

AVIATION LEASE PARCEL PRE-QUALIFIED LOTTERY REVIEW

Release Package for:

**Taxiway G (Recreational Fixed Wing)
Erik Nielsen Whitehorse International Airport**

Closing: March 23, 2021 at 4:30 pm (Local time)

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Transportation Aviation Branch

Government of Yukon

Highways & Public Works

Box 2703 (W-16), Whitehorse, Yukon

Y1A 2C6

Phone: 867-455-2888

aviation.lands@yukon.ca

1. Introduction

Transportation Aviation Branch is making available a licence for a future lease opportunity for one (1) recreational fixed wing parcel on Taxiway G at Erik Nielsen Whitehorse International Airport (ENWIA). This parcel is being disposed via pre-qualified lottery to manage the high demand for recreational lease parcels and to make the highest and best use of airside accessible land at ENWIA.

These parcels are not currently legally subdivided lots and therefore are only available as licenced parcels until the Yukon government is able to complete the subdivision process. Yukon government still has to undertake construction to install fire protection to meet the requirements for legal subdivision

Yukon government currently anticipates this work to occur during the 2021 construction season. Once these parcels have been subdivided and titled by Yukon government, the opportunity to enter into commercial aviation leases will be offered to the successful lottery applicants for the parcel that they have been awarded.

The lease terms available on these parcels will be for a term of up to 20 years in order to attract suitable businesses and support investment in the airport. The lots are expected to be available for development within approximately 12-18 months from the date of the lottery. Please note that this is an estimated time, the exact timeline may be longer or shorter than this estimated range.

The lottery documentation consists of a release package for the specific parcel, as well as the lottery processes and procedures.

As an applicant, it is your responsibility to have read **all** documentation prior to submitting an application in order to become familiar with the process, procedures and requirements.

2. Summary of key information

Application name

This aviation land lease application shall be referred to as "Taxiway G - Recreational, Erik Nielsen Whitehorse International Airport Lease Lottery".

Website: <https://yukon.ca/land-lottery-aviation-lease-parcels>

Application closing date and time:

Applications will be accepted no later than **March 23, 2021 at 4:30 p.m. (Local time)**.

Submitting applications by mail

The Transportation Aviation Branch Administration Office is currently closed. Mailed-in applications will need to be directed to the Transportation Maintenance Branch Central Workshop.

Government of Yukon
Highways & Public Works
Transportation Maintenance Branch
Box 2703, W-12
9029 Quartz Road
Whitehorse, Yukon Y1A 6T5
Attn: Heather McKay

Note: applicants mailing in applications must use a courier service (not Canada Post) to send in their applications. Applications **must** be received on or before the application close date.

Submitting in-person applications

Applicants can drop their applications off in person at the Canada Games Centre in Whitehorse from 9:00 a.m. to 4:30 p.m. on March 22 and 23, 2021. Directional signage will be provided.

Note: email applications will not be accepted

Lottery draw date and time

Livestream from Erik Nielsen Whitehorse International Airport
Government of Yukon
Highways & Public Works
75 Barkley-Grow Crescent, Erik Nielsen Whitehorse International Airport
2nd Floor, Main Boardroom,
April 13, 2021 at 10:00 a.m. (Local time)

COVID-19 restrictions will be in place for the lottery draw and in-person attendance by individuals outside Government of Yukon will be prohibited. Closer to the lottery date, further information will be posted to <https://yukon.ca/land-lottery-aviation-lease-parcels> on how applicants can view the lottery draw via livestream or receive the results of the draw.

Transportation Aviation Branch will contact all applicants by email to inform them of the outcomes of the draw within 24 hours of the lottery draw.

Application submission

The following documents must be submitted for an application to be complete.

- Completed release package including application form and statutory declaration
- Validation that the applicant has reached the age of majority in Yukon (19 years old)
- Validation of ownership or pending acquisition of airworthy fixed-wing aircraft
- Responses to the Development Plan
- Letter of financial validation

The lottery consists of two envelopes. These envelopes should be **clearly labelled** with the name of the lottery and the applicant's name. Incomplete applications will not proceed to lottery.

- The envelope containing the completed release package, validation of age of majority, validation of aircraft ownership or pending ownership and the responses to the Development Plan should be **clearly labelled**: "Taxiway G – Recreational - name of applicant as indicated on the application".
- The envelope containing the completed validation of financial capacity should be **clearly labelled**: "Taxiway G – Recreational – Financial Validation - name of applicant as indicated on the application".

3. Parcel information

The Erik Nielsen Whitehorse International Airport (ENWIA) is located in the city of Whitehorse, Yukon Territory on the Alaska Highway between Robert Service Way and Two Mile Hill in the traditional territory of the Kwanlin Dün First Nation and Ta'an Kwäch'än Council.

ENWIA is part of the National Airports System and supported over 45,000 aircraft movements in 2019. The airport has category 7 Aircraft Rescue Fire Fighting capacity and supports aircraft up to Aircraft Group Number (AGN) IV (e.g. Boeing 767).

One (1) recreational parcel in the Taxiway G area of ENWIA will be made available for licence, with the opportunity to convert the license to a lease once the subdivision process and other legal requirements have been completed.

The lot is expected to be available for development within approximately 12-18 months from the date of the lottery. Please note that is an estimated timeframe and the exact timeline may be longer or shorter than this estimated range.

The successful applicant may proceed with operating on the parcel under the terms of their licence once the construction of services has been completed, with tenant's approved construction activities on the site occurring only after the subdivision process has been

completed and the leasehold title is registered with Yukon Land Titles. Successful lottery applicants should be able to begin developing their lots after all necessary infrastructure has been installed.

This parcel can be accessed from both groundside (via private laneway off of Lodestar Lane) and airside (Taxiway G and stubs). The parcel will support up to an AGN I aircraft. This parcel does not have designated groundside vehicle space allocated to it and is only accessible from the taxiway stubs.

Available parcel

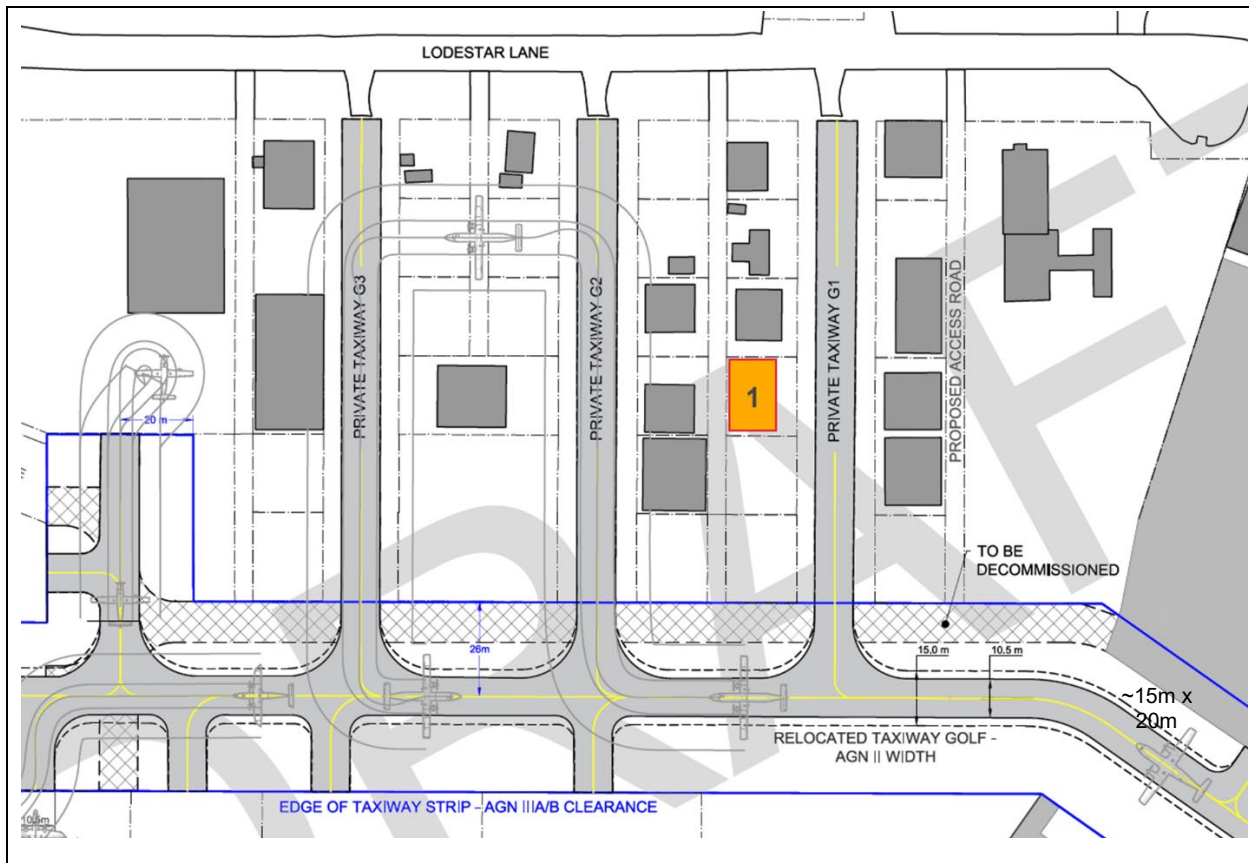
Note: Approximate annual rent charges are based on rates for a fully serviced parcel.

