

Call to Order – 2:32 pm February 18, 2015 | Forum Chambers

The Board of Directors acknowledged that the meeting was being conducted on Unceded Coast Salish Territories, which included the Squamish, Musqueam, Stó:lo, and Tsleil-Waututh people to the current knowledge of the Society.

1. Appointment of the Chair

MOTION BOD 2015-02-18:01

Bueckert

Be it resolved to appoint Shirin Escarcha as chair of BOD 2015-02-18

CARRIED

2. Roll Call of Attendance

Board of Directors

President..... Chardaye Bueckert
Vice President External Relations Darwin Binesh
Vice President Finance..... Adam Potvin
Vice President Student Life Kayode Fatoba (*late*)
Vice President Student Services Zied Masmoudi (*late-emerg*)
Vice President University Relations..... Moe Kopahi
At-Large Representative Rebecca Langmead
Faculty Representative (Arts & Social Sciences)..... Brady Wallace
Faculty Representative (Business) Shadnam Khan
Faculty Representative (Communication, Art & Technology)..... Shirin Escarcha
Faculty Representative (Education) Katie Bell
Faculty Representative (Environment)..... Tesicca Truong
Faculty Representative (Sciences) Deepak Sharma

Society Staff

Build SFU General Manager..... Marc Fontaine
Executive Director..... Colleen Knox
Staff Representative.....
Campaigns, Research, and Policy Coordinator Pierre Cassidy
Minute Taker Dion Chong

Guests

Chief Electoral Officer..... Oscar Sanchez
Council Chair Kathleen Yang
Member..... Arjan Mundy
Member..... Enoch Weng
Member..... Colin Woodbury

Regrets

At-Large Representative Jeremy Pearce
Faculty Representative (Applied Sciences) Ben Rogers (*class*)
Faculty Representative (Health Sciences)..... Ayla Kooner (*volunteering*)

3. Adoption of the Agenda

MOTION BOD 2015-02-18:02

Bueckert/Amended Bueckert/Binesh

Be it resolved to adopt the agenda as presented.

SAL nomination period opening, in camera session, announcement on leave of absence, and

FASC agenda items added to the agenda

Build SFU report attached.

Reports from Committees Struck, with limitations added to board member report.

CARRIED AS AMENDED

MOTION BOD 2015-02-18:03

Fatoba

Be it resolved to add a discussion item on the SFSS Appreciation Gala to the BOD 2015-02-18 agenda.

Appreciation gala appreciates clubs and individuals involved in the SFSS. Executive Committee has selected a date. The Events and Promotions Committee chose to postpone the matter. The Vice President Student Life indicated that the Business Representative postponed the motion indefinitely at the EPCOM table.

CARRIED

4. Ratification of Regrets

MOTION BOD 2015-02-18:04

Truong

Be it resolved to ratify regrets from:

At-Large Representative Jeremy Pearce
Faculty Representative (Applied Sciences) Ben Rogers (*class*)
Faculty Representative (Health Sciences)..... Ayla Kooner (*volunteering*)

CARRIED

5. Matters Arising from the Minutes

All minutes will arrive by next week.

6. Appointments/Resignations

MOTION BOD 2015-02-18:05

Bueckert

Be it resolved to open nominations for all vacant student at-large positions on Society Committees until 2015-04-31, with nominations closing for individual positions as applications are received.

CARRIED

7. Unfinished Business

a. Appointment of the Independent Electoral Commissioners

MOTION BOD 2015-02-18:06

Wallace

Whereas the Chief Electoral Officer has recommended the following candidates;

Whereas the Board of Directors conducted an email vote to approve the following;

Be it resolved that the SFSS BOD reaffirm the decision to accept the binding recommendation of the Chief Electoral Officer and ratify Danielle Milln, Shirley Chu, Cornel Turdeanu, and Lindsay Shepherd as Independent Electoral Commissioners

The Chief Electoral Officer posted advertising for the positions as per the policy requirements. 23 applications were received, of which nearly all were interviewed (16 interviews conducted). Those not interviewed had either significant conflicts of interest, lack of qualification, or were not members of the SFSS (Fraser International College and SFU graduate members). Questions included past experience, understanding of the role of the commission and the commissioner, importance of independence etc. Decisions were made based upon potential team dynamics as well as individual qualifications. Avoiding conflicts of interest—including recent board involvement, interest in running for the board of directors, close friendships with board members, previous employment with the Society—was highly important throughout the decision-making process.

CARRIED

Abstentions noted from Sharma, Langmead, Bell, Kopahi

8. Reports from Executives and Department Representatives

Arts and Social Sciences Representative

- Open Textbook Working Group
 - Conducted a meeting to touch base on developments
 - Provided a presentation to the Graduate Student Society with the hopes of potentially collaborating with their open access campaign
 - OpenCon organizers are very interested in showcasing SFSS work, since SFSS was one of three undergraduate representatives at the conference
- Numerous meetings with the Faculty of Arts and Social Sciences Student Engagement Officer—Student union appreciation event, FASS canvas course, space

Sciences Representative

- SUS – Working on elections and first Science social
- Build SFU working group – reviewing recommendations.
- Attended transit coalition events as a representative of the SFSS
- Work on Surrey Campus – helping DSU start up on the campus
- Surrey campus gala – information will be circulated
- Work report incoming
- General Office hiring committee - 2 administrative assistants have been hired
- Taste of Trance EPCOM pub night – assistance in promoting the event was requested.

