

**LEASE AGREEMENT**

THIS LEASE AGREEMENT (“Lease”) is entered into between Landlord and Tenant, each as defined below in Section 1, as of the Effective Date (defined on the signature page of this Lease).

**1. THE PARTIES**

Landlord's Name and entity: 415 WASHINGTON WAUKEGAN LLC, a Delaware limited liability company

Landlord's Addresses for Notices: 25 E Main St. Suite 204 Roselle IL 60172

Landlord's Rent Payment Address: 25 E Main St. Suite 204 Roselle IL 60172

Tenant's Name and entity County of Lake

Tenant's Address for Notices: 18 N County St. 9th Floor Waukegan IL 60085

**2. DEFINITIONS AND BASIC TERMS**

The following definitions and basic terms shall have the indicated meanings when used in this Lease:

- a. Building: 415 Washington Street  
Waukegan, Illinois 60085
- b. Premises: Unit 006 and 104 on the Lower and 1st Floor in the Building.  
The Premises are outlined on the plan attached to the Lease as **Exhibit A**.
- c. Property: The Building, the parcel of land upon which the Building is situated and any other improvements located thereon.
- d. Premises' Rentable Square Feet: 12,350 sq ft.
- e. Total Building Rentable Square Feet 75,998
- f. Tenant's Proportionate Share: 16.25 % which is the percentage obtained by dividing (i) Premises' Rentable Square Feet by (ii) the Total Building Rentable Square Feet. Tenant's Proportionate Share shall be equitably adjusted in the event of a change in Total Building Rentable Square Feet.
- g. Commencement Date: February 1st 2021
- i. Term: Sixty ( 60 ) consecutive full calendar months, commencing on the Commencement Date, subject to adjustment and earlier termination as more particularly provided in the Lease.
- j. Base Rent:

<u>Lease Years</u>	<u>Annual Base Rent</u>	<u>Monthly Base Rent</u>
Months 1-12	\$209,763	\$17,480.25
Months 13-24	\$215,007.12	\$17,917.26
Months 25-36	\$220,382.28	\$18,365.19
Months 37-48	\$225,891.84	\$18,824.32
Months 49-60	\$231,539.16	\$19,294.93

- k. Additional Rent: Additional Rent is defined in Section 6.
- l. Rent: Base Rent, Additional Rent and all other sums that Tenant may owe to Landlord under this Lease.
- m. Security Deposit: \$\_0\_\_\_\_\_or one (1) months Gross Rent
- o. Permitted Use: General office use and no other
- p. Property Management Company/Address: EJ Investment Group Inc.  
25 E Main St. Suite 204  
Roselle IL 60172  
Attn.: Property Manager
- t. Landlord Broker: N/A
- u. Tenant Broker: N/A

**3. PREMISES**

Subject to and in accordance with the provisions of this Lease, Landlord, in consideration of the Rent to be paid and the covenants and agreements to be performed by Tenant, does hereby Lease unto Tenant the Premises and Tenant hereby Leases from Landlord the Premises.

**4. TERM**

- a. Commencement Date. The Commencement Date shall be the date set forth in Section 2(g).
- b. Renewal Term. Provided Tenant is not then in Material Default (as defined below) beyond all applicable notice and grace periods), Tenant shall have the option to extend the term of the Lease two (2) times for a period of three (3) years (“Renewal Term”), under the terms, covenants and conditions contained herein, upon Tenant notifying Landlord in writing not less than three (3) months prior to the expiration of the Term of Tenant’s intent to renew the Lease (“Tenant’s Renewal Notice”). Time is of the essence of Tenant’s Renewal Notice. The Renewal Term shall inure to the benefit of Tenant and its permitted successors and assigns. For the purposes hereof, a “Material Default” means a default by Tenant of a material obligation of Tenant under this Lease, or in the payment of Monthly Base Rent, which is not cured within any applicable grace or cure period. A Renewal Term shall be upon the same terms and conditions contained in this Lease, except for the amount of Monthly Base Rent, which shall be determined as set forth in Section 4(c) below. Notwithstanding the foregoing the renewal option contemplated in this Section 4(b) is exclusive to the Tenant and not transferable or assignable to any sub-Tenant or assigns.
- c. Renewal Rate 1.025% of most recent base rent with yearly increases of 1.025%
- d. So long as Tenant is not in default under the Lease, Tenant shall have the option to terminate this Lease at any time during the Lease Term by providing sixty (60) days prior written notice to the Landlord..

## 5. PAYMENT OF RENT

a. Payment. Tenant shall timely pay to Landlord, without demand, deduction, abatement (except as otherwise expressly set forth herein) or offset, the Base Rent, Additional Rent (defined later) and all other amounts becoming due from Tenant to Landlord hereunder (collectively, "Rent") at Landlord's Payment Address in immediately available United States dollars. Base Rent (and monthly installments of Additional Rent) shall be due and payable monthly in advance on the first day of each calendar month during the Term; provided, that the first monthly installment of Base Rent shall be due and payable contemporaneously with Tenant's execution of this Lease. If a specific time for payment is not otherwise expressly provided in this Lease, all other Rent shall be due and payable within five (5) days of Landlord's invoicing therefore. Base Rent and Additional Rent for any fractional month shall be prorated based on 1/365 of the applicable annual Base Rent or Additional Rent for each day of such partial month. The payment of Rent is independent of each and every other covenant and agreement contained in this Lease.

b. Late Payments. If any installment of Rent or any other sum due from Tenant shall not be received by Landlord within five (5) days after such amount shall be due, Tenant shall pay to Landlord a late charge equal to 10% of such overdue amount or the maximum allowed by law. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder, nor prevent the accrual of interest on any late payments as provided hereinafter.

## 6. ADDITIONAL RENT

~~a. Payment of Additional Rent. Throughout the Term, Tenant shall pay the following as "Additional Rent": Tenant's Proportionate Share of (i) the annual calendar year Operating Expenses (defined below) and (ii) the total annual Property Taxes (defined below). Landlord may make (and thereafter from time to time adjust) its good faith estimate of the Additional Rent to be due by Tenant for any calendar year or part thereof during the Term, and Tenant shall pay to Landlord, on the Commencement Date and on the first day of each calendar month thereafter, an amount equal to the estimated Additional Rent for such calendar year or part thereof divided by the number of months in such calendar year during the Term. Estimated Additional Rent shall be subject to adjustment with actual Additional Rent for the applicable period pursuant to Section 6.d. below.~~

b. Operating Expenses. "Operating Expenses" shall mean and include all expenses, costs, fees and disbursements paid or incurred by or on behalf of the Landlord for owning, managing, operating, maintaining, repairing and replacing the Property and the personal property used in conjunction therewith, including (without limitation): the cost of common area janitorial services five (5) days a week; all utilities, other than utilities separately metered and directly paid by other Tenants; heating, lighting, air conditioning; window cleaning; insurance, including but not limited to, fire, extended coverage, liability, umbrella, workmen's compensation, elevator, or any other insurance carried by the Landlord and applicable to the Property, together with expenses arising from any commercially reasonable deductibles or policy exclusions; painting; uniforms; management fees; supplies, sundries, sales or use taxes on supplies or services; cost of wages and salaries of all persons engaged in the operation, administration, maintenance and repair of the Property including, without limitation, the front desk staff; and fringe benefits, including social security taxes, unemployment insurance taxes, cost for providing coverage for disability benefits, cost of any pensions, hospitalization, welfare or retirement plans, or any other similar or like expenses incurred under the provisions of any collective bargaining agreement, or any other cost or expense which Landlord pays or incurs to provide benefits for employees so engaged in the operation, administration, maintenance and repair of the Property; the charges of any independent contractor who, under contract with the Landlord or its representatives, does any of the work of operating, maintaining or repairing of the Property; legal and accounting expenses; any costs or expenses allocated to the Property under easement agreements, service or operating agreements, declarations, covenants or other instruments providing for sharing of facilities or payment for services; or any other expense or charge, whether or not hereinbefore mentioned, which would be considered as an expense of owning, managing, operating, maintaining, repairing or replacing the Property and the personal property used in conjunction therewith. Operating Expenses shall not include costs or other items included within the meaning of the term Property Taxes, costs of alterations of the premises of Tenants of the Building, depreciation charges, interest and principal payments on mortgages, ground rental payments, and real estate brokerage and leasing commissions, except as hereinafter otherwise provided.

c. Property Taxes Defined: All taxes and assessments and governmental charges, including federal, state, county, township, local, and municipal, and whether they be by taxing or management districts or authorities presently taxing or by others, subsequently created or otherwise, and any other taxes and assessments attributable to the Property (or its operation), and the grounds, parking areas, driveways, and alleys around the Property, together with such expenses incurred in connection with the seeking or obtaining reductions in and refunds of such taxes, assessments and governmental charges, excluding, however, federal and state taxes on income (collectively, "Property Taxes"); if the present method of taxation changes so that there is levied on Landlord a capital tax directly on the rents received therefrom or a franchise tax, assessment, or charge based, in whole or in part, upon /such rents for the Property, then all such taxes, assessments, or charges, or the part thereof so based, shall be included within the term "Property Taxes".