Parcel 1, Taxiway G - Recreational, Erik Nielsen Whitehorse International Airport Lease Lottery

Parcel	Approximate size*	Approximate annual rent*
Parcel 1	300 m ²	\$600

** To be finalized during subdivision

Map on following page



<p>2021 Lease Parcel Dispositions – Taxiway G Fixed Wing Recreational Erik Nielsen Whitehorse International Airport Aviation Transportation Highways & Public Works Government of Yukon February 2021</p>	<p>Not to scale: all dimensions approximate, final survey may vary</p>	<p>Δ n</p>
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- The parcel is located within Taxiway G at Erik Nielsen Whitehorse International Airport as shown on the attached map. See Appendix 4 for more information.
- Site characteristics such as elevations, setbacks and building height restrictions are included in Appendix 4.
- Once leasehold title and all relevant permits are obtained, the successful applicant may begin approved construction activities on the lot and obtain services inside the lot at their own expense.

Site visit

Transportation Aviation Branch will conduct a site visit with all interested applicants on March 10, 2021 at 10:30 a.m. COVID-19 procedures for this visit will be posted on <https://yukon.ca/land-lottery-aviation-lease-parcels>. Please note that each organization/applicant will only be permitted to send one representative to the site visit

to ensure compliance with guidelines issued by the Yukon Chief Medical Officer of Health. **Potential applicants must register for the site visit at least 3 business days in advance.** To register for the site visit contact aviation.lands@yukon.ca.

Conditions of lease

The Taxiway G - Recreational, Erik Nielsen Whitehorse International Airport parcel will be leased on an “as is, where is” basis for a period of up to 10 years. It is currently subject to:

- a) The *Financial Administration Act*, Order in Council 2015/72;
- b) City of Whitehorse licence or permit requirements;
- c) Yukon government licence or permit requirements;
- d) The provisions of the *Subdivision Act* and regulations;
- e) NAV Canada requirements; and
- f) Transport Canada requirements including conditions pursuant to the Erik Nielsen Whitehorse International Airport operating certificate.

Only temporary structures will be permitted on this parcel. Upon completion of the lease, Government of Yukon reserves the right to request that the tenant remove all structures and return the parcel to its original state.

Allowable activities are subject to all relevant bylaws, acts and regulations and to any subsequent legislation, regulation or bylaw brought into force, including those brought into force under the *Public Airports Act*.

By entering the lottery applicants agree that, if successful, they will enter into a licence as outlined in Appendix 3 until subdivision of the parcel is completed and title can be raised.

By entering into the lottery, applicants agree that they will enter into the lease outlined in Appendix 3 without amendment or alteration to the terms and conditions of any kind. If successful applicants do not agree with the terms and conditions of the lease agreement, they will forfeit their parcel.

Lease rates and applicable fees

Fees will be applied to the Taxiway G - Recreational lease parcel in accordance with the *Financial Administration Act* and the *Public Airports Act*. The lease rate for the Taxiway G - Recreational parcel shall be \$2 /m² in accordance with the *Financial Administration Act* OIC 2015/72.

Future fee changes will be in accordance with regulations brought into force under the *Financial Administration Act* or the *Public Airports Act*.

APPENDIX 1:

Application Form and Statutory Declaration

- Application Form
- Statutory Declaration



AVIATION LEASE LOTTERY APPLICATION

Fill in this form to enter the lottery. Ensure the information given below is correct and legible by printing your full legal name(s).

OFFICE USE ONLY
Application number

Submit the form to the application office.
(Refer to the release package for the mailing and email address.)

Note: separate application forms are required for individual lease lotteries

Lottery name		
Applicant or agent information		
Last name	First name	Middle name
Business name (if applicable)		
Address		Postal code
Phone	Email	
For statistical purposes only, please tell us how you heard about this lottery.		
Lot selection		
Only list the lots you are willing to lease, as stated in the lottery package, in your priority order .		
1.	2.	
3.	4.	

I have read, understood and agree to comply with the terms of this lease lottery.

If I am successful in the lottery, I agree to enter into a Government of Yukon licence or lease with the Department of Highways and Public Works with respect to the selected parcel within fourteen (14) days of being offered a parcel.

Original signatures are required.

Signed and dated by the applicant this ___ day of _____ 20_____.

Applicant signature: _____

The information on this form is collected under the following laws: The *Financial Administration Act* (FAA) and the *Access to Information and Protection of Privacy Act* (ATIPPA), for the purpose of assessing the eligibility and viability of your proposed aviation development. Your business and personal information will be managed according to sections 24(1) and 29(c) of the Act. If you have questions about any of the information collected on this form, please contact 867-455-2888 or aviation.lands@gov.yk.ca.

Statutory Declaration

1. I _____ live at the following address:

Name of declarant

Physical address of declarant

2. I am a Canadian citizen or Landed Immigrant; and
3. I am at least 19 years of age; and
4. I am applying to the airport land lottery for an airport lease parcel in Taxiway G at Erik Nielsen Whitehorse International Airport with the intention of using it for aviation activity requiring airside access; and
5. I will undertake development of the parcel in adherence with my development plan
6. I have read the general rules of the land lottery and disposition process and am aware of the restrictions on eligibility outlined; and
7. I have an airworthy aircraft or have the intent and ability to obtain one; and
8. I intend to use the parcel for non-commercial aviation purposes only; and
9. I have a valid pilot's licence for fixed-wing aircraft; and
10. I am making this declaration to prove that I meet the requirements for applicants as part of my application for a land lease, Taxiway G - Recreational, Erik Nielsen Whitehorse International Airport Lease Lottery.

DECLARED before me at the City/town/village)

_____ in)

Province/territory _____)

)

this _____ day of _____ A.D. 20____.)

)

) _____)

)

Notary Public in and for Canada)

Signature of Declarant

Transportation Aviation Branch will make efforts to confirm the truth of all statutory declarations submitted. Applications supported by a statutory declaration containing falsehoods will be rejected.

APPENDIX 2:

Qualification requirements

Section 1: Aviation-specific eligibility requirements

Aviation-specific eligibility requirements

The applicant's proposed use **must** be characterized as follows:

- Aviation;
- Fixed-wing; and
- Requires airside access; and
- Non-commercial.

The applicant **must not** be characterized as follows:

- Non-aviation;
- Rotary operations;
- Does not require airside access;
- Residential;
- Commercial; or
- Storage facility¹

¹ Storage on site is restricted to items necessary to support aviation activity.

Applications that fail to meet these eligibility requirements will be disqualified and will not proceed to the lottery draw.

Section 2: Development Plan

Requirements

- a. Development Plans should demonstrate the fit between the available parcel and the proposed aviation activities.
- b. All developments must comply with applicable Government of Yukon requirements, City of Whitehorse, NAV Canada and Transport Canada requirements.

Overview

- a. The Development Plan consists of a validation of aircraft availability screening question and a financial capacity screening question; it also has qualifying criteria requirements which are rated on a point scale; and the highest possible score is **825**.
- b. Applicants must organize their responses to the qualifying criteria as outlined in Section 5.
- c. Applicants must ensure that the information they provide includes sufficient material to assess their capabilities in the areas indicated. Applications will be scored to reflect the quality of the information provided by the applicants.

- d. Only information that is included the applicant's written responses can be used to assess whether the application meets the pre-qualification criteria.

Confidentiality

The financial validation screening question response will be sent to an independent aviation consultant for review without being opened by Transportation Aviation Branch staff. It is important that applicants review their applications in detail to ensure all requirements have been met.

The remainder of the application will be reviewed by Transportation Aviation Branch staff.

All personal and business information will be managed according to the *Access to Information and Protection of Privacy Act*.

Section 3: Financial capacity screening question

Applicants must provide documentation that demonstrates creditworthiness, existing financial assets, and/or credit availability to execute the Development Plan.

Provide a **high-level budget** to indicate how you will meet the start-up costs associated with the development of the aviation land parcel. Include any existing liabilities or assets, projected costs, and financing requirements. This should be aligned with information provided in the Development Plan.

The applicant must demonstrate that they can meet start-up requirements at the site by demonstrating that financial capacity is aligned with the projected budget.

Applications that fail to include proof of financial capacity or credit availability will not be considered further.

Approved methods of demonstrating creditworthiness include:

- Bank/credit card statements from a recognized bank or financial institution – applicant's name must be showing on the statement.
- A letter from a bank or financial institution that states the applicant has the funds that are needed or is able to access the funds needed.
- Loan or credit line statements showing availability of funds.

If credit is being provided privately, please provide one of the above and a signed letter from the private creditor confirming that they will provide financial backing to the applicant.

Section 4: Aircraft validation

Applicants must provide proof of the following:

- Ownership, leasehold, or agreement to purchase of a fixed-wing aircraft suitable for the Taxiway G parcel (AGN I type aircraft)

These requirements could be demonstrated by the following:

- Transport Canada certificate of registration bearing the applicant's name;
- Bill of Sale bearing the applicant's name;
- Lease agreement bearing the applicant's name; or
- Agreement for Purchase bearing the applicant's name.

The documentation provided may contain the applicant's name accompanied by the names of other individuals if the aircraft is co-owned.

