the whole or any part of the Licensed Area, without the written consent of the Licensors. The Licensee agrees that prior to providing consent pursuant to this section, the Licensors may request to see and approve of any proposed agreements with the proposed Licensees.

15.0 OCCUPATION OF THE LICENSED AREA

15.1 If the Licensee without default pays the License Fee, utilities and taxes at the times and in the manner herein provided and keeps and performs all the terms, covenants and agreements contained in this License that are required to be kept and performed by the Licensee, the Licensee may continue to occupy the Licensed Area for the Term without any interruption or disturbance from the Licensor, its successors or assigns or any other person or persons lawfully claiming by, from or under the Licensor or any of them, but subject always to the rights of the Licensor set out in this License.

16.0 NOTICE

16.1 Any notice, demand, request consent or objection required or contemplated to be given or made by any provision of this License shall be given or made in writing and shall be considered given or made on the day of delivery if delivered before 4:00 p.m. by personal delivery, otherwise it shall be considered delivered on the next following business day, or in the case of mail three clear business days after the day of delivery if sent by prepaid registered mail, addressed to the Licensor at:

University of British Columbia
224-6328 Memorial Road
Vancouver, BC V6T 1Z2
Attention: Yale Loh, Treasurer

or addressed to the Licensee at:

University Neighbourhood Association
#202 – 5923 Berton Avenue
Vancouver, BC V6S 0B3
Attention: CAO

17.0 NO PARTNERSHIP OR JOINT VENTURE

17.1 It is understood and agreed that nothing contained in this License or in any acts of the Licensor and the Licensee hereby shall be deemed to create a partnership or joint venture or any relationship between the parties other than the relationship of Licensor and Licensee.

18.0 NON-WAIVER OF DEFAULT

18.1 The waiver or acquiescence by the Licensor of any breach by the Licensee of any term or condition shall not be deemed to be a waiver of such term or condition or any subsequent or other breach of any term or condition of this License.

19.0 LICENSOR CAN CURE DEFAULTS

19.1 The Licensor shall have the right at all times to remedy or attempt to remedy any default of the Licensee, and in so doing may make any payments due or alleged to be due by the Licensee to third parties and may enter upon the Licensed Area to do any work or other things therein, and in such event all expenses of the Licensor in remedying or attempting to remedy such default together with an administrative charge equal to 15% of the total of such expenses shall be payable by the Licensee to the Licensor forthwith upon demand.

20.0 ENUREMENT

20.1 This License shall be binding upon and enure to the benefit of the Licensor's and the Licensee's successors and permitted assigns.

21.0 SEVERABILITY

21.1 If any article, section, paragraph or subparagraph of this License Agreement shall be held to be indefinite, invalid, illegal, or otherwise voidable or unenforceable, the entire License Agreement shall not fail on account thereof, and the balance of the License shall continue in full force and effect.

22.0 SURVIVAL OF OBLIGATIONS

22.1 All of the Licensee's obligations under the terms of this License and all of the indemnities hereunder shall survive the termination of this License.

IN WITNESS WHEREOF the parties hereto have hereunto executed this License.

EXECUTED by the Licensor on June 30, 2021, 2021.

THE UNIVERSITY OF BRITISH COLUMBIA,


by its authorized signatories:)

)



Authorized Signatory)

)




Authorized Signatory)

EXECUTED by the Licensee on _____, 2021

UNIVERSITY NEIGHBOURHOOD)

ASSOCIATION, by its authorized signatories:)

)

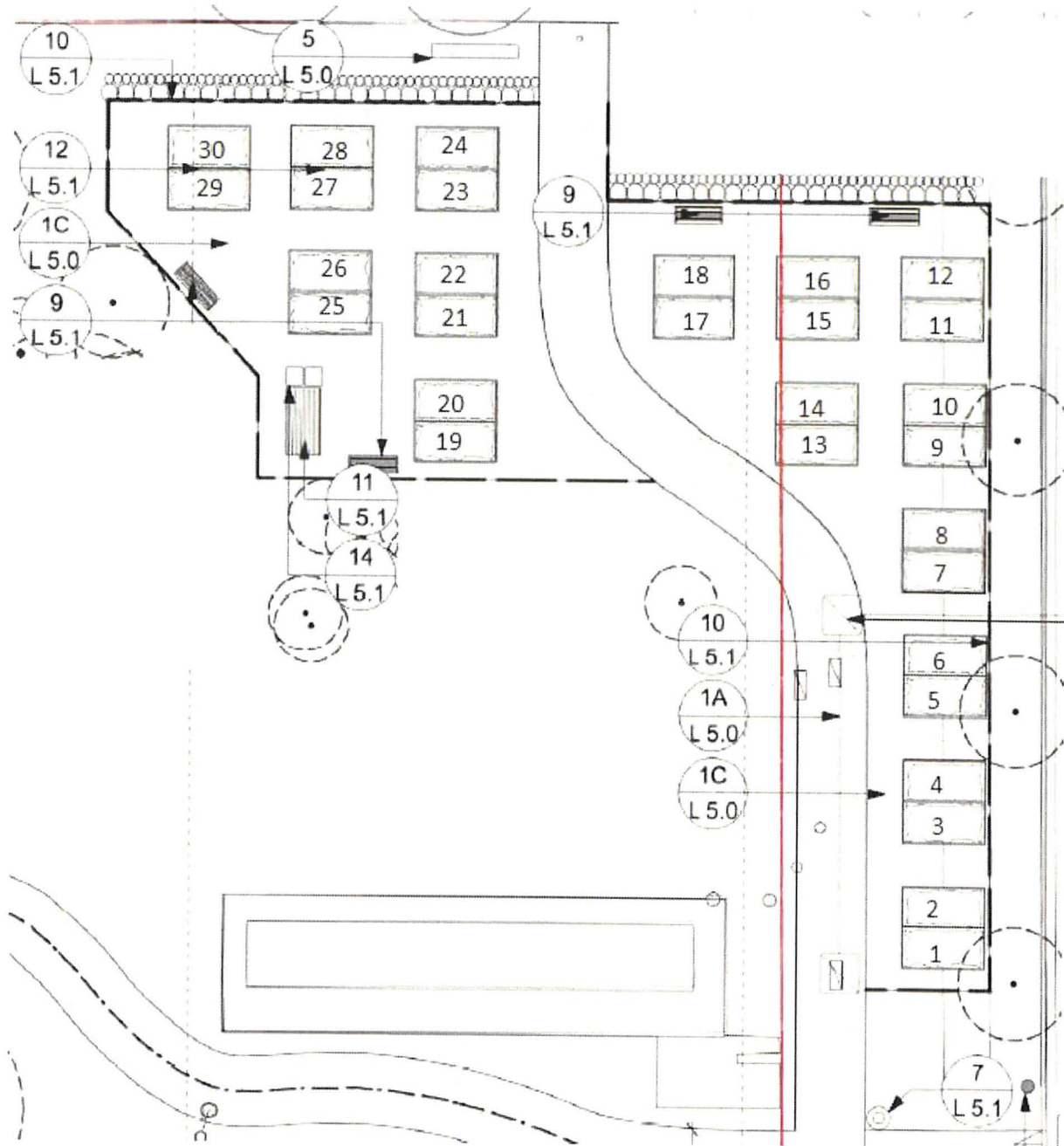


Authorized Signatory)

)

Authorized Signatory)

Schedule "A"
Plan of Licensed Area



Schedule "B"
Plot Holder Agreement
("Attached")

UNA Community Garden Agreement 2021 – 2022

The purpose of this agreement is to support the administration of the UNA Community Gardens program. To ensure the on-going viability of the program and successful upkeep of the community gardens, gardeners must comply with the below Terms and Conditions. All decisions made by the Sustainability Coordinator and the Community Garden Committee are in the best interest of those participating.

Violation of the Terms and Conditions will result in the following steps:

1. Gardener will receive violation notice from Sustainability Coordinator, by email.
2. Gardener will be given a deadline to remedy the violation.
3. If actions have not been taken to remedy the violation, a final notice will be issued indicating the date on which the garden plot in question will be forfeit.
4. If violation has not been remedied by date indicated on final notice, the garden plot will be forfeit without refund.

Terms and Conditions

1. The use of a garden plot is for one growing season (March 15, 2021 – March 14, 2022). Gardeners will have the opportunity to renew the plot each year.
2. Each household is permitted one plot. Plots are allocated based on original application date.
3. The gardens are for recreational and household gardening only. No harvest from the gardens may be sold.
4. Gardeners are responsible for cultivating, weeding, fertilizing, watering, and otherwise caring for their plot to maintain an orderly condition and keeping with the general aesthetic standard of the garden. Watering schedules must be complied with during dry weather.
5. Gardens are responsible for the weeding the pathways around their plots.
6. Gardeners must clean their tools after each use.
7. Gardeners must remove all garbage (plant I.D. tags, soil bags, garden supplies) from the garden. There is no garbage pick-up.
8. All plants and physical structures must be less than 5 feet tall and not shade neighbouring plots. All tall plants (i.e. sunflowers) should be avoided.
9. No trees may be planted in the garden plots.
10. Gardeners should limit their planting of any large bushes (blueberries, rosemary, hydrangeas) and will be responsible for their removal.
11. Gardeners must not plant:
 - Invasive species (such as English Ivy or those listed at <http://www.bcinvasives.ca/>)
 - Weedy species (such as mint)
 - Berries with rhizomes (such as raspberries or blackberries).

12. Gardeners must follow organic gardening practices. The use of pesticides, chemical fertilizers, or pet and human waste is prohibited. Manure, peat, seaweed, compost, bone meal and limestone are permitted.
13. Gardeners are strongly encouraged to participate in any work parties organized. If gardeners are unable to participate in work parties, they should aim to spend at least four hours in a year contributing to communal garden tasks (weeding pathways, cleaning tools, tidying shed, picking up litter, taking litter home, tending shared plots).
14. Plots must be tidied and prepped for winter by October 15, unless otherwise approved. This includes the removal of annual vegetation and the removal/collapse of remaining structures.
15. Gardeners must direct questions and concerns to the Sustainability Coordinator or other UNA staff.
16. Gardeners must use hand equipment only. No motorized equipment is permitted. Exceptions may be made for garden work tasks (such as plot repairs or blackberry removal).
17. Pets are not permitted in the garden unless they are service animals.
18. No smoking is permitted,
19. Open containers of water are not permitted, due to mosquito breeding.
20. Alcoholic drinks are not permitted. Picnics are welcome, but all food waste must be removed from the garden (and not disposed of in the garden yard waste bins).
21. The University Neighbourhoods Association does not assume liability for adverse reactions to food consumed, or items one may come into contact with, in the UNA Community Garden(s).