~~d. Expense Statement. As soon as reasonably practical after the end of each calendar year, Landlord shall provide to Tenant an annual Expense Statement which shall include a statement of Landlord's actual Operating Expenses for the previous year (subject to adjustment as provided in subsection 6.e.) and Landlord's actual Property Taxes for the previous year. If the total in the annual Expense Statement reveals that Tenant paid more for Additional Rent than the actual amount due in the year for which such statement was prepared, then Landlord shall promptly credit (or reimburse, if the Lease has terminated and Tenant is not in default) Tenant for such excess. Likewise, if Tenant paid less than the actual amount due, then Tenant shall pay Landlord such deficiency within ten (10) days of receipt of Landlord's Expense Statement. This provision applies only to Tenant's Additional Rent and shall never require a refund or credit of Base Rent.~~

e. Utilities. Except as otherwise provided herein, Tenant shall apply for all utility service directly with, and make all payments directly to, the utility supplier. In no event, shall Landlord be liable for interruption in, or failure of, the supply of any utilities to the Premises. The costs of any utilities that are not separately metered shall be included in Operating Expenses.

## **7. SECURITY DEPOSIT**

Contemporaneously with the execution of this Lease, Tenant shall pay to Landlord, in immediately available funds, the Security Deposit, which shall be held by Landlord without liability for interest and as security for the performance by Tenant of its obligations under this Lease. Landlord shall not be required to keep the Security Deposit separate from its general funds. The Security Deposit is not an advance payment of Rent or a measure or limit of Landlord's damages upon an Event of Default (defined below). Landlord may, from time to time and without prejudice to any other remedy, use all or a part of the Security Deposit to pay for or perform any obligation that Tenant was obligated, but failed, to perform hereunder. Following any such application of the Security Deposit, Tenant shall pay to Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. Within a reasonable time after the Term ends, provided Tenant has performed all of its obligations hereunder, Landlord shall return to Tenant the balance of the Security Deposit not applied to satisfy Tenant's obligations. If Landlord transfers its interest in the Premises, then Landlord may assign the Security Deposit to the transferee and Landlord thereafter shall have no further liability for return of the Security Deposit.

## **8. USE**

Tenant shall continuously occupy and use the Premises only for the Permitted Use and shall comply with all laws, orders, rules, and regulations relating to the use, condition, and occupancy of the Premises. The Premises shall not be used for any use that is disreputable or creates extraordinary fire hazards or results in an increased rate of insurance on the Building and its contents or the storage of any hazardous substances. If, because of Tenant's acts or omissions, the rate of insurance on the Building or its contents increases, then such acts or omissions shall be an Event of Default, Tenant shall pay to Landlord the amount of such increase on demand and acceptance of such payment shall not constitute a waiver of any of Landlord's rights arising from such Event of Default. Tenant shall conduct its business and control its agents, employees, and invitees in such a manner as not to create any nuisance or interfere with other Tenants or Landlord use, operation, management, maintenance, repair or replacement of the Building.

## **9. IMPROVEMENTS/CONDITION OF THE PREMISES**

Tenant shall accept possession upon the Effective Date of this Lease Tenant's taking possession of the Premises or any portion thereof shall be conclusive evidence against Tenant that the Premises was then in good order and satisfactory condition. No promises of the Landlord to alter, remodel, improve, repair, decorate or clean the Premises or any part thereof have been made or shall be implied, and no representation respecting the condition of the Premises, or the Property, has been made or

shall be implied by or on behalf of Landlord. No representation or warranty has been made or shall be implied that the Premises are suitable for Tenant's purposes.

## **10. ALTERATIONS**

No alterations, improvements or additions in or to the Premises may be made without Landlord's prior written consent, which shall not be unreasonably withheld or delayed; provided, however, that Landlord may withhold its consent, in its sole discretion, to any alteration or addition that would affect the Building's historic tax credits, structure or appearance, or the Building's HVAC, plumbing, electrical, mechanical or life safety systems or that would be visible from outside of the Premises. Without limiting the foregoing, Landlord shall have the right designate and approve, prior to installation, all types of signs, window shades, blinds, drapes, awnings, window ventilators and other similar equipment, and to control all internal lighting and signs that may be visible from the exterior of the Building. All alterations, additions, or improvements (whether temporary or permanent in character, and including all air-conditioning equipment and all other equipment that is in any manner connected to the Building's plumbing system) made in or upon the Premises, either by Landlord or Tenant, shall be Landlord's property once installed or affixed to the Premises and shall remain on the Premises at the end of the Term (unless Landlord requires removal of same) without compensation to Tenant. All work performed by Tenant shall be subject to the provisions of Section 12 of this Lease and shall be performed at Tenant's sole cost. Notwithstanding the foregoing, Tenant shall have the right to install signage on the third floor windows in the Premises and the Premises doors. Tenant shall be included as part of the ground floor building directory and Landlord will provide directional signage to the Premises off the 3<sup>rd</sup> floor elevator. All signage must conform with NPS and SHPO historic restoration guidelines and all applicable state, county and municipal codes, rules and regulations and subject to Landlord's prior reasonable approval.

Tenant shall be responsible for all cost and expenses associated with licensing, permitting, creating, installing, maintaining and removing the signage outlined in this Section 10.

## **11. UTILITIES**

a. Tenant shall not install any electrical equipment requiring special wiring or otherwise exceeding Building capacity unless approved in advance by Landlord. The use of electricity in the Premises shall not exceed the capacity of existing feeders and risers to or wiring in the Premises. If Landlord has reason to believe that Tenant is using a disproportionate share of any utility that is not separately metered, Landlord may, at Landlord's election and expense, conduct an engineering audit to estimate Tenant's actual use. If such audit determines that Tenant is using more than its proportionate share of any utility, Tenant shall reimburse Landlord for the cost of the audit and Tenant shall pay for any use above its proportionate share as Rent. Tenant shall not waste or permit the waste of water or any other utilities. Any unavailability or interruption in service shall not render Landlord liable for any damages caused thereby, nor shall be a constructive eviction of Tenant, constitute a breach of any implied warranty, or entitle Tenant to any abatement of Tenant's obligations hereunder. In connection with any repairs, alterations or additions to the Property or the Premises, or any other acts required of, or permitted by, Landlord under this Lease, Landlord may reduce or suspend service of the Building's utilities, facilities or supplies; provided that Landlord shall use reasonable diligence to restore such services, facilities or supplies as soon as reasonably possible. Tenant agrees to promptly notify Landlord in writing of any interruption of services.

b. Heating and air conditioning shall be thermostatically controlled in the Premises, and Landlord agrees to maintain, keep in good repair during the Term at Landlord's sole cost and expense all heating, ventilating and air conditioning equipment and systems located in or exclusively serving the Premises. At the end of its useful life Landlord shall, at its sole cost and expense, replace the HVAC system in its entirety; however, in the event it becomes necessary to replace the HVAC system for reasons outside of damage caused by negligence or willful misconduct of Tenant any employees, agents, invitees, guests, concessionaires, licensees, sublessees or contractors of Tenant or any of their respective employees, agents, invitees, guests, concessionaires, licensees, sublessees or contractors, or any person or entity claiming by, through or under Tenant, Landlord shall, at its sole cost and expense, be responsible for replacement of the HVAC system. In the event Tenant requires additional HVAC equipment or units it shall be installed, maintained, repaired and replaced at Tenant's sole cost and expense. Except on Holidays, HVAC services shall be provided, without cost to Tenant, from 8:00 A.M. through 6:00 P.M., Monday through Friday, and from 8:00 A.M. through 1:00 P.M., on Saturdays. "Holidays" shall mean New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.