Section 5: Pre-qualifying criteria for the Development Plan

Sub-criteria weighting

Individual sub-criteria are awarded points according to a six-point scale, where each applicant is awarded a percentage of the maximum sub-criteria points coinciding with 0%, 20%, 40%, 60%, 80%, or 100% of the maximum sub-criteria points.

Percentage of Maximum Points	Summary	Description
100%	Excellent	Superlative response that surpasses YG requirements
80%	Good	Sound response that fully meets YG requirements
60%	Acceptable	Acceptable response that meets basic requirements with acceptable risk
40%	Weak	Unacceptable response that falls short of meeting basic requirements
20%	Seriously Deficient	Response deficient in many areas; poses serious problems

0%	Unacceptable	Response completely unacceptable or missing
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Criteria weighting table

The following table identifies the maximum points by criteria and sub-criteria. Points are awarded as a percentage of the maximum points indicated for each sub-criterion. In order to successfully pre-qualify for the lottery, applicants must score a minimum of **495** points of the available **825**.

Applicants who fail to meet the minimum score will be disqualified and their names will not be submitted to the lottery.

Criteria number	Criteria and sub-criteria descriptions, including requirements	Maximum points by criteria
4	<p>4. Site development</p> <p>4.1 Site activities (maximum 25 points)</p> <p>List up to 10 activities that you anticipate will take place on the Taxiway G parcel. These activities should include both activities related to operating your aircraft as well as other activities not involving the operation of your aircraft. Consider how you will maintain your aircraft and support safety and regulatory compliance.</p> <p>The proposed activities should be suitable for the operating environment at ENWIA and the applicant should demonstrate an understanding of the activities required to support the proposed development at the Taxiway G parcel.</p> <p>4.2 Site plan (maximum 300 points)</p> <p>Provide a site plan for the Taxiway G parcel, which includes approximate dimensions of all developments/improvements on the site. Clearly label the site plan with hangars, tents, storage facilities, etc. The site plan should be approximately to scale but may be hand-drawn. The site plan may also be</p>	825

	<p>accompanied with a paragraph description of site plan elements.</p> <p>The site plan should be aligned with the aircraft type and proposed site activities.</p> <p>4.3 Site suitability (maximum 300 points)</p> <p>The applicant should demonstrate that the lot is not too big or too small and will use space appropriately and efficiently. Applicants should demonstrate realistic alignment between the size and scale of their aircraft and proposed use, the Taxiway G parcel and any required site developments.</p> <p>Describe how the various components of your site plan are required to support your specific aircraft/aircraft type and why you require a hanger and lease lot as opposed to an alternative way of securing your aircraft (e.g., tie-down). Applicants should also demonstrate they understand the site investment/development requirements for parcel.</p> <p>4.4 Development timeline (maximum 200 points)</p> <p>Describe your proposed timeline for development related to the Taxiway G site.</p> <p>The development timeline should indicate direct investment in the Taxiway G parcel that aligns with the lease term.</p> <p>The investment timeline should provide realistic plans for what is needed to support the proposed development plan.</p> <p>Any risks to the applicant's ability to deliver on the proposed investment timeline should be noted as well as mitigations to those risks.</p> <p>Applicants should present the timeline of investment in the site from the point at which they receive leasehold title. The timeline should show approximate timings for when you plan to execute improvements to the parcel.</p>	
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APPENDIX 3:

Relevant terms and conditions and proponent commitments

- Lease template
- Licence template
- Licence terms & conditions

DELETE THIS PAGE PRIOR TO ISSUING

Land lease template instructions:

	Update to this agreement
	Delete/edit as applicable

SAMPLE



LEASE AGREEMENT

XX 51-####

Lease of land to:

Lessee Name

Erik Nielsen Whitehorse International Airport
Whitehorse, Yukon

Month day, 20XX

Government of Yukon
Department of Highways and Public Works
Transportation Aviation Branch

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Parties, Leased Area and Reservations

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 35. ARBITRATION ACT
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- ADDRESS FOR NOTICES
- EXECUTION OF LEASE AGREEMENT
- SCHEDULE A – **XX ##-###**

LEASE AGREEMENT

XX ## ###

BETWEEN:

GOVERNMENT OF YUKON
AS REPRESENTED BY:

the Minister of
Highways and Public Works

(hereinafter called the "Lessor")

AND:

NAME

(hereinafter called the "Lessee")

WHEREAS the Commissioner of Yukon is the registered owner of land located at the Erik Nielsen Whitehorse International Airport in Whitehorse, Yukon, which land is legally described as:

NAME Subdivision, Lot #, Plan ####-####, CLSR # ##### (the "Lands")

AND WHEREAS the Commissioner of Yukon holds the Lands on behalf of Government of Yukon;

WITNESSETH that in consideration of the rents, covenants, and conditions herein reserved and contained on the part of the Lessee to be paid, observed and performed, the Lessor demises and leases the Lands unto the Lessee:

SUBJECT to the following reservations:

- a) All mines and all minerals whether solid, liquid or gaseous which may be found to exist within, upon, or under such Lands together with the full powers to work the same and for that purpose to enter upon, use and occupy the Lands or so much of the Lands and to such an extent as may be necessary for the effectual working and extracting of the said minerals;
- b) The rights of the recorded holders of mineral claims and any other claims or permits or agreements affecting the Lands;
- c) All timber that may be on the Lands;
- d) Such right or rights-of-way and of entry as may be required under any Laws, or in connection with the construction, maintenance, and use of works for the purposes of aerodrome/airport operations.
- e) The right to enter upon the Lands for the purpose of installing and maintaining any public utility.
- f) The right to grant rights of way, easements, or privileges to others on, over, under, through or across the said Lands, provided however, that such rights of way, easements, or privileges are not: (i) detrimental to the proper conduct of the Lessee's business or its operation of any related services; (ii) will not permanently damage or disrupt the physical facilities of the Lessee; (iii) will not impose any cost upon the Lessee; and (iv) will not weaken diminish or impair the security of this Lease.

AND SUBJECT to the following terms and conditions:

THE PARTIES COVENANT AND AGREE AS FOLLOWS:

1. DEFINITIONS

In this Lease Agreement:

"Contaminants" shall mean any solid, liquid, gas, smoke, odour, heat, sound, vibration, pathogen or radiation or any combination thereof that is foreign to the natural environment, or that exceeds natural quantities or concentrations in the environment, that results directly or indirectly from human activity, and that may cause or contribute to adverse effects, and they include, for greater certainty, anything defined as such under the *Environment Act*, or any regulations made under that Act;

"Landfill" shall include soil, top soil, sod, clay, sand, gravel, rock, crushed rock, and pavement, but does not include Contaminants.

"Lessee" shall include executors, administrators, contractors, employees, agents and assigns acting on behalf of, or in place of, the Lessee.

"Director" shall mean that person holding the position of Director, Transportation Aviation Branch of the Department of Highways and Public Works of the Government of Yukon or any successors or authorized delegates thereof, or any other person duly appointed from time to time to act in a similar capacity, even if by a different title, by the Lessor.

“Laws” means every statute, law, by-law, regulation, ordinance, order-in-council, requirement, code, and order from time to time, or at any time, in force during the term of this Lease Agreement, and during any extension of such term (if applicable), affecting in any way the Lands or its condition, maintenance, use, or occupation.

“Market Rent” shall mean the annual rent the Lands would command as determined in accordance with Schedule C of the *Fees and Conditions Transitional Regulation*, made pursuant to the *Financial Administration Act* (OIC 2014/217, as amended from time to time), or as determined in accordance with any Laws replacing the said regulation.

“Regulatory Body” means any of Transport Canada, Industry Canada, or NAV Canada acting pursuant to any Laws, and any of their respective successors or assigns, and any other body from time to time having jurisdiction under any applicable Laws, including, as applicable, the Lessor.

“Rent Review Date” is the fifth anniversary of the commencement date of the Lease Agreement and every fifth anniversary thereafter, on which the revised annual rent shall become effective.

“Utility” shall mean electricity, communications cable, water and sewer and any other third party convenience.

2. PURPOSE

a) The Lands shall be used only for aviation related purposes, including but not limited to:

- a. aircraft parking,
- b. aircraft hangar space,
- c. business office area, and
- d. employee and client parking

and shall be used for no other purposes whatsoever.

b) No temporary, indefinite, or permanent residential use is permitted.

c) If the Lessor determines that the Lessee is using the Lands for an unauthorized activity, the Lessor may give written notice to the Lessee indicating that the use is unauthorized. The Lessee shall cease the unauthorized activity immediately upon receipt of the notice, failing which the Lessor may declare the Lessee in default in accordance with Clause 34(a) (Termination) below.

d) For greater certainty, it is an act of default at all times under the Lease Agreement for the Lessee to fail to use the Lands for an aviation related purpose.

3. TERM

a) The term of this Lease Agreement is from **Month day, 20XX** until **Month day, 20XX** unless terminated earlier as described hereunder.

b) All terms and conditions of this Lease Agreement shall apply during the term above described.

