

*The Commercial Sublease Example is intended to be used as a model document and provides an example of the content and form used commonly in documents of this type. Please note that this document should be used as a sample only and may not be suitable for use in all situations. Artscape recommends that anyone intending to use this document seek the advice of legal counsel.*

## **SUBLEASE**

**This Sublease is made as of the first day of XXXX, 20XX between:**

**XXXX (the “Landlord”)**

**of the first part**

**- and -**

**XXXX (the “Tenant”)**

**of the second part**

In consideration of the rents, covenants and agreements herein contained, the Landlord and the Tenant agree as follows:

### **ARTICLE I** **SUMMARY**

#### **1.01 Sublease Summary**

The following contains the most important terms of this Sublease. They should be read in conjunction with the balance of this Sublease to understand all of the responsibilities and rights of the parties.

- (a) **Business Name** of the Tenant: **XXXX**
- (b) **Premises:** means approximately **XXXX** usable square feet on the **XXXX** floor of the Complex described in **Schedule “A”, Studio XXXX**, which is leased to the Tenant. The square footage of the Premises is determined using BOMA (Building Owners and Managers Association) Standards. Measurements are taken from the centerline of the Premises interior walls to the exterior face of the exterior walls of the Premises. The Premises are for the sole and exclusive use of the Tenant during the Term subject to the terms and conditions of this Sublease.

- (c) **Rentable Area of the Premises:** is currently assessed at **XXXX** square feet and being the aggregate of approximate square footage of the Premises, and the Tenant's proportionate share of the Common Areas. In no event shall the total Rentable Area of the Premises be greater than **XXXX** square feet during the term of this sublease.
- (d) **The Complex:** means the **XXXX**, the lands and buildings known municipally as **XXXX** Street, Toronto. **Schedule B** sets out the legal description of such lands. The name of the Complex must be included as part of the physical address of the Tenant, for the purposes of mail delivery or advertising.
- (e) **Term:** **XXXX** years and **XXXX** months commencing on the Commencement Date and ending on **XXXX, 20XX**. The Term may be extended subject to the options to renew described in this Sublease.
- (f) **Commencement Date:** The Commencement Date will be **XXXX, 20XX**.
- (g) **Rent:** Means all payments required to be made by the Tenant under this Sublease including, without limitation, Base Rent and Additional Rent: Base Rent being **XXXX** dollars and **XXXX** cents (**\$XX.XX**) per annum per square foot of the Rentable Area of the Premises, increasing each year on **January 1<sup>st</sup>** by the greater of:
- i) **XX%** of the previous year's basic rent, or
  - ii) The percentage increase in the CPI for the preceding calendar year.

Plus an estimated (see section 4.03) **XXXX** dollars and **XXXX** cents (**\$X.XX**), per annum per square foot of the Rentable Area of the Premises as additional rent for those costs set out in section 4.03.

- (h) **Security Deposit:** The Security Deposit, equal to one month's Rent, shall be held by Landlord without liability for interest and as security for the performance by Tenant of Tenant's covenants and obligations under this Lease, it being expressly understood that the Security Deposit shall not be considered an advance payment of rental or a measure of Landlord's damages in case of default by Tenant. Unless otherwise provided by mandatory non-waivable law or regulation, Landlord may commingle the Security Deposit with Landlord's other funds. Landlord may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of rent or to satisfy any other covenant or obligation of Tenant hereunder. Following any such application of the Security Deposit, Tenant shall pay to Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. If Tenant is not in default at the termination of this Lease, the balance of the Security Deposit remaining after any such application shall be returned by Landlord to Tenant. If Landlord transfers its interest in the Premises during the term of this Lease, Landlord may

assign the Security Deposit to the transferee and thereafter shall have no further liability for the return of such Security Deposit.

- (i) **Termination:** The Tenant may terminate this Lease on a day which is the last day of a month upon giving **XX** days' written prior notice to the Landlord.
- (j) **Use of the Premises:** The Tenant shall use the Premises as **XXXX**. All uses of the space and related programming within the Premises shall conform to the terms of the Headlease and municipal regulations. The premises are not to be used for lodging.
- (k) **Address for Service of Notice on the Tenant:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- (l) **Address for Service of Notice on Landlord:**  
**XXXX**

**ARTICLE II**  
**INTERPRETATION**

**2.01 Definitions**

In this Sublease:

“**Additional Rent**” is defined in Section 4.03.

“**Capital Repairs**” are those repairs related to Capital as defined by G.A.A.P. (Generally Accepted Accounting Principles).

“**Capital Reserve Fund**” means the monies deposited in the name of the Landlord pursuant to Section 4.05.

“**The Complex**” means the **XXXX**, the lands and buildings known municipally as **XXXX**, Toronto. **Schedule B** sets out the legal description of such lands.

“**CPI**” means the Consumer Price Index for all items as published for the city of Toronto by Statistics Canada or any and all of its successors.

“**Expiration Date**” is **XXXX, 20XX**.

“**GST/HST Taxes**” means all goods and services taxes, sales taxes, value added taxes, business transfer taxes or any other taxes imposed on or with respect to Rents under this Sublease or in

respect of the Rentable Area of the Premises whether characterized as goods and services taxes, sales tax, value added tax, business transfer tax or otherwise.

**“Headlease”** means the lease between the **XXXX** as Headlandlord and the Landlord dated **XXXX**, 20**XX** wherein the Headlandlord leased the **XXXX** to the Landlord.

**“Headlandlord”** refers to **XXXX**.

**“Landlord”** means **XXXX**.

**“Landlord’s Work”** is defined in Section 6.02.

**“Leasehold Improvements”** means all fixtures, alterations and additions from time to time installed and/or constructed in the Premises by the Tenant, but not free-standing furniture, Trade Fixtures nor equipment in any way connected to the Premises or to any utility systems located in them.

**“Reasonable Enjoyment”** means Tenant shall have the right to peacefully possess the Premises in accordance to the covenants of this Lease without interference of the Landlord or any agent acting for the Landlord.

**“Sublease Year”** means a period of time, the first such period of time commencing on the Commencement Date and ending one year less one day following the Commencement Date. Thereafter, each Sublease Year shall consist of consecutive periods of twelve (12) calendar months less one day, save for the last Sublease Year, which shall terminate upon the expiration or earlier termination of this Sublease.

