

**OFFICE CENTER  
LEASE AGREEMENT**

by and between

**415 Washington Street, LLC**

**LANDLORD**

and

**Lake County Circuit Court Clerk**

**County of Lake**

**TENANT**

**July 1, 2019**

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**WAUKEGAN BUSINESS  
CENTER**

**LEASE SCHEDULE**

1. Date of Lease: July 1, 2019
2. Landlord: 415 Washington Street, LLC
3. Tenant: Lake County Circuit Court Clerk and the County of Lake
4. Guarantor: N/A
5. Building Address: 415 Washington Street, Waukegan, IL 60085
6. Property: The Building and the real estate on which it is located.
7. Premises: A portion of the second floor of the Building as depicted on **Appendix "A"** hereto and identified as Suite 214.
8. Permitted Use: General office use and record storage of files related thereto.
9. Term: Twenty-four (24) months, plus the remainder of any partial calendar month in which the Term commences, beginning on the Commencement Date (as defined below), which is estimated to be July 1, 2019, and expiring on the Expiration Date (as defined below), which is estimated to be June 30, 2021. For purposes hereof, the "Commencement Date" of the Term shall be the date that Landlord's construction obligations, if any, under this Lease have been substantially completed, and the "Expiration Date" shall be the last day of the month which is twenty-four (24) full months after the Commencement Date. Landlord shall advise Tenant of the actual Commencement Date and Expiration Date of the Term, and if requested by either party, the parties shall promptly confirm such date.

Provided that Tenant has not been in default during the one hundred and eighty (180) days immediately preceding the Expiration Date, and provided, further, that this Lease has not been terminated, Tenant shall have three (3) options to extend the Term for an additional two (2) years, the "**Extended Term**", commencing immediately following the Expiration Date or earlier exercised Extended Term and subject to all of the terms, conditions, covenants and provisions of this Lease. Tenant shall exercise its extension rights hereunder in each instance by delivery to Landlord of written notice no later than one hundred and eighty (180) days prior to the expiration of the then current term. The terms and conditions of the Extended Term will be negotiated by the Landlord and Tenant within sixty (60) days of Landlord's receipt of Tenant's notice. For the purposes of this Lease, the "Term" shall include any extension period.

So long as Tenant is not in default under the Lease (beyond any cure periods), Tenant shall have the option to terminate this Lease at any time during the Extended Term by providing sixty (60) days prior written notice to the Landlord, but only in the event that Tenant is moving from the Premises to a property owned by the County of Lake.

10. Area of Premises in rentable square feet: The parties agree that the Premises consists of 4,131 rentable square feet ("r.s.f").
11. Jurisdiction in which the Property is located: City of Waukegan, County of Lake, State of Illinois
12. Base Rent: The Base Rent payable by Tenant during the Term is as follows and is inclusive of all real estate taxes and operating expenses not specifically identified as Tenant's responsibility in Article 9:

Original Term

Months	Monthly Base Rent	Annual Base Rent	Annual Base Rent / SF
07/1/2019 through 06/30/2020	\$4,217.06	\$50,604.75	\$12.25
07/1/2020 through 06/30/2021	\$4,303.13	\$51,637.50	\$12.50

First Option

Months	Monthly Base Rent	Annual Base Rent	Annual Base Rent / SF
07/1/2021 through 06/30/2022	\$4,389.19	\$52,670.25	\$12.75
07/1/2022 through 06/30/2023	\$4,478.69	\$53,744.31	\$13.01

Second Option

Months	Monthly Base Rent	Annual Base Rent	Annual Base Rent / SF
07/1/2023 through 06/30/2024	\$4,568.20	\$54,818.37	\$13.27
07/1/2024 through 06/30/2025	\$4,661.15	\$55,933.74	\$13.54

Third Option

Months	Monthly Base Rent	Annual Base Rent	Annual Base Rent / SF
07/1/2025 through 06/30/2026	\$4,754.09	\$57,049.11	\$13.81
07/1/2026 through 06/30/2027	\$4,850.48	\$58,205.79	\$14.09

13. Addresses for Purpose of Notice:

**LANDLORD**

**Name:** 415 Washington Street, LLC, an Illinois limited liability company  
**Notice Address:** 200 W. Madison Street, Suite 2620, Chicago, IL 60606  
**Phone:** 312-781-9830

**TENANT**

**Name:** Lake County Circuit Court Clerk & the County of Lake  
**Trade Name:** Lake County Circuit Court Clerk  
**Notice Address:** 18 N County Street Room 101 Waukegan, IL 60085  
**Phone:** 847-377-2400

**PROPERTY MANAGER**

**Name:** Hunt Commercial Group, LLC, a limited liability company  
**Notice Address:** 200 W. Madison Street, Suite 2620, Chicago, IL 60606  
**Phone:** 312-781-9835  
**Rent Payment Address:** 200 W. Madison Street, Suite 2620, Chicago, IL 60606

14. Security Deposit: None.
15. Brokers: Tenant – Tri State Realty, Inc.  
Landlord – Hunt Commercial Group, LLC
16. Appendices: Appendix "A" (Depiction of Premises)  
Appendix "B" (Facility Alteration Procedure)  
Appendix "C" (Rules and Regulations Attached to and Made Part of this Lease)  
Appendix "D" (Workletter)  
Appendix "E" (Confirmation of Commencement Date and Expiration Date and Acceptance of Possession)
17. Special Provisions: A. Parking: Addressed in Paragraph 28 of Appendix “C”  
B. Tenant Improvement Allowance: N/A  
C. Option to Extend: Addressed in Lease Schedule, Paragraph 9 above

**LEASE**

THIS LEASE MADE and entered into as of the date set forth on the Lease Schedule as Date of Lease, which Lease Schedule is appended to this Lease and is specifically incorporated by reference herein, by and between Landlord and Tenant as set forth in the Lease Schedule.

**WITNESSETH:**

Demise

A. Landlord does hereby lease to Tenant and Tenant hereby lets from Landlord, the Premises set forth in the Lease Schedule, which are situated in the Building now or hereafter to be constructed on the Property. Tenant acknowledges that the sole purpose of the attached Appendix "A" is to identify the approximate location of the Premises in the Building. Landlord represents and warrants the rentable square footage of the Premises is 4,131 square feet.

B. Such letting and hiring is upon and subject to the terms, covenants and conditions herein set forth and Tenant and Landlord covenant as a material part of the consideration for this Lease to keep and perform each and all of said terms, covenants and conditions by them to be kept and performed and that this Lease is made upon the condition of such performance.

**1.**

**PERMITTED USE**

The Premises are to be used for the Permitted Use set forth in the Lease Schedule and for no other purpose without the prior written consent of Landlord.

**2.**

**TERM**

The Term shall be as set forth in the Lease Schedule except as otherwise expressly provided in this Lease.