## 12. REPAIRS

- a. Landlord's Repair Obligations. Within a reasonable time following receipt of written notice from Tenant of the necessity therefor, Landlord shall make necessary repairs to maintain (i) the structure of the Premises and the Building, (iii) the exterior walls of the Building (including exterior windows and glazing), (iv) the roof, and (v) the basic plumbing, electrical, mechanical and heating, ventilating and air-conditioning systems serving the Building to the extent not owned or controlled by the applicable utility provider. The cost of all repairs and maintenance performed by Landlord shall be included in Operating Expenses. If any such repair is required because of any act, neglect, or fault of Tenant, its agents, employees, licensees, contractors or invitees, then Tenant shall pay all costs therefor within ten (10) days after Landlord has delivered the Tenant an invoice therefor. Landlord's obligations with respect to any repair or maintenance under this Lease shall in all events be subject to the provisions of this Lease pertaining to casualty and condemnation.
- b. Tenant's Repairs. Tenant agrees to promptly make all repairs (including necessary replacements and alterations) necessary to keep the interior of the Premises in good order, repair and condition and to repair any damage caused by Tenant or Tenant's employees, agents, contractors, or invitees to any portion of the Property. The interior shall include: (i) interior faces of the exterior walls of the building; (ii) interior face of the ceilings; (iii) floor coverings; (iv) the wiring, plumbing, pipes, conduits and other water, sewerage, utility, and sprinkler fixtures and equipment in the Premises which serve the Premises exclusively.
- c. Tenant's Performance of Work. All work performed by Tenant (including without limitation, any work described in this Section and Sections 9 and 10 of this Lease) shall be performed only by either Landlord's designated contractors or contractors and subcontractors approved in advance in writing by Landlord. Prior to beginning any work and throughout the course of all work until final completion, Tenant shall cause all contractors and subcontractors to procure and maintain insurance against such risks as required under Section 14 of this Lease. All such work shall be performed in accordance with all legal requirements and in a good and workmanlike manner so as not to damage any portion of the Property. At Landlord's election, all work that may affect the Building's structure, or the Building's HVAC, plumbing, electrical, mechanical or life safety systems must be approved by an engineer acceptable to Landlord and/or performed by a contractor designated by Landlord, all at Tenant's cost. Approval by Landlord of Tenant's plans and specifications prepared in connection with any improvements in the Premises shall not constitute a representation or warranty as to the adequacy or sufficiency of such plans and specifications, or the improvements to which they relate, for any use, purpose, or condition or for compliance with all legal requirements, but such approval shall merely be the consent of Landlord as may be required hereunder.
- d. Compliance with Law/ADA. Tenant shall be responsible for the cost of all action, whether performed by Landlord or Tenant, required to comply with all applicable legal requirements, including but not limited to, the requirements of the Americans with Disabilities Act of 1990, all state and local laws pertaining to persons with disabilities and all rules, regulations, and guidelines promulgated under such federal, state or local laws, as the same may be amended from time to time (collectively, the "ADA") necessitated by any installations, additions, or alterations made in or to the Premises at the request of or by Tenant or by Tenant's use of the Premises. Landlord shall be responsible for the cost of compliance with the ADA for all portions of the Property not part of the Premises or other space Leased to Tenants and such costs shall be included in Operating Expenses.
- e. Mechanic's Liens. Tenant shall not permit any mechanic's or other liens to be filed against the Premises or the Property for any obligation incurred by or at the request of Tenant. If such a lien or claim of lien is filed or asserted, then Tenant shall, no later than ten (10) days after Tenant received notice thereof, pay either the full amount of the lien or otherwise effect cancellation or discharge of the lien of record. If Tenant fails to timely take either such action, then Landlord may pay the lien claim, or take such other action as Landlord deems appropriate, all without inquiry as to the validity of such lien or claim thereof, and any amounts so paid, including expenses and interest, shall be paid by Tenant to Landlord within ten (10) days after Landlord has delivered to Tenant an invoice therefor.

## 13. TRANSFERS

- a. Transfers; Consent. Tenant shall not, without the prior written consent of Landlord (which consent shall not be unreasonably withheld or delayed): (a) directly or indirectly assign, transfer, or encumber this Lease or any estate or interest herein, whether by operation of law, merger, consolidation, other reorganization or otherwise; or (b) permit the transfer of an

ownership interest in Tenant so as to result in a change in the current control of Tenant (excluding any change in control of a

corporation whose stock is publicly traded); (c) sublet any portion of the Premises; or (d) permit the use of the Premises by any parties other than Tenant by license, concession or otherwise (collectively, a "Transfer"). Any Transfer which Tenant may undertake without Landlord's prior written consent shall: (y) be void and shall confer no rights on any other party whatsoever; and (z) at Landlord's election, shall constitute a Default by Tenant under this Lease

b. Procedure. If Tenant requests Landlord's consent to a Transfer, then Tenant shall provide Landlord, no less than thirty (30) days prior to the proposed Transfer date, all reasonably requested information regarding the Transfer and the proposed transferee. Landlord may, within thirty (30) days after submission of Tenant's written request for Landlord's consent to a Transfer (including all information and documentation required hereunder), cancel this Lease (or, as to a subletting, cancel as to the portion of the Premises proposed to be sublet) as of the date the proposed Transfer was to be effective.

c. Terms of Transfer/Tenant's Continuing Obligations. If Landlord consents to a proposed Transfer, then the proposed transferee shall deliver to Landlord a written agreement satisfactory to Landlord whereby it expressly assumes all of Tenant's obligations hereunder. Neither Landlord's consent to a Transfer nor any Transfer shall release Tenant from any covenant or obligations under this Lease, or release any Tenant from obtaining Landlord's consent to any subsequent Transfers. If an Event of Default occurs while the Premises or any part thereof are subject to a Transfer, then Landlord, in addition to its other remedies, may collect directly from such transferee all rents becoming due to Tenant and apply such rents against Rent. Tenant authorizes its transferees to make payments of Rent directly to Landlord upon receipt of notice from Landlord to do so.

d. Additional Compensation. Tenant shall pay Landlord for all attorneys' fees and other expenses incurred by Landlord in connection with any request for consent to a Transfer. Tenant shall further pay to Landlord, immediately upon receipt thereof, fifty percent (50%) of the amount by which all compensation received by Tenant for a Transfer exceeds the Base Rent and Additional Rent payable by Tenant to Landlord (which amounts, in the case of any sub-Lease of less than the entire Premises, shall be apportioned on a per square foot basis to the portion the Premises sub-Leased). Landlord's acceptance of such additional compensation shall not constitute Landlord's approval of any Transfer that was not approved by Landlord or otherwise permitted by this Lease.

e. Merger or Consolidation. Notwithstanding anything contained herein to the contrary, Tenant may, without Landlord's consent, assign this Lease or sublet all or a portion of the Premises to (i) any parent, subsidiary or affiliate of Tenant or Tenant's parent corporation, (ii) any successor to Tenant, by way of merger, reorganization, consolidation, sale of assets, sale of capital stock or the like, or (iii) an entity which controls, is controlled by, or is under common control with Tenant; provided the succeeding entity has a net worth equal to or greater than that of Tenant. In the event of an assignment of this Lease or a sublet of the Premises under this subparagraph (e), Tenant must deliver to Landlord written notice of the assignment, or subletting, and a copy of the assignment and assumption agreement, or sub-Lease, at least ten (10) days prior to the effective date thereof (to the extent disclosure is not prohibited by any applicable legal requirement or confidentiality agreement);

#### **14. RISK ALLOCATION AND INSURANCE**

a. Allocation of Risks. It is the intent of the parties that, to the extent any event or occurrence is insured for by Tenant (or is required to be insured for by Tenant), then any loss, cost, damage or expense arising from any occurrence or event (including, without limitation, the expense of defense against claims or suits) shall be covered by insurance required to be carried hereunder (or by Tenant if Tenant defaults in its obligation to carry insurance required hereunder) without regard to the fault of "Tenant Protected Parties" (defined below) or "Landlord Protected Parties" (defined below). For purposes of this Section 14, Tenant, its directors, officers, employees and agents shall mean "Tenant Protected Parties" and Landlord, its mortgagees, management company and their respective partners, shareholders, members, managers, directors, officers, agents and employees shall mean "Landlord Protected Parties". If and to the extent that any loss occasioned by any event required to be insured by Tenant hereunder exceeds the coverage or the amount of insurance required to be carried hereunder by Tenant or such greater coverage or amount of insurance as is actually carried by Tenant, Tenant shall pay the amount not actually covered. The foregoing shall not be construed as a limitation on Tenant's liability for claims, losses or damages not covered by insurance required hereunder or not covered by any other insurance.

b. Tenant's Insurance. Commencing the date first occupies the Premises and throughout the remainder of the Term, Tenant shall procure and maintain the policies of insurance, at its own cost and expense, as set forth on **Exhibit B** attached



hereto including but not limited to, Commercial General Liability Insurance, Property insurance, Workers Compensation Insurance and Occupation Disease Insurance, Employers Liability Insurance, and Business Interruption Insurance.

c. Forms of Insurance. All of the aforesaid insurance required of Tenant shall be in companies with an A.M. Best rating of at least (A-)(VIII) and licensed to do business in the state in which the Building is located. The insurer and the form, substance and amount (where not stated above) of Tenant's insurance shall be reasonably satisfactory from time to time to Landlord and any mortgagee of Landlord, shall meet all requirements set forth in **Exhibit B** and shall unconditionally provide that it is not subject to cancellation, material modification or non-renewal except after at least thirty (30) days prior written notice to Landlord and any mortgagee of Landlord. Original certificates of Tenant's insurance policies reasonably satisfactory to Landlord, together with reasonably satisfactory evidence of payment of the premiums thereon, shall be deposited with Landlord at the Commencement Date and renewals thereof not less than thirty (30) days prior to the end of the term of such coverage. Within ten (10) days of Landlord's request, Tenant shall deliver copies of all policies of insurance required of Tenant hereunder. Landlord makes no representation that the either the insurance or the limits of liability specified to be carried by Tenant under the terms of this Lease are adequate to protect Tenant against Tenant's undertaking under this Section 14 and Section 15.

d. Tenant's Contractor's Insurance. Tenant shall require each contractor of Tenant permitted to perform work in, on, or about the Premises to obtain and maintain such insurance coverage as set forth on **Exhibit B** and as Landlord (or its mortgagee) may from time to time require. The insurer and the form, substance and amount (where not stated above) of Tenant's insurance shall be reasonably satisfactory from time to time to Landlord and any mortgagee of Landlord.

e. Increase of Premiums. Tenant will not by any act or omission cause the cost of Landlord's insurance to increase, or invalidate any policy of insurance carried by Landlord or prevent Landlord from procuring policies (including but not limited to public liability) from companies and in a form reasonably satisfactory to Landlord. If any breach of this subsection shall cause the rate of fire or other insurance to be increased, Tenant shall pay the amount of such increase as additional rent immediately upon being billed therefor. If any breach of this subsection invalidates any policy of insurance or prevents Landlord from procuring any policy of insurance, then such breach shall be, at Landlord's option, an Event of Default without further notice or cure.