By signing this agreement, I agree to allow the UNA to share my contact information with the volunteer Community Garden Committee, and I agree to abide by the above Terms and Conditions.

Gardeners who have paid online have already electronically signed this agreement and do not need to re-submit this document.

Full Name:

Signature:

**Garden
& Plot Number:**

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Gardeners who have paid online have already electronically signed this agreement and do not need to re-submit this document.

Full Name:

Signature:

**Garden
& Plot Number:**



Report Date: June 12, 2024
Meeting Date: June 18, 2024
From: Athena Koon, Finance Manager
Subject: FY2023-24 Preliminary Financial Results

Background

The UNA fiscal year ended on March 31, 2024. This report provides a preliminary overview of our fiscal 2023/24 results. Please note this result is preliminary and only used for reference purposes and will be subject to changes resulting from any year-end audit adjustments.

The UNA financial report highlights for the fiscal year are as follows:

Revenue

Total revenue at the end of the year is \$297K higher than budget (+4% variance).

- Actual revenue from the Neighbours Levy for 2023 is \$8.6M, which is \$140K more (+2% variance) compared to the original projected amount used in our budget. The Fire Services Charge had an actual total cost of \$1.8M, which is \$211K over the projected amount (-13% variance). The Athletics and Community Access fees have now been finalized and the actual amount for the 2023/24 fiscal year is \$666,758 along with the adjustment for 2022/23 with a positive variance in \$84,238 the net variance is at +19%. Contingency reserve is also being drawn during the year, in total, the amount available to the UNA from the Neighbours Levy, after all contributions, withdrawals, and payments regarding GST are made, is \$94K more than projected (+2%).
- Total Recreation and Culture revenue at year end is 9% higher than budget. The revenue from programming has been strong for the year due to the performance of the programs held at the Wesbrook Community Centre (WCC). Fitness membership has not picked up during Fall/Winter 2023 for both community centres. The Old Barn Community Centre (OBCC) was under renovation during Q2 and the roof was replaced in Q3; the revenue generated from the OBCC was affected by this, and the overall recreation & culture revenue is above budget by \$119K.
- Total Other Revenue for the year is 11% over budget. The Parking revenue which also included car shared parking revenue has been very strong for the year. The interest revenue, a subitem included in "Miscellaneous", is higher than budgeted, as the budgeted interest rate is much lower than the actual interest rate for the 2023/24 fiscal year. With the new launching of the newspaper, our

advertising revenue has also increased. In total, this section revenue is over budget by \$94K.

- On the other hand, the total revenue from External Grants and Other Funding in for the year was under budget by 6%. The variance is a result of receiving a lower Canada Summer Jobs subsidy and no Senior Grant received for the year. The total grant and other funding revenue is short by \$9K.

Expenditures

Total expenditures at the end of the fiscal year are under budget by \$603K in total of spending only at 92% of what is budgeted.

- Total Engineering and Operations Services expenditures are at \$1.5M for the year, which is 83% of what is budgeted.
 - o General Maintenance costs are low as part of the budget is project based, which did not get to complete due to weather contingent reasons.
 - o With the Common Area Maintenance services now transferred to the UNA, the supporting amount from UBC is no longer displayed as a credit to net our cost, as in prior years. Instead, the support is reported separately as part of our revenue. The overall Common Area Maintenance services costs come in lower than budget mainly due to the contractors' cost increases come in lower than budgeted and weather event factors such as snow removal and storm cleaning.
- Total Recreation & Culture Services expenditures for the year are at \$2.8M for the year, which is 95% of what is budgeted.
 - o Field maintenance expenditures are at 172% of what is budgeted due to pre-replacement preparation and required maintenance work.
 - o Recreation Salaries & Benefits expenditures are lower than budgeted due to timing differences in filling a new budgeted position.
 - o For the Vancouver Public Library (VPL) fees, the assessment for 2023/24 based on prior year's usage is \$84.1K. It will end up being 30% under budget for the fiscal year.
 - o Community Support expenditures are at 54% of what is budgeted due to some functions and committees' budgets not having been utilized.
- Total General Operations Services expenditures are at \$2.4M, which is at 94% of what is budgeted.

- General Operations Services for the year is at 80%. The after hours call service project is still in progress and did not get to wrap up before the end of the fiscal year. Also, there were funds set aside for Board Contingency projects, which did not get use this fiscal year.
- Public Engagement expenses for the year were at 86%. Spending includes AGM and stipend expenses for the year. The AGM spending was slightly under for the year.

Details of the operating budget results can be found in the attachment.

Decision Requested

For information.

Discussion

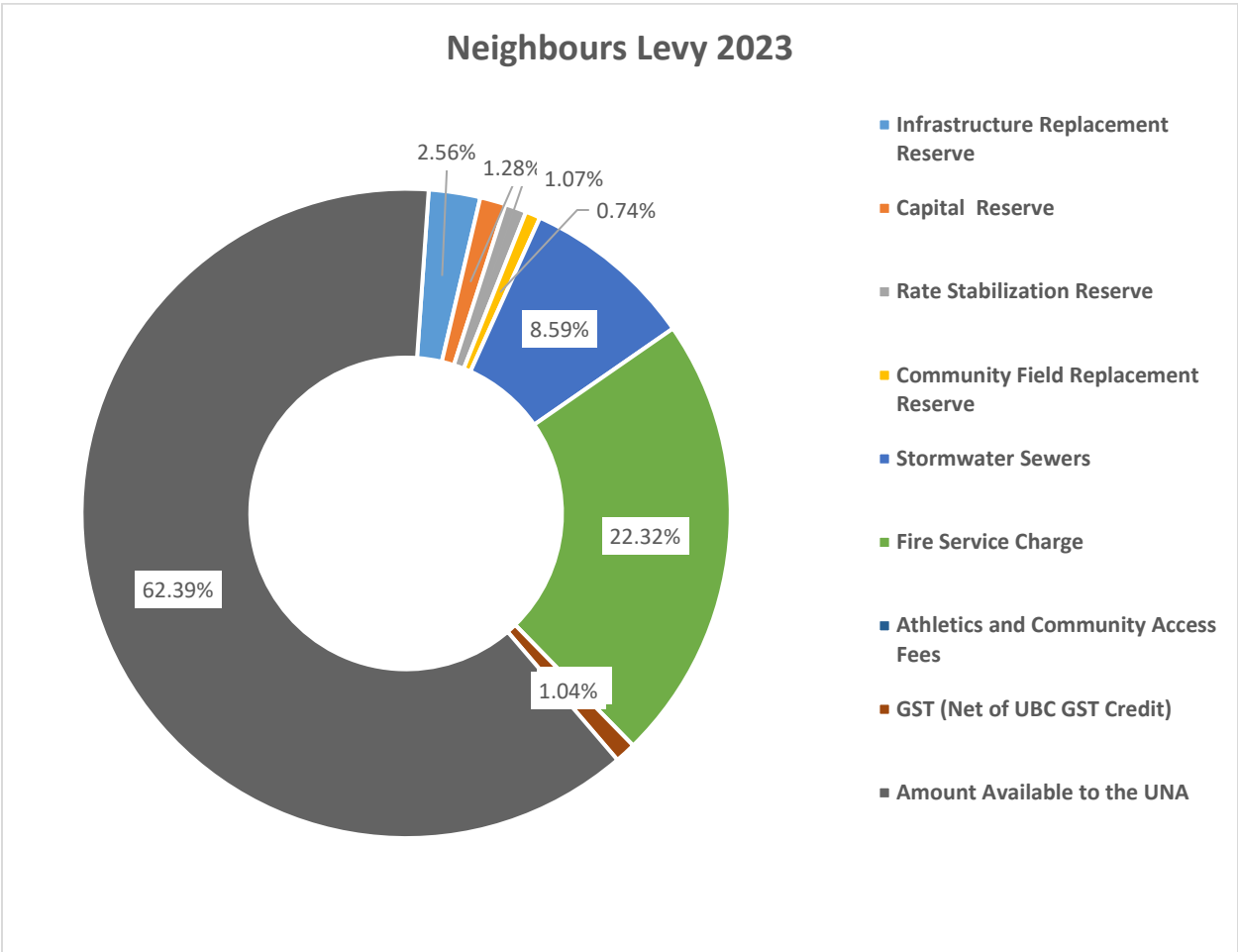
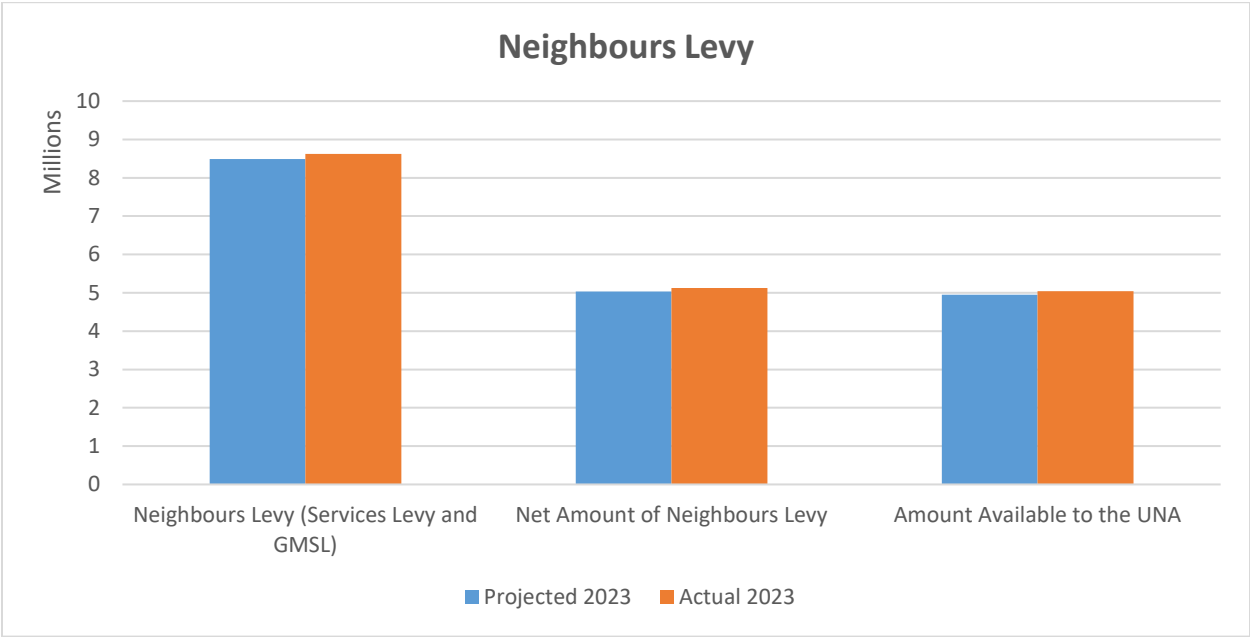
UBC Neighbours Fund (Amount Available to the UNA)