**3.**

**POSSESSION**

A. If Landlord, for reasons beyond its control, cannot deliver possession of the Premises to Tenant on the estimated Commencement Date of the Term, this Lease shall not be void or voidable, nor shall Landlord be liable to Tenant for any loss or damage resulting therefrom. Under such circumstances, the rent provided for herein shall not commence until possession of the Premises is made available to Tenant (so long as Tenant is not responsible for such failure or delay) and no such failure to give possession on the estimated Commencement Date of the Term shall affect the validity of this Lease or the obligations of Tenant hereunder, and the Term shall be extended accordingly.

B. The Premises shall be deemed to be ready for Tenant's occupancy if only minor or insubstantial details of construction, decoration or mechanical adjustments remain to be done in the Premises or any part thereof, or if the delay in the availability of the Premises or any part thereof for occupancy shall be due to special work, changes, alterations, or additions required or made by Tenant in the layout or finishing of the Premises. Whether or not the Premises are ready for occupancy shall be determined by the Jurisdiction in which the Property is located as set forth in the Lease Schedule, which shall evidence same by authorizing Tenant's occupancy thereof, which authorization may be in the form of oral or written permission to occupy which if in the form of written permission, may be in the form of a temporary or permanent certificate of occupancy or its equivalent. It is further understood that prior to initial occupancy,

the parties shall jointly inspect the Premises and prepare a "punch list" of incomplete items to be completed by Landlord within a reasonable time after occupancy.

C. Tenant shall execute a confirmation of the Commencement Date and the Expiration Date in such form as provided in Appendix "E" within ten (10) days after requested. Tenant's failure to execute and deliver to Landlord such written confirmation within ten (10) days after request shall constitute acceptance and acknowledgment by Tenant that the Commencement Date set forth in Landlord's request for confirmation thereof is true and correct, without exception.

#### 4.

#### **DEFINITIONS AS USED IN THIS LEASE**

A. The term "**Commencement Date**" is the date of the beginning of the Term as set forth in the Lease Schedule.

#### 5.

#### **BASE RENT**

A. Except as otherwise provided herein, Tenant shall pay as initial Base Rent to Landlord the Annual Base Rent as set forth in the Lease Schedule in equal monthly installments in advance on the first day of the first full calendar month and on the first day of each calendar month thereafter during the Term, and at the same rate for fractions of a month if the Term shall begin on any day except the first day or shall end on any day except the last day of a calendar month.

B. Any rent (whether Base Rent or Additional Rent) or other amount due from Tenant to Landlord under this Lease not paid within five (5) days that it is due shall incur a late fee equal to One Hundred Fifty and no/100 dollars (\$150.00). Tenant acknowledges that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payments by Tenant. Neither assessment nor acceptance of a late charge by Landlord shall 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 available to Landlord. The covenants herein to pay rent (both Base Rent and Additional Rent) shall be independent of any other covenant set forth in this Lease.

C. Base Rent and all of the rent provided herein shall be paid without demand, offset, deduction or abatement in lawful money of the United States of America to 415 Washington Street, LLC, 200 West Madison, Suite 2620, Chicago, IL 60606 ("**the Management Agent**") or as designated from time to time by written notice from Landlord. The Management Agent has full and complete authority to act on behalf of Landlord in connection with all dealings with Tenant, provided however, that the Management Agent shall not have the power to amend or modify the terms of this Lease.

#### 6.

#### **ADDITIONAL RENT**

A. The term "**Additional Rent**" shall refer to any other monetary obligations payable by Tenant to Landlord under the terms of this Lease in addition to Base Rent. Landlord shall have the same remedies for the failure to pay Additional Rent as for the nonpayment of Base Rent. The Base Rent payable by Tenant during the Term is inclusive of all real estate taxes and operating expenses not specifically identified as Tenant's responsibility in Article 9.



7.

**RENT ADJUSTMENT PAYMENT**

Intentionally Omitted.

8.

**HOLDING OVER**

Should Tenant hold over after the expiration or any earlier termination of this Lease, by lapse of time or otherwise, Tenant shall be construed to be a tenancy from month to month, cancelable by Landlord or Tenant upon thirty (30) days' written notice, only upon each and all of the terms herein provided as may be applicable to such month to month tenancy and any such holding over shall not constitute an extension of this Lease; provided, however, during such holding over, Tenant shall pay Base Rent and Additional Rent (as heretofore adjusted, all as estimated by Landlord) at one hundred twenty-five percent (125%) of the rate payable for the month immediately preceding said holding over, and in addition, Tenant shall pay Landlord all damages, consequential as well as direct, sustained by reason of Tenant's holding over.

9.

**BUILDING SERVICES**

If Tenant is not in default under this Lease:

A. Landlord agrees to furnish the common areas during reasonable hours (8:00 A.M. to 6:00 P.M. Mondays through Fridays) except for the following legal "**Holidays**": Memorial Day, July 4<sup>th</sup>, Labor Day, Thanksgiving, Christmas and New Year's Day, and subject to the rules and regulations of the Building, passenger and freight elevator service to the extent applicable, heat and air conditioning in accordance with the design for such systems and as required in Landlord's reasonable judgment for the comfortable use and occupancy of the Premises and common areas, subject to scheduling by Landlord. Landlord shall not be required to furnish janitorial and cleaning services in and about the Premises.

B. Tenant shall provide, at its expense, janitorial or cleaning services within the Premises due to the nature of Tenant's business and mandatory security by Lake County Government. Landlord will grant Tenant consent to Tenant's janitorial or cleaning service; which shall not be unreasonably withheld.

C. Window washing of all exterior windows shall be scheduled at times in the sole judgment of Landlord.

D. Neither Landlord nor Landlord's beneficiaries, nor any company, firm or individual, operating, maintaining, managing or supervising the plant or facilities furnishing the services included in Landlord's energy costs nor any of their respective agents, beneficiaries, or employees, shall be liable to Tenant, or any of Tenant's employees, agents, customers or invitees or anyone claiming through or under Tenant, for any damages, injuries, losses, expenses, claims or causes of action, because of any interruption or discontinuance at any time for reasons beyond the Landlord's control in the furnishing of any of such services, or any other service to be furnished by Landlord as set forth herein; nor shall any such interruption or discontinuance relieve Tenant from full performance of Tenant's obligations under this Lease.

E. (1) If a separate meter is provided to the Premises for electric or gas service, electricity or gas shall not be furnished by Landlord, but except as otherwise hereinafter provided, shall be furnished by the approved electric or gas utility company serving the area ("**Electric Service Provider**" or "**Gas Service Provider**"). Landlord shall permit Tenant to receive such service direct from such public utility company at Tenant's cost, and shall permit Landlord's wire and conduits, to the extent available, suitable and safely capable, to be used for such purposes. Tenant shall make all necessary arrangements with such public utility company for metering and paying for gas or electric current furnished by it to Tenant, and Tenant shall pay for all charges for gas or electric current consumed on the Premises during Tenant's occupancy thereof. Tenant agrees to purchase from Landlord or its agent all lamps, bulbs after the initial installation

thereof, ballasts and starters used in the Premises, provided however that the availability, quality and cost of any such items shall be comparable to that available to Tenant from other suppliers. Tenant covenants and agrees that at all times its use of electric current shall never exceed the capacity of the feeders to the Building or the risers or wiring installed thereon. Tenant will not, without the written consent of Landlord, use any apparatus or device in the Premises to connect to electric current (except through existing electrical outlets in the Premises) or water pipes, any apparatus or device for the purpose of using electric current or water. If Tenant shall require water or electric current in excess of that which is respectively obtainable from existing water pipes or electrical outlets and normal for use of the Premises as general office space, Tenant shall first procure the consent of Landlord, which Landlord may not unreasonably refuse. If Landlord consents to such excess water or electrical requirements, Tenant shall pay all costs including but not limited to meter service and installation of facilities necessary to furnishing such excess capacity.