## 15. INDEMNITY

To the fullest extent permitted by law, Tenant shall indemnify, defend and hold harmless Landlord Protected Parties from and against any and all liability, claims, demands, causes of action, judgments, costs, expenses, (including but not limited to, reasonable attorneys' fees and legal costs) losses and damages for bodily injury, death and property damage arising from any activity in the Premises (except if resulting from the gross negligence or willful misconduct of any of the Landlord Protected Parties), from Tenant's negligence or willful misconduct or from Tenant's breach of this Lease. Upon notice from Landlord, Tenant shall defend any such claim, demand, cause of action or suit at Tenant's expense by counsel satisfactory to Landlord in its reasonable discretion, or as designated by Tenant's insurer. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

## 16. CASUALTY

a. Landlord Termination Right. If the Premises or Building are damaged by fire or other casualty (a "Casualty") and the time needed to repair the damage caused thereby is more than ninety (90) days in Landlord's reasonable estimation, Landlord shall have the right to terminate this Lease upon notice to Tenant given within ninety (90) days after such Casualty. If a Casualty damages a material portion of the Building or Premises (as reasonably determined by Landlord), and Landlord makes a good faith determination that restoring the Premises or Building would be uneconomical, impractical or unfeasible, or if Landlord is required to pay any insurance proceeds arising out of the Casualty to Landlord's mortgagee or if the Casualty results from a risk which is not fully covered by insurance maintained by Landlord, then Landlord may terminate this Lease by giving written notice of its election to terminate within thirty ninety (90) days after the Damage Notice has been delivered to Tenant. To the extent Tenant is prevented from conducting its business in the Premises in a manner reasonably comparable to that conducted immediately before such Casualty, rent shall be equitably abated as of the date of the Casualty through the date of termination as set forth in Landlord's notice.

b. Repair Obligation. If the Lease is not terminated following a Casualty, then Landlord shall, within a reasonable time after such Casualty, restore the Building and Premises to substantially the same or better condition as they existed immediately before such Casualty; provided, however, that Landlord shall not be required to repair or replace any part of the furniture, equipment, fixtures, and other improvements which may have been placed by, or at the request of, Tenant or other occupants in the Building or the Premises, and Landlord's obligation to repair or restore shall be limited to the extent of the insurance proceeds actually received by Landlord for the Casualty in question. Rent for any portion of the Premises necessary for Tenant's business that was rendered untenantable shall be abated on a reasonable basis from the date of damage until the completion of the repair, unless Tenant caused such damage, in which case, Tenant shall continue to pay Rent without abatement. Landlord shall have no liability to Tenant, and Tenant shall not be entitled to terminate this Lease, if such repairs and restoration are not in fact completed within the time period estimated by Landlord, as aforesaid, so long as Landlord shall proceed with reasonable diligence to complete such repairs and restoration. Notwithstanding anything to the contrary herein set forth, Landlord shall have no duty to expend for any repair or restoration amounts in excess of insurance proceeds paid to Landlord and available for repair or restoration

## 17. CONDEMNATION

a. Eminent Domain. If any part of the Premises is permanently taken by right of eminent domain or conveyed in lieu thereof (either event a "Taking"), and such Taking prevents Tenant from conducting its business in the Premises in a manner reasonably comparable to that conducted immediately before such Taking then Tenant may terminate this Lease as of the date of such Taking by giving written notice to Landlord within thirty (30) days after the Taking, and Rent shall be apportioned as of the date of such Taking.

b. Taking - Landlord's Rights. If any portion of the Building or Premises becomes subject to a Taking, or if any portion of the Property is subject to a Taking and Landlord makes a good faith determination that operating the Property would be uneconomical, impractical or unfeasible or if Landlord is required to pay any of the proceeds received for a Taking to Landlord's mortgagee, then this Lease, at the option of Landlord, exercised by written notice to Tenant within thirty (30) days after such Taking, shall terminate and Rent shall be apportioned as of the date of such Taking.

c. Award. If any Taking occurs, then Landlord shall receive the entire award or other compensation for the Property taken, and Tenant may independently pursue a separate claim against the condemning party for the value of Tenant's moving costs and other claims for loss to Tenant's personal property, so long as such claim does not in any way impair or adversely affect the award that the Landlord is entitled to receive.

## 18. RESERVED.

## 19. SUBORDINATION & MORTGAGEES & ESTOPPEL CERTIFICATES

a. Subordination. This Lease is, and at all times shall be, subject and subordinate to all deeds of trust, mortgages or other security instruments which now or hereafter encumber all or any portion of the Property or any interest of Landlord therein. No further instrument shall be required to effect such subordination, but within ten (10) days of Landlord's request, Tenant shall execute, acknowledge, and deliver to Landlord any further instruments and certificates evidencing such subordination as Landlord or any mortgagee of Landlord shall require. The holder of such deed of trust, mortgage or other security instrument is sometimes hereinafter referred to as "mortgagee".

b. Attornment. Notwithstanding anything contained herein to the contrary, any mortgagee of Landlord shall have the right at any time to subordinate any such deed of trust or mortgage to this Lease, or to any of the provisions hereof on such terms and subject to such conditions as such mortgagee may consider appropriate in its discretion. At any time, before or after the institution of any proceedings for the foreclosure of any such deed of trust or mortgage, or the sale of the Building under any such deed of trust or mortgage, Tenant shall, upon request of such mortgagee, any person succeeding to the interest of such mortgagee, or the purchaser at any foreclosure sale ("Successor Landlord"), attorn to such Successor Landlord under this Lease. Tenant shall, within ten (10) days of any request therefor (before or after any such foreclosure or conveyance) execute, acknowledge, and deliver to any mortgagee of Landlord or to the Successor Landlord instruments evidencing such attornment as the mortgagee or Successor Landlord may reasonably require.

c. Estoppel Certificates. Tenant shall, from time to time, within ten (10) days after request from Landlord, or from any mortgagee of Landlord, execute, acknowledge and deliver in recordable form a certificate certifying, to the extent true (and if not true, such facts and circumstances rendering the particular certification not true): that this Lease is in full force and effect and unmodified (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications); that the Term has commenced and the full amount of the Rent then accruing hereunder and the dates to which the Rent has been paid; that Tenant has accepted possession of the Premises and that any improvements required by the terms of this Lease to be made by Landlord have been completed to the satisfaction of Tenant; the amount, if any, that Tenant has paid to Landlord as a security deposit; that no Rent under this Lease has been paid more than thirty (30) days in advance of its due date; that the address for notices to be sent to Tenant is as set forth in this Lease (or has been changed by notice duly given and is as set forth in the certificate); that Tenant, as of the date of such certificate, has no charge, lien, or claim of offset under this Lease or otherwise against Rent; that, Landlord is not then in default under this Lease and to the knowledge of Tenant, no facts or circumstances exist, with the passage of time or giving of notice would constitute a default under this Lease by Landlord; and such other matters as may be reasonably requested by Landlord or any mortgagee of Landlord. Any such certificate may be relied upon by Landlord, its successors and assigns, any mortgagees of Landlord or any prospective purchaser of the Building or the Property or Landlord's interest therein.

## **20. TAXES IMPOSED ON TENANT**

Tenant shall be liable for, and shall pay prior to delinquency, all taxes levied or assessed against personal property, furniture, or trade fixtures placed by Tenant in the Premises. Tenant shall also pay to Landlord monthly as Additional Rent, without demand, any rent tax, sales tax or other tax (other than Landlord's income tax) which may be levied by any authorized governmental authority against the Base Rent or any Additional Rent payable to Landlord under this Lease.