	Projected 2023	Actual 2023	Variance
Neighbours Levy (Services Levy and GMSL)	8,485,000	8,625,731	2%
Contributions to Reserves			
Infrastructure Replacement Reserve	-203,640	-207,018	2%
Capital Reserve	-101,820	-103,509	2%
Rate Stabilization Reserve	-84,850	-86,257	2%
Community Field Replacement Reserve	-60,000	-60,000	0%
Total Contributions to Reserves	-450,310	-456,784	1%
UBC Withdrawals			
Stormwater Sewers *	-693,831	-693,831	0%
Fire Service Charge	-1,592,075	-1,803,361	13%
Recreation and Cultural Facilities Contributions (2022/23 Adjustment) **	0	84,238	NA
Recreation and Cultural Facilities Contributions (2023/24)	-719,704	-666,758	-7%
Total UBC Withdrawals	-3,005,610	-3,079,712	2%
Transfer from Reserves			
Contingency Reserve	0	35,337	NA
Net Amount of Neighbours Levy	5,029,080	5,124,572	2%
GST (Net of UBC GST Credit)	-82,444	-83,972	2%
Amount Available to the UNA	\$ 4,946,636	\$ 5,040,600	2%

Notes:

* Stormwater Sewers are now finalized and the actual amount is \$543,724.

** UBC Recreation and Cultural Facilities Contributions have been finalized. 22/23 deducted \$689,391 and actual \$605,153 (\$575,153 + \$30,000)



Summary of Revenue and Expenditure:

	2023-24	%	Year to Date:	
	BUDGET	YTD Act/Bud	Actual	Prior Year
REVENUE				
Payment from UBC				
Neighbours Levy	4,946,636	102%	5,040,600	4,110,109
Total Payment From UBC	4,946,636	102%	5,040,600	4,110,109
Recreation & Culture				
Wesbrook Community Centre	383,000	78%	298,778	216,536
Old Barn Community Centre	140,000	88%	122,693	109,013
Programming	698,500	132%	918,637	807,197
Playing Fields & Park Rentals	105,000	100%	105,324	101,350
Total Recreation & Culture	1,326,500	109%	1,445,432	1,234,096
Other Revenue				
Parking	111,900	161%	180,538	150,459
Miscellaneous	32,840	177%	58,041	47,600
Common Area Maintenance Support (UBCPT)	733,256	100%	733,256	-
Total Other Revenue	877,996	111%	971,835	198,059
Grants & Other Funding				
External Grants & Miscellaneous	165,000	94%	155,692	160,880
Total Grand & Other Funding	165,000	94%	155,692	160,880
TOTAL REVENUE	7,316,132	104%	7,613,559	5,703,144

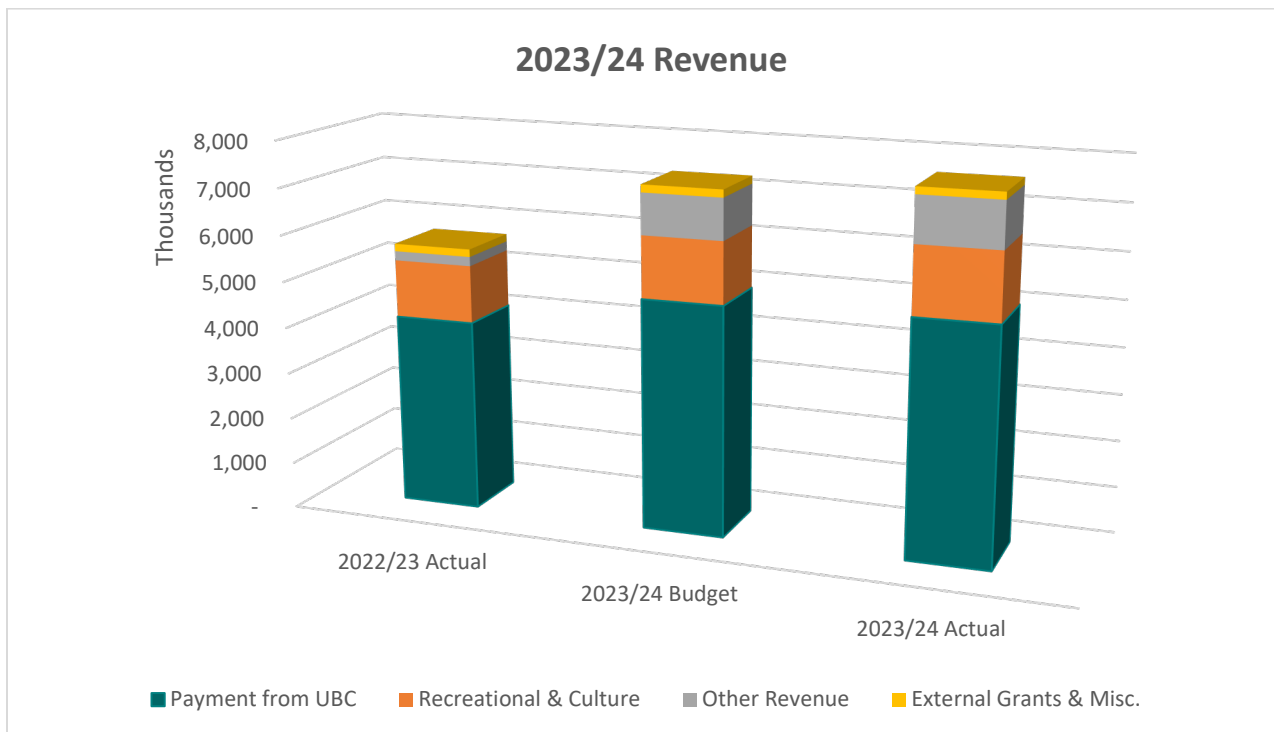


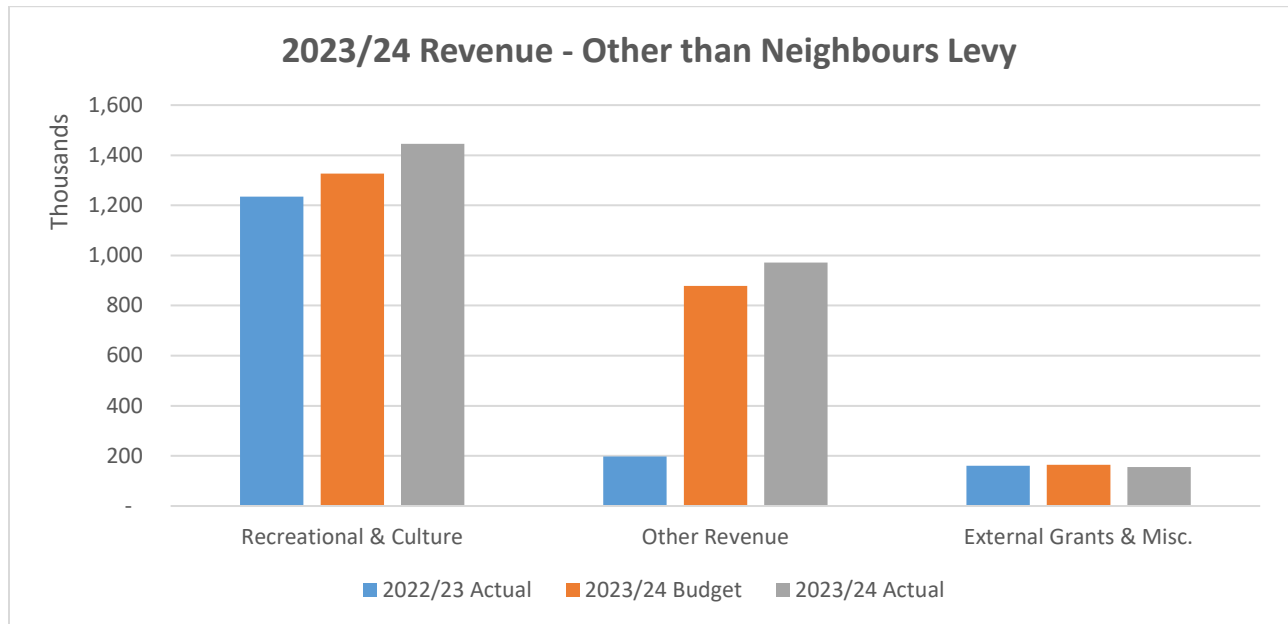
	2023-24	%	Year to Date:	
	BUDGET	YTD Act/Bud	Actual	Prior Year
EXPENDITURES				
Engineering & Operations Services				
Parking & Bylaw Enforcement	161,856	77%	125,280	114,926
General Maintenance	132,520	52%	68,256	103,028
Common Area Maintenance Fees				
Landscaping	1,249,736	86%	1,078,370	418,981
Road, Gutter and Sidewalk Maintenance	53,550	79%	42,312	65,844
Streetlights	53,000	88%	46,901	38,832
UBCPT Management Fees	-	0%	-	80,000
Electricity	80,000	96%	76,893	73,066
Other Common Area Maintenance Costs	52,500	84%	43,874	47,187
Total Engineering & Operations Services	1,783,161	83%	1,481,887	941,864
Recreation & Culture Services				
Fields	18,000	172%	30,876	16,312
Wesbrook Community Centre	529,650	99%	522,297	554,380
Old Barn Community Centre	219,602	98%	215,896	213,811
Recreation Salaries & Benefits	1,292,487	85%	1,100,598	974,266
Programming	708,500	114%	810,224	765,625
Community Access (VPL)	120,000	70%	84,100	64,599
Community Support	76,500	54%	41,143	59,287
Total Recreation & Culture Services	2,964,739	95%	2,805,134	2,648,280
General Operation Services				
Administration Salaries & Benefits	1,540,274	99%	1,532,234	1,216,661
Sustainability	32,029	126%	40,491	33,390
Professional Fees	155,660	100%	155,668	165,462

General Operating Services	662,889	80%	530,114	520,035
Communications	106,000	100%	106,107	102,176
Public Engagement	71,380	86%	61,600	65,238
Total General Operation Services	2,568,232	94%	2,426,213	2,102,962
TOTAL EXPENDITURES	7,316,132	92%	6,713,235	5,693,106
BALANCE SURPLUS (OR DEFICIT)	0		900,325	10,038