(2) The electricity used during the performance of janitorial service, the making of alterations or repairs in the Premises, and for the operation of the Premises' air conditioning system at times other than as provided herein, or the operation of any special air conditioning systems which may be required for data processing equipment or for other special equipment or machinery installed by Tenant, shall be paid for by Tenant. Tenant shall make no alterations or additions to the electric equipment and/or appliances without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld. Tenant shall pay for any such extra utilities or services such standard charges as Landlord shall from time to time establish, and Landlord's out-of-pocket costs for architects, engineers, consultants and other parties relating to such extra utilities or services.

F. To the extent permitted by Landlord, Tenant shall have access to and use of the Property's loading dock during reasonable hours (8:00 A.M. to 6:00 P.M. Mondays through Fridays), except for legal Holidays. Tenant shall request such access and use, from Landlord, at least the day prior to access and use.

G. (1) To the extent permitted by law, Landlord shall have the right to select the Electric Service Provider and at any time and from time to time during the Term to either contract for service from a different company or companies providing electricity service (each such company hereinafter described as an "**Alternate Service Provider**") or continue to contract for service from the Electric Service Provider.

(2) Tenant shall cooperate with Landlord, the Electric Service Provider, and any Alternate Service Provider at all times, and as reasonably necessary, shall allow Landlord, Electric Service Provider and any alternate Service Provider reasonable access to the Building's electric lines, feeders, risers, wiring, and any other machinery within the Premises, provided that such access shall not interfere with the normal conduct of Tenant's business operations.

H. (1) Tenant shall have the right to install a wireless intranet, Internet and communications network (also known as "**Wi-Fi**") within the Premises for the use of Tenant and its employees (the "**Network**") subject to all the other provisions of this Lease as are applicable.

(2) Tenant shall not solicit, suffer or permit other tenants or occupants of the Building to use the Network or any other communications service, including, without limitation, any wired or wireless Internet service that passes through, is transmitted through, or emanates from the Premises.

(3) Tenant agrees that Tenant's communications equipment and the communications equipment of Tenant's service providers and contractors located in or about the Premises or installed in the Building to service the Premises including, without limitation, any antennas, switches or other equipment (collectively, "**Tenant's Communications Equipment**") shall be of a type and, if applicable, a frequency that will not cause radio frequency, electromagnetic, or other interference to any other party or any equipment of any other party including, without limitation, Landlord, other tenants, or occupants of the Building or any other party. In the event that Tenant's Communications Equipment causes or is believed to cause any such interference, upon receipt of notice from Landlord of such interference, Tenant will take all steps necessary to correct and eliminate the interference. If the interference is not eliminated within twenty-four (24) hours (or a shorter period if Landlord believes a shorter period to be appropriate)

then, upon request from Landlord, Tenant shall shut down the Tenant's Communications Equipment pending resolution of the interference, with the exception of intermittent testing upon prior notice to and with the approval of Landlord.

(4) Tenant acknowledges that Landlord has granted and/or may grant lease rights, licenses and other rights to various other tenants and occupants of the Building and to telecommunications service providers.

I. Landlord agrees that, provided Tenant is not in default under this Lease, Tenant and its contractor shall be permitted non-exclusive access equal to its proportionate share (as determined from time to time based upon the number of rentable square feet of office space Tenant is leasing in the Building from Landlord) of the available space in the Building risers and telecommunications closets, including without limitation the space above the ceilings and below the floors of the Premises, except such risers or closets being utilized exclusively by Landlord or other tenants in the Building (and excluding, in any event, such Building risers and/or telecommunications closets located in mechanical rooms, basement space or other common and/or public areas of the Building) (collectively, the "**Risers**"), at no additional charge therefor, for the sole purpose of installing cabling and telecommunications equipment therein; provided, however, that:

(1) Tenant shall submit to Landlord for Landlord's prior written approval (which approval shall not be unreasonably withheld or delayed) reasonably detailed plans and specifications showing the locations within the Risers where such cabling and equipment will be installed. Tenant shall appropriately mark and/or tag all such cabling and equipment as reasonably required by Landlord to identify the owner and/or user thereof. If any such cabling and/or equipment are installed without Landlord's prior written approval or without such appropriate identification, and Tenant fails to remove same within thirty (30) days after written notice from Landlord to do so, then Landlord shall have the right to remove and correct such improvements and restore the Risers to their condition immediately prior thereto, and Tenant shall be liable for all expenses incurred by Landlord in connection therewith. Landlord makes no representation or warranty that the Risers will be adequate to satisfy Tenant's needs.

(2) Tenant and its contractor shall coordinate any access to the Risers with Landlord's property manager for the Building. Tenant and its contractor shall conduct their work in a manner that shall minimize disruption and inconvenience to other tenants and occupants of the Building.

(3) Tenant shall promptly repair, at its sole cost and expense, any damage done to the Building or to the premises of any other tenant in the Building and to any electrical, mechanical, HVAC, sprinkler, life safety and other operating system serving the Building or other common areas appurtenant to the Building that are caused by or arise out of any work performed by Tenant or its contractor pursuant to this Section 9.H.

(4) Tenant shall remove, at Tenant's sole cost and expense, all cabling and equipment installed by or on behalf of Tenant or other occupants of the Premises from the Risers by no later than the expiration or earlier termination of this Lease. All damages and injury to the Risers, the Premises or the Building caused by such removal shall be repaired by Tenant, at Tenant's sole expense.

## 10.

### **CONDITION OF THE PREMISES**

A. Subject to "punch lists" heretofore referred to by taking possession of the Premises, Tenant shall be deemed to have agreed that the Premises were as of the date of taking possession, in good order, repair and condition. No promises of Landlord to alter, remodel, decorate, clean or improve the Premises or the Building and no representation or warranty, express or implied, respecting the condition of the Premises or the Building has been made by Landlord to Tenant, unless the same is contained herein or made a part hereof. Notwithstanding any provision in this paragraph 10. A. Landlord shall deliver all mechanical, electrical, plumbing, HVAC, light fixtures, doors, windows – if operable, and any other equipment such as the elevator within or servicing the Premises in good operating condition and repair. Landlord represents the floor load is adequate for storage use.