Education Representative

- Education Student Association – working to continue activity though event planning
- Working groups, including spring concert planning
- Transit referendum

Vice President Finance

- Working with environment groups on campus to develop the Reinvest in our Future campaign. Hosting a Green Jobs fair in March.
- Budgeting for the next year, and handling outstanding matters for the budget in the current year

Vice President University Relations

- General Office hiring – great candidates applied. One is being trained today
- Speaking with SFU Recreation Director to integrate SFU Recreation and SFSS clubs platform. Solutions are currently being developed which will be brought to Board of Directors by the end of the term
- Surrey space expansion continues to be in development

Vice President External Relations

- Build SFU Working Group—developing report and speaking to the legal counsel on possible options
- Advocacy Committee—significant time spent keeping track of costs
- Budgeting based on previous years report.
- Meetings with staff on Build SFU
- Speaking to staff in regards to consolidation of advertising across the Society.
- Emails slower response due to schoolwork

Business Representative

- Supporting BASS with elections
- BASS banquet incoming
- EPCOM project support – Concert working group (back-end ticket management)
- Build SFU Working Group participation

Environment Representative

- Working on the Reinvest in our Future campaign with a coalition of environmental student groups.
 - Dialogue on the Kinder Morgan Pipeline being planned
- Present for the Faculty of Environment meet and greet
- Get Out the Vote event through the Council of Canadians and ADV
- Sat down with President to develop Job Description for a project working supporting the Kinder Morgan NEB submission.

Vice President Student Life

- Working with individuals to develop a SFU Apprentice event aimed at the Beedie community
- Louis Riel meeting – a new residence associations being created to address the needs of the Louis Riel community
- SFU Got Talent had positive media attention
- SFU Sex Week first annual conference
- A number of clubs have expressed issues with registration process

- Keeping up to date with the work of the Build SFU working group
- EPCOM – trying to get it moving

President

- Build SFU Working Group participation
- Engaging in staffing work including proposal for management restructuring for EXEC and BOD next week
- Developing JD for the Kinder Morgan NEB submission project worker.
- As part of platform, continuing to promote open textbooks, transit referendum, working with Board of Governors Undergraduate Representative to reform consultation policy at the university on tuition fees
- Louis Riel students concern on affordable family housing on campus
- Supporting concerned member on indigenous catering on campus
- Arranging meeting with the Spokesperson and the new Minister of Advanced Education.

Communications, Art, and Technology Representative

- Administrative work
- General Office Coordinator hiring Committee
- Attended the Taskforce for Flexible Education workshop along with the Arts and Social Sciences Representative
- More outreach is needed to Vancouver campus – working with Vancouver campus administration to launch an information board or television on the campus. Considering costs, location, efficacy etc.
- Working on proposal on Student Engagement Forum for the Vancouver campus to discuss the collective vision on engagement on the campus to enhance the work of future Vancouver liaisons.

9. New Business

b. MBC Office Space Partial Surrender of Lease

MOTION BOD 2015-02-18:07

Potvin

Whereas at the Board of Directors meeting of June 10, 2014, SFSS representatives were tasked to negotiate with SFU for the surrender of lease of SFSS MBC office space;

Whereas the Board of Directors discussed the surrender of lease at an in-camera session on August 12, 2014, and was presented with a draft agreement at that time;

Whereas the office space to be surrendered does not include space which is used by SFSS Food and Beverage Services or which is leased to tenants within the MBC Food Court;

Be it resolved that the Board of Directors approve the Partial Surrender of Lease;

Be it further resolved that Chardaye Bueckert, SFSS President, and Adam Potvin, SFSS Vice President Finance be authorized to sign the Partial Surrender of Lease on behalf of the Board of Directors and that the common seal of the SFSS be affixed to the signed agreement.

Mundy and Weng left at 3:06pm

In the previous meeting, concerns were raised around the move-out date and the costs associated with any delays. The agreement has been updated to allow for a longer period to move into the new building without suffering financial penalty, and also provides for a solution should the space not be vacated—repayment of the \$3.5 million loan. This would enable the Society to remain in the current administrative space in the MBC. The document does not discuss the MBC space should the move-out not proceed, but the understanding is that the current arrangements with the university for lease of the space would continue. The university already has the right to Set Off on (withhold) the Student Activity Fee if the SFSS is in arrears to the University, and this has been the case for decades of the Student Society's existence. This applies exclusively to the Student Society operation fees.

A member raised concern with proceeding with the agreement should Build SFU be defunded, but it was expressed that the \$3.5 million loan had already been taken out from the University to pay for working drawings. The agreement would provide a mechanism for the repayment of SFU loan should the project not proceed. The document in place provides a significant time period to repay these funds, and the terms of repayment (no interest until 2020) is favorable compared to any decision not to sign the document. The surrender of lease had always been part of the Build SFU plan.