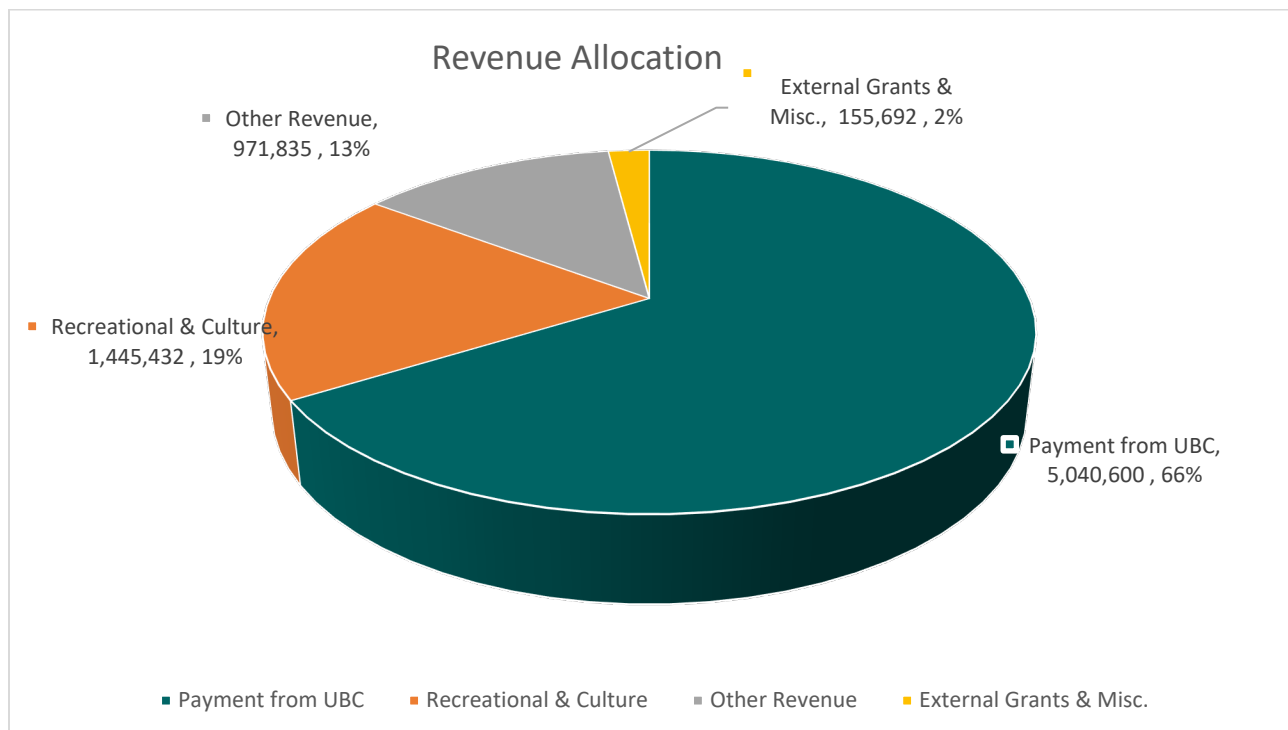
These supplementary notes are provided as background information for the financial performance during fiscal year 2023/24.

Revenue for Fiscal 2023/24:

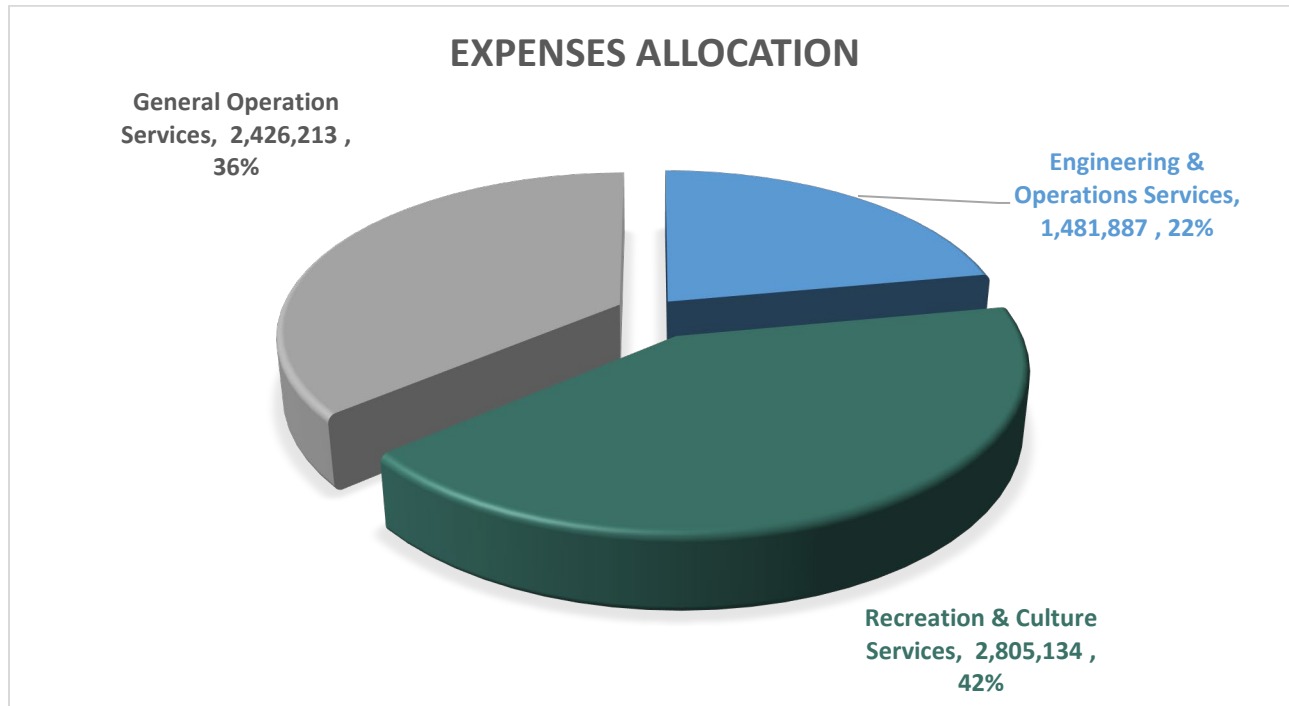




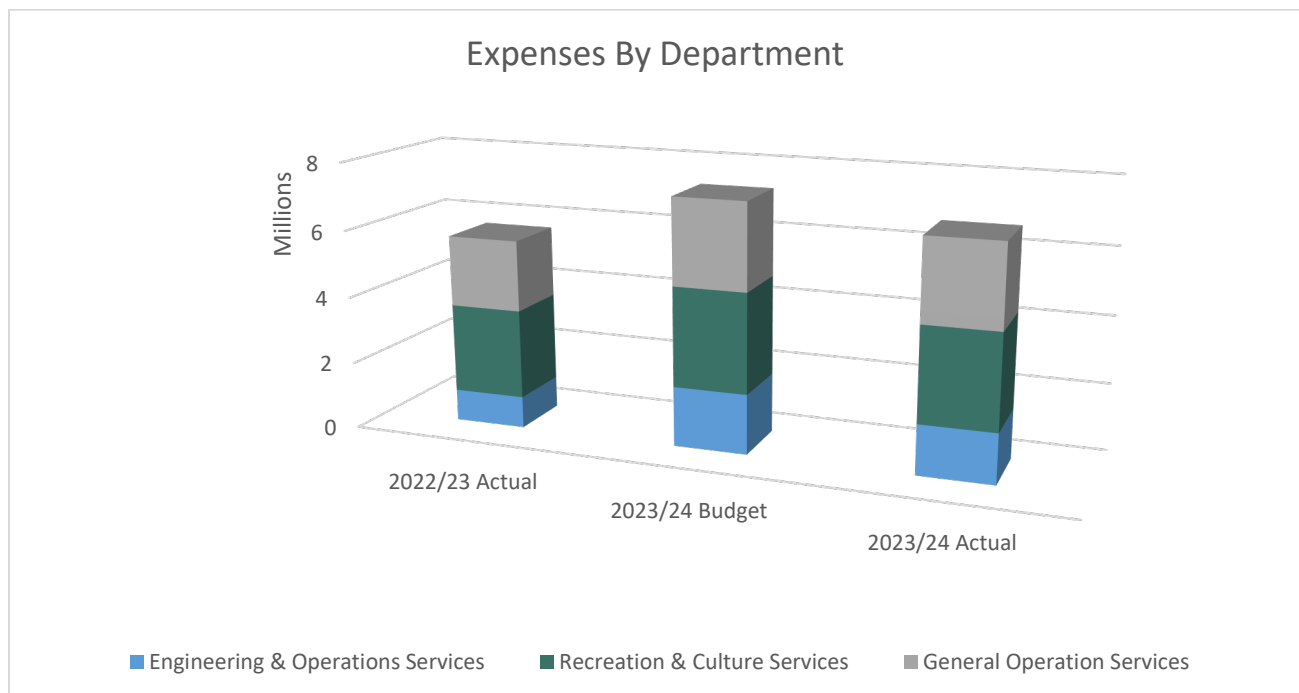
Revenue Allocation for Fiscal 2023/24:



Expenses Allocation for Fiscal 2023/2024:



Total Expenses Comparison for Fiscal 2023/24:



Vendors who had cheques over \$25K issued to them during Q4:

Vendor	Q4 Total	Payment Date	Amount	Description
Badger Earthworks Ltd	\$218,789	2024-01-16	\$44,205	Landscaping Maintenance / Tree Pruning Services
		2024-01-17	\$10,902	
		2024-01-24	\$27,456	
		2024-02-01	\$8,631	
		2024-02-12	\$22,289	
		2024-02-15	\$29,939	
		2024-02-22	\$6,180	
		2024-03-07	\$4,537	
		2024-03-14	\$7,377	
		2024-03-21	\$28,674	
		2024-03-28	\$28,599	
BC Hydro	\$30,230	2024-01-23	\$962	Electricity
		2024-01-23	\$1,103	
		2024-01-23	\$3,164	
		2024-02-14	\$29	
		2024-02-14	\$229	
		2024-02-14	\$555	
		2024-02-14	\$663	
		2024-02-14	\$880	
		2024-02-14	\$997	
		2024-02-14	\$1,047	
		2024-02-14	\$1,057	
		2024-02-14	\$1,182	
		2024-02-14	\$1,234	
		2024-02-14	\$1,251	
		2024-02-14	\$1,612	
		2024-02-14	\$2,175	
		2024-02-14	\$3,338	
		2024-02-14	\$3,547	
		2024-03-19	\$787	
		2024-03-19	\$951	
		2024-03-19	\$3,466	
Cutting Edge Vancouver Landscape Services	\$32,718	2024-01-17	\$8,421	Landscaping Maintenance
		2024-02-15	\$7,424	
		2024-03-14	\$16,874	
Diamond Head Tree Care	\$39,155	2024-03-27	\$39,155	South Campus Tree Pruning Services