B. The parties acknowledge that the Americans With Disabilities Act of 1990 (42 U.S.C. Section 12101 et

seq.) and regulations and guidelines promulgated thereunder, as all of the same may be amended and supplemented from time to time (collectively referred to herein as the "ADA") establish requirements under Title III of the ADA ("Title III") pertaining to business operations, accessibility and barrier removal, and that such requirements may be unclear and may or may not apply to the Premises and the Building depending on, among other things: (1) whether Tenant's business operations are deemed a "place of public accommodation" or a "commercial facility," (2) whether compliance with such requirements is "readily achievable" or "technically infeasible," and (3) whether a given alteration affects a "primary function area" or triggers so-called "path of travel" requirements. Landlord represents that the Building, as of the date of this lease, complies with Title III. Landlord shall be responsible for all Title III compliance and costs in connection with the Premises (including structural work, if any, and including leasehold improvements or other work to be performed in the Premises under or in connection with this Lease) to the extent that same arises out of matters specific to Tenant's activities or operations or resulting from alterations to the Premises made by Tenant.

## **11.** **USES PROHIBITED**

Tenant shall not use, or permit the Premises or any part thereof to be used, for any purpose or purposes other than the Permitted Use, as stated in the Lease Schedule, more specifically known as the Lake County Circuit Clerk. In the event the Lake County Circuit Clerk is relocated from the Premises, the Tenant may use the Premises for other Lake County governmental offices. No use shall be made or permitted to be made of the Premises, nor acts done, which will increase the existing rate of insurance upon the Building, or cause a cancellation of any insurance policy covering the Building, or any part thereof, nor shall Tenant sell, or permit to be kept, used or sold, in or about the Premises, any article which may be prohibited by Landlord's insurance policies. Tenant shall not commit or suffer to be committed, any waste upon the Premises, or any public or private nuisance or other act or thing which may disturb the quiet enjoyment of any other tenant in the Building, nor, without limiting the generality of the foregoing, shall Tenant allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose. Tenant agrees at all times to operate under this lease in compliance with all federal, state, local or municipal laws, statutes, ordinances, and rules and regulations, including but not limited to those relating to zoning, environmental protection, health, and safety (collectively, "Laws").

Landlord agrees at all time to operate under this lease in compliance with all federal, state, local or municipal laws, statutes, ordinances, and rules and regulations. Tenant further agrees to promptly cure any such violation at its own expense, and shall furthermore defend and indemnify Landlord, its beneficiaries, mortgagees, and officers, agents, and employees thereof respectively, for, from and against any and all liability, loss, costs (including attorneys' fees and expenses), damages, responsibilities or obligations incurred as a result of any violation of any of the foregoing. Tenant shall upon request of Landlord certify in writing that it is in compliance with applicable Laws for the preceding year. At the request of Landlord, Tenant shall submit to Landlord, or shall make available for inspection and copying upon reasonable notice and at reasonable times, any or all of the documents and materials prepared by or for Tenant pursuant to any environmental law or regulation or submitted to any governmental regulatory agency in conjunction therewith. Landlord shall have reasonable access to the Premises to inspect the same to confirm that Tenant is using the Premises in accordance with all Laws. Tenant shall, at the request of Landlord and at Tenant's expense, conduct such testing and analysis as is reasonably necessary to ascertain whether Tenant is using the Premises in compliance with all Laws, provided however, Landlord shall not request that Tenant conduct such tests unless Landlord has a reasonable suspicion that Tenant may be in violation of the foregoing Laws. Said tests shall be conducted by qualified independent experts chosen by Tenant and subject to Landlord's reasonable approval. Copies of reports of any such tests shall be provided to Landlord. The provisions within this paragraph shall survive termination of this Lease and shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns, and mortgagees thereof.

## **12.** **COMPLIANCE WITH LAWS**

Tenant shall not use the Premises or permit anything to be done in or about the Premises which in any way conflicts with any Laws now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all Laws now in force or which may hereafter be in force and with the requirements

of any board of fire underwriters or other similar body now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment of any court of competent jurisdiction or the admission of Tenant in an action against Tenant whether Landlord be a party thereto or not, that Tenant has violated any Laws shall be conclusive of that fact as between Landlord and Tenant.

### 13.

#### **ALTERATIONS AND REPAIRS**

A. Tenant shall, at its own expense, maintain the Premises in a clean, neat and sanitary condition, and shall keep the Premises and every part thereof (including, without limitation, all fixtures, alterations, improvements, systems and equipment in or exclusively serving the Premises whether installed by Landlord or Tenant) in good repair and tenantable condition, and shall promptly and adequately repair all damage to the Premises caused by the Tenant under the supervision and with the approval of Landlord and within a reasonable period of time as specified by Landlord, loss by ordinary wear and tear, fire and other casualty excepted. If Tenant does not do so promptly and adequately, Landlord may, but need not, make such repairs and Tenant shall pay Landlord immediately upon request by Landlord. Tenant hereby waives all rights to make repairs at the expense of Landlord as provided by any law, statute or ordinance now or hereafter in effect. Tenant shall pay for any repairs to the Premises, the Building and/or the Property made necessary by any negligence or carelessness of Tenant or its employees or invitees (notwithstanding anything to the contrary contained in this Lease).

B. Tenant may not do any work ("**Alterations**") in the Premises such as, but not limited to, painting, decorating, erecting partitions, making alterations or additions, nailing, boring or screwing into the ceilings, walls or floors without the consent of Landlord in each and every instance, provided however, that a cosmetic Alteration such as painting, decorating, wallpapering, carpeting or hanging pictures does not require the approval of Landlord unless it is visible from the exterior of the Premises or the Building and provided further, Landlord's consent shall not be unreasonably withheld in cases of other Alterations not visible from the exterior of the Premises or the Building. Under such circumstances however, compliance with this Section 13.B. is required. The decision of Landlord to refuse such consent shall be conclusive. It shall not be unreasonable for Landlord to withhold its approval of any Alteration which impacts structure or any Building system, penetrates the roof, would interfere with adjacent tenants, or which would otherwise result in requiring additional improvements to the Premises and/or the Property. In the event Landlord grants the requested approval, Tenant shall be responsible for the cost of any such Alteration, as well as the cost of any improvements to the Premises and/or Property required as the result thereof. In order to obtain such consent, Tenant shall furnish Landlord: (i) plans and specifications for the Alterations (which Tenant warrants are in conformance with all applicable Laws and consistent in all respects with the aesthetics and the following "Systems" of the Building: electrical, heating, ventilating, air-cooling, plumbing/fire protection and structural) prepared at the expense of Tenant, by the Building engineers, or at the discretion of Landlord, other engineers acceptable to Landlord, (ii) affidavits from such engineers stating that the Alterations will not in any way adversely affect any Systems in the Building, (iii) names and addresses of contractors ("**Contractors**") and subcontractors ("**Subcontractors**"), (iv) copies of contracts with Contractors and Subcontractors which shall provide, among other things, that no changes, amendments, extras or additional work are permitted without the consent of Landlord, and (v) evidence of insurance coverage acceptable to Landlord. In addition, Tenant shall comply with any and all additional procedures and requirements set forth on Appendix "B" in connection with any such Alterations. Landlord reserves the right to deny any Contractor or Subcontractor entry to the Building but the failure of Landlord to exercise this right shall not be deemed an approval of either the financial stability or quality of workmanship of any such Contractor or Subcontractor.

