

SUB-LEASE

THIS INDENTURE made the day of June, 2009

BETWEEN

V.F.C. CORPORATE WINGS AVIATION LTD. (Inc. No. BC057609)
1633 Hillside Avenue
Victoria, BC V8T 2C4

(hereinafter called the "Sublessor")

OF THE FIRST PART

AND

VERNON LITTLE
13905 25A Avenue,
Surrey, BC V4P 2L9

(hereinafter called the "Sublessee")

OF THE SECOND PART

WHEREAS:

- A. By an Indenture of Lease (the "Head Lease") dated the 1st day of April, 1997 and made between HER MAJESTY THE QUEEN IN RIGHT OF CANADA (the "Landlord") and the VICTORIA AIRPORT AUTHORITY (the Lessee) AND by Sub-Lease dated the 20th day of June, 2006 made between the Lessee and VFC CORPORATE WINGS AVIATION LTD. (hereinafter called the "Sublessor") the Lessee leased to the Sublessor those lands and premises located at 9800 McDonald Park Road, Sidney, BC and more particularly known and described as:

That certain parcel of land comprising an area of 2.56 hectares (25,600m²) and more particularly shown as Area 1 outlined in heavy black ink and contained within that certain Reference Plan to accompany lease of part of Lot A, Plan 38759, Sections 11 & 12, Range 2 East, North Saanich District, certified correct by Michael Claxton, BC Land Surveyor, and dated December 16, 2008, a copy of which is attached as Schedule "A" hereto.

(the "Lands")

and consisting presently, inter alia, of thirty-one (31) aircraft hangars, more or less, in two buildings that are presently, or that are proposed to be, leased by way of sub-lease to various Sublessees pursuant to the form of this Agreement (the "Leased Hangars");

- B. The Sublessee wishes to enter into a sub-lease with the Sublessor to occupy that aircraft hangar which is located within the building on that portion of the Lands which is outlined in red and labeled "Hangar #B5" on Schedule "B" hereto;

NOW THEREFORE WITNESSETH that in consideration of the Rents, Covenants, Conditions and Agreements hereinafter respectively reserved and contained, the said Sublessor doth demise and lease unto the said Sublessee, ALL AND SINGULAR those certain premises located at 9800 McDonald Park Road, Sidney BC outlined in red for the purpose of identification only upon the copy of the Plan annexed hereto as Schedule "B" and forming part of the building erected upon the lands, containing 1260 square feet, more or less (hereinafter called the "Premises").

FROM the 1st day of June, 2009 for the balance of the term of the Head Lease less one day,

YIELDING therefor during the said term the RENT of NINETY-SIX THOUSAND DOLLARS (\$96,000.00) plus applicable Goods and Services Tax payable in advance on the 10th day of June, 2009 plus common costs as hereinafter defined, payable at the office of VFC CORPORATE WINGS AVIATION LTD. monthly in advance without deduction on the 1st day of each and every month in consecutive monthly instalments of THREE HUNDRED FIFTEEN DOLLARS (\$ 315.00) plus goods and services tax, commencing on the 1st day of June, 2009 and thereafter on the 1st day of each and every month to and including the 1st day of the month on which the Head Lease expires with the rent for any broken portion of a calendar month in which this sub-lease terminates being prorated.

THE SUBLESSEE COVENANTS WITH THE SUBLESSOR:

Rent:

To pay the rent at the times and in the manner set out without deduction or abatement whatsoever; and to pay a proportionate share of all common costs, i.e. 1260 square feet as a proportion of 13,464 square feet which common costs shall include:

Hydro, water, gas, insurance, and all operating, maintenance and management fees or expenses relating to the Premises or the Common Areas

and which common costs shall be re-adjusted annually on the 1st day of June of each year during the Term of this sub-lease with the total common costs for the first year of this sub-lease being FORTY THOUSAND THREE HUNDRED NINETY-TWO DOLLARS (\$40,392.00).

Taxes
- Electricity
- Security } \$5000⁶⁰

annual property taxes

itemized and

Repairs:

To repair (reasonable wear and tear and damage by fire, lightning, tempest and earthquake excepted); and that the Sublessee will not drive nails or screws into nor drill into nor cut, mark nor in any way deface any part of the premises; and the Sublessor may enter and view the state of repair; and that the Sublessee will repair according to notice; and that the Sublessee will give the Sublessor or his agent immediate notice of any defect in water, gas, or other pipe or fixtures, heating apparatus, elevator, hoist, machinery or telephone, electric or other wires or fixtures.