**“Tenant Organization”** means a corporation without share capital whose assets and accretions are used solely on a not-for-profit basis.

**“Tenant’s Share of the Common Areas”** means the Tenant’s proportionate share of mechanical, electrical, utility, communications, garbage, public courtyard, elevator, hallways and public washroom facilities.

**“Tenant’s Work”** is defined in Section 8.03.

**“Term”** means the term of this Sublease as provided in Section 1.01(e) together with any period of permitted overholding.

**“Termination Date”** means the date on which this Sublease is terminated.

**“Trade Fixtures”** means trade fixtures as determined at common law and includes the personal chattels installed at the commencement of the Term or during the Term by or on behalf of the Tenant, in, on, or which serve the Premises, for the sole purpose of the Tenant carrying on its trade in the Premises pursuant to Section 7.01 hereof and which Trade Fixtures the Tenant is permitted to remove only to the extent permitted by the terms of this Sublease, but Trade Fixtures do not include Leasehold Improvements or any inventory of the Tenant.

“**Transfer**” means an assignment of this Sublease, any transaction whereby the rights of the Tenant under this Sublease or to the Premises or any part thereof are transferred, any transaction by which any right or use or occupancy of all or any part of the Premises is conferred upon a third party, any mortgage, charge or encumbrance of this Sublease or the Premises or any part thereof or other arrangement under which either this Sublease or the Premises become security for any indebtedness or other obligations and includes any transaction or occurrence whatsoever (including but not limited to expropriation, receivership proceedings, seizure by legal process and transfer by operation of law), as well as any transaction pursuant to which the Tenant ceases to be a Tenant Organization. It does not include a transfer to another entity controlled by and associated with the Tenant and acceptable to the Landlord.

“**Transferee**” means the person or persons to whom a Transfer is or is to be made.

## **2.02 Number and Gender**

The necessary grammatical changes required to make the provisions of this Sublease apply in the plural sense where the Tenant 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.

## **2.03 Headings and Captions**

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

## **2.04 Obligations as Covenants**

Each obligation of the Landlord or the Tenant expressed in this Sublease, even though not expressed as a covenant, is considered to be a covenant for all purposes.

## **2.05 Entire Agreement**

This Sublease sets forth the entire agreement between the Landlord and the Tenant concerning the Rentable Area of the Premises and there are no agreements or understandings between them other than as are set forth in this Sublease. This Sublease may not be modified except by agreement in writing executed by the Landlord and the Tenant.

## **2.06 Governing Law**

This Sublease shall be interpreted under and is governed by the laws of the Province of Ontario.

## **2.07 Construction**

If any provision of this Sublease is illegal or unenforceable it shall be considered separate and severable from the remaining provisions of this sublease, which shall remain in force and shall be binding as though the said provision had never been included.

## **2.08 This Sublease's Relationship with the Headlease**

Except as provided in this Sublease, the Tenant hereby assumes and is bound to the Landlord by the same responsibilities, obligations and duties that the Landlord has to the Headlandlord under the Headlease insofar as such responsibilities, obligations and duties relate to the Rentable Area of the Premises and the Complex, *mutatis mutandis*.

The applicable terms of this Sublease supplement those set out in the Headlease. Where the terms of this Sublease impose additional and/or stricter obligations on the Tenant than are contained in the Headlease, the Sublease will govern the relationship between the Landlord and the Tenant regarding the Premises and will bind the Tenant. If the Sublease is silent on an obligation or covenant of the Landlord contained in the Headlease or there is a conflict between the terms of the Headlease and the Sublease, the terms of the Headlease will govern this relationship and will bind the Tenant.

For greater certainty, for the purposes of this Sublease, where necessary, the word "Landlord" in the Headlease shall be deemed to mean **XXXX**, its successors and assignees, if any and the word "Tenant", in the Headlease, shall mean **XXXX**, or its successors and assignees, if any.

## **ARTICLE III** **DEMISE AND TERM**

### **3.01 Demise**

The Landlord hereby subleases and demises the Premises to the Tenant for the Term at the Rent and on the terms and conditions stated in this Sublease.

### **3.02 Commencement Date**

See section 1.01 (f), herein.

### **3.03 Term**

See section 1.01 (e), herein.

### **3.04 Overholding**

If the Tenant remains in occupation of the Premises after the expiration of the Term hereby granted, without a written agreement to the contrary, it shall not be deemed to be a Tenant from year to year, but shall be a monthly tenant at a rental equivalent to the monthly payment of Rent herein provided for the last month of the Term, payable in advance, and all the terms and conditions hereof, so far as applicable, shall apply to such monthly tenancy.

The acceptance by the Landlord of arrears of rent or compensation for use or occupation of the Premises after notice of termination of this Sublease has been given shall not operate as a

waiver of the notice or as a reinstatement of the sublease or as a creation of a new sublease unless the parties so agree.

If the Landlord does not provide its written consent to the Tenant for such an overholding, the Landlord may take immediate action without notice to the Tenant to recover possession of the Premises.

If the Tenant is obliged to vacate the Premises by a certain date and fails to do so at a time when the Landlord is legally obligated to deliver possession thereof to a third party, the Tenant shall indemnify the Landlord fully for all losses suffered as a result of this failure.

### **3.05 Renewal**

Notwithstanding any other term of this Sublease, the Tenant shall have the option to renew the term of this Sublease for one (1) successive period of five (5) years less one (1) day provided that in each case:

- (1) the Tenant is not then in default and has not during the term been in persistent or substantial breach of any of the terms, covenants and conditions contained in this Sublease, including the Artscape Tenant Charter (Schedule G) and all Rules and Regulations (Schedule F);
- (2) the Tenant shall give written notice to the Landlord at least six months (6) prior to the expiration of the initial term, or subsequent renewal thereof, of its intention to exercise said option to renew, and
- (3) the Headlease is still in force or has been renewed pursuant to the terms of the Headlease.

## **ARTICLE IV** **RENT**

### **4.01 Rent**

The Tenant shall pay Rent (made up of Base Rent and Additional Rent) to the Landlord without any deduction, set-off or abatement. The Tenant waives any rights under section 35 of the *Commercial Tenancies Act* (Ontario) or any other statutory provision to the same or similar effect and any other rights it may have at law to set-off. Rent, including GST/HST on Rent, shall be paid in equal monthly instalments in advance on the first day of each month during the Term. At the beginning of the Lease Year and on each anniversary of the Lease Year, the Tenant shall deliver to ~~XXXX~~ twelve (12) post-dated cheques for all payments of Rent for the ensuing year of the Term.