A number of stakeholders in the SFSS rely on the Society having a defined lease agreement with the university, including the GSS and tenants.

Build SFU General Manager was commended for negotiating an extended timeline. Without such an agreement, the SFSS would not been guaranteed such favorable terms.

Other revenue and other means are possible to repay the loan even if the Build SFU fee is revoked.

CARRIED

c. Build SFU Working Group Plan

MOTION BOD 2015-02-18:08

Sharma/Amended Bueckert

Whereas a working group was tasked to develop a plan surrounding the future of Build SFU, including student consultation and consultative referendum questions for the Spring 2015 General Election ballot,

Whereas the report was to be presented for the February 18, 2015 meeting of the Board of Directors,

Be it resolved that the recommendation provided by the Working Group—to increase financial assistance and to refrain from placing a debenture question on the spring referenda—be accepted by the board

Be it further resolved that the existing Working Group be tasked to investigate financial assistance logistics and possible models, and to develop relevant referenda questions if necessary.

The Build SFU Working Group extensively reviewed member concerns of Build SFU. President was recognized for their provision of statistics and figures to frame discussions. The report was

developed based upon the knowledge of the No campaign planning to place a referendum question to revoke the Build SFU levy.

Legal counsel advice has been sought, and will continue to inform the evolution of the report.

The matter would be discussed during the in camera session to maintain legal counsel privilege.

At present, 3% of the Build SFU levy is retained and provided as bursaries for any student who is eligible for bursaries at SFU. This can be increased to 6% without jeopardizing the project, and can be renamed as a subsidy to enhance the number of members who qualify and therefore address issues of financial need by members of the Student Society. Bursaries are only accessible at SFU to those who are taking a minimum of 9 credits, and the change to subsidy would include students who are in financial need but do not meet this credit threshold. This was particularly important given the number of students in financial need whose needs are not being met by the current SFU bursary regime.

The BOD was reminded that that the 3% change to 6% will have an impact through significant interest payments for students in the future, extending the duration of the loan.

Concern was raised that the working group focused on the matter when few students actively expressed such concerns around the bursaries. However, the lack of input was seen as a result of the lack of member knowledge that such bursaries were available. Financial assistance enhancement can be conducted in a number of ways and the specific mechanism can be considered at a future meeting, including the total cost of the levy.

Detailed finances could not be obtained as a result of a Build SFU consultant being on vacation over reading break, thus meaningful financial projections were not yet available. The At-Large Representative indicated that they continued to have interest in further developing the plan and to consider meaningful changes to the project.

The Working Group had extensive discussion, and the report was simply providing a summary of recommended reasonable actions for imminent action, based upon available resources. The Board was reminded that this did not preclude other options and does not inhibit actions of the Board of Directors in the future. A large number of recommendations and discussion items were documented and were available.

The Board was reminded to avoid contradictory referenda questions, which was the goal of the recommendations presented by the Working Group.

Should the no campaign choose not to place a levy revocation question on the referenda, the Board has the opportunity to pursue another set of actions.

Action Item: The Vice President Finance would be involved in the continuing discussions on the Build SFU funding.

The No Campaign was invited from the beginning to be present at the Working Group meetings. Invitations were extended to cooperate on a referenda question, but representatives expressed a desire to campaign and therefore the invitation was declined by the No campaign.

The Board of Directors expressed appreciation to the following individuals: the President, Vice President External Relations, Sciences Representative, Arts and Social Sciences Representative,

At-Large Representative Langmead, and the Build SFU General Manager for attending all working group meetings; Members Woobury and Jovanovic, Education Representative, and Business Representative for contributing to the work of the Working Group. Further, appreciation for the seamless and collective nature of contributions on the initiative was expressed

CARRIED AS AMENDED

Woodbury left at 3:40pm

**d. FASC—Decrease – Out on Campus Wages SUBJECT TO AGENDA AMENDMENT
MOTION BOD 2015-02-18:09**

Sharma

Whereas FASC 2015-02-05 recommends the following:

Be it resolved to decrease Out On Campus wages/benefits by \$16,960.

Motion consists of the following changes:

Decreases:

901/27 OOC Coordinator Wages: \$2,820

911/27 OOC Project Worker Wages: \$9,890

911/27 OOC Project Worker Wages: \$2,354

940/27 OOC CPP/EI/WCB: \$1,173

945/27 OOC Other Benefits: \$1,418

Increase:

950/27 OOC Health Benefits: \$695

Net overall decrease to OOC Wages and Benefits: \$16,960

MOTION BOD 2015-02-18:10

Sharma

~~*Be it resolved* to move all FASC motions omnibus~~

OMNIBUS MOTION WITHDRAWN

Budget decrease came with the contributions of the OOC Collective and Coordinator. The changes resulted from staffing changes over the past year, representing capacity that could not be used by 2014-04-31. This was part of greater discussions across the Society on reducing excess budgetary capacity.

The OOC Administrative Coordinator was involved in the request development. There were only cuts in areas of staffing wages and benefits, with no impact to programming as funded through targeted funding.