4. RENT

a) YIELDING and paying in advance during the term of this Lease Agreement, unto the Lessor, the annual rent of **\$X,XXX** plus GST of **\$XX.XX** for a total of **\$X,XXX**, until changed pursuant to the provisions of Clause 5 (Rent Review) hereof.

b) All rental payments shall be payable to Government of Yukon. All correspondence should include the Lease Agreement number **XX ##-###** on it and be delivered to:

Transportation Aviation Branch, Highways and Public Works,
Government of Yukon
P.O. Box 2703 (W-16)
Whitehorse, YT Y1A 2C6

Attention: Finance

c) The Lessee shall pay all rent at the time and in the manner described in this Lease Agreement, without any abatement or deduction whatsoever.

d) Without waiving any right of action of the Lessor in the event of default of payment of rent, where the Lessee is delinquent after the thirtieth (30th) day in paying the annual rental payment, the Lessee shall pay interest in accordance with the *Interest on Overdue Accounts and Payment of Interest Regulations*, made pursuant to the *Financial Administration Act* (OIC 1986/39, as amended from time to time).

5. RENT REVIEW

The annual rent payable under this Lease Agreement may be reviewed by the Lessor prior to expiration of the first five (5) years of its term, and every five (5) years thereafter for the duration of the Lease Agreement, and shall be adjusted by the Lessor for each such five year period to be the Market Rent of the Lands effective on each Rent Review Date.

6. TAXES, CHARGES AND ASSESSMENTS

The Lessee will pay in full all taxes, local improvement charges and assessments respecting the Lands and improvements from the effective date of this Lease Agreement.

7. UTILITIES

The Lessee shall be responsible for all utility hook-ups and associated costs including metering equipment and subsequent consumption charges.

8. "AS IS" CONDITION

The Lessee accepts the Lands in an "as is" condition on the date the Lease Agreement is executed by the Lessee, and any improvements made to the Lands by the Lessee shall be at the risk, cost and expense of the Lessee and to the satisfaction of the Lessor.

9. TEMPORARY LOSS OF ACCESS OR SERVICES

The Lessee shall not have nor make any claim or demand, nor bring any action or suit or petition against the Lessor for any permanent damage or loss which the Lessee may sustain by reason of any temporary suspension, construction, interruption or discontinuance, in whole or in part, from whatever cause arising in services or access to the premises supplied by the Lessor hereunder.

10. NUISANCE

The Lessee shall not do, suffer or permit to be done any act or thing upon or above the Lands which is or would constitute a nuisance to the occupiers of any lands or premises adjoining or in the vicinity of the Lands or to the public generally.

11. ERECTION AND MAINTENANCE OF BUILDINGS OR STRUCTURES

- a) The Lessee shall not construct or erect any building or other structures on the Lands without first obtaining the written approval of the Director, such approval not to be unreasonably withheld, of the plans showing the design and nature of construction of such building or structures and their proposed location. All such buildings or structures shall be constructed and thereafter maintained by and at the cost and expense of the Lessee in accordance with all applicable Laws, including but not limited to the *National Building Code of Canada* and Airport zoning requirements under the *Aeronautics Act (Canada)* all as amended from time to time, and to the satisfaction of the Lessor. The Lessee must provide to the Lessor, a copy of the Building Permit prior to the commencement of construction. A minimum of 45 days is required to process land development applications. The Lessee is hereby notified that certain buildings structures or other activities may trigger an amendment to this Lease.
- b) If the Lessee constructs or erects any building or structure on the Lands in order to separate airside from groundside, the Lessee shall maintain the integrity of the aerodrome/airport perimeter security fence by relocating the existing fence, or the Lessee shall construct a secondary fence, all subject to the prior written approval of the Director, and all at the Lessee's expense.
- c) If, at any time during the Term of the Lease Agreement, the Lessee defaults in its obligation of maintaining the Lands, structures and improvements in accordance with the provisions of the Lease Agreement, the Lessor may give written notice, specifying the respect in which such maintenance is deficient, to the Lessee. If, within thirty (30) days from the giving of such notice, the default specified has not been remedied or if the nature of such default reasonably requires more than thirty (30) days to remedy and make right, and the Lessee has not commenced, or, having commenced, is not diligently completing the remedying of such maintenance, the Lessor may, upon a minimum of ten (10) days written notice, at the sole cost and expense of the Lessee, plus such additional charge as may then be applicable, undertake the performance of any necessary work in order to remedy the default; it being expressly understood and agreed that the Lessor shall not be under any obligation to perform any such maintenance during the Term of the Lease Agreement.
- d) If the Lessee undertakes new building and land development or an alteration, it must provide a set of professionally prepared "As Built" drawings to the Lessor in digital and hard copy format within 180 days of the completion of the project.
- e) If the Lessee provides services of a public or commercial nature, the Lessee shall provide adequate parking facilities on the Lands to accommodate the motor vehicles of its clients or customers. Clients or

customers of the Lessee shall not park their motor vehicles off the Lands while conducting business with the Lessee.

12. ACCESS CONTROL DURING AIRSIDE CONSTRUCTION PROJECTS

- a) The Lessee shall establish a written airside security program and have it approved in writing by the Superintendent of Safety and Security prior to commencing any construction on the airside portion of the Lands.
- b) The Lessee shall staff any gates accessing airside that will be used during construction and are open during work hours. Staffing includes positioning an employee at the gate to ensure that:
 - i. Anyone or any vehicles proceeding through the gate are properly authorized to use it;
 - ii. No wildlife or domestic animals enter airside; and
 - iii. The gate is properly locked when unstaffed or at the end of the work day.

The Lessee shall provide its own security guard, or it shall sub-contract the work to a private company, all at the Lessee's expense, and any private company it sub-contracts such security to must be approved in advance by the Director.

- c) Only vehicles with Airport Vehicle Numbers issued by ENWIA shall be permitted on airside. See Clause 27 (Motor Vehicles on Airside).
- d) All vehicle operators on airside shall possess and comply with all the terms of an Airside Vehicle Operator's Permit (AVOP), or shall be under escort by an employee or private sub-contractor in possession of an AVOP at the Lessee's expense.
- e) The Lessee shall supply their own locks for Vehicle and Pedestrian Gates that they plan to use during the construction. If other users have locks on the gates, the Lessee shall attach their locks so that the other locks securing the gate are still functional. The Lessee shall arrange with the Lessor and other users to have their lock installed at the start of the construction project and to have their lock removed at the end of the construction project so that the other users' locks are not damaged.
- f) Non-compliance with the above clauses and the approved airside security program will result in the Lessee being directed to cease work until compliance is restored.

13. PERIMETER AND LEASE FENCES AND GATES

- a) The Lessees shall obtain written permission from the Director prior to installing any vehicle or pedestrian gate on or adjacent to the Lands. The Director will assign the gate number and provide and install the gate number sign.
- b) The Lessee shall keep all gates locked when not in use and shall monitor the use of the gates.
- c) The Lessee shall provide its own lock and key, or its own keypad lock, for Vehicle Gate(s) and Pedestrian Gate(s) on or adjacent to the Lands, and shall notify the Director when the Lessee is ready to replace the Lessor's lock(s). Except in the event of an emergency, if the Lessor is required to enter the Lands, the Lessor will make best efforts to make prior arrangements with the Lessee.
- d) Upon request from the Lessor, the Lessee shall provide a list of the keys issued for its Vehicle Gate(s) and Pedestrian Gate(s), and to whom they were issued.
- e) The Lessee shall replace the lock(s) on its gate(s) every five (5) years or it shall change the key pad code(s) on its gate every six (6) months.
- f) The Lessee shall maintain the Vehicle Gate(s) and Pedestrian Gate(s) on the Lands to the following standards:
 - i. The gap between two vertical portions of a gate shall be no more than 2" (e.g. between a gate and a fixed post or between two swing or sliding gates).
 - ii. The gap between the lower rail of a gate and any part of the ground below the gate shall be no more than 4".
 - iii. Gates shall be inspected regularly for compliance with the above standards.

14. SIGNS

The Lessee shall not inscribe, paint or affix any signage, advertisement or notice other than on the Lands without the prior written approval of the Director. The Lessee shall remove or alter such signage at the written request of the Director. The Lessee shall be responsible for all costs associated with its signs, including signs for parking stalls.

15. CARETAKING SERVICES

- a) The Lessee shall carry out a program of snow removal from sidewalks, parking areas and driveways located on the Lands as required for access by emergency services.
- b) Snow storage piles must be kept on the Lands and shall not be moved or stored off the Lands on aerodrome/airport property. It is the responsibility of the Lessee to remove any large snow piles to an approved off-aerodrome/airport site, if required, at the discretion and cost of the Lessee.
- c) The Director may direct the Lessee, at the Lessee's cost, to relocate or remove snow accumulations/piles on the Lands if they pose a hazard to aircraft operations or violate approved operating standards.
- d) The Lessee will maintain the landscaping, brushing and mowing and other exterior improvements on the Lands, in good order and repair.
- e) The Lessor is not responsible for fire protection services or for policing of the Lands and improvements.

16. ROAD AND TAXIWAY ACCESS

The Lessee shall be responsible, at the cost and expense of the Lessee, for the construction and maintenance of the connecting stubs required between the access roads of the Lessor and the Lands, and the connecting stub required between the taxiway of the Lessor serving the Lands. The Lessee must build any stubs to the pre-established grade provided by the Lessor. The Director shall approve in writing, in advance of such construction, the plans of any such connecting stubs.

17. SECURITY AWARENESS

All officers, employees and contractors of the Lessee shall be required to obtain security awareness training to be provided by the Lessor.