### **4.02 Base Rent**

Base Rent is as set out in Section 1.01 (g).

#### **4.03 Additional Rent**

The Tenant shall pay to the Landlord on the first business day of each month during the Term as part of the Rent payment, the Tenant's proportionate share (based on the Rentable Area of the Premises) of any and all expenses related to the management and operation of the **XXXX** in the form of "**Additional Rent**" as invoiced by the Landlord. The Additional Rent shall be made up of the following components:

- (i) hydro, gas and utilities expenses;
- (ii) contributions to the Capital Reserve Fund and any other payments required to be made by the Tenant pursuant to this Sublease;
- (iii) the Property Taxes should such taxes be applicable (calculated on the basis of the Complex being assessed as fully leased and operational);
- (iv) the payments required to be made to the Headlandlord by the Landlord pursuant to the Headlease;
- (v) maintenance costs, subject to the provisions of this Sublease, at an amount determined by the Landlord, acting reasonably;
- (vi) management, insurance and operation costs, subject to the provisions of this Sublease, in amounts determined by the Landlord, acting reasonably;
- (vii) any GST/HST or retail sales tax on the above items.

#### **4.04 Payments**

The Landlord acting reasonably may estimate Additional Rent for any Sublease Year and the Tenant covenants with the Landlord to pay such estimated Additional Rent on the first day of each and every month of the Term. Within one hundred and twenty (120) days after the end of each calendar year, the Landlord shall provide the Tenant with a statement of actual Additional Rent in reasonable detail and if the Tenant has overpaid Additional Rent during such Sublease Year, and providing the Tenant is not in default, the Landlord shall reimburse the Tenant within 30 days of delivery of such statement. If the amount of Additional Rent is greater than the amount paid, then appropriate adjustments will be made and the Tenant will pay the shortfall within sixty days. On the Commencement Date and on January 1st of each subsequent Sublease Year, the Tenant shall deliver to the Landlord, either post-dated cheques or, if requested by the Landlord, a requisition for a pre-authorized debit from the Tenant's bank account in such form as reasonably required by the Landlord for all payments of Rent for the ensuing year of the Term.

#### **4.05 Capital Reserve Fund**

The Landlord will establish a "**Capital Reserve Fund**" for the **XXXX** from a portion of the Additional Rent (see 4.03 ii). The Capital Reserve Fund shall only be used by the Landlord for the purpose of paying for repairs, maintenance and replacements required to be made to the

Complex that are of a capital nature (“**Capital Repairs**”), as determined by the Landlord, acting reasonably.

In the event of a major capital improvement or repair for which the Capital Reserve Fund is insufficient, the Landlord will secure financing and amortize the cost of such financing over the useful life of such improvement or repair. In such an event, the annual contribution to the Capital Reserve Fund paid by all subtenants, including the Tenant, will be increased by each tenant’s proportionate share of interest and principal payments for such an improvement or repair.

**4.06 Interest on Amounts in Default**

If the Tenant fails to pay when any Rent is due and payable, the unpaid amount will bear interest calculated and payable monthly from the due date to the date of payment at the rate of the aggregate of three (3%) per cent and the prime rate from time to time charged by the Landlord’s bankers to their most creditworthy commercial customers, without prejudice to any other remedy available to the Landlord under this Sublease or the law.

**4.07 No Release**

Nothing in this Sublease contained and no entry made by the Landlord hereunder shall in any way release the Tenant from payment of Rent during the Term (or any extension thereof) beyond such sums as may be actually received by the Landlord by any re-letting herein allowed.

**4.08 Net Sublease**

The Tenant acknowledges and agrees that it is intended that this Sublease shall be a completely carefree, net sublease to the Landlord except as may be otherwise expressly herein set out, and that 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 or the contents thereof and the Tenant shall pay all charges, impositions, costs and expenses of every nature and kind relating to the Premises.

**ARTICLE V**  
**GENERAL COVENANTS**

**5.01 Covenants of the Tenant**

The Tenant covenants with the Landlord:

- (1) to pay Rent to the Landlord as required under this Sublease;
- (2) to observe and perform all the obligations of the Tenant under this Sublease;
- (3) to comply with the Landlord’s obligations under the Headlease to the extent that they relate to the Premises during the Term (and any renewal thereof) except for:

- (i) the Landlord's obligation to pay rent under the Headlease;
- (ii) the Landlord's obligation to make improvements under the Headlease; and
- (iii) with respect to any damage (including environmental damage) to the Rentable Area of the Premises that are caused by the Landlord or those for whom it is responsible at law.

## **5.02 Covenants of the Landlord**

The Landlord covenants with the Tenant:

- (1) for reasonable enjoyment;
- (2) to observe and perform all the obligations of the Landlord under this Sublease;
- (3) to pay the rent and observe all of the covenants on its part contained in the Headlease; and
- (4) to enforce its and the Tenant's rights under the Headlease against the Headlandlord, provided that the Tenant will pay to the Landlord on demand all of the Landlord's reasonable costs, expenses and disbursements incurred in enforcing such rights; and
- (5) that the Landlord has the right to sublease the Premises to the Tenant.

## **ARTICLE VI** **TAXES AND CHARGES**

### **6.01 Payment of Taxes**

The Landlord shall pay all Taxes to the taxing authorities. If the Landlord cannot obtain from the taxing authorities separate allocations for the Taxes in order to determine the Tenant's Proportionate Share of the Taxes, such allocation shall be made by the Landlord, acting reasonably, and shall be conclusive.

### **6.02 Landlord's Work**

The Landlord is responsible for completing all renovations to the Premises outlined in **Schedule D** attached hereto as set out in the drawings and specifications set out therein (the "**Landlord's Work**"). For greater certainty, the Landlord's Work does not include the Tenant's Work. In addition, on or before the Commencement Date, the Landlord shall ensure: (i) that the roof, walls, floors, concrete, foundations, windows and doors are in structurally sound and updated condition; (ii) that all systems, including, but not limited to, life-safety, HVAC, plumbing, sprinkler, electrical and gas systems are clean and in good and working order; (iii) the complete installation of all demising walls, skylights, windows and doors; and (iv) the application of prime coat paint throughout the Premises.