C. If Landlord grants such consent, all Alterations shall be performed at the sole expense of Tenant, in a workmanlike manner and materials furnished shall be of a like quality to those in the Building. If the Alterations involve any Systems, such shall be performed under the supervision of Landlord and by contractors selected by Landlord. If the Alterations do not involve Systems, such shall be performed under the supervision of Landlord. Subsequent to the granting of the consent by Landlord but before the commencement of the Alterations or delivery of any materials onto the Premises or into the Building, Tenant shall furnish Landlord: (i) necessary permits, (ii) sworn Contractor affidavits

listing all subcontracts with suppliers of materials and/or labor, with whom Contractors have contractual relations for the Alterations, and setting forth a summary of such contractual relationships, (iii) Subcontractor affidavits, (iv) (1) for credit-worthy tenants (to be determined solely by Landlord) indemnification in the form of an irrevocable Letter of Credit (drafted solely as Landlord determines) in a sum equal to the total value of the Alterations, and (2) for all other tenants, indemnification in the form of cash in a sum equal to the total value of the Alterations, (v) certificates of insurance from all Contractors and Subcontractors performing labor or furnishing materials, insuring against any and all claims, costs, damages, liabilities and expenses which may be reasonably requested by Landlord. The certificates of insurance required, in addition to any other requirements of Landlord, must evidence coverage in amounts and from companies satisfactory to Landlord and may be cancelable only with ten (10) days' advance notice to Landlord. All commercial general liability insurance policies shall name as additional insureds Landlord, its agents, members and beneficiaries, if any, thereunder, and 415 Washington Street, LLC, as managing agent, and any other parties reasonably requested by Landlord, all as their interests may appear. If Landlord consents or supervises, such shall not be deemed a warranty as to the adequacy of the design or workmanship or quality of the materials and Landlord hereby disavows any responsibility and/or liability for such. Additionally, under no circumstances shall Landlord have any responsibility to repair or maintain any portion of the Alterations which either does not function or ceases to function.

D. During construction of the Alterations, upon receipt by Landlord of waivers of mechanics' liens and percentage completion certificates from Tenant, Contractors and the architect, Landlord shall disburse the funds deposited pursuant to Section 13.C.(iv)(2) to the joint order of Tenant and Contractors.

E. Upon completion of the Alterations, and prior to final payment, Tenant shall obtain the written approval of Landlord for the quality of the Alterations and furnish Landlord with: (i) Tenant, Contractors, and architectural completion affidavits, (ii) full and final waivers of lien, (iii) receipted bills covering all labor and materials expended and used, (iv) other appropriate documents evidencing completion of the Alterations and (v) as-built plans of the Alterations.

F. Tenant shall pay Landlord's direct, out-of-pocket operating expenses for after-hours, overtime elevator and/or hoist expenses incurred by Landlord in connection with any improvements to the Premises, including base building work, but only to the extent that (i) the performance of such work during normal business hours will disrupt other tenants or the operation of the Building, as reasonably determined by Landlord, or (ii) Tenant requests after-hours work. Tenant shall cooperate with Landlord in scheduling such use.

G. If the Alterations are being done near the Commencement Date, Tenant agrees to commence payment of Base Rent and all Additional Rent upon the date and in the manner provided in this Lease notwithstanding any delay in completing the Alterations or the Premises which may result from the performance of the Alterations by Tenant or its Contractors.

H. Tenant shall procure, or cause to be procured, and pay for all permits, licenses, approvals, certificates and authorizations necessary to the prosecution and completion of the Alterations. All Alterations shall be done in strict accordance with all Laws and requirements of any applicable board of underwriters or fire rating bureau and all municipal, state, federal and other authorities having jurisdiction. Where drawings and specifications conflict with the law, the law is to be followed. Tenant shall promptly notify the respective departments or official bodies when the Alterations are ready for inspection and shall, at once, do all work required to remove any violations or to comply with such inspections, without additional charge to Landlord. Tenant shall perform, or cause to be performed, all work necessary to obtain approvals from authorities mentioned above without additional cost to Landlord.

I. Tenant agrees to reimburse Landlord for actual, out-of-pocket sums expended for examination and approval of the architectural and mechanical plans and specifications. Such reimbursement shall include cost of any of Landlord's employees (including a fee for overhead), or "third-party" consultants, architects, engineers, attorneys, or other consultants. In addition, Landlord reserves the right to charge Tenant a fee for services to review plans and specifications, to review work as it progresses, to evaluate that work in place is consistent with approved plans, and to prepare a final inspection and punchlist. The amount of the fee shall be the greater of two percent (2%) of the cost of the work or at least \$104.00 per hour, or such other reasonable rate as may be established from time to time by Landlord.

Such fee shall be established prior to commencement of the Alterations.

J. Tenant agrees that the Alterations shall be performed so as not to cause or create any jurisdictional or other labor disputes, and in the event such disputes occur, Tenant shall immediately do whatever is necessary to resolve such disputes, at no expense to Landlord.

K. Tenant hereby agrees to indemnify and hold Landlord, its beneficiaries, if any, its members, its mortgagees, Management Agent, and their respective agents and employees harmless for, from and against any and all damage and liabilities of every kind and description, including reasonable attorneys' fees which may arise out of or be connected in any way with the Alterations. Any mechanic's lien (or any notice preliminary to lien) filed against the Premises, or the Property, for the Alterations or materials claimed to have been furnished to Tenant shall be discharged of record (or paid if a notice be served) by Tenant within ten (10) days after filing (or service) at the expense of Tenant, provided however, that if Tenant has on deposit with Landlord one hundred fifty percent (150%) of the lien in cash and otherwise holds Landlord harmless and indemnifies Landlord, Tenant may contest the lien, but only so long as Tenant diligently prosecutes such lien contest.

L. All additions, decorations, fixtures, hardware, non-trade fixtures and all other permanent improvements in or upon the Premises, whether placed there by Tenant or Landlord, shall, unless Landlord requests their removal, become the property of Landlord and shall remain upon the Premises at the termination of this Lease by lapse of time or otherwise without compensation, allowance or credit to Tenant. If, upon the request of Landlord, Tenant does not remove said additions, decorations, fixtures, hardware, non-trade fixtures and improvements, Landlord may remove them and Tenant shall pay the expense of such removal to Landlord upon demand. Tenant may request in writing at the time it submits its plans and specifications for an Alteration to Landlord, that Landlord notify Tenant whether Landlord will require that Tenant shall, on the election of Landlord, remove, at the termination of this Lease, such Alteration or any particular portion thereof and Landlord shall notify Tenant on or before it approves such plans as to whether or not it will require removal. Notwithstanding the foregoing, Landlord shall have the right to require Tenant to remove any vault or stairway installed in the Premises, regardless of whether Landlord notified Tenant that it would require removal.

M. Unless otherwise agreed by Landlord and Tenant in writing, all of the foregoing work shall be performed either by or under the direction of Landlord, but at the cost of Tenant.

N. Tenant shall, at the termination of this Lease, surrender the Premises to Landlord in as good condition and repair as reasonable and proper use thereof will permit, loss by ordinary wear and tear, fire or other casualty excepted.