## **21. EVENTS OF DEFAULT**

The occurrence of any one of the following events will be an Event of Default by Tenant under this Lease:

a. Tenant shall fail to pay Landlord any Rent or other sum of money when due under this Lease or under any other agreement with Landlord concerning the Premises after the expiration of five (5) days written notice; provided, however, that Tenant's right to cure said monetary default and Tenant's right to written notice for same shall be limited to one (1) instance in any consecutive twelve (12) month period.

b. Tenant shall fail to maintain any insurance that this Lease requires Tenant to maintain or shall fail to deliver any certificate of such insurance when required by this Lease.

c. Tenant shall fail to provide an estoppel certificate, subordination or attornment agreement within the time required under this Lease.

d. Tenant or any guarantor of Tenant's obligations under this Lease shall become insolvent, or shall admit in writing its inability to pay its debts when due, shall make a transfer in fraud of its creditors, or shall make a general assignment or arrangement for the benefit of creditors, or all or substantially all of Tenant's assets or the assets of any guarantor of Tenant's obligations under this Lease or Tenant's interest in this Lease are levied on by execution or other legal process.

e. A petition shall be filed by Tenant or any guarantor of Tenant's obligations under this Lease to have Tenant or such guarantor adjudged a bankrupt, or a petition for reorganization or arrangement under any law relating to bankruptcy shall be filed by Tenant or such guarantor, or any such petitions shall be filed against Tenant or such guarantor and shall not be dismissed within thirty (30) days.

f. A receiver or trustee shall be appointed for all or substantially all the assets of Tenant or of any guarantor of Tenant's obligations under this Lease or for Tenant's interest in this Lease.

g. Tenant shall abandon or vacate any substantial portion of the Premises or shall fail to occupy the Premises within thirty (30) days after the Term commences and the Premises are ready for occupancy.

h. Tenant shall fail to perform or observe any term, covenant or condition of this Lease or any other agreement with Landlord concerning the Premises (other than a failure described in the preceding subsections of this Section 21) and Tenant shall not cure the failure within ten (10) days after Landlord notifies Tenant thereof in writing; but if the failure is of a nature that it cannot be cured within such ten (10) day period, Tenant shall not have committed an Event of Default if Tenant commences the curing of the failure within such ten (10) day period and thereafter diligently pursues the curing of same and completes the cure within thirty (30) days.

i. If Tenant fails to perform or observe any term, condition, covenant or provision in this Lease including the timely payment of Rent, more than twice in any calendar year, then notwithstanding that such defaults have been cured by Tenant, any further similar failure shall, at Landlord's election, be deemed an Event of Default without notice or opportunity to cure.

## 22. REMEDIES

a. Express Remedies. Upon the occurrence of any Event of Default by Tenant, Landlord shall have the option, without any notice to Tenant (except as expressly provided above) and with or without judicial process, to pursue any one or more of the following remedies, in addition to any and all rights at remedies at law, in equity or pursuant to statute:

(i) Landlord may terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord.

(ii) Landlord may terminate Tenant's possession and not this Lease and Landlord may enter the Premises and take possession of and remove any and all trade fixtures and personal property situated in the Premises, without liability for trespass or conversion. If Landlord takes possession of and removes personal property from the Premises, then prior to any disposition of the property by Landlord, Landlord may store the property in a public or private warehouse or elsewhere at the cost of and for the account of Tenant without the resort to legal process and without becoming liable for any resulting loss or damage.

(iii) Landlord may perform on behalf of Tenant any obligation of Tenant under this Lease which Tenant has failed to perform, and the cost of the performance will be deemed Rent and will be payable by Tenant to Landlord upon demand.

b. Right to Relet. In the event Landlord enters and takes possession of the Premises without electing to terminate this Lease, Landlord will have the right (but not the obligation) to relet the Premises for Tenant's account, in the name of Tenant or Landlord or otherwise, on such terms as Landlord deems advisable. But Landlord will not be required to incur any expense to relet the Premises and the inability or failure of Landlord to relet the Premises shall not reduce Tenant's liability for Rent and other charges due under this Lease or for damages. Without causing a termination or forfeiture of this Lease after an Event of Default by Tenant, Landlord may: (i) relet the Premises for a term or terms to expire at the same time as, earlier than, or subsequent to, the expiration of the Term; (ii) remodel or change the use and character of the Premises; (iii) grant rent concessions in reletting the Premises, if necessary in Landlord's judgment, without reducing Tenant's obligation for Rent specified in this Lease; and (iv) relet all or any portion of the Premises as a part of a larger area. Landlord may retain the excess, if any, of the rent earned from reletting the Premises over the Rent specified in this Lease.

c. No Election to Terminate. No re-entry or reletting of the Premises or any filing or service of an unlawful detainer action or similar action will be construed as an election by Landlord to terminate or accept a forfeiture of this Lease or to accept a surrender of the Premises after an Event of Default by Tenant, unless a written notice of such intention is given by Landlord to Tenant; but notwithstanding any such action without such notice, Landlord may at any time thereafter elect to terminate this Lease by notifying Tenant.

d. Damages. Upon the termination of this Lease or termination of Tenant's possession without termination of this Lease, Landlord will be entitled to recover, at its election, all unpaid Rent that have accrued through the date of termination plus the costs of performing any of Tenant's obligations (other than the payment of Rent) that should have been but were not satisfied as of the date of such termination. In addition, in the event of termination of this Lease, Landlord will be entitled to recover, not as rent or a penalty but as compensation for Landlord's loss of the benefit of its bargain with Tenant, (i) an amount equal to the present value of the Rent and other sums that this Lease provides Tenant will pay for the remainder of the Term and for the balance of any then effective extension of the Term less (ii) an amount equal to the present value of the fair market value of the Premises for the remainder of the Term and for the balance of any then effective extension of the Term.

e. Costs of Reletting. After an Event of Default by Tenant, Landlord may recover from Tenant from time to time or at one time and Tenant shall pay to Landlord upon demand, whether or not Landlord has relet the Premises or terminated this Lease, (i) such expenses as Landlord may incur in recovering possession of the Premises, terminating this Lease, placing the Premises in good order and condition and altering or repairing the same for reletting; (ii) all other costs and expenses (including brokerage commissions and legal fees) paid or incurred by Landlord in exercising any remedy or as a result of the Event of Default by Tenant; and (iii) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result from such failure.

f. Multiple Actions. For the purposes of any suit by Landlord brought or based on this Lease, this Lease may, at Landlord's option, be construed to be a divisible contract to the end that successive actions may be maintained and successive periodic sums shall mature and become due hereunder, and the failure to include in any suit or action any sum or sums then matured shall not be a bar to the maintenance of any suit or action for the recovery of the sum or sums so omitted. Tenant hereby waives the right to interpose any counterclaim of any nature in any summary proceeding, forcible detainer or other action or proceeding instituted by Landlord against Tenant, or in any action instituted by Landlord for unpaid Rent, Additional Rent or other amounts due under this Lease.

g. No Waiver. The failure or delay by Landlord at any time to exercise or enforce any of the rights, remedies and obligations provided for in this Lease shall not be deemed or construed to be a waiver of any such default or remedy or to affect the validity or enforceability of any part of this Lease or the right of Landlord thereafter to exercise or enforce each and every such right, remedy and obligation. No waiver of any default under this Lease by Landlord shall be deemed or construed to be a waiver of any other or subsequent default, and the consent or approval by Landlord to or for any act by Tenant requiring Landlord's consent or approval shall not be deemed to render unnecessary Landlord's consent or approval to or for any subsequent similar act by Tenant. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly installments of Rent, Additional Rent or other charges herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, Additional Rent or other charges, nor shall any endorsement or statement on any check or letter accompanying a check for payment of Rent be deemed an accord and satisfaction, nor shall acceptance of Rent with knowledge of breach constitute a waiver of the breach, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent, to terminate this Lease, to repossess the Premises or to pursue any other remedy provided in this Lease. No breach of a covenant or condition of this Lease shall be deemed to have been waived by Landlord, unless such waiver is in writing signed by Landlord.

### **23. SURRENDER OF PREMISES**

At the expiration or termination of this Lease or the termination of Tenant's right of possession, Tenant shall immediately deliver to Landlord the Premises with all improvements located thereon in good repair and condition, reasonable wear and tear excepted (and condemnation and Casualty damage not caused by Tenant, as to which Sections 16 and 17 shall control), and shall deliver to Landlord all keys to the Premises and access cards to the Building. Subject to any lien rights, security interest or other rights of Landlord in connection with an Event of Default, Tenant shall, at its sole cost, remove all trade fixtures, furniture, and personal property owned or otherwise placed in the Premises by Tenant. Additionally, at Landlord's request, Tenant shall, at its sole cost and expense, promptly remove from the Premises and the Building such alterations, additions, and improvements installed by or on behalf of Tenant. Tenant shall repair, at Tenant's sole cost, all damage caused by any removal required hereunder. To the extent Tenant fails to perform the foregoing obligations in a timely manner, Landlord may, at Landlord's election, remove any items remaining and repair all damage caused thereby and Tenant shall pay the cost therefor. At Landlord's election, any items remaining shall be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed, or otherwise disposed of by Landlord without notice to Tenant and without any obligation to account for such items, all at Tenant's sole cost and expense. If Tenant vacates the Premises, Tenant shall be deemed to have peacefully surrendered the Premises to Landlord notwithstanding that Tenant may have failed to fully perform its obligations under this Section. The provisions of this Section shall survive the end of the Term.