Jerry Berry Consultants Inc.	\$25,671	2024-01-16	\$25,671	CAO Recruitment Services
Mack Kirk Roofing & Sheet Metal Ltd.	\$64,980	2024-01-16 2024-02-27	\$52,233 \$12,747	OBCC Roof Replacement Project
Meridian Landscaping Ltd.	\$40,635	2024-01-17 2024-02-12 2024-03-07 2024-03-28	\$8,127 \$8,127 \$8,127 \$16,254	Landscaping Maintenance
Scandinavian Building Services Ltd	\$34,388	2024-02-29 2024-03-21	\$15,368 \$19,020	Janitorial
Silver Star Painting & Renovation Ltd.	\$25,086	2024-01-24 2024-02-15 2024-03-28	\$8,337 \$7,894 \$8,855	Monthly Facility Maintenance for WCC & OBCC
UBC Safety & Risk Services	\$56,256	2024-02-08	\$56,256	Property Insurance

Vendors who had cheques issued to them over 100K for the fiscal year:

Vendor	Total Payment	Description
Badger Earthworks Ltd	\$696,967	Landscaping Maintenance
BC Hydro	\$ 110,944	Electricity
Commissionaires BC	\$ 102,798	Security Service
Cutting Edge Vancouver Landscape Services Inc.	\$156,125	Landscaping Maintenance
Dexterra Integrated Facilities	\$ 183,162	Janitorial
Mack Kirk Roofing & Sheet Metal Ltd.	\$ 127,470	OBCC Roof Replacement
Marsh Canada Limited	\$155,748	Insurance
Meridian Landscaping Ltd.	\$182,678	Landscaping Maintenance
Silver Star Painting & Renovation Ltd	\$ 109,447	Building Maintenance
UBC Utilities	\$133,096	Utilities Cost

Total Capital Items for Fiscal 2023/24:

Location	Budget	YTD Total	Amount	Description
Wesbrook Community Center	\$ 87,000	\$98,352	\$ 9,666	Computer & IT Equipment
			\$ 59,868	Furniture, Fixture & Equipment
			\$ 4,011	Recreation & Fitness Equipment
			\$ 24,807	Tenant Improvement
Old Barn Community Center	\$112,500	\$145,372	\$ 3,050	Computer & IT Equipment
			\$ 57,313	Furniture, Fixture & Equipment
			\$ 29,361	Recreation & Fitness Equipment
			\$ 55,648	Tenant Improvement
Office	\$ 8,200	\$ 4,448	\$ 2,194	Computer & IT Equipment
			\$ 2,254	Furniture, Fixture & Equipment
Total	\$ 207,700	\$ 248,172	\$ 248,172	

The variance of the capital budget for the year is in total of \$40.5K and mainly was caused by the OBCC audio visual system replacement in total of \$35K. In Q1, an inspection was done of the OBCC's audio visual system, and it was identified that the system is in inoperable condition. The service provider recommended that the UNA replace the current OBCC audio visual system because parts are difficult to source, and it can no longer be adequately maintained. This item was not included in the 2023/24 fiscal year Capital Budget and in July 2023, the UNA Board passed a resolution agreeing to withdraw funds from the Contingency Reserve to fund this replacement project in total of \$35K. The balance of \$5.5K variance was mainly due to the in WCC, there was a boiler part broke down not budgeted that required replacement. Since the amount was not material, it is not necessary to get funds from the contingency reserve to cover the replacement.

Operating Surplus for the year:

When it comes to the operating surplus, there are three documents related to how the surplus gets handled:

1. Neighbours Fund Reserve Policy (Amend #3) - Rate Stabilization Reserve
2. Neighbours Agreement 2020, sections 10.12 and 10.14
3. UBC 2021 Financial Support Letter

With the settlement of the Athletic and Community Access Fee and a surplus year of 2023/24, based on the support letter from UBC dated on July 19, 2021, there is an



amount owing of \$85,390) that will have to be paid to UBC Athletics. This amount has not been accrued and will be made in the fiscal year of 2024/25.

Financial Implications

None.

Operational Implications

None.

Strategic Objective

Organizational Capacity

Attachments

1. FY2023/24 Fire Service Charge Calculation
2. Neighbours Fund Reserve Policy (#05-13) – Amendment #3 – December 2010
3. UBC Financial Support Letter – Dated July 19, 2021

Concurrence

None.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Athena Koon', written over a horizontal line.

Athena Koon
Finance Manager

A handwritten signature in black ink, appearing to read 'Paul Thorkelsson', written over a horizontal line.

Paul Thorkelsson
Chief Administrative Officer



Invoice #: FY24UBCF01

July 24, 2023

Matthew Boydston
Assistant Comptroller, University of British Columbia
Finance Leadership Office
1958 Main Mall
Vancouver, BC V6T 1Z2

Dear Matthew Boydston:

Re: Invoice for Fire Protection Services Provided to UBC Neighbourhood Areas

In accordance with the UBC Neighbourhood Fire Services Contribution Agreement, the Ministry of Municipal Affairs is requesting payment of \$1,803,360.47 for expenditures incurred by the Government of British Columbia pertaining to fire services provided to the neighbourhood areas within the University of British Columbia for the period April 1st, 2023 through to March 31st, 2024.

Payment is due within 30 days of receipt of this invoice.

Ministry EFT banking information below:

SWIFT: CIBC TORONTO, CIBCCATT
Account and Institution: //CC001000090
Canadian Imperial Bank of Commerce
1175 Douglas St.
Victoria, BC V8W 2E1
Beneficiary Account Number: /0964301
Ministry of Municipal Affairs

Should you require further information, please contact me at 778-698-5488.

Thank you,

Chris McLean
Director, Financial Planning and Reporting
Management Services Division
Ministry of Municipal Affairs

Fire Service Charge 2023/24 Calculation

Note: Population calculations reflect the formula in the UBC Neighbourhoods Fire Contribution Agreement, dated April 1, 2021

Population Summary

	Current Year (23/24) Population	Following Year (24/25) Population Projection
UBC Students (Annualized FTEs as of March 1, 2023)	53,525	55,131
UBC Faculty/Staff (FTEs as of November 1, 2022)	14,626	15,065
UBC Market Properties (as of June 1, 2023)	14,909	15,673
UEL (as of June 1, 2023)	4,386	4,386
TOTAL	87,446	90,255

UBC Market Properties Population Calculation		Current Year		Following Year	
Housing type	2021 Census people/dwelling type (A)	UBC Market Properties (B)	Population (A*B)	UBC Market Properties (C)	Population (A*C)
Single-detached house	2.7	0	0	0	0
Apartment in a building that has five or more storeys	2.1	3,712	7,795	4,071	8,549
Apartment or flat in a duplex	2.7	658	1,777	662	1,787
Apartment in a building that has fewer than five storeys	2.2	2,426	5,337	2,426	5,337
TOTAL			14,909		15,673

UEL Population Calculation		Current Year		Following Year	
Housing type	2021 Census people/dwelling type (A)	UEL Properties (B)	Population (A*B)	UEL Properties (C)	Population (A*C)
Single-detached house	2.7	447	1,207	447	1,207
Semi-detached house	2.7	0	0	0	0
Rowhouse (townhouse)	3	66	198	66	198
Apartment in a building that has fewer than five storeys	2.2	769	1,692	769	1,692
Apartment in a building that has five or more storeys	2.1	605	1,271	605	1,271
Frat House Bedrooms	1	19	19	19	19
TOTAL			4,386		4,386

	Current Year (2023/24)			Following Year (2024/25)		
	Population	% of total	Total Annual Costs	Population	% of total	Projected Total Annual Costs
UBC Academic	68,151	77.9%	\$ 7,828,095	70,196	77.8%	\$ 8,202,651
UBC Market Properties	14,909	17.0%	\$ 1,712,507	15,673	17.4%	\$ 1,831,446
UEL	4,386	5.0%	\$ 503,816	4,386	4.9%	\$ 512,543
Total	87,446	100.0%	\$ 10,044,419	90,255	100.0%	\$ 10,546,640

COST INPUTS

2023/24 Current Year Budgeted Total Fire Services Costs

\$ 10,044,419

2024/25 Following Year Projected Total Fire Services Costs

\$ 10,546,640

Previous Year Adjustment Calculation (2022/23 Forecast to 2022/23 Actual)

2022/23 Adjustment

2022/23 total forecasted cost \$ 9,222,639

2022/23 total actual cost 9,766,020

Variance \$ (543,381)

Adjustment credit or (debit) for UBC based on 2022/23 16.72% population share: \$ (90,853)

2023/24 Net Fire Service charge with 2022/23 Adjustment applied

2023/24 UBC fire service charge Based on Forecast \$ 1,712,507

2022/23 Fire Service Adjustment based on Actuals \$ (90,853)

2023/24 Net fire service charge \$ 1,803,360.47

SUBJECT: NEIGHBOURS FUND RESERVE POLICY – AMENDMENT #3	
CATEGORY: FINANCE	POLICY #: 05-13

POLICY STATEMENTS

UNA Infrastructure Replacement Reserve Policy

Purpose of Reserve Fund

This is the subfund of the Neighbours' Fund comprised of a reserve of funds to pay for the cost of repairing or replacing the municipal-like infrastructure required to service the Designated Local Areas. Municipal-like infrastructure includes utilities (water and sewer), outdoor lighting, specified roads, paths and walkways.

The Infrastructure Replacement Reserve was established to ensure continued operation of infrastructure in the Designated Local Areas through providing secure funding for replacing component parts or assets that periodically wear out or reach the end of their useful life. These expenditures are not typically included in operating budgets as they involve significant capital expenditures.

Annual Contribution

An annual contribution of 2.4% of the Neighbours' Fund Revenue will be made to the Infrastructure Replacement Reserve. Any interest accumulated will be included with the Reserve but is in addition to the annual contribution requirement.

Maximum Value

Once the value of this fund reaches \$10 Million, the UNA Board will review the adequacy of this funding level and propose a maximum value for approval by the UBC Board of Governors. The minimum value will never be less than \$500,000.