18. FUEL CONTINGENCY AND DISCHARGE OF CONTAMINANTS ONTO AERODROME LAND

- a) All stationary fuel facilities shall be double-walled or shall have secondary containment systems.
- b) All stationary and mobile fuel facilities for fuelling aircraft shall only use piping, pumps, static line and other related equipment approved for aircraft fuelling purposes.
- c) Prior to bringing any contaminants or fuels on to the Lands, the Lessee shall provide to the Lessor:
 - i. if required by any applicable Laws, a valid inspection certificate or installation/operating permit for the fuel facility; and
 - ii. an environmental contaminant/fuel spill contingency plan.
- d) The Lessee must comply with:
 - i. Canadian Council Ministers of Environment (CCME) Part 3 for aboveground tanks; and
 - ii. CCME Part 5 for Fuel Line Piping (including distribution).
- e) The Lessee shall also comply with the latest edition of Canadian Standards Association Standard for *Storage, Handling, and Dispensing of Aviation Fuels at Aerodromes* or equivalent standards.
- f) Underground tanks are not permitted.
- g) Pursuant to the above regulations the Lessee shall not discharge, cause or permit to be discharged or to pass into the sewer systems, storm drains or surface drainage facilities at the Aerodrome any Contaminants. It is expressly understood and agreed, however, that in the event of a discharge or escape of Contaminants that the cost incurred in the cleanup of such shall be borne by the Lessee and the cleanup shall be to the satisfaction of the Lessor.

19. OWNERSHIP OF CONTAMINANTS

Should the Lessee bring, permit, suffer or create in or on the Lands any Contaminants; or if the conduct of any of the Lessee's business on any part of the Lands causes there to be any Contaminants upon the whole or any part of the Lands, then, notwithstanding any rule of law to the contrary, such Contaminants shall be and remain the sole and exclusive property of the Lessee and shall not become the property of the Lessor notwithstanding:

- a) the degree of affixation of the Contaminants to the Lands; and
- b) the expiry or termination of the Lease Agreement.

20. SURVIVAL OF COVENANTS REGARDING CONTAMINANTS

- a) The obligations of the Lessee relating to Contaminants shall survive the expiry or termination of the Lease Agreement, save only that to the extent that the performance of those obligations requires access to, or entry upon the Lands, the Lessee shall have such entry and access only at such times and upon such terms and conditions as the Lessor may from time to time reasonably specify. The Lessor, upon a minimum of ninety (90) days written notice, may, at the Lessee's expense, undertake the performance of any necessary work in order to complete such obligations of the Lessee; but having commenced such work, the Lessor shall have no obligation to the Lessee to complete the same.
- b) If the Lessee has assigned its rights and obligations in compliance with Clause 21 (Environmental Requirements Preceding Assignment or Expiry) and Clause 23 (Assignment and Sub-Lease) then such Assignee will have full responsibility relating to the Contaminants after such Assignment.

21. ENVIRONMENTAL REQUIREMENTS PRECEDING ASSIGNMENT OR EXPIRY

- a) Prior to any assignment under Clause 23 (Assignment and Sub-Lease) hereof, and at ninety (90) days prior to the termination of the Lease Agreement, the Lessee shall provide to the Lessor, at the expense of the Lessee, a Phase I Environmental Site Assessment of the Lands conducted by a qualified independent consultant. The Phase I Environmental Site Assessment shall be completed in accordance with the Yukon Contaminated Sites Regulations and with the CSA Standard Z768-01.
- b) A copy of the Phase I Environmental Site Assessment prepared prior to an assignment shall be provided to the Lessor and the Assignee by the Lessee and will become attached as a Schedule to this Lease Agreement, and shall be deemed to delineate the extent of the Lessee's responsibilities under the Lease Agreement prior to the effective date of such assignment. For greater certainty, the Lessee shall not be liable or obligated under the Lease Agreement for any Contaminants released, or adverse environmental conditions arising or created, on or after the effective date of assignment, unless such were caused by the Lessee, during remedial action taken in accordance with Clause 20 (Survival of Covenants Regarding Contaminants) hereof or otherwise.

22. LESSEE ANIMAL CONTROL

Lessees are responsible for keeping their pets and those owned by their employees, customers, contractors, suppliers or agents restrained by a leash or controlled in a kennel or vehicle. Lessees are also responsible for any damage to aerodrome/airport property caused by such pets. The Director may, at the expense of the Lessee, impound any pet found to be at large on aerodrome/airport property and recover expenses related to any damage caused by such pets

23. ASSIGNMENT and SUB-LEASE

- a) Subject to Clause 20 (Survival of Covenants Regarding Contaminants), the Lessee shall not make any assignment of this Lease Agreement, nor any transfer or sublease of the whole or any portion of the Lands demised or leased hereunder, without obtaining the prior written consent of the Director, such consent not to be unreasonably withheld. However, without restricting the Lessor's right to grant or refuse consent hereunder, it is expressly understood by the Lessee that the Lessor may consider adverse environmental conditions identified under Clause 19 (Ownership of Contaminants) hereof to be reasonable grounds on which to refuse the Lessee's request for permission to assign, transfer or sublease the whole or any portion of the Lands.
- b) The Lessee recognizes the Lessor's right to transfer the Lands subject to the terms and conditions of the Lease Agreement.

24. ACCESS

The Lessor shall have full and free access to the Lands for inspection purposes during normal business hours and, where possible, in the presence of the Lessee. In cases of emergency, the Lessor shall at all times and for all purposes have full and free access to the Lands.

25. INSURANCE

The Lessee will obtain, pay for and maintain, for the duration of this Lease Agreement and any extensions, at the sole cost and expense of the Lessee, the following insurance:

- a) Legal liability, occurrence form, covering the Lessee's legal liability for any claims arising from operations on groundside or airside, with a minimum limit of liability of \$5,000,000 per occurrence, containing the following provisions:
 - i. The Lessor to be added as an additional insured.
 - ii. "Cross liability" or "separation of interests" clause causing the policy to cover liability claims brought by one insured against another insured.
 - iii. "Contractual liability" covering the lessee for its obligations under this Lease.
- b) Motor Vehicle Liability Insurance in accordance with all applicable legislation to cover all vehicles operating at Yukon aerodromes including ground support vehicles to be used in the performance of the Lessee's operations on airside lands: with a minimum liability of \$5,000,000.
- c) Property Insurance with coverage no less than fire, extended coverage and debris removal for any improvements, buildings or structures situated, constructed, brought or placed upon the Lands by the Lessee during the term of the Lease. The Lessor to be added as an additional insured and loss payee as its interest may appear.
- d) The amount of any deductible in any insurance policy required by this agreement shall be borne entirely by the Lessee.
- e) The Lessee will immediately upon execution of this Lease provide a Certificate of Insurance, which will be acceptable to the Lessor, confirming insurance requirements contemplated by this agreement and will submit a new one prior to expiry or change of any existing insurance policy. When requested, the Lessee will immediately provide a certified true copy of any insurance policy contemplated by this agreement.
- f) No insurance policy shall be amended, cancelled, allowed to lapse, or any limits reduced without the insurer first providing at least thirty (30) days (or as required by statute) advance notice in writing to the Lessor.
- g) If the Lessee fails to provide, maintain and pay for insurance as required by this clause, the Government of Yukon shall have the right to obtain and pay for the required insurance, the cost of which shall be payable on demand by the Lessee. The Government of Yukon shall have the right to offset such amounts from any monies due to the Lessee if not paid within 15 days.

26. INDEMNITY

The Lessee will indemnify and hold harmless the Lessor from any and all claims, demands, losses, actions, damages, costs, suits, or proceedings whatsoever that may arise directly or indirectly, related to, incurred or arising out of any activity of the Lessee in the performance of this Lease Agreement. This indemnification shall survive the termination or cancellation of this Lease Agreement.

27. MOTOR VEHICLES ON AIRSIDE

- a) Prior to operating any motorized vehicle on airside, the Lessee shall either:
 - i. Provide to Aerodrome/Airport Management the existing Airport Vehicle Number already assigned to each vehicle, or
 - ii. Apply for and obtain a new Airport Vehicle Number for each vehicle from the Lessor/Licenser/Owner, and the Airport Vehicle Number will be valid for the life of the vehicle.
- b) Once issued a new Airport Vehicle Number, the Lessee will purchase two copies of the decals or magnetic signs at their cost according to the following specifications:
 - i. For motorized vehicles with doors, two (2) copies of each number: 7" black numbers in Arial font, centred on reflective white background 16" wide x 12" high.
 - ii. For motorized vehicles without doors, two (2) copies of each number: 3" black numbers in Arial font centred on reflective white background 12" wide x 4" high.
- c) For Apron I, III, and IV users, the Lessee shall display an Airport Vehicle Number on the driver's door and the passenger door of the vehicle immediately below the window, or in a similar location on vehicles without doors and/or windows, whenever the vehicle is operating on aprons, taxiways and runways.
- d) For Apron II and Taxiway Golf users, the Lessee shall display an Airport Vehicle Number in the form of a hanger from the rear view mirror of the vehicle. The numbered side of the hanger shall face towards the front of the vehicle.