### **24. HOLDING OVER**

If, at the expiration of the term of this Lease or other termination of this Lease, Tenant continues to occupy the Premises without the written consent of Landlord, then Tenant shall be a Tenant at sufferance only, and Tenant's continued

occupancy shall not defeat Landlord's right to possession of the Premises at any time. Tenant shall pay Rent equal to 150% of the monthly Base Rent and Additional Rent, for the first sixty (60) days after which time it shall increase to 200%, payable during the last month of the Term on a per diem basis for each day Tenant fails to surrender possession of the Premises in accordance with the requirements of this Lease. In addition, Tenant shall pay to Landlord all damages, costs and expenses incurred (including attorney and expert fees) by Landlord by reason of Tenant's retention of possession of the Premises after such expiration or termination. No payment of money by Tenant to Landlord after the termination of this Lease shall reinstate, continue, or extend the Term in the absence of a written agreement executed by Landlord and Tenant setting forth the terms of such extension.

## **25. RIGHTS RESERVED BY LANDLORD**

Without limiting any other rights reserved unto Landlord, Landlord has the following rights, exercisable without notice to Tenant and without causing an eviction (constructive or actual) or disturbance of Tenant's possession of the Premises and without giving rise to any claim for setoff or abatement of rent:

- (i) to change the Building's name or street address;
- (ii) to install signs on the exterior and interior of the Building or on the Property;
- (iii) to enter upon the Premises at reasonable hours to inspect, make repairs or alterations (without implying any obligation to do so) and to show the Premises to prospective lenders, purchasers and Tenants and, if the Premises are vacated, to prepare them for re-occupancy and in connection therewith, retain and use in appropriate instances keys to all doors into and within the Premises (Tenant will not change or add locks without the prior written consent of Landlord);
- (iv) to decorate and to make repairs, alterations, additions or improvements (whether structural or otherwise) to and about the Building and the Property and, for such purposes, to enter upon the Premises, to temporarily close doors, entryways, public space and corridors in the Building or the Property, to temporarily suspend building services and facilities and to change the arrangement and location of entrances or passageways, doors and doorways, corridors, elevators, stairs, toilets, or other Common Areas, all without abatement of rent or impairing Tenant's obligations so long as the Premises remain reasonably accessible and fit for the use expressly permitted in this Lease; and
- (v) to do and perform such acts in and to the those areas or parts of the Building and the Property which are designed from time to time by Landlord for use in common by all of the Tenants of the Property ("Common Areas") as Landlord, in its business judgment, shall determine to be advisable; and without limiting the foregoing or other provisions of this Lease, Landlord hereby reserves the right to make alterations, additions, deletions or changes including, but not limited to changes in size and configuration of the Common Areas. The Property includes the following building amenities (collectively, the "Amenities"): a fitness center, 5<sup>th</sup> floor event space, rooftop lounge and conference rooms. With the exception of the fitness center, Tenant and its employee shall have the right to use the Amenities free of charge. Tenant and its employees may use the fitness center at a rate of \$25 per month for each employee. Tenant may also reserve the 5<sup>th</sup> floor event space on a first come, first serve basis, at Landlord's standard charge therefor. Landlord shall also provide access to the Property and the Premises 24 hours a day, 7 days a week and shall ensure the front desk to be staffed, at a minimum, from 3:30p.m-11:30pm, Monday through Friday.

## **26. LANDLORD'S DEFAULT**

If Landlord fails to perform any of its obligations under this Lease, Landlord will have thirty (30) days to cure after Tenant notifies Landlord of the default and if the default is of a nature to require more than thirty (30) days to remedy, Landlord will have the time reasonably necessary to cure it and Landlord shall not be deemed in default of its obligations hereunder unless Landlord has failed to effectuate a cure prior to the expiration of such cure periods. In addition to the foregoing, whenever a period of time is prescribed in this Lease for action to be taken by Landlord, Landlord will not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, applicable laws or any other causes of any kind whatsoever which are beyond the reasonable control of Landlord (collectively, "Force Majeure"). All covenants of Tenant in this Lease are independent covenants, not conditioned upon Landlord's satisfaction of its obligations hereunder, except to the extent otherwise

specifically provided herein. Tenant waives any statutory lien it may have against the rent due under this Lease or against Landlord's property in Tenant's possession.

## **27. RELOCATION**

Landlord may, at Landlord's expense, relocate Tenant within the Building or Property in space that is reasonably comparable in size to the Premises and is reasonably suited for Tenant's use. If Landlord relocates Tenant, Landlord shall reimburse Tenant for Tenant's reasonable out-of-pocket expenses for moving Tenant's furniture, equipment and supplies from the Premises to the relocation space and for reprinting Tenant's stationery of the same quality and quantity as Tenant's stationery supply on hand immediately before Landlord's notice to Tenant of the exercise of this relocation right. Upon such relocation, the relocation space shall be deemed to be the Premises and the terms of this Lease shall remain in full force and shall apply to the relocation space.

## **28. TENANT'S AUTHORITY/ANTI-MONEYLAUNDERING COVENANTS**

Tenant represents, warrants and covenants that (i) it is now in a solvent condition; (ii) no bankruptcy or insolvency proceedings are pending or contemplated by or against Tenant or any guarantor of Tenant's obligations under this Lease; (iii) it has the full right and authority without the consent, approval or joinder of any other party to enter into and perform its obligations this Lease and (iv) the terms, conditions and covenants in this Lease are enforceable against Tenant. If Tenant is a corporation, limited liability company or partnership, Tenant represents and warrants that Tenant is duly organized and existing, is qualified to do business in the state in which the Premises are located. The persons signing this Lease on behalf of Tenant represent and warrant that he/she/they are authorized to do so on behalf of Tenant and bind Tenant to the provisions hereof.

Tenant hereby represents, warrants and covenants that neither Tenant, nor any persons or entities holding any legal or beneficial interest whatsoever in Tenant, are (i) the target of any sanctions program that is established by an Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (ii) designated as person or entity (each, a "Prohibited Person") with whom U.S. persons or entities are restricted from doing business by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time during the Term, an Event of Default will be deemed to have occurred, without the necessity of notice to Tenant.

Tenant represents, warrants and covenants that Tenant (i) is not under investigation by any governmental authority for, or has been charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities, any crimes which in the United States would be predicate crimes to money laundering, or any violation of Anti-Money Laundering Laws; (ii) has not been assessed civil or criminal penalties under any Anti-Money Laundering Laws; (ii) has not been assessed civil or criminal penalties under any Anti-Money Laundering Laws; or (iii) has not had any of its funds seized or forfeited in any action under any Anti-Money Laundering Laws. If the foregoing representation is untrue at any time during the Term, an Event of Default will be deemed to have occurred, without the necessity of notice to Tenant. "Anti-Money Laundering Laws" means those laws, rules, regulations, orders and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotic dealers or otherwise engaged in activities contrary to the interest of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations.

Tenant represents, warrants and covenants that it has taken, and shall continue to take at all time following the execution of the Lease, all actions as required by law to ensure that the funds used to make payments under this Lease are derived (i) from transactions that do not violate U.S. law or, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under U.S. law or to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Tenant covenants that throughout the Term of this Lease, Tenant shall comply with all Anti-Money Laundering Laws.

## **29. ENVIRONMENTAL PROVISIONS**

a. Definitions. Terms defined below in this Section shall have the following meanings:

(i) "Applicable Environmental Laws" means all applicable federal, state and other laws, ordinances, rules and regulations of any governmental entity pertaining to health or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (as amended, hereinafter called "CERCLA"), the Resource Conservation and Recovery Act of 1976, as amended by the Used Oil Recycling act of 1980, the Solid Waste Disposal Act Amendments of 1980, and the Hazardous and Solid Waste Amendments of 1984 (as amended, hereinafter called "RCRA") and the federal Hazardous Materials Transportation Act, as amended.