Mechanism for Withdrawal

The UNA Board must pass a resolution in open public session to withdraw funds from this Reserve. The agenda, report and proposed resolution must be published one week in advance on the UNA website. The report will include recommendations to replenish the Reserve in a reasonable period of time. Withdrawals less than \$1,500,000 can be approved by the UNA Board of Directors with the support of both UBC appointed directors. Withdrawals in excess of \$1,500,000 must go to the UBC Board for approval.

Reporting

The UNA will review the annual provision and the Reserve balance to ensure the provision continues to meet the funding requirements. This review will be conducted as part of the UNA's annual budget process. Findings will be reported annually to the UNA Board.

UNA Capital Replacement Reserve Policy

Purpose of Reserve Fund

This is the subfund of the Neighbours' Fund comprised of a reserve of funds to pay for the cost of repairing and replacing facilities and amenities. Facilities include the physical aspects of the UNA community centres in the Designated Local Areas. Amenities include playgrounds and equipment in the Designated Local Areas.

The Capital Replacement Reserve was established to replace major items that periodically wear out so that the facility or amenity continues to be functional over its useful life. These funds are not intended to replace a facility or amenity in its entirety as it reaches the end of its useful life.

Annual Contribution

An annual contribution of 1.2% of the Neighbours' Fund Revenue will be made to the Capital Replacement Reserve. Any interest accumulated will be included with the Reserve but is in addition to the annual contribution requirement.

Maximum Value

Once the value of this fund reaches \$5 Million, the UNA Board will review the adequacy of this funding level and propose a maximum value for approval by the UBC Board of Governors. The minimum value will never be less than \$250,000.

Mechanism for Withdrawal

The UNA Board must pass a resolution in open public session to withdraw funds from this Reserve. The agenda, report and proposed resolution must be published one week in advance on the UNA website. The report will include recommendations to replenish the Reserve in a reasonable period of time. Withdrawals less than \$1,500,000 can be approved by the UNA Board of Directors with the support of both UBC appointed directors. Withdrawals in excess of \$1,500,000 must go to the UBC Board for approval.

Reporting

The UNA will review the annual provision and the Reserve balance to ensure the provision continues to meet the funding requirements. This review will be conducted as part of the UNA's annual budget process. Findings will be reported annually to the UNA Board.

UNA Rate Stabilization Reserve Policy

Purpose of Reserve Fund

This is the subfund of the Neighbours' Fund comprised of a reserve of funds to be used in the event the amount of Services Levy collected by UBC is decreased due to a change in relative ratios between the municipal general and debt tax rate of the City of Vancouver levied on residential property as opposed to the provincial/rural service tax levied on residential property.

The Rate Stabilization Reserve was established to guard against changes in Vancouver's rates that are not sympathetic to the UNA's operating commitments.

Annual Contribution

An annual contribution of 1.0% of the Neighbours' Fund Revenue will be made to the Rate Stabilization Reserve. Any interest accumulated will be included with the Reserve.

Maximum Value

The maximum funding threshold limit is \$2 Million. If this maximum amount is reached, annual contributions can cease until a withdrawal is made, at which time annual contributions will resume. Any surpluses from the UNA's annual budget are deposited to this Reserve.

Mechanism for Withdrawal

The UNA Board must pass a resolution in open public session to utilize funds from this Reserve as a source of income for a proposed annual budget. The agenda, report and proposed resolution must be published one week in advance on the UNA website. The report will include recommendations to replenish the Reserve in a reasonable period of time. The use of funds in this Reserve for that purpose must be approved by the UNA Board of Directors with the support of both UBC appointed directors.

Reporting

The UNA will review the annual provision and the Reserve balance to ensure the provision continues to meet the funding requirements. This review will be conducted as part of the UNA's annual budget process. Findings will be reported annually to the UNA Board.

UNA Access Reserve Policy

Purpose of Reserve Fund

This is the subfund of the Neighbours' Fund comprised of a reserve of funds to make annual contributions to UBC for the operating costs of the facilities to which the UNA has obtained access pursuant to schedule "F" of the Neighbours' Agreement, provided that such annual contributions will be drawn only to the extent that the annual contributions agreed upon in schedule "F" exceed 15% of the amount of the Neighbourhood Levy collected by UBC in respect of that year.

Annual contribution

There was a one-time provision of \$1 Million to this Reserve. Additional funds will not be added on an annual basis beyond interest accumulated in this Reserve.

Maximum value

There is no maximum funding threshold for this Reserve as funds are not being replenished or added.

Mechanism for Withdrawal

The UNA Board must pass a resolution in open public session to utilize funds from this Reserve as a source of income for a proposed annual budget. The agenda, report and proposed resolution must be published one week in advance on the UNA website. The use of funds in this Reserve for that purpose must be approved by the UNA Board of Directors with the support of both UBC appointed directors.

Reporting

The UNA will review the Reserve balance annually. This review will be conducted as part of the UNA's annual budget process. Findings will be reported annually to the UNA Board.

UNA Contingency Reserve Policy

Purpose of Reserve Fund

This is the subfund of the Neighbours' Fund comprised of a reserve of funds to pay for unexpected or unbudgeted repairs and expenses which require immediate action.

Annual contribution

An annual contribution of 1.0% of the Neighbours' Fund Revenue will be made to the Contingency Reserve. Any interest accumulated will be included with the Reserve.

Maximum value

The maximum funding threshold limit is \$1 Million. If this maximum amount is reached, annual contributions can cease until a withdrawal is made, at which time annual contributions will resume.

Mechanism for Withdrawal

The UNA Board must pass a resolution in open public session to withdraw funds from this Reserve. The agenda, report and proposed resolution must be published one week in advance on the UNA website. The report will include recommendations to replenish the Reserve in a reasonable period of time. Withdrawals can be made by the UNA Board of Directors with the support of both UBC appointed directors.

Reporting

The UNA will review the annual provision and the Reserve balance to ensure the provision continues to meet the funding requirements. This review will be conducted as part of the UNA's annual budget process. Findings will be reported annually to the UNA Board.

RELATED POLICIES

Policy #05-07 Neighbours Fund Reserve Policy

Policy #05-09 Neighbours Fund Reserve Policy - Amendment #1

Policy #05-10 Neighbours Fund Reserve Policy – Amendment #2

APPROVAL HISTORY

ISSUED BY: Board of Directors	APPROVED BY: Board of Directors	DATE: 2008/04/08
AMENDED BY: Finance Committee	APPROVED BY: Board of Directors	DATE: 2009/10/13
AMENDED BY: Finance Committee	APPROVED BY: Board of Directors	DATE: 2010/12/14
AMENDED BY: Finance Committee	APPROVED BY: Board of Directors	DATE: 2010/12/14



July 19, 2021

Richard Watson
Chair, Board of Directors University Neighbourhoods Association
#202-5923 Berton Ave.
Vancouver, BC V6S 0B3

Sent via email: richard.watson@myuna.ca
CC: Sundance.topham@myuna.ca
Michael.white@ubc.ca

Subject: UBC Financial Support for the UNA's 2021-2022 Budget

Dear Mr. Watson,

UBC and the UNA share a commitment to the long-term success of UBC's campus residential neighbourhoods, including the cost-efficient delivery of municipal-like services. As part of this commitment, UBC and the UNA are working collaboratively to ensure the financial health of the UNA in relation to external financial pressures and the impacts of COVID-19.

In response to these budgetary challenges, the UBC-UNA Joint Financial Task Force (JFTF) was reconvened in September 2020 to discuss and make recommendations in regard to the long-term financial health of the UNA. The JFTF's work included an update to the UNA 5-year Financial Model to allow for updated assumptions and to improve accuracy in budget forecasting. This model update informed the JFTF's discussions and recommendations in consideration of the expiration of the Community Services Grant, the Fire Protection Offset, and other UBC funding arrangements as well as the impacts of COVID-19 on the 2021-2022 UNA budget.

We appreciate the UNA's ongoing effort in working with the other JFTF members to ensure long-term financial stability of the UNA and neighbourhood service delivery. I also want to acknowledge the UNA's immediate actions taken to reduce expenses and enhance operational efficiencies in response to the budget deficit that is forecasted for 2021-2022.

As you are aware, at the December 16, 2020 meeting, the JFTF recommended that UBC and UBCPT continue financial support for the UNA in 2021-2022. Specifically, UBC and UBCPT have been asked to provide financial support in the form of:

1. A reduction in the UBC Athletics Access Fee from 15% to 7.5% of the Neighbours' Levy;
2. UBCPT Fire Service Landscaping Credits amounting to \$330,000; and
3. The elimination of fees for residents of the UBC neighbourhoods who have a UNA card to enter the Museum of Anthropology and the Botanical Gardens and the elimination of a charge for UBC Library cards for qualifying residents, which support is assigned a value of \$30,000.

In addition to this support, UBC is being asked to allow the UNA to carry over the UNA's 2020-2021 surplus to partially fund the 2021-2022 anticipated deficit rather than transferring the surplus to a reserve account or paying the surplus to UBC.



UBC confirms that the UNA's 2020-2021 surplus may be retained by the UNA and that the financial support described in points 1 to 3 above will be provided. Furthermore, UBC will not reimburse itself from the Neighbours' Fund for administering the Services Levy and conducting an audit of the fund for its 2021-2022 fiscal year.

In return for this support, the UNA agrees to pay UBC the amount by which the UBC Athletics Access Fee is reduced, subject to the adjustment described below, plus \$3,286 (which equals the \$30,000 value assigned to the elimination of fees referred to in point 3 above minus the requested reimbursement referred to in the next paragraph) (the "Debt"). The Debt is due at the end of the UNA's earliest fiscal year for which it is reasonable to conclude that payment of the Debt in full would not result in the UNA incurring a deficit for the year or increase the amount of a deficit that would otherwise be incurred. In lieu of paying the Debt, the UNA may agree that UBC can withdraw the amount of the Debt from the Neighbours' Fund, in which case the Debt is extinguished. Simple interest will accrue on the Debt each fiscal year of the UNA, at the prime lending rate of UBC's principal bank determined at the end of the year. UBC will forgive (i) the interest for each fiscal year before the fiscal year in which the Debt becomes due, and (ii) if the Debt is paid or the UNA agrees to a withdrawal from the Neighbours' Fund no later than two months after the end of fiscal year in which the Debt becomes due, all outstanding accrued interest.