If the Landlord does not complete the Landlord's Work by, and is unable to deliver exclusive possession of the Premises to the Tenant on the Commencement Date the Landlord will not be liable for any damages resulting therefrom and this Sublease will not be rendered void or voidable thereby, but the Tenant will not be liable for any Rent until such time as the Landlord does deliver exclusive possession of the Premises to the Tenant. Unless otherwise provided for herein, no failure to deliver possession on the Commencement Date will:

- (b) in any way affect any other obligations of the Tenant, or
- (c) extend the Expiration Date,

but the commencement of the Term will be postponed until the day upon which the Landlord does deliver exclusive possession of the Premises. The Landlord and the Tenant will then promptly execute an amendment to this Sublease in such form as the Landlord may reasonably require stating the new Commencement Date and the new Term.

### **6.03 Tenant Acknowledgment**

The Landlord has agreed to provide the Tenant with an affordable lease rate for the Premises throughout the Term. The Tenant acknowledges the value of foregone rent provided by the Landlord as a result of this affordable lease and the benefit to the Tenant. In recognition of this significant yearly contribution to the Tenant by the Landlord, the Tenant agrees to acknowledge the Landlord's contribution in signage, print materials and electronic promotion related to the Premises at a level consistent with the level of recognition offered to others who have contributed a similar level of support to the Tenant in such year.

## **ARTICLE VII** **ENTRY AND USE OF THE PREMISES**

### **7.01 Use of Premises**

The Tenant shall use the Premises as **XXXX**. All programming within the Premises shall conform to the terms of the Headlease and municipal regulations.

Subject to the other terms of this Sublease, the Landlord acknowledges that the Tenant and all of its employees and invitees shall have unrestricted access to the Premises on a 7-day, 24-hour, year-round basis. The Premises shall not be used for sleeping.

The Landlord and the Tenant agree to work collaboratively to promote a positive image of the Complex.

### **7.02 Further Restrictions on Use**

The Tenant further covenants in respect of the use of the Premises as follows:

- (i) to carry on its business in the Premises in a reputable manner and in compliance with all the provisions of this Sublease, and in particular the Tenant shall not advertise, do, omit, permit or suffer to be done or exist upon the Rentable Area of the Premises and/or the Complex anything which shall be or result in a nuisance or a hazard or a fraudulent practice or bring about a breach of any provision of this Sublease or applicable municipal or other governmental statute or regulation; and
- (ii) before occupying the Premises, to obtain any licence or permit required by municipal bylaw or by government statutes and regulations necessary for the use and occupation of the Premises and to maintain in force all such necessary licences and permits.
- (iii) that it is not to be used for domestic purposes.

### **ARTICLE VIII** **REPAIRS AND MAINTENANCE**

#### **8.01 The Tenant's Obligations**

During the Term (and any renewal thereof), the Tenant shall be responsible for:

- (i) the maintenance and repair of its own Trade Fixtures; and
- (ii) managing and being responsible for the cost and completion of activities relating to the interior of the Premises which include, but are not limited to, housekeeping of the Premises.

#### **8.02 The Landlord's Obligations**

The Landlord covenants to maintain and to make all needed repairs and replacements from time to time as are necessary to make and keep the Complex in the same state of repair that the Complex is in as of the Commencement Date (except for damage caused by fire, lightning, tempest, reasonable wear and tear and repairs which are the responsibility of the Headlandlord under the Headlease) and to ensure that all lands and property subject to the Headlease are in compliance with all health, fire and safety standards.

#### **8.03 Tenant's Work**

All Tenants' Work to the Premises may commence on or after the Commencement Date as per section 3.02 of the Sublease. Tenant to provide Landlord with description of Tenant's work in Schedule E of this Lease.

**ARTICLE IX**  
**CHANGES AND ALTERATIONS**

**9.01 Changes and Alterations**

Excluding the Tenant's Work, the Tenant shall not make or permit to be made any alterations, changes or additions to the Premises except as provided herein without the prior written approval of the Landlord which approval shall not be unreasonably withheld except for alterations, changes or additions to the exterior walls, roof or floors of the Complex in which cases the Landlord may be unreasonable in withholding its consent. The request of the Tenant for any such approval shall be accompanied by an adequate description of the contemplated work, where appropriate, working drawings and specifications thereof and estimates by the Tenant's contractors as to the cost of the proposed alterations, changes or additions.

Any out-of-pocket expense incurred by the Landlord in connection with any such request for approval shall be payable by the Tenant as Additional Rent forthwith upon request for payment.

All work to be performed in the Premises, or the Complex shall be performed by competent contractors and subcontractors of whom the Landlord shall have approved. Such approval not to be unreasonably withheld provided that the Landlord may require that the Landlord's contractors and subcontractors be engaged for any mechanical structural or electrical work. All such work shall be subject to inspection by and the reasonable supervision of the Landlord and shall be performed in accordance with any reasonable conditions or regulations imposed by the Landlord and completed in a good and workmanlike manner in accordance with the description of the work approved by the Landlord.

At the Landlord's option, the Tenant shall, prior to commencing any alterations, changes or additions, deliver to the Landlord a performance bond with a recognized insurance company guaranteeing the completion of such alterations, changes or additions or in the alternative an irrevocable letter of credit insured by a Canadian chartered bank for the amount of the estimated cost of the Tenant's proposed work as set out in the Tenant's contractor's estimate which letter of credit may be drawn upon by the Landlord in the event of a default of the Tenant in paying for all or any part of its changes, alterations or additions.

Notwithstanding the foregoing, any non-structural alterations or improvements made to the interior of the Premises which cost in the aggregate less than \$5,000 may be made by the Tenant without the Landlord's consent.

**9.02 Signage**

The Tenant will not place or permit to be placed, any sign on or about the Complex, without first obtaining the Landlord's prior written approval, which approval shall not be unreasonably withheld. The Tenant acknowledges that any proposed identification signage must conform to the Landlord's Design Criteria for the Complex as well as any heritage and governmental requirements.

**ARTICLE X**  
**INSURANCE**

**10.01 Indemnity**

The Tenant agrees to indemnify and save harmless the Landlord in respect of any damage caused by any means whatsoever to the Premises or any furniture, fixtures, equipment and other contents owned by the Landlord and contained in the Premises, except such damage as is caused by the Landlord's and/or the Headlandlord's negligence.