Assigning and Allow:

AND the Sublessee will not assign, sublet or otherwise part with the Premises or any part thereof to become vested in or occupied by any person other than the Sublessee for the whole or any part of the term herein without the consent in writing of the Sublessor, which consent will not be unreasonably withheld, and the Sublessee will leave the Premises in good repair (reasonable wear and tear excepted).

Utilities:

AND will pay all or any business or floor space licence or tax, any machinery tax, electric light, power, water, gas, telephone charges, janitorial and maintenance charges of said Premises or floor space.

Water:

THAT should the Sublessee at any time during the term of this sub-lease use or install any machine using water, the Sublessee shall from such date of installation, pay a monthly amount to be set by the Sublessor to cover extra water.

Nuisance:

AND will not carry on nor do, nor allow to be carried on or done on the premises any sales by auction, nor any work, business, occupation, act or thing whatever which may be or become a nuisance or annoyance to the Sublessor, the public or any other occupant of the said building or which may increase the hazard of fire or liability of any kind or which may increase the premium rate of insurance against loss by fire or liability upon the said building or the premises or invalidate any policy of insurance of any kind upon or in respect of same or which may cause or result in excessive use or waste of water or increase the amount of water rates payable in respect of the said building or the premises.

Signs, Etc.:

AND will erect only such signs as are approved in writing by the Sublessor. And will erect only such signs of advertisements as in his discretion are necessary for his business, and upon expiration or termination of the sub-lease will remove same if required to do so by the Sublessor.

Taxes:



AND will pay as additional rent a proportionate share of all taxes (including local improvement taxes) levied by any federal, provincial, municipal or school authority, i.e. 1260 square feet as a proportion of 46,041 square feet.

other than annual property taxes



Equipment, Machinery and Tenants Fixtures Taxes:

AND shall pay as rent within 10 days after demand any rates or assessments levied against the property with respect to tenant's fixtures, machinery and equipment, AND will pay any increase in taxes which may be levied on the property due to tenant's (Sublessee's) improvements.

Indemnity:

AND will indemnify and save harmless the Sublessor from and against all manner of actions or causes of actions, damage, loss, costs or expenses which the Sublessor may sustain, incur, or be put to by reason of any act or omission of the Sublessee.

Fixtures:

THE Sublessee may at any time during the sub-lease or at the expiration or termination of the sub-lease, or any renewal thereof, be at liberty to remove all their furniture, counters, signs, fittings, goods, PROVIDED HOWEVER, that they shall make good any damage to the said Premises caused by such removal, and shall leave the said Premises in good repair.

Refuse:

AND will provide receptacles for refuse and rubbish of all kinds, and will attend to the removal of the same from the premises at regular intervals, and will not keep nor leave boxes, packing material or rubbish of any kind in or near the premises or any passages connected with same, AND will keep clean and free from any rubbish, ice or snow, all walks, passages, yards and alleys adjacent to the premises.

Alterations:

THE Sublessee may not make any alterations to the Premises without the prior written approval of the Sublessor, which shall not be unreasonably withheld.

Repair and Remodel:

THE Sublessor shall have the right at any time during the term herein to repair and remodel the Premises.

New Tenancy:

IF the Sublessee shall hold over or the Sublessor shall accept rent after the expiration of the said term, subject to any renewal herein, the new tenancy thereby created shall be a tenancy from month to month only.

Insurance:

To provide insurance at the Sublessee's own expense within thirty (30) days of the commencement date of the Term, and remaining in force during the Term of this Lease c any renewal thereof, and covering:

- (a) public liability insurance for the benefit of the Landlord and Tenant in such reasonable amounts as may be required by the Landlord but in no event less than \$1,000,000.00 in respect of injury or death to one or more persons or property damaged; and
- (b) insurance for the benefit of the Landlord and the Tenant covering loss or damage to the Tenant's fixtures, stock, machinery and equipment by fire, lightning, explosion, windstorm, hail, riot, vandalism, sprinkler leakage, smoke damage and impact by aircraft or vehicle to the full extent of the replacement value.

Access for Sublessor:

AND will allow the Sublessor, its customers, prospective customers, invitees, licensees, employees, and all other persons having business with the Sublessor, the right to use, in common with all others entitled thereto from time to time, the areas designated as "Taxi-way" areas on Schedule "A" attached hereto.