In its letter to UBC dated August 12, 2020, the UNA requested reimbursement for \$26,714 paid by the UNA to the Museum of Anthropology and the Botanical Gardens in respect of access fees for residents. This reimbursement is being provided by being subtracted above in determining the amount that the UNA is required to pay UBC. (The amount of \$30,462 stated in the letter is incorrect and has been adjusted to reflect a total of \$16,215 paid to the Museum of Anthropology and \$10,499 paid to the Botanical Gardens.)

With the acute financial pressures addressed, the JFTF will shift focus to the long-term financial health of the UNA, including the 5-year plan. In particular, the JFTF will discuss options to limit or decrease the significant expenses of the UNA to address the future deficits projected by the model. In addition, the JFTF will review the basis for determining the UBC Athletics Access Fee. If a new basis is recommended by the JFTF and accepted by UBC and the UNA, and the new basis would produce a UBC Athletics Access Fee for the UNA's 2021-2022 fiscal year that is less than 15% of the Neighbours' Levy, that lower fee will be used in determining the amount by which the UBC Athletics Access Fee for 2021-2022 has been reduced.

Once the JFTF recommendations have been implemented, we expect the UNA will be in a better financial position. These are all positive steps to securing the financial health of the UNA for the benefit of residents and other stakeholders.

Thank you for the UNA's commitment to continue this collaboration. To confirm the UNA's agreement with the foregoing, please sign below.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Peter Smailes'.

Peter Smailes
Vice-President, Finance & Operations, The University of British Columbia



Acknowledged and agreed to on behalf of the University Neighbourhoods Association the ____ day of _____, 2021 by:

Richard Watson, Chair University Neighbourhoods Association



Report Date: May 31, 2024
Meeting Date: June 18, 2024
From: Wegland Sit, Operations Manager
Subject: 2024-25 Insurance Renewal Update

Background

The UNA insurance coverage comes up for its annual renewal on July 1 while the quote for the insurance premiums is expected to be available by mid-June. This report is intended to provide a high-level estimate of the 2024-25 renewal based on the most up-to-date insurance broker estimation.

Decision Requested

THAT the Board authorize the Chief Administrative Officer to agree on behalf of the UNA to the insurance coverages for the period July 1, 2024 to June 30, 2025.

Discussion

The UNA procures insurance on an annual basis from July 1 to June 30 of the following year.

The following insurance policies are set to expire on June 30, 2024:

- Commercial General Liability
- Property All Risk
- Abuse Liability

The Directors and Officers insurance policy is still effective until June 30, 2025. No action concerning this insurance policy is required at this time.

As noted earlier in this report, the timing for the renewal is awkward. The UNA normally receives a confirmation of the insurance renewal premiums after the June Board meeting. This means that confirming the insurance renewal takes place during the intervals between Board meetings. However, to agree to the insurance renewal plan, the Board has to approve it.

To address the timing issue, last year, the Board authorized the Chief Administrative Officer to agree on behalf of the UNA to the insurance coverages for the upcoming year.

For the 2024 Abuse Coverage, our broker mentioned there are very few insurers still offering Abuse Liability. In addition, due to the increased number of volunteers (increased by over 200% due to increased engagement and a better tracking system),

the insurance broker indicated that the additional volunteers will likely trigger an increase in the Abuse Coverage.

For 2024 Property Content insurance, the replacement value of office content has increased due to the recent price inflation, new equipment purchased for the renovation in Old Barn Community Centre and Old Barn Fitness Centre, and finally the audio-video equipment enhancement across all offices and facilities in 2023-24.

To address future cyber security concerns, the UNA has requested a quote for Cyber Security coverage to review.

Insurance	Coverage	2023-24 Premium	Estimated Change (%)	2024-25 Premium Estimate
Commercial General Liability	\$10M Coverage \$10,000 Deductible	\$108,727.02	5-7% increase	\$114,160 - \$116,330
Abuse Coverage	\$1M Coverage \$50,000 Deductible	\$41,000	10% increase The estimated 10% increase does not take into account of the increased in volunteers.	\$45,100
Directors and Officers	\$2M Coverage \$10,000 Deductible	\$2,750	No change.	\$2,750
Property - Contents Insurance	Coverage as per values provided \$2500 Deductible Earthquake 10%	\$6,021	Flat Adjustment due to increase in content value. Reno and new IT equipments. Approximate 10% increase in content value.	\$6,700
Property – Building Insurance	\$10,000 Deductible 10% Earthquake	\$56,256	15% increase	\$64,694



Financial Implications

For 2024-2025, the UNA budgeted \$225,000 to cover the cost of insurance premiums.

The estimated total amount for insurance is as follows:

Insurance	Provider	Premium
Commercial General Liability	AXA	\$116,330
Abuse	Beazley	\$45,100
Property Building	UCIPP	\$64,694
Property Contents	Aviva	\$6,700
Directors and Officers	Trisura	\$2,750
Estimated Total:		\$235,574

Operational Implications

None.

Strategic Objective

Governance

Attachments

None.

Concurrence

1. Athena Koon, Finance Manager

Respectfully submitted,

Wegland Sit
Operations Manager



UNIVERSITY
NEIGHBOURHOODS
ASSOCIATION

**UNA BOARD MEETING
OPEN SESSION**

A handwritten signature in black ink, appearing to read 'Paul Thorkelsson', is written over a horizontal line.

Paul Thorkelsson
Chief Administrative Officer



Report Date: May 27, 2024
Meeting Date: June 18, 2024
From: Chris Hakim, Corporate Services Specialist
Subject: 2024 UNA Bylaw Amendments Report

Background

In April 2024, the Board directed staff to draft the bylaw amendments (in consultation with legal counsel) and policy statements that implement a byelection and appointment process. In May 2024, the Governance & Human Resources Committee recommended that few of the details of the process be implemented in the UNA Bylaws and give the Board discretion to determine the remaining details in the form of a policy.

This report details the draft bylaw amendments related to the byelection and appointment process, and other minor changes.

Decision Requested

THAT the Board seek approval at the 2024 UNA Annual General Meeting for the proposed amendments to the UNA Bylaws, as circulated.

Discussion

Based on the Committee's feedback at its May 2024 meeting, a set of bylaw amendments have been drafted to implement a byelection and appointment process. In addition to allowing for byelections to be held, these amendments would ensure that appointments to the Board follow the neighbourhood representation limit.

This set of bylaw amendments also addresses three other minor items:

- the cessation of a Director's term;
- the annual amount of the stipend for directors and the Chair for 2024; and
- the UBC Members' participation in and access to documents prepared for Board meetings.

Under the current UNA Bylaws, the only event that would not result in a person ceasing to be a Director is ceasing to be a UNA Member. For example, if a Director changed their residence to outside of the neighbourhoods, they would no longer be a UNA Member. However, that Director could maintain their position. The proposed bylaw



amendments include a list of events that would result in a Director ceasing to hold office, notably, if they were to cease to be a member.

The current UNA Bylaws details the annual amount of the stipend for directors and the Chair for 2023. The proposed bylaw amendments update the annual amounts to its 2024 calculation.

With the Neighbours Agreement 2024 negotiations underway, UBC has agreed to proposed changes related to the UBC Members' participation in and access to documents prepared for Board meetings in the new agreement. These rights are also contained in the UNA Bylaws. The proposed bylaw amendments are intended to reflect the revised provisions that the UNA and UBC have agreed to include in the new agreement.

Next Steps

If the Board decides to seek approval for these amendments at the upcoming 2024 UNA Annual General Meeting, staff can prepare a policy that contains the details of the byelection and appointment process. The goal would be to have that policy ready to take effect once the proposed bylaw amendments have been approved.

Financial Implications

None.

Operational Implications

None.

Strategic Objective

Governance

Attachments

1. Draft Amendments to UNA Bylaws – Clean Version
2. Draft Amendments to UNA Bylaws – Redlined Version



UNIVERSITY
NEIGHBOURHOODS
ASSOCIATION

**UNA BOARD MEETING
OPEN SESSION**

Concurrence

None.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Chris Hakim', written over a horizontal line.

Chris Hakim
Corporate Services Specialist

A handwritten signature in black ink, appearing to read 'Paul Thorkelsson', written over a horizontal line.

Paul Thorkelsson
Chief Administrative Officer

Amendments to UNA Bylaws

The following amendments are made to the Bylaws of the University Neighbourhoods Association:

1. The heading to Bylaws 5.1 to 5.20 is replaced by “GENERAL ELECTION OF DIRECTORS”.

2. Bylaw 6.4 is renumbered as Bylaw 6.3.

3. Bylaw 6.5 is replaced by the following:

6.5 A Director ceases to hold office when any of the following occurs:

- (a) the Director’s term of office expires;
- (b) the Director resigns in accordance with the *Societies Act*;
- (c) the Director ceases to be qualified under the *Societies Act* to be a director of a society;
- (d) the Director ceases to be a member; or
- (e) the Director is removed from office in accordance with Bylaw 6.8.

4. Bylaw 6.6 is renumbered as Bylaw 6.4 and amended to read as follows:

6.4 A person elected as a director in a general election or a byelection holds office for a term that

- (a) commences at the start of the first Board meeting after the last day of the voting period for the election or byelection, and
- (b) ends at the start of the first Board meeting after the last day of the voting period for the next general election of directors.

5. The following Bylaw 6.6 is added:

6.6 If at any time there are fewer than 7 Directors, the Board may require the Association to hold a byelection to fill the vacancies. The following provisions apply with respect to a byelection:

- (a) Bylaws 5.2 and 5.15 to 5.19 apply with respect to the byelection.
- (b) Subject to clause (a), the Board shall establish the rules and procedures for the byelection.

6. Bylaw 6.7 is replaced by the following:

6.7 If at any time there are fewer than 7 Directors, the Board may appoint a Resident Member to fill a vacancy. The following provisions apply with respect to an appointment:

- (a) The Board shall not appoint a person to fill a vacancy if the appointment of that person would result in more than 3 Directors who reside in a particular Local Area or Designated Building.
- (b) The term of office of a person who is so appointed commences on the day specified by the Board and ends at the start of the first Board meeting after the last day of the voting period for the next general election of directors.

7. Bylaw 6.12 is replaced by the following:

6.12 The annual amount of the stipend for 2024 is \$7,216 for service as a director other than the Chair and \$10,824 for service as the Chair. The annual amount of the stipend for each subsequent year shall be determined by multiplying the annual amount of the stipend for the preceding year by the ratio of the Consumer Price Index for that preceding year to the Consumer Price Index for the year that is two years preceding. For this purpose, the Consumer Price Index for a year is the annual average all-items Consumer Price Index for the year for British Columbia, not seasonally adjusted, as determined by Statistics Canada.