#### 14.

#### **ABANDONMENT**

All trade fixtures and Tenant's personal property shall be removed upon the expiration or termination of this Lease, provided however, that Tenant shall be responsible for the repair of any damage caused to the Premises by the removal of such trade fixtures and personal property. In the event Tenant fails to remove such trade fixtures and personal property upon the expiration or sooner termination of this Lease or Tenant's right to possession of the Premises under this Lease, such fixtures and property shall, at the option of Landlord, be deemed abandoned by Tenant to Landlord as if voluntarily conveyed by Tenant to Landlord by a bill of sale. In addition, Tenant shall, at Tenant's sole cost and expense, remove all communications wiring and cabling installed in the Premises or the Building by or on behalf of Tenant, whether installed prior to or after the Commencement Date, unless Landlord hereafter elects in writing to waive such requirement, and Tenant shall repair all damage caused by such removal.

#### 15.

#### **ASSIGNMENT AND SUBLETTING**

A. Tenant shall not assign, hypothecate, encumber or mortgage or otherwise transfer this Lease, or any

interest therein and shall not sublet the Premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person to occupy or use the Premises, or any portion thereof, without the written consent of Landlord first had and obtained, which consent shall not be unreasonably withheld or delayed. For purposes of this Section, the term "**transfer**" shall also include, and all of the foregoing provisions shall apply to: (i) the conversion, merger or consolidation of Tenant into a limited liability company or limited liability partnership, (ii) if Tenant is a partnership or limited liability company, the withdrawal or change, voluntary, involuntary or by operation of law, of a majority of the partners or members, or a transfer of a majority of partnership or membership interests, within a twelve month period, or the dissolution of the partnership or company, and (iii) if Tenant is a closely held corporation (i.e., whose stock is not publicly held and not traded through an exchange or over the counter), the dissolution, merger, consolidation or other reorganization of Tenant, or within a twelve month period: (a) the sale or other transfer of more than an aggregate of 50% of the voting shares of Tenant (other than to immediate family members by reason or gift or death) or (b) the sale of more than an aggregate of 50% of Tenant's net assets. Notwithstanding the foregoing, Landlord's consent shall not be required for assignments or subleases to affiliates or subsidiaries of Tenant, so long as: (i) Tenant is not then in default under this Lease; (ii) the use of the Premises does not change; (iii) Landlord is given prior notice thereof; (iv) a fully executed copy of such assignment or sublease, the assumption of this Lease by the assignee or the acceptance of the sublease by the sublessee, and such other information regarding the assignment or sublease as Landlord may reasonably request, shall be delivered to Landlord, and (iv) Tenant is not relieved of any of its liabilities hereunder and, at Landlord's request at the time of such assignment or subletting, agrees to confirm in writing that Tenant is not relieved of any of such liabilities hereunder. As used herein, the term "**affiliate**" shall mean an entity (i) which directly or indirectly controls Tenant, (ii) which is under the direct or indirect control of Tenant, (iii) which is under common direct or indirect control of Tenant, (iv) with which Tenant has merged or consolidated, or (v) which acquires all or substantially all of the shares of stock or assets of Tenant and which continues to operate substantially the same business in the Premises as had been conducted by Tenant. "**Control**" shall mean ownership of fifty-one percent (51%) or more of the voting securities or rights of the controlled entity. Tenant agrees all advertising by Tenant or on Tenant's behalf in any general circulation newspaper with respect to the leasing or subletting of the Premises or any part thereof or assignment of this Lease, must offer the space for lease at a rental not less than that for which comparable space in the Building is then being offered by Landlord for rent or not advertise the rental rate for such space.

B. Except for assignments and subleases to affiliates or subsidiaries as provided in the immediately preceding paragraph, Tenant shall, by notice in writing, advise Landlord of its intention from on and after a stated date (which shall not be less than sixty (60) days after the date of Tenant's notice) to assign or to sublet any such part of all of the Premises for the balance or any part of the Term, and, in such event Landlord shall have the right, to be exercised by giving written notice to Tenant thirty (30) days after receipt of Tenant's notice, to recapture the space described in Tenant's notice and such recapture notice shall, if given, cancel and terminate this Lease with respect to the space therein described as of the date stated in Tenant's notice. Tenant's said notice shall state the name and address of the proposed subtenant, the proposed subtenant's intended use of the Premises, and shall include the potential subtenant's most current certified financial statement, and a true and complete copy of the proposed assignment or sublease shall be delivered to Landlord with said notice. If Tenant's notice shall cover all of the space hereby demised and if Landlord shall give the aforesaid recapture notice with respect thereto, the Term of this Lease shall expire and end on the date stated in Tenant's notice as fully and completely as if that date had been herein definitely fixed for the expiration of the Term. If, however, this Lease be canceled pursuant to the foregoing with respect to less than the entire Premises, the rental and the escalation percentages herein reserved shall be adjusted on the basis of the number of rentable square feet retained by Tenant in proportion to the rent and escalation percentages reserved in this Lease, and this Lease as so amended shall continue thereafter in full force and effect. If Landlord, upon receiving Tenant's said notice with respect to any such space, shall not exercise its right to cancel as aforesaid, Landlord will not unreasonably withhold its consent to Tenant's assigning or subletting the space covered by its notice, provided: (i) at the time thereof Tenant is not in default under this Lease; (ii) Landlord, in its sole discretion reasonably exercised, determines that the reputation, business, proposed use of the Premises and financial responsibility of the proposed sublessee or occupant, as the case may be, of the Premises are satisfactory to Landlord; (iii) any assignee or subtenant shall expressly assume all the obligations of this Lease on Tenant's part to be performed; (iv) such consent if given shall not release Tenant of any of its obligations (including, without limitation, its obligation to pay rent) under this Lease; (v) Tenant agrees specifically to pay over to Landlord, as Additional Rent, all sums received by Tenant under the terms and conditions to such



assignment or sublease, which are in excess of the amounts otherwise required to be paid pursuant to this Lease; (vi) a consent to one assignment, subletting, occupation or use shall be limited to such particular assignment, sublease or occupation and shall not be deemed to constitute Landlord's consent to an assignment or sublease to or occupation by another person. Any such assignment or subletting without such consent shall be void and shall, at the option of Landlord, constitute a default under this Lease. Tenant will pay all of Landlord's costs associated with any such assignment or subletting including but not limited to reasonable legal fees; and (vii) the person or entity to whom Tenant wishes to assign or sublet is not (nor, immediately prior to such assignment or sublease, was not) a tenant or occupant in the Building or any other building owned or operated by Landlord or any affiliate thereof, in the same complex as the Building.

**16.**  
**SIGNS**

Landlord shall retain absolute control over the exterior appearance of the Building and the exterior appearance of the Premises as viewed from the public halls and common areas, if any. Tenant shall not install, or permit to be installed, any drapes, shutters, signs, lettering, advertising, or any items that will in any way, in the sole opinion of Landlord, adversely alter the exterior appearance of the Building or the exterior appearance of the Premises as viewed from the public halls, the common areas, or the exterior of the Building. Notwithstanding the foregoing, Landlord shall install, at Landlord's sole cost, Tenant's name on the lobby directory and a Building-standard suite entry sign at the front entrance to the Premises, which signage shall be subject to the comprehensive sign package as approved by the City and approved by Landlord.