(ii) "Hazardous Substance" or "Hazardous Materials" as used in this Lease shall have its broadest meaning under applicable federal, state or local law, rule, regulation or publication relating to public health and/or the environment, including but not limited to CERCLA, as amended; the federal Hazardous Materials Transportation Act, as amended; and the federal RCRA, as amended and shall include but not be limited to, "materials defined or regulated as "hazardous substances", "toxic substances", "hazardous wastes", "solid waste", "special waste", "universal waste", "medical waste" "infectious waste", materials containing asbestos or urea formaldehyde; gasoline and other petroleum products, flammables, explosives, radon, natural gases, radioactive materials and nuclear wastes and as such substances are defined or regulated in any regulations adopted and publications promulgated pursuant to.

b. Prohibitions. Tenant shall not cause or permit any Hazardous Material to be transported, used, stored, maintained, generated, disposed or released in or about the Premises, Building or Property by Tenant, its agents, employees, contractors, or invitees. Tenant shall promptly notify Landlord in writing of any existing, pending or, to the knowledge of Tenant, threatened investigation or inquiry by any governmental authority in connection with any violation of Applicable Environmental Laws by Tenant or any person or entity acting through or on behalf of Tenant or any violation of Applicable Environmental Laws on or about the Premises. If any Hazardous Material is released, discharged or disposed of by Tenant or any other occupant of the Premises, or their employees, agents or invitees, on or about the Property in violation of this Lease, Tenant shall be solely liable therefor and all costs associated therewith, including but not limited to, all assessment, remediation and removal work arising therefrom. Any violations of this Section by Tenant shall constitute and Event of Default under this Lease, without opportunity for cure. Tenant's obligations under this Section shall survive the termination, by lapse or otherwise, of this Lease.

c. Indemnification. Tenant hereby agrees to indemnify, defend, protect and hold harmless every Landlord Protected Party from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities, expenses or losses which arise during or after the Term of this Lease as a result of the transportation, use, storage, maintenance, generation, disposal or release in or about the Premises or the Property of Hazardous Materials in breach of Tenant's obligations under this Lease. Without limiting the foregoing, expenses and losses for which Landlord Protected Parties shall be indemnified include attorneys' fees, costs of defense, investigation costs and costs to perform assessments and prepare remedial plans, diminution in value of the Premises or the Property, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Property, damages arising from any adverse impact on marketing of space in the Property, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees. Upon notice from Landlord, Tenant shall defend any such claim, demand, cause of action or suit at Tenant's expense with counsel satisfactory to Landlord.

### **30. MISCELLANEOUS**

a. Landlord Transfer. Landlord may transfer, in whole or in part, the Building and any of its rights under this Lease. The term "Landlord" as used in this Lease means only the owner or owners at the time being of Landlord's interest in the Property so that in the event of any assignment, conveyance or sale, once or successively, of Landlord's interest in the Property or any assignment of this Lease by Landlord, then the transferring Landlord shall thereby be released from any further obligations hereunder and Tenant agrees to look solely to such purchaser, grantee or assignee with respect thereto.

b. Landlord's Liability. The liability of Landlord to Tenant for any default by Landlord under the terms of this Lease, any amendment hereto or any other instrument or document executed in connection with this Lease shall be limited to Tenant's actual direct, but not consequential, punitive or special damages and shall be recoverable only from the interest of Landlord in the Property. Landlord's directors, officers, partners, managers, members, employees, agents, attorneys and representatives



shall not have any personal liability arising from or in connection with this Lease or Tenant's use or occupancy of the Premises.

Tenant agrees to look solely to Landlord's interest in the Property for recovery of any judgment against Landlord and not any other assets of Landlord.

c. Brokerage. Landlord and Tenant each warrant to the other that it has not dealt with any broker or agent in connection with the negotiation or execution of this Lease except Landlord's Broker and Tenant's Broker, if any. Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys' fees, and other liability for commissions or other compensation claimed by any broker or agent claiming the same by, through, or under the indemnifying party. Landlord shall be responsible for payment of all commissions to Landlord's Broker. Landlord shall be responsible for paying any commission to the respective brokers.

d. Notices. All notices and other communications given pursuant to this Lease shall be in writing and shall be (i) mailed by first class, United States Mail, postage prepaid, certified, with return receipt requested, and addressed to the parties hereto at the address specified in Section 1 of the Lease, (ii) hand delivered by local courier or national overnight delivery service (which maintains delivery records) to the specified address, or (iii) sent by facsimile transmission or email, with evidence of delivery, followed by a confirmatory letter. All notices to Landlord shall be delivered to the addresses set forth in Section 1 and to Landlord's property management company, if any, at the address set forth in Section 2 and all notices to Tenant shall be to Tenant's address(es) set forth in Section 1. Notice shall be effective when actually received or if earlier, as follows: Notice sent by certified mail, postage prepaid, shall be effective three (3) business days after being deposited in the United States Mail; notices sent by hand delivery or overnight courier shall be effective one business day following deposit with the courier or overnight delivery service and notices sent by facsimile shall be effective the later of when sent or when the confirmatory letter is posted. Each party hereto may change its respective address for notice (or in Landlord's case, the address for payment or Rent and the name of the designee to whom Rent should be paid) by giving notice thereof to the other in conformity with this provision. In addition to the foregoing, any written notice to Tenant shall be deemed received when delivered to the Premises.

e. Severability. It is the parties' intention that this Lease shall be enforceable in accordance with its terms and that it comply with all applicable laws. If any clause or provision of this Lease is illegal, invalid, or unenforceable under present or future laws, then the remainder of this Lease shall not be affected thereby and in lieu of such clause or provision, there shall be added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

f. Amendments; and Binding Effect. This Lease may not be amended except by instrument in writing signed by Landlord and Tenant. No provision of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. The terms and conditions contained in this Lease shall inure to the benefit of and be binding upon the parties hereto, and upon their respective successors in interest and legal representatives, except as otherwise herein expressly provided; provided, however, that the foregoing shall not be deemed to permit the assignment of the Lease by Tenant except as otherwise expressly permitted under this Lease. This Lease is for the sole benefit of Landlord and Tenant, and, other than Landlord's mortgagee, no third party shall be deemed a third party beneficiary hereof. No custom or practice that may occur or develop between the parties in connection with the terms of this Lease shall be construed to waive or lessen Landlord's right to insist upon strict performance of the terms of this Lease.

g. Tenant's Right of Possession. Provided Tenant has timely performed all of the terms and conditions of this Lease to be performed by Tenant, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term, without hindrance from Landlord or any party claiming by, through, or under Landlord, subject to the terms and conditions of this Lease.

h. Joint and Several Liability. If there is more than one Tenant, then the obligations hereunder imposed upon Tenant shall be joint and several.

i. Captions. The captions contained in this Lease are for convenience of reference only, and do not limit or enlarge the terms and conditions of this Lease.

j. No Merger. There shall be no merger of the Leasehold estate hereby created with the fee estate in the Premises or any part thereof if the same person or entity acquires or holds, directly or indirectly, this Lease or any interest in this Lease and the corresponding fee estate or any interest in such fee estate.

k. No Offer. The submission of this Lease to Tenant shall not be construed as an offer, nor shall Tenant have any rights under this Lease unless Landlord executes a copy of this Lease and delivers it to Tenant.

l. Exhibits. All exhibits expressly referenced in this Lease and attached hereto are incorporated herein by this reference.

Exhibit A - Outline of Premises

Exhibit B - Insurance Requirements

m. Entire Agreement. This Lease constitutes the entire agreement between Landlord and Tenant regarding the subject matter hereof and supersedes all oral statements and prior writings relating thereto. Except to the extent expressly set forth in this Lease, no representations, warranties, or agreements have been made by Landlord or Tenant to the other with respect to this Lease or the obligations of Landlord or Tenant in connection therewith.

n. Property Management. Landlord's Property Management Company is identified in Section 2 of the Lease. Landlord's Property Management Company may be changed without notice to Tenant from time to time. Tenant acknowledges that the Property Management Company is an independent contractor hired by Landlord to operate the Property.

o. Choice of Law. This Lease shall be governed by the laws of the state in which the Property is located and by the applicable laws of the United States of America.

p. Construction and Interpretation. This Lease shall not be construed in favor of either Landlord or Tenant regardless of who prepared the same. Whenever the terms "hereof," "hereby," "herein," or words of similar import are used herein they shall be construed as referring to this Lease in its entirety rather than to a particular section or provision. Any reference to a "Section" and an "Exhibit" refers, respectively, to a section of, and exhibit to, this Lease. Whenever the term "including" is used herein, it shall be interpreted as meaning "including, but not limited to." The necessary grammatical changes required to make the provisions hereof apply either to corporations or other organizations, partnerships, limited liability companies or other entities, or individuals, shall in all cases be assumed as though in each case fully expressed

q. ~~Waiver of Jury Trial/Venue. LANDLORD AND TENANT WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM INVOLVING ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR INVOLVING THE RIGHT TO ANY STATUTORY RELIEF OR REMEDY. JURISDICTION AND VENUE SHALL BE DEEMED VALID AND APPROPRIATE IN THE COUNTY AND STATE WHERE THE PROPERTY IS LOCATED.~~

r. ~~Financial Statements. Within ten (10) days of Landlord's written request, from time to time but in no event more than once each calendar year, Tenant shall deliver correct and complete copies of its current financial statements, including without limitation, net worth statements and statements of profit and loss.~~

s. Landlord's Title. Landlord's title is and always shall be paramount to the title of the Tenant and nothing in this Lease contained shall empower the Tenant to cause or permit any lien or other encumbrance of Landlord's title.


{SIGNATURE PAGE FOLLOWS}

EXECUTED as indicated below and effective on the latter of the date of execution by each party indicated below or if only the date of Landlord's execution is shown, then the date of Landlord's execution ("Effective Date").

