

SUBLEASE AGREEMENT FOR FRANCHISE

(ALBERTA)

THIS LEASE dated effective the ___ day of _____, _____.

BETWEEN:

NAME OF SUBLANDLORD

a corporation duly incorporated under the laws of _____
(the "Sublandlord")

- and -

NAME OF SUBTENANT

a corporation duly incorporated under the laws of _____
(the "Subtenant")

-and-

GUARANTOR

an individual resident in _____ OR a corporation duly incorporated under the
laws of _____
(the "Guarantor")

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THIS SUBLEASE made in duplicate and dated for reference the _____ day of _____, _____.

BETWEEN:

(Company Name)

a corporation incorporated under the laws of Canada, and having its head office at
(insert office address)

(hereinafter called the "Sublandlord")

OF THE FIRST PART

AND:

(Company Name)

a corporation incorporated under the laws of Alberta, and having its registered and
records office at
(insert office address)

(hereinafter called the "Subtenant")

OF THE SECOND PART

AND:

(Owner(s) Name)

of _____ (insert address)

(hereinafter called the "Guarantor")

OF THE THIRD PART

WHEREAS:

- A. By a lease dated _____ between _____ as Landlord (the "Landlord") and Sublandlord as tenant, ("the "Lease"), the Sublandlord leased ALL AND SINGULAR those certain premises known as _____ (insert address), and more particularly described in the lease (the "Premises") for a term, at a rent and subject to the terms and conditions as set forth in the Lease;
- B. The Sublandlord has agreed to grant to the Subtenant a sublease of the Premises on the terms stated in this Sublease but subject nevertheless to the terms of the Lease.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration passing between and amongst the parties hereto, the receipt and adequacy of which is hereby acknowledged by all parties, and in consideration of the premises, payments and covenants hereinafter set forth, the parties hereto covenant and agree as follows:

ARTICLE I - DEFINITIONS

1.01 Defined Terms

In this Sublease:

"Premises" shall have the meaning given in the preamble to this Sublease and shall also include all alterations, expansions, additions, or relocations from time to time which may be made pursuant to the Lease;

"Tenant's Improvement" or "Tenant's Improvements" means any leasehold improvement to the Premises effected by or on behalf of the Landlord, Sublandlord, or Subtenant for the benefit of either the Sublandlord or Subtenant or both of them;

"Term" means the term of this Sublease as stipulated in Article 3.01;

"Unavoidable Delay" means a delay in performance of an act or compliance with a covenant caused by fire, strike, lockout, inability to procure material, restrictive laws or governmental regulations or other cause of any kind beyond the reasonable control of the party obliged to perform or comply, excepting a delay caused by lack of funds or other financial reason.

ARTICLE II - STRUCTURE AND DOCUMENT INTERPRETATION

2.01 Number and Gender

The necessary grammatical changes required to make the provisions of this Sublease apply in the plural sense where the Subtenant comprises more than one entity and to corporations, associations, partnerships, or individuals, males or females, in all cases will be assumed as though in each case fully expressed.

2.02 Headings and Captions

The table of contents, article numbers, section numbers, and section headings are inserted for convenience of reference only and are not to be considered when interpreting this Sublease.

2.03 Obligations as Covenants

Each obligation of the Sublandlord or the Subtenant expressed in this Sublease, even though not expressed as a covenant, is considered to be a covenant when interpreting this Sublease.

2.04 Entire Agreement

This Sublease contains all the representations, warranties, covenants, agreements and conditions and understandings between the Sublandlord and the Subtenant concerning the Premises or the subject matter of this Sublease.

2.05 Governing Law

This Sublease will be interpreted under and is governed by the laws of the Province of Alberta.

ARTICLE III - PREMISES, TERM, RENT AND ADDITIONAL RENT

3.01 The Premises and Term

The Sublandlord does hereby demise and sublease the Premises unto the Subtenant TO HAVE AND TO HOLD for and during a term which shall commence on the day the term commences under the Lease, and which shall end _____ (*insert date*).

3.02 Acknowledgement of Lease

- (a) The Subtenant acknowledges, represents and warrants to the Sublandlord that it has been provided with a copy of the Lease and that the Subtenant has read and understood the terms and provisions of the Lease. In the event that the Lease imposes certain conditions before the Sublandlord shall have the right to sublet the Premises to the Subtenant, then the execution of this Sublease shall create only a month to month tenancy between the parties and the terms and conditions of this Sublease shall apply *mutatis mutandis* until such conditions imposed by the Lease are met.