**10.02 The Tenant's Insurance**

The Tenant will, during the Term (and any extension thereof):

- (i) pay to the Landlord forthwith upon demand, as additional rent, its Proportionate Share of all premiums with respect to the insurance to be placed by the Landlord to insure the Complex in accordance with the terms of the Headlease; and
- (ii) obtain commercial liability insurance and property insurance in amounts no less than those set forth in the Headlease, in each case providing evidence to the Landlord of same.

**10.03 Increase in the Landlord's Insurance Premiums**

The Tenant shall not do, or permit to be done, anything on the Premises, or the Complex or bring or keep anything therein which will in any way increase the risk of fire or the rate of fire insurance on the Complex, or on property kept therein, or obstruct or interfere with the rights of other occupants, if any, or in any way injure or annoy them, or conflict with the laws relating to fires or with the regulations of the Fire Department or with any insurance policy upon the Complex or any part thereof, or conflict with any of the rules or ordinances of the Board of Health or with any statute or municipal bylaw.

**10.04 Termination of the Landlord's Insurance**

If the Landlord's insurance on the Complex is terminated or threatened to be terminated because of the Tenant's use or occupation of the Premises and the Tenant does not render the Complex insurable prior to the termination of the Landlord's insurance, the Landlord may immediately and without notice terminate this Sublease forthwith, re-enter the Premises and take possession of it. The Landlord covenants to promptly provide the Tenant with any notices from the Landlord's insurance company with respect to the foregoing.

**ARTICLE XI**  
**DAMAGE OR DESTRUCTION**

**11.01 Damage or Destruction**

In the event of damage to or destruction of the Complex by fire or other casualty against which the Landlord is to maintain insurance pursuant to the Headlease or this Sublease, the Rents provided to be paid hereunder or a proportionate part thereof, according to the nature and extent of the damage to the Complex, shall abate until the Complex shall have been rebuilt or made fit for the purposes of the Tenant.

In the event of such damage or destruction, if the Headlandlord terminates the Headlease, the Landlord may terminate this Sublease on written notice given to the Tenant within one hundred and twenty (120) days after the occurrence of such damage or destruction.

Notwithstanding the above, if the Headlandlord does not terminate the Headlease because of such damage or destruction, then the Landlord shall only be entitled to terminate this Sublease in accordance with this provision if twenty percent (20%) or more of the rentable area of the Complex is not fit for use. In the event that less than twenty percent (20%) of the rentable area of the Complex is not fit for use following such damage or destruction and the Headlandlord does not terminate the Headlease as aforesaid, then the Landlord agrees to repair the damage to the extent of the insurance proceeds received and Rents shall abate in the proportion that the damaged area of the Complex bears to the total area of the Rentable Area of the Premises from the date of such damage or destruction until the Complex or the damaged part thereof is ready for use by the Tenant.

Upon termination of this Sublease, as provided in this section, Rents and any other liabilities of the Tenant shall be apportioned and be paid to the date on which the damage or destruction occurred and the Tenant shall forthwith deliver up possession of the Rentable Area of the Premises in accordance with this Sublease.

**11.02 Limitations on the Landlord's Liability**

The Landlord shall not be liable for any damage to any property at any time in the Premises or in the Complex from gas, water, steam, water works, rain or snow, which may leak into, issue or flow from any part of the Complex or from the pipes or plumbing works of same, or from any other place or quarter unless arising as a result of the negligence of the Landlord or those for whom the Landlord is lawfully responsible.

**11.03 Notice to the Landlord**

The Tenant shall give the Landlord prompt written notice of any accident or other material defect in the plumbing, electrical, telephone, gas, heating, air conditioning or other service systems in the Premises.

#### **11.04 The Tenant's Liability**

The Tenant shall be liable for any damage done by reason of water being left running in the Premises. The Tenant will also be responsible for any damage caused by allowing the doors or windows of the Complex to remain open so as to admit rain or snow.

### **ARTICLE XII** **INDEMNITY**

#### **12.01 The Tenant's Indemnity**

The Tenant covenants to indemnify and save harmless the Landlord from all claims, actions, costs and losses of every nature arising during the Term and caused by the Tenant or those for whom it is, at law, responsible except for claims, actions, costs and losses caused by the Landlord's and/or the Headlandlord's negligence. The foregoing indemnity extends to all claims, actions, costs or losses arising out of:

- (1) a breach of or non-compliance with a covenant, agreement or condition on the part of the Tenant contained in this Sublease;
- (2) injury to a person, occurring in or about the Complex, including death resulting from the injury; and
- (3) damage to or loss of property arising out of the use and occupation by the Tenant of the the Premises.

The obligations of the Tenant to indemnify the Landlord under the provisions of this section are to survive the termination of this Sublease in respect of every event occurring during the Term (and any renewal thereof).

### **ARTICLE XIII** **SUBLETTING AND ASSIGNING**

#### **13.01 Assigning or Subletting**

The Tenant shall not Transfer or Assign this Sublease under any conditions.

#### **13.02 Tenant Must be a Non-Profit Corporation**

The Tenant shall always operate on a non-profit basis consistent with the requirements of prevailing tax legislation respecting Tenant Organizations. The Tenant shall always remain a corporation without share capital whose assets and accretions are used for promoting its objects as a Tenant Organization. In the event that the Tenant ceases to be a non-profit organization, the Landlord, at its sole discretion, may elect to terminate this Sublease upon ten (10) days written notice, or require the Tenant to pay market rent for the Premises.

**ARTICLE XIV**  
**DEFAULT**

**14.01 Default**

For greater certainty, Section 5 of the Headlease applies to this Sublease, *mutatis mutandis*. Notwithstanding the foregoing, upon an “**Event of Default**” (as is defined in the Headlease) by the Landlord, the Tenant shall have the right to terminate this Sublease without penalty or compensation upon the Tenant providing the Landlord at least one hundred and eighty (180) days prior written notice of such an Event of Default and if, and only if, the Landlord fails to cure such an Event of Default within one-hundred and eighty (180) days of such notice being received by the Landlord. Upon any termination of this Sublease by the Tenant under this Section, the Tenant will quit and surrender the Premises, shall no longer have any right to possession of the Premises, and the Landlord, its agents and servants, shall have the right to enter the Premises and dispossess the Tenant and remove any persons or property therefrom without the necessity of any legal proceedings whatsoever and without being liable to the Tenant therefore in damages, or otherwise.

