

The South Kootenay Business Centre

SKBC TENANT POLICY AND PROCEDURE MANUAL

SCHEDULE 'A'

1. Introduction

The Policy Manual provides policy statements in the form of directives and guidelines to facilitate consistent application of SKBC Manager and SKBC Tenant responsibilities in accordance with the terms and conditions of the Rental agreement.

1.1 - Role of CFDC of Greater Trail (SKBC Manager)

The role of CFDC of Greater Trail is to encourage a positive climate for entrepreneurial growth in the Lower Columbia; specifically, to:

- a) provide a focal point for business development activities.
- b) provide a supportive environment for the successful start-up of new business ventures.
- c) foster economic development, diversification and job creation in the Lower Columbia region.

Further, as a community partner, CFDC of Greater Trail is committed to economic prosperity and social well-being that improves our lifestyle and makes our communities desirable places to live, work and play. To aid in these economic and social objectives one of the services we provide is turn-key, business ready professional office rental space for business and not-for-profit organizations in "The South Kootenay Business Centre" facility located at 835 Spokane Street, Trail, British Columbia.

2. Tenancy

2.1 - Tenancy Qualification Criteria

SKBC Tenant must be:

- a) a not-for-profit or business entity that is a start-up, home-based, satellite or expanding entity.
- b) an entity that compliments or supports enhancing local economic prosperity through business development, social well-being, and/or community liveability.
- c) registered and compliant with all municipal, provincial and federal laws and regulations pertaining to business and/or not-for-profit operations.

2.2 - SKBC Tenant Application and Approval Process

Applicants must complete the SKBC Tenancy Application for review by CFDC committee. Applicants will be notified of the CFDC committee decision within thirty (30) days of submission. The final decision rests solely with the CFDC Committee.

Successful applicants will be required to sign and adhere to SKBC Rental agreement prior to occupancy.

3. **Rental Fees and Accounts Receivable**

3.1 - Rental Fees and Graduated Rental Policy

With the exception of extraordinary circumstances, and by request of SKBC Tenant, and at the sole discretion of the CFDC Committee, for-profit business tenancy will terminate after thirty-six (36) months.

To ensure the CFDC of Greater Trail role and South Kootenay Business Centre purpose are attainable the corresponding Graduated Rental Policy is in place to:

- a) assist start-up and new business ventures for the first three years.
- b) assist and provide stability to not-for profit organizations.

Under the Graduated Rental Policy for-profit annual rent increases and events will occur accordingly:

- 1) \$ 50.00/month increase* in base rent** for months 13-24 of tenancy.
- 2) \$ 50.00/month increase* for months 25-36 of tenancy.
- 3) expiration of Rental Agreement maximum term and termination of tenancy* or, by SKBC Tenant request, review of Rental Agreement contract***.

** Increases and termination of tenancy do not apply to not-for-profit organizations.*

*** Base rent refers to the initial amount charged for the first month in the first year of tenancy and is subject to annual review by CFDC Committee.*

**** In the event of extraordinary circumstances or when a suitable location is not available SKBC Tenants may request a contract review for extended tenancy. SKBC Manager can provide assistance locating appropriate space upon request.*

3.2 - Accounts Receivable Rules

- a) All basic Rental fees are due the first day of the month.
- b) All other additional fees, if incurred with and payable to the Corporation, will be invoiced at the end of the month and payment is due fifteen (15) days

thereafter; for other charges invoiced by and payable directly to the supplier, payment is due fifteen (15) days after receipt of the supplier's invoice.

- c) All overdue accounts will be invoiced for interest charges at the rate of two percent (2 %) per month (twenty-four) 24% per annum levied against the outstanding account from the date of the invoice of the overdue amount.

4. Termination

Termination will occur when a SKBC Tenant and/or its employees, servants, agents, and/or contractors breach the terms and conditions of the Rental agreement and where the SKBC Manager believes it to be in the best interest of the CFDC of Greater Trail and other participants.