CARRIED

**e. FASC—Decrease – Student Union Grants, Travel and Conference Funding
MOTION BOD 2015-02-18:06**

Potvin

Whereas FASC 2015-02-05 recommends the following;

Be it resolved to decrease 5000/G Student Union Grants by \$5,000 and to decrease 5000/T Student Union Travel & Conferences by \$3,000

In the review of the funding, student unions have not been utilizing grants and travel and conference funding to the same level as budgeted by the previous Board (the previous board instituted a 10% increase in grant funding to student unions). The recommendation was sourced from the Student Union Resource Office, based upon projections of possible fund usage.

The Granting Committee was seen as having been conservative in its funding of student union initiatives, and in the future the maximum grant funding allocations to student unions may be increased at CPR.

The committee was reminded that Advocacy Committee initiatives have been cancelled or postponed as a result of insufficient funding.

CARRIED

f. FASC—Decrease – Special/Large-Scale Events **MOTION BOD 2015-02-18:06**

Wallace

Whereas the spring jam budget is expected to make revenue of \$69,500, has budgeted expenditures of \$81,500 for a deficit of \$12,000;

Whereas the following motion would bring the 816/20 for the Spring Jam to \$12,000 to reflect the deficit;

Whereas FASC 2015-02-05 recommends the following;

Be it resolved to decrease 816/20 Events – Special/Large-Scale by \$25,768

In the original Fall Concert budget, a deficit was budgeted but a surplus was realized. As such, the total line item budget could be reduced to match the anticipated deficit for the Spring Jam concert as approved by the Board of Directors.

Confusion was expressed around the accounting methods for the budgeted loss, considering the original allocation of \$25,000 as a contingency for the fall concert. The Board was reminded that this was not a budget decrease but a subsidization of \$12,000 for the concert. Such subsidization may not be desirable considering financial restrictions across the organization which have led to service cuts and postponement of campaigns.

Given the revenue generated by the Fall Kickoff concert of nearly \$13,000 and the budgeting of a \$12,000 loss for the Spring Jam, it was recommended to treat the concerts as one breakeven unit. The Vice President Finance had made recommendations to consolidate the line item for the concert into that of the Events and Promotions Committee for greater internal management by the committee. Further, EPCOM approved the Spring Jam budget.

Members of the Board saw ticket prices at previous concerts as being extremely high, despite subsidization of ticket prices. While members saw value in the production of large-scale social events, a reduction of prices to encourage more member participation was seen as more important than the generation of profit. As such, the goal of the event should not be to

maximize profit but to lower ticket prices to maximize attendance while breaking event budgetarily.

As a line item alone, the line item had no deficit but in fact made money and therefore the line items is just being restored to its official budget.

CARRIED

Abstention noted: Bueckert

g. FASC—Increase – Legal Aid Clinic
MOTION BOD 2015-02-18:06

Sharma

Whereas FASC 2015-02-05 recommends the following;

Be it resolved to increase 686/20 Legal Aid Clinic by \$4500

Legal clinic went over as a result of oversight in the scheduling of the clinic. Further, a complication came from a fee increase for one of the lawyers without any notice, as well as the slow billing cycle from the service provider. The Vice President Finance expressed that the matter represented a lack of control at the Society, and that they were looking into enabling the Board in the future to have direct access to the accounting software.

Two upcoming legal aid clinics have been cancelled to reduce the costs on the Society, in consultation with the General Office Coordinators and the Executive Director.

QUESTION WAS CALLED

Bueckert

CARRIED

10. Discussion

a. Office Etiquette and Conduct

Chairship passed to the Sciences Representative at 4:03pm

In light of upcoming elections, a reminder was provided to the board of the value of professionalism, such as prohibitions against the use of society supplies in campaigning or the impact of bias to the ongoing work of the current board.

For board members choosing to rerun, the Board was reminded to avoid mixing their reelection campaign with the current work of the members in their current positions.

Members rerunning were reminded to review the electoral policies and bylaws, including the non-partisan position of staff. This was particularly important in relation to the Copy Centre.

Communications, Art, and Technology Representative received Chairship at 4:07pm

b. SFSS Appreciation Gala

The EPCOM approved the Student Union Organiser and the Vice President Student Life to develop the SFSS Appreciation Gala. The Executive Committee provided a date for the event.

The desire at EPCOM was to develop a team to bring the matter. The Vice President Student Life accused the Business Representative for postponing the discussion indefinitely without reason.

A member of the EPCOM raised that it was a collective decision of the committee, as opposed to that being of an individual member of the Board to postpone the discussion indefinitely. EPCOM did not feel that the committee was the appropriate venue to plan the event, given that it would not be open to all members. Despite detailed event plans having been requested from the Vice President Student Life over a number of meetings, such plans had not been furnished to the committee. It was furthered that the matter could return to the EPCOM table upon the receipt of a detailed proposal and budget. Further, the committee had yet to receive confirmation (via minutes or otherwise) that the EXEC had in fact approved the event in principle.

Concern was raised that an agenda item was added at the Board table for the sole purpose of initiating a personal attack against a committee and board member, and that such actions constituted arrogance and a lack of professionalism. The Board was reminded that the discussion was not the first instance of personal attacks being made and that victims of such attacks have options open to them, including counseling and legal counsel.