**14.02 The Right of the Landlord to Remedy**

If the Tenant defaults under this Sublease or the applicable terms of the Headlease, the Landlord may remedy or attempt to remedy the default by exercising any of the rights given to the Headlandlord under the Headlease. The exercise of such rights will be subject to any applicable notice and grace periods provided in the Headlease. Any costs that the Landlord incurs as a result of remedying or attempting to remedy the default shall be payable by the Tenant to the Landlord forthwith on demand.

**14.03 Taking Possession of the Premises by the Landlord**

In taking possession of the Premises, the Landlord may remove all persons and property from the Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of the Tenant, all without service of notice or resort to legal process and without being considered guilty of trespass or becoming liable for loss or damage occasioned thereby.

Notwithstanding any other term of this Sublease, the Tenant covenants with the Landlord that in the event the Premises shall be vacated or abandoned or if the Landlord is otherwise entitled to re-enter the Premises, the Landlord, in addition to all other rights hereby reserved, shall have the right to enter the Premises either by force or otherwise without being liable in any way whatsoever to the Tenant, and to relet the Premises and to receive the rent therefore as agent for the Tenant. In reletting, as aforesaid, the Landlord may make such alterations as it deems necessary and may charge the cost of such alterations to the Tenant. Any rent so received shall first be used to pay for such alterations and then shall be applied to the rent due hereunder and the Tenant shall be liable for any deficiency.

If the Rent hereunder is overdue and the Premises are vacant, the Tenant shall be deemed to have abandoned the Premises and the Landlord shall be entitled to take immediate possession thereof.

#### **14.04 Remedies Cumulative**

The Landlord may from time to time resort to any or all of the rights and remedies available to it in the event of default of the Tenant under the Sublease all of which rights and remedies are to be cumulative and not alternative and the express provision of rights and remedies under this Sublease is not to be interpreted as excluding any other rights or remedies available to the Landlord under the Headlease or by statute or general law.

### **ARTICLE XV** **SURRENDER OF THE PREMISES**

#### **15.01 Surrender of the Premises**

On the termination of this Sublease for any reason, the Tenant shall surrender the Premises to the Landlord in the condition in which they are required to be kept by the Tenant under the provisions of this Sublease.

#### **15.02 Removal of Fixtures**

Notwithstanding anything to the contrary in this Sublease, at the end of the Term or upon any early termination of this Sublease, the Tenant may remove its Trade Fixtures (but, for greater certainty, not its Leasehold Improvements) from the Premises provided that:

- (1) the Tenant is not in default under this Sublease; and
- (2) the Tenant shall repair any damage or injury caused to the Premises and/or the Complex by such removal to the satisfaction of the Landlord, acting reasonably.

### **ARTICLE XVI** **MISCELLANEOUS**

#### **16.01 Entry by the Landlord**

Notwithstanding any other provisions of this Sublease, the Landlord may enter the Premises, at all reasonable times, except in the event of an emergency whereby the Landlord can enter the Premises at any time, for the purpose of inspecting same and for such other purpose as the Landlord, acting reasonably, may consider necessary for the protection of its interest under this Sublease.

#### **16.02 Rules and Regulations**

The Landlord shall have the right from time to time to make reasonable rules and regulations (Schedule F) as in its judgment may from time to time be necessary for the safety, care and cleanliness of the Complex and for preservation of good order therein and the same shall be kept and observed by the Tenant who shall insist that all persons being in the Complex

by reason of the use of the Premises by the Tenant shall observe and comply with the said rules and regulations and the spirit of the Artscape Tenant Charter (Schedule G).

### **16.03 Notices**

Any notice to be given pursuant to the provisions of this Sublease may be given by prepaid registered post mailed at a post office in Metropolitan Toronto. Such notice shall be deemed to have been served on the fifth (5th) business day following the day of mailing, provided, however, that during any postal disruption or threatened postal disruption, delivery shall be in person. If such notice is given by facsimile or other similar form of telecommunications, it is deemed to be effectively given and received on the next day following the day on which it was sent. For the address of the Landlord for such purpose of notice refer to 1.01 l) of this sublease. For the address of the Tenant for such purpose of notice refer to section 1.01 k).

Either party may from time to time notify the other of any change of address in accordance with the notice provisions contained herein.

### **16.04 Successors and Assigns**

This Sublease shall benefit and bind the successors and assigns of the Landlord and the permitted successors and assigns of the Tenant, as the case may be.

### **16.05 Exhibiting the Premises**

The Landlord may at reasonable times upon reasonable notice exhibit the Premises to prospective mortgagees and, during the last six months of the Term, prospective tenants.

### **16.06 Registration of Sublease**

The Tenant shall not register this Sublease but may register a notice of it provided such notice does not disclose the Rents or other financial information with respect to this Sublease.

### **16.07 Subordination**

The Tenant shall from time to time on notice:

- (a) subordinate this Sublease to any mortgage of the lease-hold estate of the Landlord to the intent that the interest of the Tenant in the Premises shall be subject to any such mortgage as if that mortgage was executed, delivered and advanced prior to the execution and delivery of this Sublease provided such mortgagee enters into a non-disturbance agreement in favour of the Tenant; and attorn to any such mortgagee.

**16.08 Registration of Notice of Sublease**

Neither the Tenant nor anyone on the Tenant’s behalf or claiming under the Tenant, including any Transferee shall register this Sublease or any Transfer against the Lands.

**16.09 Time is of the essence**

Time shall be of the essence in all respects of this Sublease.

In witness whereof the parties hereto have executed this agreement.

**XXXX**

Per: \_\_\_\_\_  
Name:  
Title:  
Date:

I have the authority to bind the Corporation.

**XXXX**

Per: \_\_\_\_\_  
Name:  
Title:  
Date:

We/I have the authority to bind the Corporation.