4.1 Immediate Termination

A request for immediate termination will only be made in serious situations if it is determined that the SKBC Tenant should vacate the premises without requiring the SKBC Manager to give a one-month notice of termination. The following situations demand request for immediate termination when the SKBC Tenant has caused a disturbance or seriously impaired:

- a) any other SKBC Tenant as determined by the SKBC Manager; or,
- b) the premises; or,
- c) the safety or other lawful right or interest of the SKBC Manager or other occupants.

5. Training

Further to the terms and conditions of the Rental Agreement, SKBC Tenant may participate in appropriate entrepreneurial and other training courses as offered and/or recommended by SKBC Manager or CFDC of Greater Trail Staff. These courses may have fees applicable.

6. Rental agreement

The following is notwithstanding of the terms and conditions of the South Kootenay Business Centre Rental Agreement.

6.1 The SKBC Tenant shall at all times abide by all laws, rules, regulations, ordinances, provisions and requirements relating to the Leased Premises and shall keep the Leased Premises and common areas, its employees, servants, agents and invitees under its control so as to prevent the performance of any act, or the carrying on of any practice which would contravene any laws rules or regulations relating to the South Kootenay Business Centre or its reputation or the Leased Premises or could injure or annoy the other SKBC Tenants in the Business Centre, their employees, servants, agents or invitees or the public.

6.2 The SKBC Tenants shall place all garbage, recycling and rubbish in the containers specified by the SKBC Manager. Large scale waste removal is the responsibility of the SKBC Tenant.

6.3 The SKBC Tenant shall not keep or display any merchandise on, or otherwise obstruct the sidewalks, common areas, or other areas adjacent to the Leased Premises except as designated by the SKBC Manager.

6.4 The SKBC Tenant shall not hang or suspend from any wall or ceiling roof or any part of the Business Centre any equipment, display fixtures or signs which are not authorized by the SKBC Manager.

6.5 The SKBC Manager and the SKBC Tenant will inspect the Leased Premises together at the beginning and end of the tenancy and complete a written status report on its condition. Each party will retain a copy of the status report for future reference should there be a discrepancy regarding damages or cleanliness at the end of the tenancy. The SKBC Tenant shall, at all times, keep the Leased Premises in a clean and sanitary condition, including the inside and outside of all glass, the door and windows of the premises, together with all exterior store front surfaces of the Leased Premises, in accordance with the laws and direction, rules and regulations of any governmental, municipal or other agency having jurisdiction.

6.6 If the SKBC Tenant requires any electrical equipment which will overload the electrical facilities in the Leased Premises, the SKBC Tenant shall first submit to the SKBC Manager plans and specifications for work required to install and supply additional electrical equipment necessary to prevent overloading of the electrical facilities in the Leased Premises and obtain from the SKBC Manager written approval to perform the same. All such work shall meet all government regulations, regulations of any other competent authority, regulations of the Association of Insurance Underwriters and requirements set down by the SKBC Manager's insurers, and shall be at the sole cost and expense of the SKBC Tenant, and shall be in strict accordance with the annexed Lease.

6.7 The SKBC Tenant and SKBC Tenant's employees and agents shall not solicit business in any form in the Leased Premise's common areas.

6.8 The SKBC Tenant shall not use or permit the use of any objectionable advertising medium such as without limitation, loudspeakers, phonographs, televisions, public address systems, sound amplifiers, radio or broadcasting within the Business Centre, which is in any way audible or visible outside of the Leased Premises. No aerial shall be erected on the roof or exterior wall of the Leased Premises, or on the ground, without in each instance the written consent of the SKBC Manager. Any aerial installed without such written consent shall be subject to removal without notice at any time.

6.9 The SKBC Tenant and its employees, servants, agents and contractors, may enter the Leased Premises at all times outside regular business hours, but only by such entrances as the SKBC Manager may designate from time to time, and subject to such means as the SKBC Manager may require to control the presence of persons within the Business Centre when it is closed to the public.