Compliance with Rules:

AND will observe, obey and conform to and cause his employees to observe, obey and conform to all rules and regulations from time to time made by the Sublessor with regard to the management, use or occupation of the said building and the Premises;

AND will comply promptly at his own expense with all laws, ordinances, regulations, requirements and recommendations of any and all Dominion, Provincial, Civic, Municipal and other authorities or Association of Fire Insurance Underwriters or Agents and all notices in pursuance of same whether served upon the Sublessor or the Sublessee, and will indemnify and save harmless the Sublessor from and against all and all manner of actions or causes of action, damages, loss, costs expenses which he may sustain, incur or be put to by reason of any neglect of same or noncompliance therewith or by reason of any defect, deficiency, disrepair, depreciation, damage or change in or to the premises, or any injury or damage to any person or to any goods and chattels contained in, upon or about the premises, however caused.

Compliance with Head Lease:

AND will read the terms and conditions of the Head Lease and will observe, obey and conform to and cause his employees to observe, obey and conform to all the said terms and conditions of the Head Lease and will not do nor allow his employees to do any act which will result in a breach or default by the Sublessor of the Head Lease or of any term or condition thereof.

Expenses:

THAT if the Sublessor shall suffer or incur any damage, loss or expense or be obliged to make any payment for which the Sublessee is liable hereunder by reason of any failure of the Sublessee to observe and comply with any of the covenants of the Sublessee herein contained then the Sublessor shall have the right to add the cost or amount of any damage, loss, expense or payment to the rent hereby reserved, and any such amount shall thereupon immediately be due and payable as rent and recoverable in the manner provided by law for the recovery of rent in arrears.

THE SUBLESSOR COVENANTS WITH THE SUBLESSEE:

Valid Lease:

THAT the Sublessor is the holder of a good, valid and subsisting leasehold interest or interests in the Lands and the granting of this sub-lease shall not constitute a default thereof.

Compliance with Head Lease:

THAT the Sublessor shall comply with all of the terms and conditions of the Head Lease and shall not do any act which may constitute a default under or a breach of the Head Lease.

Quiet Enjoyment:

THAT the Sublessor shall grant to the Sublessee quiet enjoyment of the Premises.

Use of Common Areas:

THAT the Sublessor shall grant to the Sublessee for the benefit of the Sublessee and its invitees, licensees, employees, and all other persons having business with it, the right to use, in common with all others entitled thereto from time to time, all the common areas of the building in which the Premises are located, and the common areas of the Administration Building (outlined in Blue on Schedule "B" hereto) including the corridors, designated stairways, elevators, washrooms and adjacent walkways, subject to any rules and regulations from time to time set by the Sublessor for the Sublessee's use of the building and the areas designated as "Taxi-way" areas on Schedule "A" hereto.

Enforcement of Rights:

To enforce for the benefit of the Sublessee of the Premises the obligations of the Landlord under the Sublease with the intent that the benefit of such covenants extend to the Premises to be enjoyed by the Sublessee; the Sublessee, however, agrees to pay the Sublessor's costs, including but not limited to legal costs, reasonably incurred by the Sublessor in relation to such enforcement.

Default by Sublessor under Head Lease:

THAT in the event the Sublessor shall default under the Head Lease and shall be unable or unwilling to cure the said default, the Sublessor shall not interfere with any attempt by the Sublessee to deal directly with the Landlord under the Head Lease to cure the Sublessor's default and take over the Sublessor's position under the Head Lease.

PROVISOS

Default by Sublessee:

THAT in case the Sublessee shall become insolvent or bankrupt or make assignment for the benefit of creditors, or being an incorporated company if proceedings be begun to wind up the said company, or in case of the non-payment of rent at the times herein provided, or in, case the premises or any part thereof used by any other person or persons, or for any other purpose than as hereinbefore provided, without the written consent of the Sublessor, this sub-lease shall, at the option of the Sublessor, cease and be void, and the term hereby created expire and -be at an end, anything hereinbefore to the contrary

notwithstanding, and the current month's rent and three months' additional rent shall thereupon immediately become due and payable and the Sublessor may re-enter and take possession of the premises as though the Sublessee or his servants or other occupant or occupants of the premises were holding over after the expiration of the said term and the term shall be forfeited and void;

Distress:

THAT whensoever the Sublessor shall be entitled to levy distress against the goods and chattels of the Sublessee he may use such force as he may deem necessary for that purpose and for gaining admittance to the premises without being liable to any action in respect thereof, or for any loss or damage occasioned thereby and the Sublessee hereby expressly releases the Sublessor from all actions, proceedings, claims or demands whatsoever for or on account of or in respect of any such forcible entry or any loss or damage sustained by the Sublessee in connection therewith.