**SCHEDULE "A"**

**MAP OF PREMISES HATCHED IN BLACK**

DRAFT

**SCHEDULE “B”**

**Insert legal description of lands – See sample below.**

**LEGAL DESCRIPTION OF LANDS**

**PIN:**

Part of Lots 21, 22, 23, 24, 32, 33 and 34 on registered Plan 119-York

All of lots 31 to 38 (inclusive) and part of Lots 1, 2, 3, 4, 5, 30 and 39, part of McKinlay Avenue,  
Registered Plan 945-York

Part of McKinlay Avenue, registered Plan 638-York

All of Lots 1 to 6 (inclusive), part of lane registered Plan M-144, City of Toronto.

DRAFT

**SCHEDULE "C"**

**Insert description of management and operating costs for the premises – See sample below.**

**Management and Operating Cost Categories in Relation to the Premises**

Heat / Gas
Hydro
Water
Exterior Grounds Maintenance
Snow / Ice Removal
Building Maintenance and Supplies
Waste Removal
Insurance
Building Security Expenses
Building Management
Tenant Services
Interest on Financing
Realty Taxes
Capital Repairs

## **SCHEDULE "D"**

### **LANDLORD'S WORK**

**Insert description of base building design – See sample below.**

#### **HVAC:**

- Heat pump and return air duct provided in base contract. Fresh air also provided, and will be hooked up to the heat pump. Further distribution from the heat pump within the Premises to be arranged by the Landlord and associated costs charged back to the Tenant.

#### **Electrical:**

- Electrical Panel – 42 circuit, 100amp (120/280 volt). The panel has 1 circuit dedicated to the heat pump, 6 circuits that can accommodate varying sized breakers, and the rest of the circuits have 15amp breakers. Heat pump conduit and wiring provided in base contract. Conduit to electrical panel also provided. Landlord to arrange for all other branch wiring from the panel (light fixtures and electrical/plug wiring), within the Premises and associated costs to be charge back to the Tenant.
- Emergency lighting, battery unit, exit lights and remote heads and horn are all provided in base building.

#### **Communication:**

- 25mm empty conduit and suite distribution box for the data/phone connection are provided. Phone/data cable to be installed by Tenant, phones will be linked to intercom system by Landlord.

#### **Sprinklers:**

- Fire protection provided in base contract.

**SCHEDULE "E"**

**To be filled in by tenant.**

**TENANT'S WORK**

DRAFT

## **SCHEDULE "F"**

**Insert rules and regulations for the building – See sample below and refer to your responsibilities under the Headlease for guidance.**

### **RULES AND REGULATIONS**

#### **1. Parking**

In accordance with the Complex's LEED (Leadership in Energy and Environmental Design) certification, parking, for the Tenant, or any employee, servant, agent, contractor, guest or customer of the Tenant, is strictly prohibited anywhere on or about the Complex.

If the Tenant or their employees contravene this regulation, the Landlord may either:

- i) arrange to have such vehicles towed at the cost of the Tenant;
- ii) find the Tenant to be in breach of the terms of this Sublease and take any reasonable action therein for Tenant compliance to this regulation, and;
- iii) charge back to the Tenant any fees, fines, costs or damages incurred by the Landlord, due to the Tenant contravening this regulation.

#### **2. Prohibited Uses**

The Tenant shall not allow the Premises to be used for sleeping.

#### **3. Smoking**

Smoking is strictly prohibited anywhere on or in the Complex or outside of the Complex within 25 feet of any exterior doorway or opening window; as the Complex and its adjacent lands are designated as smoke-free. If it is established by the Landlord that a Tenant, their employees, servants, agents, contractors, guests or customers are disregarding this regulation, the Tenant will be considered in breach of this Sublease. Should the practice of smoking in, on or about the Complex persist, the Sublease will be considered null and void and the Tenant will be requested to vacate the Premises immediately. The Tenant will continue to be responsible for all Rent monies owed to the Landlord for the obligatory notice period as per the Sublease.

#### **4. Crime Free Policy**

Tenant acknowledges that the Landlord is firmly committed to a lawful and crime-free policy for all of its properties and tenancies. The commission of any criminal act or the use and/or distribution of any illegal substances by a Tenant, or any employee, servant, agent, contractor, guest or customer of the Tenant is strictly prohibited anywhere on or about the Complex and will result in legal action.

**5. Pest Control**

Landlord, from time to time throughout the term, shall have the right to enter the Premises to inspect the sanitary condition of the Premises and if necessary and acting reasonably, to undertake and carry out, at the sole expense of the Tenant, all appropriate steps by fumigation or otherwise to eliminate rodents or vermin infesting the Premises. Tenant shall co-operate with Landlord and with any contractor(s) engaged by Landlord in respect of pest control and extermination in the Premises and in the Complex.

**6. Windows**

Tenant shall not place or permit to be placed, any sign on any window of the Premises or the Complex, without prior written approval from Landlord, which approval shall not be unreasonably withheld. Tenant acknowledges that any proposed signage must conform to the Landlord's design criteria for the Complex as well as any heritage and governmental requirements.

**7. Waste Removal**

Tenant shall not allow any refuse, garbage or any loose, objectionable material to accumulate in or about the Premises or the Complex and will at all times keep the Premises and the Complex in a clean and neat condition. Tenant at its expense shall at all times comply with Landlord's rules and regulations regarding the separation, removal, storage and disposal of waste for the Premises. Tenant shall be responsible for all extraordinary costs of removal of garbage from the Premises, and the costs of disposal of garbage if not removed by the City of Toronto, as allocated to the Tenant by the Landlord, acting reasonably. Until removed from the Complex all waste from the Premises shall be kept in a properly refrigerated area in the Premises until removed from the Premises.

**8. Toxic Materials/Objectionable Odours**

Tenant shall not do or bring anything or permit anything to be done or brought on the Premises or the Complex, resulting in any odour, which Landlord may reasonably deem to be objectionable, hazardous, or a nuisance or annoyance to any other tenant or any other persons permitted to be on the Complex, to emanate from the Premises. Tenant shall be responsible to remedy the situation immediately and for the costs associated with remedying the situation.

**9. Sound Transfer**

Tenant shall not do or bring anything or permit anything to be done or brought on the Premises or the Complex, which results in undue noise or vibration, which Landlord may reasonably deem to be hazardous or a nuisance or annoyance to any other tenant or any other persons permitted to be on the Complex. Tenant shall be responsible to remedy the situation immediately and for the costs associated with remedying the situation.