6.10 The SKBC Tenant shall provide to the SKBC Manager the names, addresses, and telephone numbers of two (2) authorized employees or delegates of the SKBC Tenant that may be contacted by the SKBC Manager in the event of an emergency relative to the Leased Premises.

6.11 Neither the SKBC Manager nor the SKBC Tenant may alter or remove locks or security or means of access to the Leased Premises without the other party's written permission. If there is a reasonable threat to security the SKBC Manager may, in an emergency, change locks on entrances to common areas.

6.12 The SKBC Tenant will be held accountable for any noise or air pollution, damage, heat, odours and any other offensive circumstances impacting the facility or quiet enjoyment of other Tenants as deemed appropriate by the SKBC Manager.

6.13 For the benefit and welfare of all SKBC Tenant's, the SKBC Manager shall have the right to issue further reasonable rules and regulations, and such further rules and regulations shall thereupon be binding upon the SKBC Tenants. The SKBC Tenant agrees to comply with all rules and regulations on notice to the SKBC Tenant from the SKBC Manager.

6.14 The duration of each Rental Agreement shall be a maximum term of three (3) years for business entities. Any concerns regarding the agreement or the length of the term shall be submitted, in writing, to the SKBC Manager.

- a) Twelve (12) months must pass from the time that the original amount of Rental Fee was first collected from the SKBC Tenant to the time that the fee is increased; and,
- b) Three months written notice of any and all fee increases must be submitted to the SKBC Tenant by the SKBC Manager.
- c) A Rental Fee increase notice must be given on or before the last day of a Rental Fee payment period to be effective a minimum of three months later. The Rental Fee may also be increased upon a change in tenancy.

6.15 As per The Province of B.C.'s Tobacco Control Act, smoking is prohibited within the Business Centre and smokers must stand at least 3 m away from the entrance to the building.

7. SKBC Tenant Services

The following services are available to SKBC Tenants:

7.1 - Services

- a) Photocopying and Printing: SKBC Tenant retains own account number. Monthly billing of \$.15 per printed side.

- b) Meeting Room Usage: Meeting rooms must be pre-booked for business meetings. Bookings are on a 'first come, first served' basis, but the CFDC of Greater Trail reserves the right to limit a SKBC Tenant's access thereto in the interests of fairness to other SKBC Tenants. After usage, the meeting rooms and offices must be left in a neat and tidy condition.
- c) Additional office services such as video conferencing, an LCD projector and other equipment, are available for usage by SKBC Tenants on a cost recovery basis. The fees for these services and/or any applicable fees are invoiced at the end of the month and due and payable within fifteen (15) days thereafter.

Charges will be subject to tax when applicable

7.2 - Common Areas, Signage and Security

- a) Lunchroom: There is a lunchroom equipped with a table, chairs, sink, microwave, coffee machine and fridge available to all SKBC Tenants and Staff.
- b) Washrooms: The SKBC has two (2) wheel chair accessible washrooms.
- c) Cleaning Service: The CFDC of Greater Trail provides janitorial services to the common areas within the Business Centre. SKBC Tenants are responsible for the condition within their Leased Premises and must maintain their area in a manner and condition deemed suitable by the SKBC Manager or SKBC Manager may have the premises cleaned at the expense of the SKBC Tenant.
- d) Signage: The Business Centre requires and provides a business directory listing for each SKBC Tenant in the front reception area of the Business Centre. All door, window or other signage that are displayed must be approved by the SKBC Manager before installation.
- e) Security: The Business Centre main entrance is equipped with an automatic time coded lock to be open during normal business hours and video camera to record after-hour entry. Each SKBC Tenant will be provided with an entry passcode to open the main entrance outside of normal business hours. All outside doors to the building must be locked except between the normal business hours of 8:30 am to 4:30 pm, Monday through Friday, and on legal holidays in the Province of British Columbia.

Authorized Signatory:

Dated this ____ day of _____, 20__.