The board was reminded that one-on-one conversations could have alleviated such issues without having such matters brought to the Board table.

A member saw an opportunity to clarify the relationship of the committee as a body with delegated authority from the Board, and the relationship of decisions between committees.

The Vice President Student Life raised that EPCOM had already approved the event by tasking the VP Student Life and the Student Union Organiser to develop the proposal, and that this did not constitute a personal attack. Further, it was the VP SL's understanding was that the organization party was not open to the membership either.

DISCUSSION ENDED

Bueckert

11. Announcements

c. At-Large Representative Pearce Leave of Absence

The President received and approved a Leave of Absence submitted by At-Large Representative Pearce, effective from 2015-02-21 for a period of two months.

12. In Camera Session

Bueckert

Be it resolved to move the meeting in camera

CARRIED

13. Notices of Motion

a. Amendment – R-12 Independent Electoral Commission

MOTION BOD 2015-XX-XX:XX

/

Whereas CPR 2015-01-26 recommends the following;

Be it resolved to amend R-12 as presented

14. Attachments

2015-02-12 Partial Surrender of Lease Agreement.pdf
BUILDSFUWorkingGroupReport.pdf

15. Adjournment 4:25pm

DC /CUPE 3338

Working Group Report

Purpose:

This document provides a set of recommendations regarding the Build SFU project, written for the SFSS Board of Directors. It shall: define the mandate of the working group, make recommendations on how to proceed in the spring referendum, and present solutions to student concerns regarding the project. The report will also include other points of discussion that were not within the defined mandate of the committee, but are believed to be worth investigating by the Board on separate occasion.

Working Group Mandate:

The working group identified the following as its priorities (in no particular order)

1. Recommending how to proceed with the Spring Referendum.
2. Summarizing the identified student concerns with the project.
3. Finding solutions to the identified concerns which are deemed feasible.

Working Group Meetings:

Meetings were held in open space, and were attended by all members of the working group, other members of the SFSS Board, students representing the “No to BUILD SFU” group and students at large. The working group would like to thank everyone for their contributions.

Recommendations and Rationales:

The following are recommendations and the rationales addressing the spring referendum and student concerns.

Spring Referendum:

Recommendations:

It is recommended that the SFSS Board of Directors refrain from placing the following on the Spring Referendum ballot:

1. Any question asking for approval to enter into a debenture for the purpose of financing the Student Union Building and Stadium.
2. Any question asking for approval to create an SFSS by law which would mandate the Society collect levies which support loans from financial institutions.
3. Any non-binding plebiscite that would suggest major change to the Build SFU project.

Instead, the working group recommends evaluating and improving *how* the project is currently being executed and communicated to the SFSS membership.

It is also recommended that the Board register an official side opposing the upcoming question seeking membership approval to revoke the Build SFU levy.

Rationales:

1. The question to give the SFSS approval to enter into a debenture was asked at the Special General Meeting, and it failed because the majority in favour was not large enough to grant approval. The working group recommends against asking the same question without first addressing concerns in a way that improves the current project. These concerns and methods to address them are described further in this report.
2. Proposing a non-binding plebiscite to significantly change the scope of the project would serve no purpose. Moreover, the SFSS has not been given a mandate to significantly change the scope of the project. The current mandate is set for a Student Union Building and Stadium, and no vote has served as a suitable premise to argue changing the scope of the project in a significant manner.

Student Concerns:

1. Financial difficulty faced by students was identified as a primary student concern.

The working group recommends increasing the amount of financial assistance available through the Build SFU bursary by changing the current bursary contribution from 3% to 6%. It is further recommended to investigate an additional increase to make the total bursary contribution 10%.

It is recommended to consider changing the bursary into a ‘subsidy’ because this alternative regime allows for the removal of current bursary requirements. These requirements as they are now, preclude part-time students from qualifying. A subsidy, because it would be defined by the SFSS, could allow for part-time students to qualify. These requirements to qualify for a bursary are set by SFU Senate and an identified alternative is to approach Senate and ask to change the definition of a bursary to remove those requirements.

2. Students who spend their time predominantly on satellite campuses have also been identified as an area of concern because they are also paying for the Build SFU project.

If the bursary is changed into a subsidy, it would be possible to target the subsidy to students who are in financial need, spend most of their time on satellite campuses, or demonstrate a combination of both. It must be noted that further investigation into such a model is required. The working group spent a significant amount of time identifying possible solutions to this concern; however, it must be noted that finding any effective solution is a complex administrative process and requires significant communication and cooperation with SFU administration.

Summary of Recommendations:

1. Pose no question on the spring referendum regarding a debenture or an additional by-law.
2. Re-evaluate *how* the project is being executed and communicated to students.
3. Register in opposition to the upcoming question to remove the BUILD SFU levy.

4. Increase the BUILD SFU bursary contribution from 3% to 6%.
5. Investigate a further increase of the bursary from 6% to 10%, based on impact to the financial model.
6. Change the name of the contribution from a 'bursary' to a 'subsidy'.
7. Investigate further details of options available regarding this change, or targeting this financial assistance to students at other campuses.