8. Bylaw 6.19 is replaced by the following:

6.19 A term as a director served by a member who has been appointed to fill a vacancy or elected in a byelection (other than a member appointed or elected within 6 months after the last day of the voting period for a general election of directors) shall not be counted as a term for the purposes of Bylaw 6.17.

9. Bylaw 6.20 is deleted.

10. The portion of Bylaw 8.2 before clause (a) thereof is replaced by the following:

8.2 The Board may exclude the UBC Members from attending the portion of a closed or restricted closed session of a Board meeting that involves consideration of a matter for which it can reasonably be concluded that UBC may be adverse in interest to the Association, but only if the UBC Members are

11. Bylaws 8.6 and 8.7 are replaced by the following:

8.6 The Association shall provide the UBC Members with reasonable notice of all Board meetings and with all documents prepared for Board meetings, except

- (a) documents relating to any matter for which the Chair (or a delegate of the Chair) reasonably believes that UBC will be adverse in interest to the Association and anticipates that a Board motion excluding the UBC Members will be adopted if the UBC Members do not recuse themselves; and

- (b) the minutes of a closed session or restricted closed session of a Board meeting from any portion of which the UBC Members were excluded by a Board motion or recused themselves, or that they did not attend after the UNA complied with Bylaw 8.2 in respect of a matter to be considered in the session.

8.7 If a motion to exclude the UBC Members from the consideration of a matter in respect of which the Association complied with Bylaw 8.2 is made but not adopted, the Association shall give the UBC Members the documents relating to the matter.

Amendments to UNA Bylaws

The following amendments are made to the Bylaws of the University Neighbourhoods Association:

1. The heading to Bylaws 5.1 to 5.20 is replaced by “GENERAL ELECTION OF DIRECTORS”.

The current heading is “ELECTION OF DIRECTORS”. The word “GENERAL” is added because the bylaws are not for byelections (except to the extent made applicable by proposed Bylaw 6.6).

2. Bylaw 6.4 is renumbered as Bylaw 6.3.

There is currently no Bylaw 6.3.

3. Bylaw 6.5 is replaced by the following:

6.5 A Director ceases to hold office when any of the following occurs:

- (a) the Director’s term of office expires;
- (b) the Director resigns in accordance with the *Societies Act*;
- (c) the Director ceases to be qualified under the *Societies Act* to be a director of a society;
- (d) the Director ceases to be a member; or
- (e) the Director is removed from office in accordance with Bylaw 6.8.

Bylaw 6.5 provides that a person ceases to be a director when the person ceases to be qualified under the *Societies Act* to be a director.

The proposed replacement for Bylaw 6.5 lists all the events that result in a person ceasing to be a director. The only event that, under the current Bylaws, would not result in a person ceasing to be a director is ceasing to be a UNA member (e.g., because the person has moved away from the UBC neighbourhoods). This is an unintended gap in the current Bylaws.

4. Bylaw 6.6 is renumbered as Bylaw 6.4 and amended to read as follows:

- 6.4 A person elected as a director in a general election or a byelection holds office for a term that
- (a) commences at the start of the first Board meeting after the last day of the voting period ~~set by the Board under Bylaw 5.3(e)~~ for the election or byelection, and
 - (b) ends at the start of the first Board meeting after the last day of the voting period ~~set by the Board under Bylaw 5.3(e)~~ for the next general election of directors.

Bylaw 6.6 specifies the start and end of the term of office of a person who is elected as a director. This bylaw is renumbered as Bylaw 6.4 and is revised so that it applies with respect to both general elections and byelections.

5. The following Bylaw 6.6 is added:

6.6 If at any time there are fewer than 7 Directors, the Board may require the Association to hold a byelection to fill the vacancies. The following provisions apply with respect to a byelection:

- (a) Bylaws 5.2 and 5.15 to 5.19 apply with respect to the byelection.
- (b) Subject to clause (a), the Board shall establish the rules and procedures for the byelection.

Proposed Bylaw 6.6 permits the Board to call a byelection to fill vacancies on the Board. It makes certain general election provisions applicable to byelections and leaves it to the Board to establish the remainder of the rules and procedures for a byelection.

The Board intends to adopt a byelection and appointment policy setting out when it will call a byelection to fill a vacancy, when it will fill a vacancy by appointing a new director as permitted by Bylaw 6.7, and when it will leave the vacancy unfilled. The policy will also set out the rules and procedures for a byelection.

The general election provisions that are made applicable to byelections are the following:

- Voting must take place online, using a secure voting system approved by the Board. (Bylaw 5.2)
- The UNA's Chief Administrative Officer is responsible for the conduct of the byelection, except to the extent that the Board has appointed another person to be responsible. (Bylaw 5.15)
- The nominees who receive the larger number of votes are elected, with a tie-breaker rule. (Bylaws 5.16 and 5.17)
- As an exception to the previous provision, the byelection cannot result in there being more than 3 directors from a Neighbourhood or Designated Building unless this restriction would prevent all vacancies being filled. (Bylaws 5.18 and 5.19)

6. Bylaw 6.7 is replaced by the following:

6.7 If at any time there are fewer than 7 Directors, the Board may appoint a Resident Member to fill a vacancy. The following provisions apply with respect to an appointment:

- (a) The Board shall not appoint a person to fill a vacancy if the appointment of that person would result in more than 3 Directors who reside in a particular Local Area or Designated Building.
- (b) The term of office of a person who is so appointed commences on the day specified by the Board and ends at the start of the first Board meeting after the last day of the voting period for the next general election of directors.

Bylaw 6.7 permits the Board to fill a vacancy on the Board by appointing a new director. It reads as follows:

6.7 The Board may, from time to time, appoint a Resident Member as a Director to fill a vacancy. The term of office of a Resident Member so appointed commences on the day specified by the Board and ends at the start of the first Board meeting after the last day of the voting period set by the Board under Bylaw 5.3(c) for the next election of directors.

Proposed Bylaw 6.7 differs from the current bylaw in the following ways:

- The opening words are made consistent with proposed Bylaw 6.6.
- It prohibits the Board from appointing a person to fill a vacancy if the appointment would result in there being more than 3 directors from a Neighbourhood or Designated Building.

The byelection and appointment policy referred to in the notes to proposed Bylaw 6.6 will include the Board's procedure for selecting a person to be appointed to fill a vacancy.

7. Bylaw 6.12 is replaced by the following:

6.12 The annual amount of the stipend for ~~2023 is \$6,944~~2024 is \$7,216 for service as a director other than the Chair and ~~\$10,416~~\$10,824 for service as the Chair. The annual amount of the stipend for each subsequent year shall be determined by multiplying the annual amount of the stipend for the preceding year by the ratio of the Consumer Price Index for that preceding year to the Consumer Price Index for the year that is two years preceding. For this purpose, the Consumer Price Index for a year is the annual average all-items Consumer Price Index for the year for British Columbia, not seasonally adjusted, as determined by Statistics Canada.

The 2023 stipends are replaced with the stipends for 2024, which are equal to the 2023 stipends increased for inflation.

8. Bylaw 6.19 is replaced by the following:

6.19 A ~~partial~~ term as a director served by a member who has been appointed to fill a vacancy or elected in a byelection (other than a member appointed or elected after 2020 and within 6 months after the last day of the voting period forend of a general election of directors) shall not be counted as a term for the purposes of Bylaw 6.17.

Bylaw 6.19 excludes from the two-term limit in Bylaw 6.17 a term served by a person as a director if the person was appointed more than 6 months after the last general election. This bylaw is amended to extend its application to a person elected in a byelection more than 6 months after the last general election.

9. Bylaw 6.20 is deleted.

Bylaw 6.20 provides that a Director may resign in accordance with the *Societies Act*. This is an unnecessary bylaw since the resignation section in that Act operates without being invoked by a society's bylaws.

10. The portion of Bylaw 8.2 before clause (a) thereof is replaced by the following:

8.2 The Board may, ~~by resolution,~~ exclude the UBC Members from attending the portion of a closed or restricted closed session of a Board meeting that involves consideration of a matter for which it can reasonably be concluded that UBC may be adverse in interest to the Association, but only if the UBC Members are

The words "by resolution" are deleted because it is not necessary to specify how the Board acts.

11. Bylaws 8.6 and 8.7 are replaced by the following:

8.6 ~~Subject to Bylaw 8.7, t~~The Association shall provide the UBC Members with reasonable notice of all Board meetings and with all documents prepared for Board meetings, except

- (a) documents relating to any matter for which the Chair (or a delegate of the Chair) reasonably believes that UBC will be adverse in interest to the Association and anticipates that a Board motion excluding the UBC Members will be adopted if the UBC Members do not recuse themselves; and
- (b) the minutes of a closed session or restricted closed session of a Board meeting from any portion of which the UBC Members were excluded by a Board motion or recused themselves, or that they did not attend after the UNA complied with Bylaw 8.2 in respect of a matter to be considered in the session.

8.7 ~~Bylaw 8.6 does not apply with respect to documents relating to any matter for which the Chair (or a delegate of the Chair), reasonably believes that UBC will be adverse in interest to the Association and anticipates that a Board resolution excluding the UBC Members will be adopted. If the Board does not exclude the UBC Members from attending when the matter is considered, they shall be given~~If a motion to exclude the UBC Members from the consideration of a matter in respect of which the Association complied with Bylaw 8.2 is made but not adopted, the Association shall give the UBC Members the documents relating to the matter.

Bylaw 8.6 requires the UNA to provide UBC Members with reasonable notice of all Board meetings and with the documents prepared for the meetings. Bylaw 8.7 excludes from this requirement documents relating to any matter for which it is believed that UBC will be adverse in interest to the UNA, if the UNA Chair (or a delegate) believes that the Board will exclude the UBC Members from the discussion of the matter. If the Board does not exclude the UBC Members, they are to be given the withheld documents.

Amendments to these bylaws are proposed to bring them into alignment with revised provisions that UBC and the UNA have agreed will be included in the new Neighbours Agreement that is under negotiation.

The amendments do the following:

- Move the exclusion for documents from Bylaw 8.6 to Bylaw 8.7.
- Add an exclusion for the minutes of a closed session or restricted closed session of a Board meeting if the UBC Members were excluded by a Board motion from attending a portion of the session, they recused themselves from attending a portion of the session, or they did not attend after the UNA complied with the notice requirement for their exclusion.
- Recognize the practice of UBC Members recusing themselves from discussions instead of being excluded by the Board, or not attending when they have been given notice that a motion will be made to exclude them from a discussion.