**17.**  
**DAMAGE TO PROPERTY - INJURY TO PERSONS**

A. Tenant, as a material part of the consideration to be rendered to Landlord under this Lease, to the fullest extent permitted by law, hereby waives all claims, except to the extent caused by or resulting from the non-performance of Landlord, willful or negligent act or omission of Landlord, its agents, servants or employees, which Tenant or Tenant's successors or assigns may have against Landlord, its agents, servants or employees for loss, theft or damage to property and for injuries to persons in, upon or about the Premises or the Building from any cause whatsoever. Tenant will hold Landlord, its agents, servants and employees exempt and harmless for, from and against and on account of any damage or injury to any person, or to the goods, wares, and merchandise of any person, arising from the uses of the Premises by Tenant or arising from the failure of Tenant to keep the Premises in good condition as herein provided except to the extent the non-performance by Landlord or negligence of Landlord, its agents, servants or employees contributes thereto. Neither Landlord nor its agents, servants or employees shall be liable to Tenant for any damage by or from any act or negligence of any co-tenant or other occupant of the same Building, or by any owner or occupant of adjoining or contiguous property. Tenant agrees to pay for all damage to the Building or the Premises, as well as all damage to tenants or occupants thereof caused by Tenant's misuse or neglect of the Premises, its apparatus or appurtenances or caused by any licensee, contractor, agent or employees of Tenant.

B. Particularly, but not in limitation of the foregoing paragraph, all property belonging to Tenant or any occupant of the Premises that is in the Building or the Premises shall be there at the risk of Tenant or such other person only, and Landlord or its agent, servants or employees (except in case of non-performance by Landlord or negligent or willful act or omission of Landlord or its agents, servants or employees) shall not be liable for: damage to or theft of or misappropriation of such property; nor for any damage to property entrusted to Landlord, its agents, servants or employees, if any; nor for the loss of or damage to any property by theft or otherwise, by any means whatsoever, nor for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, snow, water or rain which may leak from any part of the Building or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other place or resulting from dampness or any other cause whatsoever; nor for interference with the light or other incorporeal hereditaments, nor for any latent defect in the Premises or in the Building. Tenant shall give prompt notice to Landlord in case of fire or accidents in the Premises or in the Building or of defects therein or in the fixtures or equipment.

C. In case any action or proceeding be brought against Landlord by reason of nonperformance by Tenant of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any negligence of Tenant, or of its agents or employees, Tenant, upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. In case any action or proceeding be brought against the Tenant by reason of nonperformance by Landlord or any obligation on Landlord's part to be performed under the terms of this Lease, or arising from any negligence of Landlord, or of its agents or employees, Landlord, upon notice from Tenant shall defend the same at Landlord's expenses by counsel reasonable satisfactory to Tenant.

D. Tenant shall maintain in full force and effect during the Term of this Lease (including any period prior to the beginning of the Term during which Tenant has taken possession and including also any period of extension of the Term in which Tenant retains possession), in responsible companies approved by Landlord (i) fire and extended coverage insurance (including an endorsement for vandalism and malicious mischief) covering all Tenant's property in, on or about the Premises, with full waiver of subrogation rights against Landlord in an amount equal to the full replacement cost of such property, and (ii) commercial general liability insurance insuring Tenant against all claims, demands or actions for injury to or death of any one person in an amount of not less than two million dollars (\$2,000,000.00) and for injury to or death of more than one person in any one accident in an amount not less than three million dollars (\$3,000,000.00) and for damage to property in an amount of not less than one hundred thousand dollars (\$100,000.00) or such other amounts as Landlord may reasonably require from time to time and (iii) rental insurance equal to one year's rent insurance. All liability policies shall cover the entire Premises. Landlord shall maintain in full force and effect during the Term of this Lease fire and extended coverage insurance for the full replacement cost of the Building.

E. All such policies shall name Landlord, any mortgagees of Landlord, and all other parties designated by Landlord as additional insured parties. All insurance policies shall indicate that at least thirty (30) days' prior written notice shall be delivered to all additional insured parties by the insurer prior to termination or cancellation of such insurance and Tenant shall provide certificates of insurance, not less than ten (10) days prior to the Commencement Date, evidencing the aforesaid coverage to all insured parties. Such certificates shall: (i) be on ACORD Form 27 or such other form approved or required by Landlord, (ii) state that such insurance coverage may not be changed, canceled or non-renewed without at least thirty (30) days' prior written notice to Landlord, and (iii) include, as attachments, originals of the additional insured endorsements to Tenant's commercial general liability policy required above. Tenant shall provide renewal certificates to Landlord at least thirty (30) days prior to expiration of such policies. Except as expressly provided to the contrary herein, coverage hereunder shall apply to events occurring during the policy year regardless of when a claim is made. Except as provided to the contrary herein, any insurance carried by Landlord or Tenant shall be for the sole benefit of the party carrying such insurance. Failure of Tenant to provide the insurance coverage set forth in subparagraphs (i), (ii) and (iii) in the immediately preceding paragraph shall entitle Landlord to either (a) treat said failure as a default and/or (b) obtain such insurance and charge Tenant the premiums therefor plus interest thereon as Additional Rent. Tenant shall not violate or permit a violation of any of the conditions or terms of any such insurance policies and shall perform and satisfy all reasonable requirements of the insurance company issuing such policies. With respect to any insurance policy procured to comply with any financial assurance requirement imposed by any state or federal law or regulation, or to any other casualty, property, or environmental impairment insurance purchased by Tenant, such policy or policies shall name Landlord and any mortgagees of Landlord as additional insured parties.

18.

**DAMAGE OR DESTRUCTION**

In the event the Premises or the Building are damaged by fire or other insured casualty and the insurance proceeds have been made available therefore by the holder or holders of any mortgages or deeds of trust covering the Building, the damage shall be repaired by and at the expense of Landlord to the extent of such insurance proceeds available therefore, provided such repairs can, in Landlord's reasonable opinion, be made within one hundred eighty(180) days after the occurrence of such damage without the payment of overtime or other premiums. Until such repairs are completed, the rent shall continue to be paid by Tenant's rent insurance and shall otherwise be abated to the extent the Premises are rendered untenable. If repairs cannot, in Landlord's reasonable opinion be made within one hundred eighty(180) days, Landlord shall notify Tenant within thirty (30) days of the occurrence of such damage of its determination, in which event, or in the event such repairs are commenced but are not substantially completed within one hundred eighty(180) days of the date of such occurrence, either party may, by written notice to the other given within ten (10) days after Landlord's notification or the expiration of said 180-day period, as the case may be, cancel this Lease as of the date of the occurrence of such damage. Except as provided in this Section, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business or property arising from any such fire or other casualty or from the making or not making of any repairs, alterations or improvements in or to any portion of the Building or the Premises or in or to fixtures, appurtenances and equipment therein. Tenant hereby waives any statutory or common law rights of termination which may arise by reason of any partial or total destruction of the Premises. Tenant understands that Landlord will not carry insurance of any kind on Tenant's furniture or furnishings or on any fixtures or equipment removable by Tenant under the provisions of this Lease and that Landlord shall not be obliged to repair any damage thereto or replace the same. Landlord shall not be required to repair any injury or damage caused by fire or other cause, or to make any repairs or replacements to or of improvements installed in the Premises by or for Tenant, unless caused by the Landlord's nonperformance under this Lease or by Landlord's negligence.