PARTIAL SURRENDER OF LEASE

THIS AGREEMENT is dated as of the 7th day of January, 2015

BETWEEN:

SIMON FRASER UNIVERSITY

(“SFU”)

AND:

SIMON FRASER STUDENT SOCIETY

(the “**Tenant**”)

WHEREAS:

- A. By a lease (the “**Lease**”) dated June 29, 1993, SFU leased to the Tenant for a term of thirty (30) years, commencing in 1996 with two consecutive renewal terms of thirty (30) years each, certain premises (the “**Premises**”) comprising 4,958 square metres (53,367 square feet) of area located in the Maggie Benston Centre (the “**MBC**”) on SFU’s Burnaby campus on lands legally described as:
- PID: 028-300-131
Lot 1, DLs 31, 101, 102, 141, 144, 147, 209, 210 and 211
Group 1, NWD, Plan BCP45523;
- B. The Tenant has agreed to surrender a portion of the Premises comprising 1,174.86 square metres (12,646.19 square feet) as listed on the spreadsheet attached as Schedule A hereto (the “**Surrendered Premises**”), and SFU has agreed to accept such surrender as of September 30, 2017 (the “**Surrender Date**”) in consideration of the payment by SFU to the Tenant of the sum of \$3,500,000 (plus GST, if applicable) (the “**Surrender Payment**”) and otherwise on the terms and conditions set out herein; and
- C. By a working drawings phase cost control and indemnity agreement dated for reference August 12, 2014 (the “**Cost Agreement**”), the parties set forth their respective responsibilities and obligations regarding the architectural design development phase of the new student union building and annexed stadium facility project (the “**Build SFU Project**”) on SFU’s Burnaby campus.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties), the parties agree as follows:

1. Surrender

Effective as of 12:01 a.m. on the Surrender Date, the Tenant assigns, releases and surrenders to SFU all of the right, title and interest of the Tenant in and to the Surrendered Premises (which

the parties acknowledge and agree is substantially all non-commercial space), that part of the Lease applicable to the Surrendered Premises and all rights contained therein to the intent that the unexpired residue of the term of the Lease with respect to the Surrendered Premises (including any rights of renewal) and all rights contained therein will be merged and extinguished in the reversion held by SFU.

2. Acceptance

Subject to the Tenant complying with its obligations under this Agreement, SFU accepts such assignment, release and surrender.

3. Characterization of Surrender Payment

The parties agree that the Surrender Payment is intended to be a one-time, gratuitous payment by SFU to the Tenant paid on a “without prejudice” basis solely to assist the Tenant with the Build SFU Project, which project SFU supports. In no circumstance will the Surrender Payment be deemed to be a payment in respect of the Surrendered Premises pursuant to the Lease or otherwise, and the Tenant hereby expressly acknowledges that SFU is not required to make any such payment to the Tenant in respect of either the Surrendered Premises or any other portion of the Premises that the Tenant may in the future wish to surrender prior to the expiry or earlier termination of the Lease. For the sake of certainty, in the event that after the date of this Agreement it is determined that SFU is obligated to make a payment to the Tenant in respect of either the Surrendered Premises or any other portion of the Premises pursuant to the Lease or otherwise, the Tenant hereby releases SFU from such obligation.

4. Payment of Surrender Payment

On or before the date that is two weeks after the execution and delivery of this Agreement, SFU will pay the Surrender Payment into a trust account (the “**SFSS Trust Account**”) held by SFU for the benefit of the Tenant, such funds to be held in trust and paid out by SFU in the manner set forth in section 7. Notwithstanding the foregoing, SFU may, in its sole discretion, as a good faith gesture elect to pay the Surrender Payment into the SFSS Trust Account prior to the execution and delivery of this Agreement.

5. Repayment of Surrender Payment

Subject to section 6, if the Tenant fails to vacate the Surrendered Premises on the Surrender Date, the Tenant acknowledges and agrees that its obligation to vacate the Surrendered Premises will immediately be deemed to be converted into an obligation to repay to SFU the full amount of the Surrender Payment by no later than the third anniversary of the Surrender Date. SFU confirms that if the Tenant does not default on the foregoing repayment obligation, no interest will be charged on the Surrender Payment, or such portion as then remaining outstanding. If the Tenant defaults on the foregoing repayment obligation, interest will immediately start accruing on the overdue amount at prime plus 6% compounded monthly, not in advance, calculated from the date of the Tenant’s default to the date SFU receives full payment. For the sake of certainty, the parties agree that (a) under no circumstance will the Tenant be required to both vacate the Surrendered Premises and repay the Surrender Payment, and (b) provided an occupancy certificate has been issued for the new student union building prior to the Surrender Date, the

Tenant must vacate the Surrendered Premises on the Surrender Date and cannot elect to remain in occupation and repay the Surrender Payment in accordance with this section 5.