- e) The Lessee shall not transfer an Airport Vehicle Number without the prior written consent of Airport Management.
- f) All such motorized vehicles shall be insured as in Clause 25 above.
- g) Each operator of such motorized vehicles shall have a valid driver's license and shall present it upon request by any Transportation Aviation Branch employee.
- h) The vehicle operator shall ensure that the vehicle is not transporting Foreign Object Debris (FOD) onto aerodrome/airport paved surfaces.
- i) All vehicles on Aprons I, III and IV shall be outfitted according to the Airside Vehicle Operator's Permit Study Guide, section Vehicle Operating Procedures.

28. LIMITATION OF LIABILITIES

The Lessee shall not have nor make any claim or demand, nor bring any action or suit or petition against the Lessor for any damage which the Lessee may sustain by reason of any temporary suspension, interruption or discontinuance, in whole or in part, from whatever cause arising in services supplied by the Lessor hereunder.

29. VESTING

- a) Any repairs, alterations, improvements or replacements made by the Lessee to or upon the Lands, which by their nature are determined to be fixtures, shall upon termination of this Lease Agreement, except as is in this Lease Agreement otherwise specifically provided, be vested in title in the Lessor without any payment of compensation to the Lessee in respect of the repairs, alterations, improvements or replacements.
- b) Upon termination of this Lease Agreement, the Lessor shall have the option of requiring or compelling the Lessee upon written notice, to remove any improvements from the Lands. The Lessee shall be bound to remove and restore the site to its original condition, all at the cost and expense of the Lessee, all to the satisfaction of the Lessor and without any right on the part of the Lessee to seek compensation for any reason whatsoever.
- c) Despite 29(b) it will not be necessary for the Lessee to remove any landfill, unless such is required to be removed to comply with any applicable Laws.

30. NOTICE OF DEFECT, DAMAGE, FAILURE, ACCIDENT OR INJURY

If at any time or times during the term of this Lease Agreement any damage or injury (ordinary wear and tear excepted) should occur to the Lands from any cause whatsoever or to any works or property of the Lessor on the aerodrome/airport, by reason of or on account of the operations of the Lessee, the Lessee shall, immediately upon notice thereof from the Lessor given in writing, repair and restore the same to the entire satisfaction of the Lessor. If within Thirty (30) days from the date of such notice being mailed, the Lessee has not commenced performance of such maintenance or if such maintenance is not of a type satisfactory to the Lessor, the Lessor may enter upon the Lands and perform such maintenance, at the cost and expense of the Lessee, and the Lessee agrees to promptly reimburse the Lessor for the cost thereof plus ~~ten~~ percent (10%) thereof for administration and overhead. It is expressly understood and agreed that the Lessor is not under any obligation to perform any maintenance upon the said Lands during the term of this Lease Agreement.

31. STATUTES, REGULATIONS AND BY-LAWS

- a) The Lessee shall in all respects and at all times abide by, comply with, and not be in breach of, all Laws governing or affecting the Lands.
- b) The Lessee shall cooperate with and respond to all requests from an Investigator appointed by the Lessor to conduct a Safety Investigation under the Safety Management System (SMS) established in accordance with Canadian Aviation Regulation CAR 302.502.
- c) To the extent that the Lessor is, or may in the future become, a Regulatory Body in respect of any aspect of the use or occupation of the Lands by the Lessee, the Lessor makes no representations or warranties to the Lessee as to how it, or its employees, officials, or ministers will exercise any discretion they may have now or in the future in making decisions in the exercise of such regulatory authority, save and except that such exercise of discretion and such decisions shall be lawful and made in good faith, and the Lessor is not liable to the Lessee in any way for the consequences of any decision made in the exercise of any such discretionary decision making authority, even if such decision results in the Lessee being unable to obtain the benefits expected by it under this Lease Agreement, provided that such exercise of discretion and such decisions are lawful and made in good faith.

32. BANKRUPTCY

If the Lessee becomes bankrupt or insolvent or has a receiving order made against it or makes assignment for the benefit of the Lessee's creditors, or if an order is made or resolution passed for the winding up of the Lessee or if the Lessee takes the benefit of any statute for the time being in force relating to bankruptcy or insolvent debtors, then the Lessor shall be entitled to terminate this Lease Agreement as provided herein.

33. OVERHOLDING

Should the Lessee remain in possession of the Premises after the termination of the term under this Lease Agreement without special agreement, a tenancy from year to year shall not be created by implication of the law, and the Lease Agreement shall be deemed to be a monthly agreement and the monthly rent payable will be two times one twelfth of the most recent annual rent payable under this Lease Agreement.

34. TERMINATION

This Lease Agreement may be terminated prior to the expiry of its term:

- a) where either party commits an act of default and such act of default is not remedied within thirty (30) days or other reasonable period required to remedy such default, after written notice specifying the nature of such default and requiring the same to be remedied is delivered to the party alleged to be in default;
- b) by either the Lessor or the Lessee, upon giving ninety (90) days prior written notice to the other party.

35. ARBITRATION ACT

In the event of a dispute arising between the Lessor and the Lessee regarding the interpretation, application, operation or any alleged violation of this Agreement, such dispute may by agreement of the parties be determined by arbitration in accordance with the *Arbitration Act*, RSY 2002, c. 8. The expense of any such arbitration shall be borne as the arbitrator may determine. In the absence of such agreement, the Supreme Court of Yukon has jurisdiction.

36. GENERAL

- a) The waiver by the Lessor or the Lessee of the strict performance of any condition, covenant or agreement herein contained shall not constitute a waiver of or abrogate such or any other condition, covenant or agreement, nor shall it be deemed a waiver of any subsequent breach of the same or of any other condition, covenant or agreement.
- b) There are no conditions, either subsequent or precedent, except as set forth in this Lease Agreement. This Lease Agreement constitutes the entire Lease Agreement between the parties and the Lessor has made no representations, warranties or promises to the Lessee save those as contained herein.
- c) Time is of the essence in this Lease Agreement.
- d) The headings used throughout this Lease Agreement are inserted for reference purposes only and are not to be considered or taken into account in construing the terms and provisions of any paragraph or section, nor to be deemed in any way to qualify, modify, or explain the effects of any such provisions or terms.
- e) The words "herein", "hereof", "hereby", "hereunder" and words of similar import refer to this Lease Agreement as a whole and not to any clause, section or paragraph.
- f) The Lease Agreement and everything herein contained shall ensure to the benefit of and be binding upon the successors and assigns, as the case may be, of each of the parties hereto, subject to granting of consent by the Lessor as provided herein to any assignment, transfer or sub-lease of the Lease Agreement.
- g) All matters or difference arising between the Lessor and the Lessee in any matter connected with or arising out of the Lease Agreement, whether as to interpretation or otherwise, shall be determined by the Lessor but without prejudice to any recourse available to the Lessee as a matter of law.
- h) The Lessee does hereby accept this Lease Agreement as set forth above.

ADDRESS FOR NOTICES

Whenever in this Lease Agreement it shall be required or permitted that notice or demand be given or served by either party to this Lease Agreement to or on the other party, such notice or demand shall be in writing and may be given personally, by facsimile transmission or by prepaid registered letter addressed to the other party for which intended at the address hereunder, or to such other address as may be substituted therefor from time to time by proper notice and if mailed, shall be deemed to be given forty-eight (48) hours after it is mailed or immediately upon facsimile transmission as hereinbefore specified:

TO THE LESSOR AT:

Transportation Aviation Branch, Highways and Public Works,
Government of Yukon
P.O. Box 2703 (W-16)
Whitehorse, YT Y1A 2C6

ATTENTION: Director, Transportation Aviation Branch
Phone: (867) 667-8270
Fax: (867) 667-8446

TO THE LESSEE AT:

NAME
ADDRESS
TOWN, TERRITORY/PROVINCE
X#X #X#

ATTENTION: NAME
Phone: (###) ###-####
Fax: (###) ###-####

IN WITNESS WHEREOF the parties hereto have executed this Lease Agreement the _____ day of _____ 20##.

SIGNED, SEALED AND DELIVERED

by the Lessor in the presence of -

SIGNED, SEALED AND DELIVERED

by the Lessee in the presence of

}
}
}
}
}per: Government of Yukon
}
}
}
}
}Print name
}
}
}
}
}
}
}per: COMPANY
}
}
}
}
}Print name

1. License Number
 Permis n° _____

2. Category
 Catégorie e.g. 51 - Land _____

3. File Number
 Dossier n° _____

4. Airport
 Aéroport _____

5. Effective date
 Date d'entrée en vigueur _____
YEAR • ANNÉE MONTH • MOIS DAY • JOUR

6. This license is authorized by the Minister Highways & Public Works c/o
 Ce permis est autorisé par le¹ ministre du HPW, représenté par _____
T TITRE

7. Licensee's Legal Name
 Nom légal du titulaire _____

8. Mailing Address
 Adresse postale _____

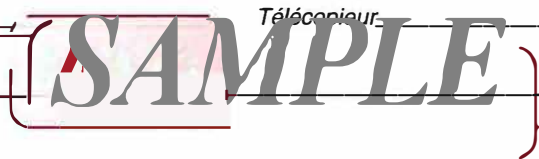
9. Contact Person:
 Personne-ressource : _____

10. Email Address
 Courriel _____

11. Telephone number(s)
 Numéro(s) de téléphone _____

12. Fax Number
 Télécopieur _____

13. The licensee is hereby authorized to
 Le titulaire est par les présentes autorisé à : _____



* pending review at expiry of OIC 2020-182 \$XX (waived* OIC 2020-182)
 and for no other activities whatsoever.
 et ne peut effectuer d'autres activités de quelque nature que ce soit.