Waiver of Default:

THAT no waiver of nor neglect to enforce the right to forfeiture of this sub-lease or the right of re-entry upon breach of any covenant, condition or agreement herein contained shall be deemed a waiver of such rights upon any subsequent breach of the same or any covenant, condition or agreement herein contained;

Notice:

THAT any notice to be served hereunder shall be deemed sufficiently served on the Sublessee if addressed to the Sublessee and left on the Premises;

Fire Damage:

AND it is hereby declared and agreed that in case the Premises hereby demised or any part thereof shall at any time during the term hereby granted be burned down, or damaged by fire, so as to render the same unfit for the purposes of the said Sublessee, then and so often as the same shall happen the rent hereby reserved, or a proportionate part thereof according to the nature and extent of the injury sustained, and all remedies for recovering the same shall be suspended and abated until said premises shall have been rebuilt or made fit for the purpose of the said Sublessee.

Re-entry:

PROVISO FOR RE-ENTRY BY THE SUBLESSOR for non-payment of rent, or non-performance of covenants. The Sublessor in pursuance of this proviso shall have the right to break into the premises to obtain possessions thereof and the Sublessee hereby waives all claims for damage to or loss of any of the Sublessee's property caused by the Sublessor in re-entering and taking possession of the premises: and no action taken by the Sublessor in pursuance of this proviso whether under what are generally known as summary proceedings or otherwise shall be deemed to absolve, relieve or discharge the Sublessee from liability hereunder: and this proviso shall extend and apply to all covenants whether positive or negative.

Renewal:

AND the Sublessor covenants with the Sublessee that if the Sublessee duly and regularly pays the said rent and performs "all the covenants, provisos and agreements as are herein contained on the part of the Sublessee to be paid and performed, the Sublessor will, if 30 days prior written notice is received, and at the cost of the Sublessee hereby grant . to the Sublessee a renewal sub-lease of the said Premises for a term to co-incide with a renewal of the Head Lease, such new sub-lease to contain all of the covenants, provisos and agreements as are herein contained, except this covenant for renewal, and except as to quantum of rent, which shall be negotiated between the parties. In the event that the parties are unable to agree as to a proper rental rate, then the same shall be settled by arbitration in accordance with the provisions of the Commercial Arbitration Act or as the same may be in force at that time.

Sublessor not responsible for damage:

THAT the Sublessor shall not be responsible for any defect in or change of conditions affecting the premises, nor for any damage to the premises or to any person or to merchandise, goods, chattels, machinery or equipment contained therein howsoever; and that the Sublessor shall not be responsible for any loss, damage or expense caused by any overflow or leakage of water from any part of the said building, or any adjoining buildings, occasioned by the use, misuse or abuse of water or by the breaking or bursting of any pipes or plumbing fixtures, or in any other manner or by seepage from adjoining lands or premises or by accident or by misadventure to or arising from the use and operation of machinery, elevators, heating apparatus, electric wiring and appliances, gas -or other pipes and appliances or any fixtures or by reason of any structural defects in the building or premises or by any other matter or thing whatsoever.

No Representations

THAT the whole contract and agreement between the parties hereto is set forth herein, that the Sublessee has leased the premises after examining the same, that no representations, warranties or conditions have been made other than those expressed or implied herein, and that no agreement collateral hereto shall be binding upon the Sublessor unless it be made in writing and signed by the Sublessor.

THIS INDENTURE shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

WHEREVER the singular and masculine are used throughout this indenture, the same shall be construed as meaning the plural or the feminine or body corporate and politic where the context or the parties hereto so require.

IN WITNESS WHEREOF, the said parties have hereunto set their hands and seals the day and year first written above.

SIGNED, SEALED AND DELIVERED BY
The Sublessor in the presence of:

) V.F.C. CORPORATE WINGS
) AVIATION LTD. by its
) authorized signatory
)
)
)
)
)


JAMES ALLEN McLAREN

SIGNED, SEALED AND DELIVERED BY
The Sublessee in the presence of:

)
)
)
)
)
)
)
)
)


VERNON LITTLE

SCHEDULE "A"

B.C. Land Surveyor's Building Location Certificate On:
Sublease FB259528 Shown As Area 1
On Plan VIP86543
Sections 11 & 12, Range 2 East,
North Saanich District