6. Delay in Surrender

Notwithstanding anything in this Agreement to the contrary, if the Tenant is unable to vacate the Surrendered Premises by the Surrender Date due to a delay in the completion of the Build SFU Project, a delay in delivery of possession of the new student union building to the Tenant, or any other cause beyond the reasonable control of the Tenant, then the Surrender Date will be postponed for a period equal to the duration of the delay, and all references herein to the "Surrender Date" will be amended and interpreted accordingly, provided that:

- (a) the Surrender Date will not be postponed by more than three months after an occupancy certificate has been issued for the new student union building, and in any event will not be postponed beyond September 30, 2019; and
- (b) for greater certainty, the postponement of the Surrender Date will not release the Tenant from the observance of its covenants and performance of its obligations in this Agreement, all of which will continue in full force and effect.

7. Application of Surrender Payment

The Tenant hereby irrevocably authorizes and directs SFU to pay out the funds in the SFSS Trust Account, including any interest thereon, if applicable, as follows:

- (a) *Build SFU Project Architectural Design Development Costs.* At any time and from time to time such funds as are required to satisfy any invoice for which the Tenant is responsible pursuant to the Cost Agreement (collectively, the "**Tenant's Cost Agreement Costs**"), provided that the aggregate total amount of all such payments to be made from the Surrender Payment will not exceed \$3,500,000 as set forth in Schedule B to the Cost Agreement; and
- (b) *Other Build SFU Project Costs.* In the event that the Tenant's Cost Agreement Costs have been fully satisfied and funds remain in the SFSS Trust Account, at any time and from time to time such funds as are required to satisfy any invoice relating to the Build SFU Project separate and apart from the Tenant's Cost Agreement Costs.

On receipt of a written request from the Tenant, SFU will furnish the Tenant with copies of any invoice paid by SFU from the SFSS Trust Account in accordance herewith together with a statement setting forth the aggregate total amount of all payments made from the SFSS Trust Account.

8. Vacant Possession and Removal of Fixtures

Prior to the Surrender Date, the Tenant will have the right to remove from the Surrendered Premises its furniture, equipment, inventory and any moveable trade fixtures not attached to the Surrendered Premises. The Tenant will deliver to SFU vacant possession of the Surrendered

Premises on the Surrender Date subject only to the Simon Fraser Graduate Student Society's occupation of the portion of the Surrendered Premises civically described as MBC 2201, MBC 2205 and MBC 2212 – 8888 University Drive, and the Tenant hereby surrenders, releases and assigns to SFU all of the right, title, and interest of the Tenant in and to all of the contents (the "Contents") of the Surrendered Premises remaining in the Surrendered Premises as of the Surrender Date. The Tenant will deliver all combination locks, keys and like devices to the Surrendered Premises on the Surrender Date.

9. Covenants and Agreements

The Tenant covenants and agrees with SFU that notwithstanding this Agreement, the Tenant is responsible for and will pay to SFU:

- (a) all rents and charges payable pursuant to the Lease with respect to the Surrendered Premises up to the Surrender Date; and
- (b) any year-end adjustment billings contemplated by the Lease including, without limitation, those relating to operating costs, heating, ventilation and air-conditioning charges allocated to the Surrendered Premises, as those terms are defined in the Lease, for the period up to the Surrender Date, forthwith upon receipt of an invoice from SFU therefor notwithstanding that such invoice may have been received by the Tenant after the Surrender Date.

10. Representations and Warranties

- (a) The Tenant represents and warrants to SFU that:
 - (i) the Tenant has the absolute right, power and authority to surrender to SFU the Surrendered Premises, that part of the Lease applicable to the Surrendered Premises and the Contents as herein provided; and
 - (ii) the Tenant has not taken any action whereby the Surrendered Premises, that part of the Lease applicable to the Surrendered Premises, the Contents or the unexpired term of the Lease applicable to the Surrendered Premises have been or may be charged, encumbered or assigned in any manner.
- (b) SFU represents and warrants to the Tenant that it has the absolute right, power and authority to accept the surrender of the Surrendered Premises, that part of the Lease applicable to the Surrendered Premises and the Contents as herein provided.

11. Indemnity

Notwithstanding any other terms of this Agreement, the Tenant indemnifies and saves SFU harmless from and against any and all damages, costs, claims, demands, charges and liabilities arising out of, in connection with, or pursuant to, any breach, violation or non-performance by the Tenant of any covenant, term or provision of the Lease or by reason of any injury or damage

to any person or property for which the Tenant is liable under section 3.10 of the Lease occurring on, before or after the Surrender Date.

12. SFU's Release

Effective upon the full and complete performance by the Tenant of its obligations set out in this Agreement, and subject to paragraphs 11 and 13 hereof, SFU releases and forever discharges the Tenant and its directors, officers, employees, successors and assigns of and from any and all manner and causes of action, suits, debts, contracts, claims, demands, liabilities and damages in respect of any matter which first arises on or after the Surrender Date with respect to the Contents, the Surrendered Premises, or any of the rents, covenants, conditions and agreements relating thereto as set forth in the Lease.

13. Tenant's Release

The Tenant releases and forever discharges SFU and its directors, officers, employees, successors and assigns of and from any and all manner and causes of action, suits, debts, contracts, claims, demands, liabilities and damages in respect of any matter which first arises on or after the Surrender Date with respect to the Contents, the Surrendered Premises, or any of the rents, covenants, conditions and agreements relating thereto as set forth in the Lease.