**LANDLORD:**

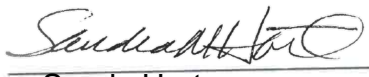
**415 WASHINGTON WAUKEGAN, LLC,  
A Delaware limited liability company**

**By: EJ INVESTMENT GROUP, INC , a Delaware corporation, its Manager**

By:   
Name: Marcin Chojnacki - President  
Title: Authorized Agent

**TENANT:**

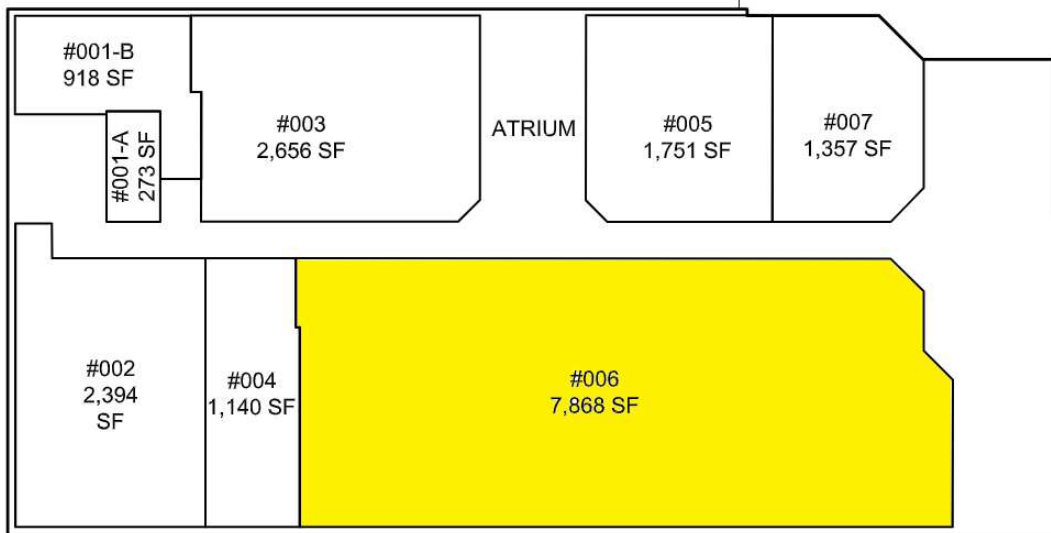
,  
a

By:   
Name: Sandy Hart  
Title: Chair, Lake County Board

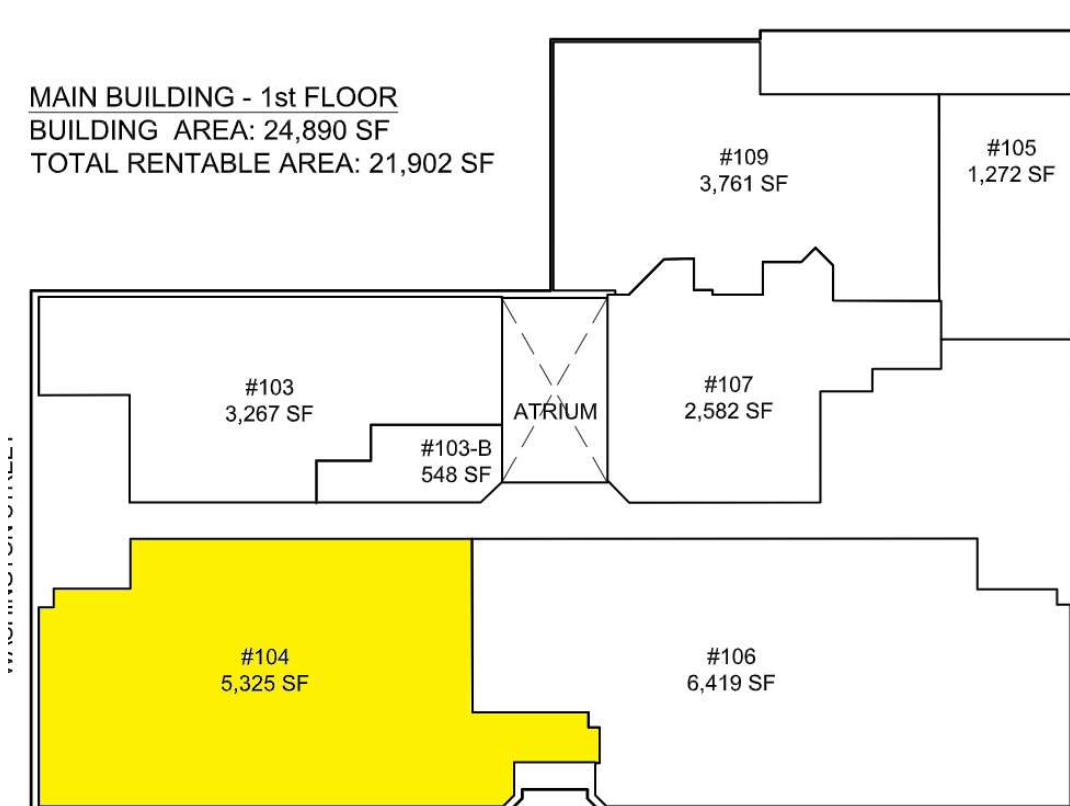
**EXHIBIT A**  
**PREMISES FLOORPLAN**

**(See Attached)**

**MAIN BUILDING - LOWER LEVEL**  
BUILDING AREA: 19,688 SF  
TOTAL RENTABLE AREA: 18,357 SF



**MAIN BUILDING - 1st FLOOR**  
BUILDING AREA: 24,890 SF  
TOTAL RENTABLE AREA: 21,902 SF



## EXHIBIT B

### INSURANCE REQUIREMENTS

A. **Tenant Insurance.** Commencing the date first occupies the Premises and throughout the remainder of the Term, Tenant shall procure and maintain the policies of insurance, at its own cost and expense:

(i) Commercial General Liability Insurance against claims for personal injury, death or property damage occurring in connection with the use and occupancy of the Premises, including broad form property damage, premises operation, independent contractor, completed operations, products liability and contractual liability insuring the indemnification provisions contained in this Lease, naming Landlord, and Landlord's Protected Parties, as additional insureds, such insurance to afford protection to the limit of not less than \$2,000,000.00 combined single limit per occurrence/aggregate. Said insurance shall be (i) written on an "occurrence" basis and not on a "claims made" basis, (ii) cover all insurable liability assumed by Tenant under this Lease, (iii) provide for the severability of parties, (iv) be endorsed as primary/non-contributory as to any insurance maintained by Landlord and such other parties to be named as additional insureds. If at any time during the term of this Lease, Tenant owns or rents more than one location, the policy shall contain an endorsement to the effect that the aggregate limit in the policy shall apply separately to each location owned or rented by Tenant. Landlord shall have the right not more than once every three (3) years, exercisable by giving written notice thereof to Tenant, to require Tenant to increase such limit if, in Landlord's reasonable judgment, the amount thereof is insufficient to protect the Landlord Protected Parties and Tenant Protected Parties from judgments which might result from such claims, demands or actions.

(ii) Property insurance on an "all risk" basis commonly known as "special perils" (including, but not limited to, earthquake and flood, but only in the event Landlord specifically requires such coverage and sprinkler leakage, if applicable) covering all contents and Tenant's trade fixtures, machinery, equipment, furniture and furnishings in the Premises to the extent of at least ninety percent (90%) of their replacement cost. Said insurance shall contain an endorsement waiving the insurer's right of subrogation against any Landlord Protected Party.

(iii) Workers Compensation Insurance and Occupation Disease Insurance, as required to meet the applicable laws, and Employers Liability Insurance with a limit of liability of not less than Two Million Dollars (\$1,000,000.00).

(iv) Business Interruption insurance in an amount sufficient to assure that the Landlord shall recover the loss of any rental income due and owing Landlord from Tenant under this Lease, which coverage shall provide such protection to Landlord for a period of not less than twelve (12) consecutive months from the date of loss with an agreed amount endorsement waiving any co-insurance requirement in such policy. Landlord (and other parties designated by Landlord) shall be named as loss payee on such policy.

B. **Tenant Contractor Insurance.** Tenant shall require each contractor of Tenant permitted to perform work in, on, or about the Premises to obtain and maintain the following insurance coverage at no expense to Landlord:

(i) Commercial general liability insurance, including the traditional broad form general liability coverages, in the amount of One Million Dollars (\$1,000,000), adding Landlord and Tenant as additional insured parties.

(ii) Worker's compensation insurance for all contractor's employees working in or about the Premises in an amount sufficient to comply with applicable laws or regulations.

(iii) Employers liability insurance in an amount not less than One Million Dollars (\$1,000,000).

(iv) Comprehensive Automobile Liability Insurance covering use of all owned, non-owned and hired vehicles with bodily injury and property damage limit of not less than One Million Dollars (\$1,000,000.00), adding Landlord and Tenant as additional insured parties.

(v) Any other insurance as Tenant, Landlord or Landlord's mortgagee may reasonably require from time to time for contractors performing work in the Building.