14. Fees
 Droits _____

15. For a term of
 Pour une durée de _____

16. Payment start date
 Date de début du paiement _____
YEAR • ANNÉE MONTH • MOIS DAY • JOUR

17. Expiry date
 Date d'échéance _____
YEAR • ANNÉE MONTH • MOIS DAY • JOUR

18. Payment terms
 Modalités de paiement Payment in full / Paiement intégral Annually / Annuellement

IN WITNESS WHEREOF, the parties have signed • EN FOI DE QUOI, les parties ont signé

<p>_____ <small>FOR THE LICENSEE • POUR LE TITULAIRE</small></p> <p>_____ <small>PRINT NAME • NOM EN LETTRES DETACHEES</small></p> <p>_____ <small>TITLE • TITRE</small></p>	<p>_____ <small>WITNESS TÉMOIN</small></p> <p>_____ <small>PRINT NAME • NOM EN LETTRES DETACHEES</small></p> <p>_____ <small>DATE DATE</small></p>
<p>_____ <small>FOR THE MINISTER • POUR LE MINISTRE</small></p> <p>_____ <small>PRINT NAME • NOM EN LETTRES DETACHEES</small></p> <p>_____ <small>TITLE • TITRE</small></p>	<p>_____ <small>WITNESS TÉMOIN</small></p> <p>_____ <small>PRINT NAME • NOM EN LETTRES DETACHEES</small></p> <p>_____ <small>DATE DATE</small></p>

LICENSE TERMS AND CONDITIONS

1. Definition

In this License, "HPW Minister" means the person holding the position or acting in the capacity of the HPW Minister for the time being, or such person as is designated by the HPW Minister to administer this License.

2. Form

This document and any attachments mentioned as forming part of this License constitute the entire License between both parties when duly executed by authorized officers of both parties. No variation thereof shall be effective without the written consent of both parties. No local, general or trade customs shall vary the terms and conditions thereof.

3. Payment of fees

The Licensee shall pay all fees herein reserved at the time and in the manner in this License set forth, without any abatement or deduction whatever.

4. Fee review

The Licensor reserves the right to modify the fees herein reserved, provided the Licensor gives written notice of each modification to the Licensee.

5. Payment of Interest

If the fees herein are not paid by the date set for payment, the Licensee shall pay interest on the unpaid fees at a rate to be determined by the Licensor from time to time, from the date the fees are due and payable until fully paid.

6. Assignment

The Licensee shall not assign or transfer this License in whole or in part without the prior written consent of the Licensor.

7. Compliance with Regulations and Directives

The Licensee shall, in all respects, abide and comply with all applicable lawful rules, regulations, by-laws and laws of the federal, territorial or municipal governments or any other governing body whatsoever. The Licensee shall abide by and comply with all directives issued from time to time by the Licensor concerning the operation of the airport.

8. Access

The officers, servants and agents of the HPW Minister shall at all times and for all purposes, have full and free access to the areas used by the Licensee pursuant to this License.

9. Risks

All property of the Licensee, at any time brought on the airport shall be entirely at the risk of the Licensee, with the exception only of any such loss, damage or injury caused by the negligence of any officer, servant or agent of the HPW Minister while acting within the scope of their duties or employment.

10. Indemnification

The Licensee shall at all times indemnify and save harmless the Licensor from and against and be responsible for all claims and demands, loss, costs, damages, actions, suits or other proceeding by whomsoever made, brought or prosecuted based upon or attributable to this License or any actions taken or things done by the Licensee, unless such damage or injury is due to the negligence of any officer, servant or agent of the HPW Minister while acting within the scope of their duties or employment.

11. Damage

If, during the existence of this License, the Licensee or the activities of the Licensee occasions to the airport or any part thereof, or works connected therewith, any damage or injury, the Licensee shall, immediately upon verbal or written notice thereof from the Licensor, repair, rebuild, replace and restore the damage or injury to the entire satisfaction of the Licensor. The Licensor may, at the option of the Licensor, repair such damage or injury. In which case, the Licensee shall, upon demand, forthwith repay and reimburse the Licensor for all costs and expenses connected therewith or incidental thereto.

12. Insurance

The Licensee shall maintain at all times during the term of this License general liability, property damage and fire insurance, for an amount of coverage and in a form acceptable to the Licensor. The Licensee shall provide the Licensor with a certificate that the Licensee maintains such insurance coverage.

13. Default or Breach

Upon default or breach in respect of any provision or condition herein, the Licensor may with or without notice, retake possession of any areas used by the Licensee under this License and thereupon, the Licensee shall forthwith remove the Licensee's property from the said premises and upon failure to do so, the said property shall become the property of and shall vest in the Licensor, without any right of compensation on the part of the Licensee therefor.

14. Cancellation

Either party may cancel this License with thirty (30) days prior written notice. Such notice shall be delivered in writing to the other party or mailed to the last known address.

MODALITÉS ET ÉTATS DE PERMIS

1. Définition

Définition dans ce permis "HPW Minister" signifie la personne tenant la position ou agissant en qualité du HPW Minister pour l'instant, ou une telle personne comme est indiqué par le HPW Minister pour administrer ce permis.

2. Forme

Ce document et tous les attachements mentionnés en tant que faire partie de ce permis constituent le permis entier entre les deux parties une fois dûment exécutés par les officiers autorisés des deux parties. Aucune variation en ne sera efficace sans consentement écrit des deux parties. Coutume locale, générale ou commerciale ne changera pas les modalités et des conditions en.

3. Paiement des droits

Le concessionnaire payera tous les honoraires ci-dessus réservés alors et de la façon dans ce permis déterminé, sans n'importe quelle réduction ou déduction quoi que.

4. Révision des droits

Le concesseur se réserve le droit de modifier les honoraires ci-dessus réservés, fourni le concesseur donne la notification écrite de chaque modification au concessionnaire.

5. Paiement d'intérêts

Si les honoraires ci-dessus ne sont pas payés d'ici la date fixée le paiement, le concessionnaire payera l'intérêt sur les honoraires impayés à un taux d'être déterminé par le concesseur de temps en temps, de la date les honoraires sont dus et payables jusqu'entièrement à payé.

6. Cession

Le concessionnaire n'assignera pas ou ne transférera pas ce permis entièrement ou partiellement sans consentement antérieurement écrit du concesseur.

7. Conformité aux règlements et aux directives

Le concessionnaire, de tout point, demeurera et se conformera à tous les règles, règlements, arrêtés municipaux et lois légalement applicables des gouvernements fédéraux, territoriaux ou municipaux ou de n'importe quel autre corps régissant quelconques. Le concessionnaire respectera et se conformera à toutes les directives publiées de temps en temps par le concesseur au sujet de l'opération de l'aéroport.

8. Accès

Les officiers, les domestiques et les agents du HPW Minister à tout moment et pour tous les buts, avoir le plein libre accès aux secteurs employés par le concessionnaire conformément à ce permis.

9. Risques

Toute la propriété du concessionnaire, à tout moment apportée sur l'aéroport sera entièrement au risque du concessionnaire, à l'exception seulement de des tels perte, dommages ou dommages provoqués par la négligence de n'importe quel officier, domestique ou agent du HPWHPW Minister de tandis qu'agissant dans la portée les leurs fonctions ou emploi.

10. Indemnisation

Le concessionnaire à tout moment garantira et économiser inoffensif le concesseur de et contre et sera responsable de tous des réclamations et des demandes, perte, des coûts, des dommages, des actions, des costumes ou toute autre démarche par le whomsoever fait, apporté ou poursuivi, basé au moment ou attribuable à ce permis ou à toutes les mesures prises ou à choses faites par le concessionnaire, à moins qu'un tel dommages ou dommages soient dus à la négligence de n'importe quel officier, domestique ou agent du HPW Minister tout en agissant dans la portée des leurs fonctions ou emploi.

11. Dommages

Si, pendant l'existence de ce permis, le concessionnaire ou les activités des occasions de concessionnaire à l'aéroport ou à n'importe quelle partie en, ou les travaux se reliaient en conséquence, n'importe quels dommages ou dommages, le concessionnaire, immédiatement sur la notification verbale ou écrite en du concesseur, réparation, reconstruction, remplacer et reconstituer les dommages ou les dommages à l'entière satisfaction du concesseur. Le concesseur peut, à l'option du concesseur, réparer un tel dommages ou dommages. Dans ce cas, le concessionnaire, sur la demande, immédiatement remboursera et remboursera le concesseur pour toutes les coûts et dépenses reliés en conséquence ou chose fortuite là-dessus.

12. Assurance

Le concessionnaire maintiendra à tout moment pendant ces responsabilité de permis, dégâts matériels et assurance-incendie incendie généraux, pour une quantité d'assurance et sous une forme acceptable au concesseur. Le concessionnaire fournira au concesseur un certificat que le concessionnaire maintient une telle assurance d'assurance.

