

THIS LEASE, made as of the 1st day of January 1995.

B E T W E E N

THE CORPORATION OF THE TOWN OF PELHAM
(hereinafter referred to as the "Landlord")

OF THE FIRST PART;

- and -

CANADA POST CORPORATION
(hereinafter referred to as the "Tenant")

OF THE SECOND PART.

WHEREAS the Landlord is the registered owner of the land shown on the Plan attached hereto as Schedule "A", situate in the Town of Pelham, in the Regional Municipality of Niagara, in the Province of Ontario.

AND WHEREAS the Tenant has installed a Postal Kiosk on the aforesaid land having a dimension of approximately 5.5 metres by 5.5 metres in the location shown outlined in red on the attached Schedule "A".

1. DEMISE

Now therefore witnesseth that the Landlord hereby demises and leases unto the Tenant, and the Tenant hereby leases from the Landlord, the Premises for the term and subject to the provisions of this Lease, together with the right in common with all others entitled thereto, of ingress to and egress from the Premises and upon the Adjacent Lands for the Tenant's employees, servants, agents, customers and invitees.

2. TERM

To have and to hold the Premises for and during the term of Five (5) years, to be computed from the First (1st) day of January, 1995 and from thenceforth next ensuing and fully to be complete and ended on the Thirty-first (31st) day of December 1999, (the "Term").

3. RENT

Yielding and paying therefore the sum of One Dollar (\$1.00) for the whole of the Term hereby created (the "Rent"), the receipt and sufficiency thereof is hereby acknowledged.

4. TENANT'S COVENANTS

The Tenant covenants with the Landlord:

a) to pay rent.

5. LANDLORD'S COVENANTS

a) for quiet enjoyment; and

b) to allow for the maintenance, if required, of the hydro cable to the said Kiosk. All wiring has been installed underground and is in accordance with Hydro Electric Power Corporation standards.

6. PERMITTED USE

The Premises shall be used for the erection, installation, maintenance and operation of a postal kiosk or kiosks for the collection and distribution of mail and postal products, and for such ancillary services related thereto which the Tenant may from time to time reasonably require (the "permitted use").

7. REMOVAL OF KIOSK

The Landlord acknowledges that the kiosk is the property of the Tenant, and that the Tenant may remove same at any time during or at the expiration of the Term hereof or any extension thereof and that the Tenant shall restore the land to its original condition as reasonably possible.

8. ASSIGNMENT AND SUBLEASE

This Lease may not be assigned without the written consent of the Minister. The Tenant may assign this Lease or sublet the whole or any portion of the Premises to a corporation, subsidiary, individual or firm designated by the Tenant as having responsibility for the collection and/or delivery of mail without the consent of the Landlord, provided that the Tenant shall give notice to the Landlord of such assignment or sublease.

9. NOTICES

Any notice herein required or permitted to be given by either party to the other shall be in writing and shall be delivered or sent by registered mail or telegram or other means of prepaid recorded communication to the applicable address set forth below:

a) in the case of the Landlord, to:
 The Corporation of the Town of Pelham
 P.O. Box 400
 Pelham Municipal Building
 20 Pelham Town Square
 Fonthill, Ontario
 L0S 1E0

b) in the case of the Tenant, to:
 Canada Post Corporation
 Real Estate
 2701 Riverside Drive
 Suite E0920
 Ottawa, Ontario
 K1A 0B1

and to:

Manager, Real Property Consulting Group
 Real Estate Division
 Public Works and Government Services Canada
 4900 Yonge Street
 Willowdale, Ontario
 M2N 6A6

Any notice delivered shall be deemed to have been validly and effectively given on the day of such delivery. Any notice sent by registered mail shall be deemed to have been validly and effectively given on the third business day following the date of mailing. Any notice sent by telegram or other means of prepaid recorded communication shall be deemed to have been validly and effectively given on the business day next following the day on which it was sent.

10. LEASE IS COMPLETE AGREEMENT

This Lease contains all of the terms and conditions of the agreement between the Landlord and the Tenant relating to the matters herein provided and supersedes all previous agreements or representations of any kind, written or verbal, made by anyone in reference thereto. There shall be no amendment hereto unless in writing and signed by the party to be bound.

11. SCHEDULES

The Schedule to this Lease forms a part of this Lease.

12. MEMBERS OF THE HOUSE OF COMMONS

No member of the House of Commons shall be admitted to any share or part of this Lease or to any benefit to arise therefrom.

13. BENEFIT AND BINDING

This Lease shall enure to the benefit of and be binding upon the parties hereto, their successors and assigns.

14. INDEMNIFICATION

The Landlord shall indemnify and save harmless the Tenant from and against all claims, actions, causes of action, loss, damage, expense and costs whatsoever, made by any person, arising out or resulting directly or indirectly, and whether by reason of negligence or otherwise, from the performance by the Landlord of any of its covenants under the Lease, any default of the Landlord in the performance of its covenants under this Lease, and the remedying of such default by the Landlord, by the Tenant or by any other person.

The Tenant shall indemnify and save harmless the Landlord from and against all claims, actions, causes of action, loss, damage, expense and costs whatsoever, made by any person, arising out of or resulting directly or indirectly, and whether by reason of negligence or otherwise, from the performance by the Tenant of any of its covenants under the lease, any default of the Tenant in the performance of its covenants under this lease, and the remedying of such default by the Landlord, by the Tenant or by any other person.

15. ENVIRONMENTAL INDEMNIFICATION

Notwithstanding anything herein to the contrary, the Landlord shall indemnify and save the Tenant harmless against and from any and all liabilities, obligations, damages, penalties, claims, costs (including compliance and clean-up costs), charges, expenses and disbursements (including, without limitation, fees and expenses of attorneys, expert witnesses, engineers and other consultants) which may be imposed upon, incurred by or asserted against the Tenant by reason of any environmental contamination of the Premises caused by the Landlord or its employees, agents, invitees or any previous tenants or occupants. The Tenant shall indemnify and save the Landlord harmless against and from any and all liabilities, obligations, damages, penalties, claims, costs (including compliance and clean-up costs), charges, expenses and disbursements (including, without limitation, fees and expenses of attorneys, expert witnesses, engineers and other consultants) which may be imposed upon, incurred by or asserted against the Landlord by reason of any environmental contamination of the Premises by the Tenant or its employees, agents or invitees.

16. TIME

Time shall be of the essence of this Lease.

17. NUMBER AND GENDER

The words "his", "her", "it", "its", and "their" shall be read and construed as the number and gender of the party or parties referred to in each case as required and the number of the verb agreeing therewith shall be considered as agreeing with the said word or pronoun so substituted.

18. HEADINGS AND TITLES

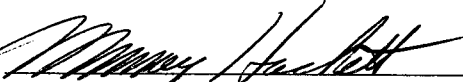
The articles, section headings and titles of this Lease form no part of it and are inserted for convenience only.

IN WITNESS WHEREOF the parties hereto have duly executed this Lease as of the date first above written.

LANDLORD

THE CORPORATION OF THE TOWN OF PELHAM


Per: 
MAYOR RALPH BEAMER

Per: 
CLERK MURRAY HACKETT

TENANT

CANADA POST CORPORATION

By: its agent, Her Majesty the Queen in right of Canada as represented
by the Minister of Supply and Services and of Public Works

Per: 
Bill Shimbashi
Associate Manager
Real Property Consulting Group
Real Estate Division
Ontario Region