14. Tenant's Acknowledgement

The Tenant acknowledges and agrees that SFU's release contained in paragraph 12 will not constitute a release of, or in any way prejudice, SFU's right to enforce:

- (a) any payment, of whatsoever nature, payable by the Tenant to SFU pursuant to this Agreement or the Lease, which payment will remain a debt due and payable to SFU forthwith upon receipt of invoice from SFU; and
- (b) the performance by the Tenant of its obligations under this Agreement.

15. Lease Ratified and Confirmed

Except as hereby expressly amended the Lease is hereby ratified and confirmed by SFU and the Tenant to the effect and with the intent that the Lease and this Agreement will be read and construed as one document. The parties acknowledge and agree that, if the Tenant vacates the Surrendered Premises on the Surrender Date, the Additional Rent (as that term is defined in the Lease) payable pursuant to the Lease will be reduced to account for the 23.7% reduction in the area of the Premises as a result of this Agreement, and accordingly will thereafter be calculated on the basis of 3,783 square metres (40,721 square feet).

16. If Build SFU Project Does Not Proceed

If the Tenant advises SFU in writing on or before September 30, 2016 that it has determined, acting reasonably, that the Build SFU Project will not be proceeding, then notwithstanding any other provision in this Agreement the Tenant will not be required to surrender the Surrendered Premises on the Surrender Date, and the Tenant will repay the Surrender Payment to SFU in

accordance with section 5. For greater certainty, in such event the Surrender Date will not be subject to extension in accordance with section 6.

17. Enurement and Further Assurances

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The parties hereto will, at the reasonable request and expense of the other, execute and deliver such further documents and instruments and do all such further acts and things as may be required whether on, before or after the Surrender Date in order to evidence, carry out and give full effect to this Agreement.

18. Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Counterparts may be executed either in original, electronically or email or faxed form and the parties adopt any signatures received by email or a receiving fax machine as original signatures of the parties; provided, however, that any party providing its signature in such manner will promptly forward to the other parties an original of the signed copy of this Agreement which was so emailed or faxed.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

by SFU:

THE COMMON SEAL OF **SIMON**)
FRASER UNIVERSITY was hereunto)
affixed in the presence of:)
)
)
)
By: _____) C/S
Name:)
Title:)
)
)
By: _____)
Name:)
Title:)

by the Tenant:

THE COMMON SEAL OF **SIMON**
FRASER STUDENT SOCIETY was
hereunto affixed in the presence of:

By: _____)

Name:)

Title:)

By: _____)

Name:)

Title:)

C/S

**Schedule A
Surrendered Premises**

MBC	Floor	Room #	Sq.M	Current Use
	02	2200	38.54	Mini Mart (LEASED)
	02	2201	12.58	Graduate Student Society office
	02	2203	33.09	Graduate Student Society office
	02	2205	8.08	Graduate Student Society office
	02	2207	29.00	Graduate Student Society office
	02	2211	7.88	General Storage
	02	2212	98.70	Graduate Student Society office
	02	2220	47.80	SFSS Board of Directors office
	02	2220.1	11.45	SFSS Board of Directors office
	02	2220.2	8.88	SFSS Board of Directors office
	02	2220.3	14.64	SFSS Board of Directors office
	02	2220.4	12.08	SFSS Board of Directors office
	02	2220.5	11.79	SFSS Board of Directors office
	02	2234	32.54	SFSS Resource Office
	02	2236	11.78	SFSS Resource Office
	02	2238	11.76	SFSS Resource Office
	02	2240	15.46	Health and Dental Plan office (LEASED)
	02	2242	31.41	SFSS Resource Office
	02	2250	16.78	SFSS General Office
	02	2252	55.93	SFSS General Office
	02	2254	40.32	SFSS Finance Office
	02	2260	12.78	SFSS Copy Centre
	02	2262	42.95	SFSS Copy Centre
	02	2263	9.79	SFSS Copy Centre
	02	2264	11.93	SFSS Executive Conference Room
	02	2265	10.06	SFSS Finance Office
	02	2266	10.84	Ombudsperson
	02	2266.1	2.77	SFSS Copy Centre
	02	2267	10.50	Ombudsperson
	02	2270	59.10	SFSS Build SFU office
	02	2270.1	7.74	SFSS Build SFU office
	02	2270.2	10.81	SFSS Build SFU office
	02	2270.3	16.54	SFSS Build SFU office
	02	2271	32.13	SFSS Copy Centre
	02	2290	57.22	SFSS Conference Room
	02	2292	46.27	SFSS Conference Room
	02	2294	46.30	SFSS Conference Room
	02	2296	60.51	SFSS Conference Room
	02	248	10.48	SFSS Lunch Room
	02	249	10.23	Washroom
	02	250	10.54	Washroom
	02	252	7.00	General Storage
	02	271	24.93	General Storage
	02	277	20.05	Corridor
	02	277A	10.56	Corridor
	02	278	27.96	Corridor
	02	278.1	18.56	SFSS Copy Centre
	02	279	31.97	Corridor
	02	280	3.85	Corridor
		SQ M	1,174.86	
		SQ FT	12,646.19	