13. Défaut ou bris

Sur le défaut ou l'infraction en ce qui concerne n'importe quelle disposition ou condition ci-dessus, le concesseur peut avec ou sans notification, la possession de reprise de tous les secteurs employés par le concessionnaire sous ce permis et sur quoi, le concessionnaire enlèvera immédiatement la propriété du concessionnaire de l'entière satisfaction du concesseur. Le concessionnaire deviendra la propriété de et investira dans le concesseur, sans n'importe quelle droite de compensation de la part du concessionnaire pour cette fin.

14. Annulation

L'une ou l'autre partie peut décommander ce permis avec la notification antérieurement écrite de trente (30) jours. Une telle notification sera livrée par écrit à l'autre partie ou expédiée à la dernière adresse connue.

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1. Entire Agreement

This agreement constitutes the entire agreement between the parties regarding the matters dealt within it, and it supersedes and invalidates any other prior agreements between the parties, including any representations and warranties made verbally or in writing, relating to the matters dealt with in this agreement.

2. Amendments of this Agreement

No amendment is in effect unless made in writing and approved by both parties, signed in the same manner as this agreement.

3. Applicable Law

The Licensee must, at all times, comply with all applicable laws including any regulations, by-laws or orders of any government or other body with jurisdiction.

4. Airport Management Compliance

The Licensee must comply with and abide by with all directives issued from time to time by the Licensor or designated representative concerning the operation of the airport or aerodrome. Failure to do so may be considered a breach of this agreement.

5. Erection and Maintenance of Buildings or Structures or Licenced Area Improvements

- .1 The Licensee shall not construct or erect any permanent building, or other permanent structure, or any permanent improvements on the licenced area.
- .2 The Licensee shall not construct or erect any non-permanent building, or other non-permanent structure or any non-permanent improvements on the licenced area without first obtaining the written approval of the Licensor. A minimum of 45 days is required to process land development applications. The Licensee must provide to the Licensor, a copy of the Building Permit prior to the commencement of construction. The Licensee is hereby notified that certain buildings structures or other activities may trigger an amendment to this agreement.
- .3 All such buildings or structures shall be constructed and thereafter maintained by and at the cost and expense of the Licensee in accordance with all applicable Laws, including but not limited to the National Building Code of Canada and Airport Zoning requirements under the Aeronautics Act (Canada) all as amended from time to time, and to the satisfaction of the Licensor.
- .4 If the Licensee provides services of a public or commercial nature, the Licensee shall provide adequate parking facilities on the licenced area to accommodate the motor vehicles of its clients or customers. Clients or customers of the Licensee shall not park their motor vehicles off the licenced area while conducting business with the Licensee.

6. Signs

The Licensee shall not inscribe, paint or affix any signage, advertisement or notice without the prior written approval of the Licensor. The Licensee shall remove or alter such signage at the written request of the Licensor. The Licensee shall be responsible for all costs associated with its signs, including signs for parking stalls.

7. Caretaking Services

- .1 The Licensee must take suitable steps to maintain in good order to the satisfaction of the Licensor the licenced area including snow removing, landscaping, brushing and mowing, as applicable.

Licensee initials

dd/mm/yy

Licensor initials

dd/mm/yy

Supplemental Terms and Conditions: Land License

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- .2 It is the responsibility of the Licensee to remove any large snow piles to an approved off-aerodrome/airport site, if required, at the cost of the Licensee. The Licensor may issue a licence for use of an on-site snow dump.
- .3 It is the responsibility of the Licensee to ensure no Foreign Object Debris is generated from activates on the licensed area.

8. Survival of Covenants Regarding Contaminants

- .1 "Contaminants" means any substance that is: designated as waste or as a hazardous, toxic, dangerous or unhealthy substance or that is similarly designated under any Environmental Law; regulated under any Environmental Law; or a hazard to health or safety or has an adverse impact on the natural environment.
- .2 "Environmental Laws" means all laws, statutes, regulations, bylaws, permits, orders, guidelines, standards, policies, directions and notices relating to waste, hazardous waste, chemical substances or mixtures or hazardous, toxic, dangerous or unhealthy substances or conditions or relating to the interaction of the use of property and the environment, whether: criminal or civil; made by federal, provincial, territorial, municipal or any other governmental authority having jurisdiction over the licenced area; statutory, common law or administrative; or previously or currently in effect or enacted in the future
- .3 The obligations of the Licensee relating to Contaminants shall survive the expiry or termination of the agreement, save only that to the extent that the performance of those obligations requires access to, or entry upon the lands, the Licensee shall have such entry and access only at such times and upon such terms and conditions as the Licensor may from time to time reasonably specify. The Licensor, upon a minimum of ninety (90) days written notice, may, at the Licensee's expense, undertake the performance of any necessary work in order to complete such obligations of the Licensee; but having commenced such work the Licensor shall have no obligation to the Licensee to complete the same.

9. Environmental Requirements Preceding Termination

At ninety (90) days prior to the termination of this agreement, the Licensee shall provide to the Licensor, at the expense of the Licensee, a Phase I Environmental Site Assessment of the Lands conducted by a qualified independent consultant. The Phase I Environmental Site Assessment shall be completed in accordance with the Yukon Contaminated Sites Regulations and with the CSA Standard Z768-01.

10. Notice of Defect, Damage, Failure, Accident or Injury

- .1 If at any time or times during the term of this License or any renewal thereof, should any damage or injury (beyond expected ordinary wear and tear) occur to the licenced area from any cause whatsoever or, to any works or property of the Licensee on the airport, by reason of or on account of the operations of the licence, the Licensee must, immediately upon notice thereof from the Licensor given in writing, repair and restore the same to the entire satisfaction of the Licensor.
- .2 If within thirty (30) days or other reasonable period as agreed upon by the parties required to remedy from the date of such notice being mailed, the Licensee has not commenced performance of such maintenance or if such maintenance is not of a type satisfactory to the Licensor, the Licensor may perform such maintenance at the cost and expense of the Licensee. The Licensee agrees to promptly reimburse the Licensor for the cost thereof plus such additional administration charge as may then be applicable. It is expressly understood and agreed that the Licensor is not under any obligation to perform any maintenance upon the said licensed area during the term of this agreement.

Licensee initials

dd/mm/yy

Licensor initials

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- .3 Failure to commence performance of such maintenance within thirty (30) days from the date of notice being mailed or other reasonable period as agreed upon by the parties may lead to termination of this agreement.
- .4 If the damage or injury has not been repaired and restored to the satisfaction of the Licensor after termination of this agreement, the Licensor retains the right to perform such maintenance at the cost and expense of the Licensee.

11. Waiver

- .1 No party shall be deemed at any time to have waived the exercise of any right that it holds under this agreement, unless such waiver is made in writing.
- .2 No failure to exercise, or any delay in exercising, any rights under this agreement shall be deemed a waiver of such rights.

12. Dispute Resolution

- .1 In the case of a dispute in respect of this agreement, the Licensee and Licensor must, as a first step, immediately use their best efforts to resolve the dispute in a cooperative and timely manner.
- .2 If the Licensee and Licensor fail to resolve the dispute, then they may each pursue whatever remedies are available to them under this agreement or at law.

13. Termination

This agreement may be terminated prior to the expiry of its term:

- .1 Where either party commits an act of default and such act of default is not remedied within thirty (30) days or other reasonable period required to remedy such default, after written notice specifying the nature of such default and requiring the same to be remedied is delivered to the party alleged to be in default;
- .2 By either the Licensor or the Licensee upon giving ninety (90) days prior written notice to the other party.
- .3 Upon termination the Licensee shall forthwith remove the Licensee's property from the licensed area and upon failure to do so, the said property shall become the property of and shall vest in the Licensor, without any right of compensation on the part of the Licensee. Should any costs be incurred with the removal of the property, the Licensee agrees to promptly reimburse the Licensor for the cost thereof plus ten percent (10%) thereof for administration and overhead.

Licensee initials

dd/mm/yy

Licensor initials

dd/mm/yy

APPENDIX 4: Parcel information

Elevations

1. Parcel 1 average elevation: 703.2 m (2307.0 feet)
2. Parcel 2 average elevation: 703.1 m (2306.7 feet)

Building height restrictions

1. Parcel 1 restricted to a building height of 35.3 m (115.8 feet)
2. Parcel 2 restricted to a building height of 35.4 m (116.1 feet)

Setbacks on front, side and rear are 0m (0 feet)

APPENDIX 5:

Additional references

Applicable legislation, regulations, bylaws and guidance includes but is not limited to the following:

1. Public Airports Act
 - http://www.gov.yk.ca/legislation/acts/puai_c.pdf
2. NAV Canada <https://www.navcanada.ca/en/products-and-services/Pages/land-use-program.aspx>
3. Transport Canada
4. Aeronautics Act, Canadian Aviation Regulations
 - <https://www.tc.gc.ca/en/transport-canada/corporate/acts-regulations/regulations/sor-96-433.html>
5. [Aeronautics Act, Whitehorse Airport Zoning Regulation](#)
6. Aerodromes Standards and Recommended Practices (TP312) 5th edition
 - <https://www.tc.gc.ca/eng/civilaviation/publications/tp312-menu-4765.htm>
7. Financial Administration Act, OIC 2015/72
 - http://www.gov.yk.ca/legislation/regs/oic2015_072.pdf
8. [City of Whitehorse Zoning By-law](#)