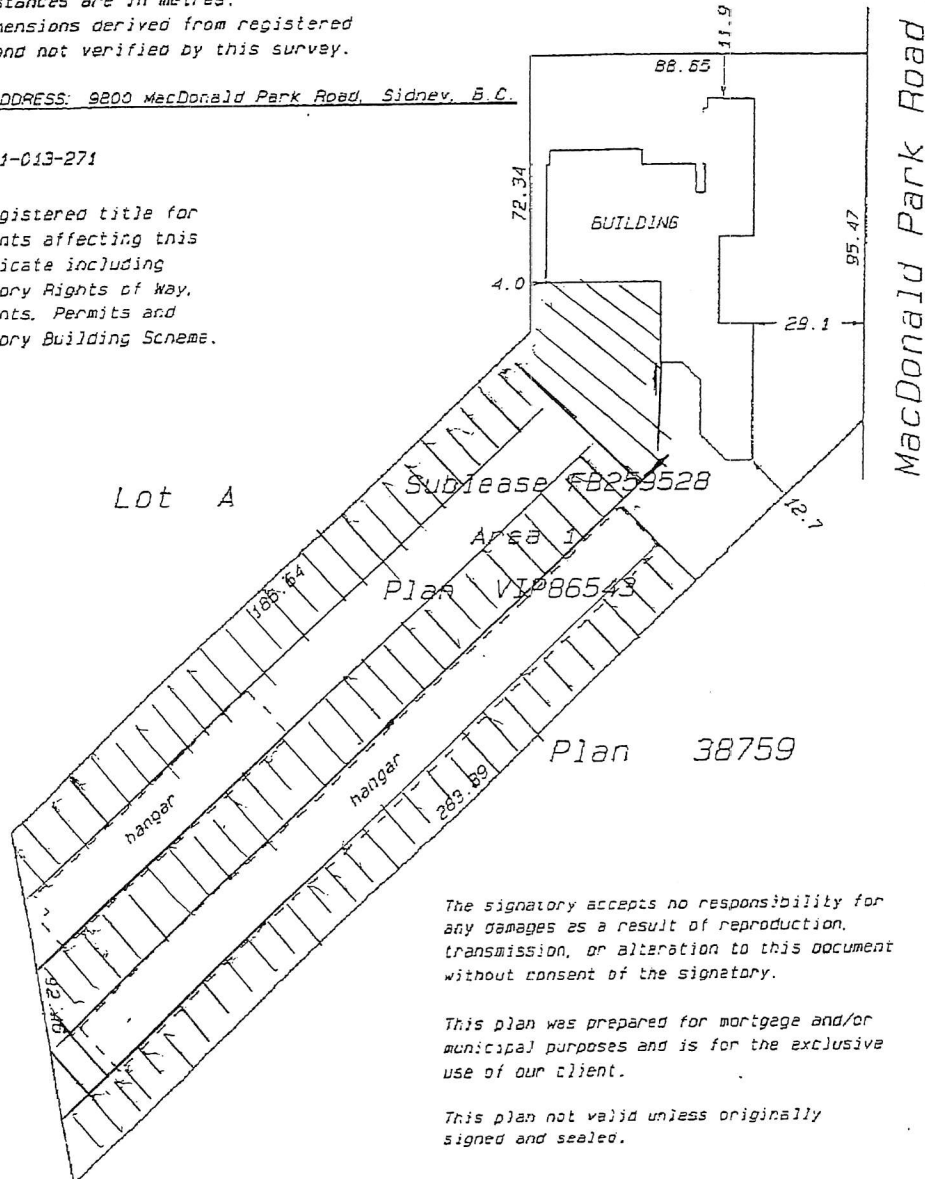
Scale 1:1500

All distances are in metres.
 Lot dimensions derived from registered
 plans and not verified by this survey.

CIVIC ADDRESS: 9200 MacDonald Park Road, Sidney, B.C.

PID: 001-013-271

See registered title for
 documents affecting this
 certificate including
 Statutory Rights of Way,
 Covenants, Permits and
 Statutory Building Scheme.



denotes
 "Taxiway"

The signatory accepts no responsibility for
 any damages as a result of reproduction,
 transmission, or alteration to this document
 without consent of the signatory.

This plan was prepared for mortgage and/or
 municipal purposes and is for the exclusive
 use of our client.

This plan not valid unless originally
 signed and sealed.

This document shows the relative location of the
 surveyed structures and features with respect to
 the boundaries of the parcel described above. This
 document shall not be used to define property lines
 or property corners.

Field Survey: April 17, 2009

MICHAEL CLAXTON
 LAND SURVEYING INC.
 B.C. & CANADA LANDS SURVEYOR
 Unit 804 4223 Commerce Circle
 VICTORIA, B.C. V6Z 6N6
 PHONE 479-2256 FAX 479-3831
 FILE: 12907.cnt fb399

Certified correct this 21st day of April, 2009.

[Signature]

B.C.L.S.

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SCHEDULE "B"