**10. Environmental Hazard**

Tenant shall use environmentally sound practices and products on the Premises and Complex. Tenant shall be solely responsible for any contaminant, pollutant or toxic substance at any time affecting the Premises and the Complex, resulting from any act or omission of Tenant or any other person on the Premises or an activity or substance on the Premises during the Term, and shall be responsible for the clean-up and removal of any of the same and any damages caused by the occurrence, clean-up or removal of any of the same.

**11. Keys**

Tenant agrees not to duplicate any keys furnished by the Landlord and shall return all keys to Landlord at the end of the Term. Tenant shall be responsible for all costs related to replacing keys that have been lost or misplaced.

**12. Obstruction of Common Facilities**

Tenant shall not permit any of its employees, servants, agents, contractors or persons having business with Tenant to:

- i. obstruct any Common Facilities except as expressly permitted by Landlord in writing;
- ii. damage any property of Landlord, or HeadLandlord; nor
- iii. use or permit to be used, any Common Facilities except for other than their intended purposes.

## SCHEDULE “G”

**Insert your organization’s tenant charter – See sample below.**

### **ARTSCAPE TENANT CHARTER**

#### **Artscape**

Artscape is a not-for-profit enterprise dedicated to culture-led regeneration and city-building through the arts. The central focus of Artscape’s work is to support the Toronto arts community by creating and managing below-market-rate space for artists and not-for-profit arts organizations as well as other community-based and non-profit organizations.

#### **The Tenant Charter Initiative**

The Artscape Tenant Charter sets out the understandings between Artscape and the artists and organizations living and working in Artscape buildings. It consciously recognizes and explicitly acknowledges Artscape and its wide cross-section of tenants as partners, as members of a community who are working together to retain and improve all aspects of the Artscape project in which they are involved.

Getting involved in an Artscape building is about more than just becoming a tenant. It is about joining the staff, Board and other Artscape tenants in their efforts to further Artscape’s work. It is also about keeping each other safe and working to ensure a fair, open and supportive tenant community.

All Artscape tenants are part of Artscape’s Tenant Charter; as Artscape’s operations and tenant relations grow and change so may this Charter. However, the intent will remain the same through each new version.

#### **Development of the Artscape Tenant Charter**

In 2006 Artscape’s staff and Board undertook to create a five-year Strategic Plan, which in 2007 resulted in the Vision 2011 document (available upon request). This document outlines the organization’s objectives and its operational philosophy.

#### **Purpose**

The intent of this charter is to outline our shared values, organizing principles and responsibilities.

#### **Organizational Principles and Value Statement**

Artscape buildings are vibrant, dynamic and creative places where people from many different walks of life come together to pursue their work. Artscape is not a commercial landlord; however, with the exception of some rent-g geared-to-income live/work studios, neither does it provide subsidized space. Artscape operates its projects, in partnership with its tenants, on a break-even basis. Everyone is involved in ensuring that rents stay as low as possible for their own sake and because it is through the success of existing projects that future projects will be created; expanding the impact and benefits of Artscape’s work. This is an essential goal of Artscape and its tenants.

Being in an Artscape project means working:

- In a community: each studio is part of a larger building and its use must not interfere with others' uses or enjoyment of their spaces.
- In financially and environmentally sustainable facilities that reflect and support Artscape's Vision, Mission and Mandate as outlined in its Vision 2011 document.

It is being committed to:

- Ensuring that each site uses environmentally, socially and economically sustainable practices.
- Understanding issues that can affect Artscape, and therefore the larger Artscape tenant community.
- Supporting tenant-led initiatives that animate buildings and engage tenants with each other and members of the larger community.
- Being accountable to Artscape and fellow tenants to ensure buildings are secure and operating costs are kept to a minimum.
- Representing the site's and Artscape's best interests in interactions between tenants, with the surrounding community and beyond.
- Working with Artscape to continually improve the site and its operation to minimize costs, maximize exposure and create a harmonious onsite and offsite community.

### **Roles & Responsibilities**

Artscape is responsible to operate its buildings in the safest manner possible. It also undertakes to keep buildings in a good state of repair and cleanliness and to keep costs (and therefore rents) as low as possible.

Artscape tenants are responsible to adhere to the rules of the building, to keep their own and the common areas clean and free of refuse, to work with other tenants to resolve disputes and, with Artscape, to develop practical solutions to onsite problems and to pay their rent on time.

Artscape's and Artscape tenant's roles and responsibilities are governed by the following policies, along with the tenant's lease:

- The *Commercial Tenancies Act* (where applicable),
- The *Residential Tenancies Act, 2006* ( where applicable),
- The Ontario Human Rights Code,
- The City of Toronto Declaration of Non-Discrimination,
- The *Privacy Act*, and
- The *Personal Information and Electronic Documents Act*:

### **Collaboration and Cooperation**

Staff and tenants work together in a manner which is equitable and fair, and acknowledges the spirit of inclusion by:

- Creating, participating on and respecting a diversity of forums, committees and opportunities for tenant selection and involvement and building management,
- Respecting the responsibilities delegated to tenants and staff who participate on joint staff/tenant committees.

- Resolving issues between tenants and in the building, as a whole, in a timely and respectful way.

### **Confidentiality/Privacy**

Artscape respects its tenants' right to privacy and keeps the contents of all communication between staff and tenants private and confidential.

### **Diversity**

All Artscape staff, Board members and tenants respect diversity in all its form and do not discriminate against anyone due to art practice, financial status, race, colour, ethnic or national origin, ability, age, gender, gender identification, marital status, sexuality, religion or political views.

### **Healthy Work Environment**

Everyone respects the right of tenants to have a healthy environment to live and/or work in.

### **Positive Work Environment**

Artscape and Artscape tenants are committed to fostering mutual respect and to ensuring the dignity of all tenants and staff.

Artscape's staff and tenants communication with each other is governed by principles of respect, courtesy, fairness, and honesty, in a reasonable and transparent manner in all situations

### **Safety and Security**

Artscape staff and tenants play an important role in keeping our buildings safe and secure. This is of the highest importance to everyone. Staff and tenants are responsible for working together to guarantee safe and secure environments for everyone to live and/or work in.

### **Vandalism**

Artscape and Artscape tenants respect the building and property of everyone and take care not to deface our buildings or allow others to.

### **Facilities and Building Management**

Artscape oversees all building maintenance and operations from its head office location. Emergency assistance is available 24 hours a day, 7 days a week.