19.

**ENTRY BY LANDLORD**

Landlord and its agents shall have the right to enter the Premises at all reasonable times with, (i) Tenant advanced written consent and (ii) a Tenant representative present, (except in cases of emergency or to supply janitorial services and any other service to be provided by Landlord to Tenant hereunder or any other tenants, in which events no notice or consent shall be required) for the purpose of examining or inspecting the same, to supply janitorial services and any other service to be provided by Landlord to Tenant hereunder or any other tenants, to show the same to prospective purchasers or tenants of the Building, and make such alterations, repairs, improvements, or additions, whether structural or otherwise, to the Premises or to the Building as Landlord may deem necessary or desirable. Landlord may enter by means of a master key without liability to Tenant except for any failure to exercise due care for Tenant's property and without affecting this Lease. Landlord shall use reasonable efforts on any such entry not to unreasonably interrupt or interfere with Tenant's use and occupancy of the Premises.

20.

**INSOLVENCY OR BANKRUPTCY**

A. In the event that Tenant shall become a debtor under Chapter 7, 11 or 13 of the Bankruptcy Code ("**Debtor**") and the trustee ("**Trustee**") or Tenant shall elect to assume this Lease for the purpose of assigning the same or otherwise, such election and assignment may only be made if all of the terms and conditions of Sections 20.B. and 20.D. hereof are satisfied. Tenant acknowledges that it is essential to the ability of Landlord to continue servicing the mortgage on the Building that a decision on whether to assume or reject this Lease be made promptly. Under these circumstances, Tenant agrees that should Tenant, as debtor-in-possession ("**Debtor-in-Possession**") or any Trustee appointed for Tenant, fail to elect to assume this Lease within sixty (60) days after the filing of the petition under the Bankruptcy Code ("**Tenant's Petition**"), this Lease shall be deemed to have been rejected. Tenant further knowingly and voluntarily waives any right to seek additional time to affirm or reject this Lease and acknowledges that there is no cause to seek such extension. If Tenant, as Debtor-in-Possession, or the Trustee

abandons the Premises, the same shall be deemed a rejection of this Lease. Landlord shall be entitled to at least thirty (30) days' prior written notice from Tenant, as Debtor-in-Possession, or its Trustee of any intention to abandon the Premises. Landlord shall thereupon be immediately entitled to possession of the Premises without further obligation to Tenant or the Trustee, and this Lease shall be cancelled, but Landlord's right to be compensated for damages in such liquidation proceeding shall survive.

B. No election by the Trustee or Debtor-in-Possession to assume this Lease, whether under Chapter 7, 11 or 13, shall be effective unless each of the following conditions, which Landlord and Tenant acknowledge are commercially reasonable in the context of a bankruptcy proceeding of Tenant, have been satisfied, and Landlord has so acknowledged in writing:

(1) The Trustee or the Debtor-in-Possession has cured, or has provided Landlord adequate assurance (as defined below) that:

(a) Within ten (10) days from the date of such assumption the Trustee will cure all monetary defaults under this Lease; and

(b) Within thirty (30) days from the date of such assumption the Trustee will cure all non-monetary defaults under this Lease.

(2) The Trustee or the Debtor-in-Possession has compensated, or has provided to Landlord adequate assurance that within ten (10) days from the date of assumption Landlord will be compensated, for any pecuniary loss incurred by Landlord arising from the default of Tenant, the Trustee, or the Debtor-in-Possession as recited in Landlord's written statement of pecuniary loss sent to the Trustee or Debtor-in-Possession.

(3) The Trustee or the Debtor-in-Possession has provided Landlord with adequate assurance of the future performance (as defined below) of each of Tenant's, the Trustee's or Debtor-in-Possession's obligations under this Lease, provided, however, that:

(a) The Trustee or Debtor-in-Possession shall also deposit with Landlord, as security for the timely payment of rent, an amount equal to three (3) months Base Rent (as adjusted pursuant to Section 20.B.(3)(c) below) and other monetary charges accruing under this Lease; and

(b) If not otherwise required by the terms of this Lease, the Trustee or Debtor-in-Possession shall also pay in advance one-twelfth (1/12<sup>th</sup>) of Tenant's annual obligations under this Lease for Operating Costs, Taxes, insurance and similar charges.

(c) From and after the date of the assumption of this Lease, the Trustee or Debtor-in-Possession shall pay as base rent an amount equal to the sum of the base rent otherwise payable hereunder, within the five (5) year period prior to the date of Tenant's Petition, which amount shall be payable in advance in equal monthly installments.

(d) The obligations imposed upon the Trustee or Debtor-in-Possession shall continue with respect to Tenant or any assignee of this Lease after the completion of bankruptcy proceedings.

(4) The assumption of this Lease will not breach any provision in any other lease, mortgage, financing agreement or other agreement by which Landlord is bound relating to the Property.

(5) Tenant as Debtor-in-Possession or its Trustee shall provide Landlord at least forty-five (45) days' prior written notice of any proceeding concerning the assumption of this Lease.

(6) For purposes of this Section 20.B., Landlord and Tenant acknowledge that, in the context

of a bankruptcy proceeding of Tenant, at a minimum "**adequate assurance**" shall mean:

(1) The Trustee or the Debtor-in-Possession has and will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure Landlord that the Trustee or Debtor-in-Possession will have sufficient funds to fulfill the obligations of Tenant under this Lease.

(2) The Bankruptcy Court shall have entered an order segregating sufficient cash payable to Landlord, and/or the Trustee or Debtor-in-Possession shall have granted a valid and perfected first lien and security interest and/or mortgage in property of Tenant, the Trustee or Debtor-in-Possession, acceptable as to value and kind to Landlord, to secure to Landlord the obligation of the Trustee or Debtor-in-Possession, to cure the monetary and/or non-monetary defaults under this Lease within the time periods set forth above.

C. In the event that this Lease is assumed by a Trustee appointed for Tenant or by Tenant as Debtor-in-Possession, under the provisions of Section 20.B. hereof, and thereafter Tenant is liquidated or files a subsequent Tenant's Petition for reorganization or adjustment of debts under Chapter 11 or 13 of the Bankruptcy Code, then, and in either of such events, Landlord may, at its option, terminate this Lease and all rights of Tenant hereunder, by giving Tenant written notice of its election to so terminate, within thirty (30) days after the occurrence of either of such events.

D. If the Trustee or Debtor-in-Possession has assumed this Lease pursuant to the terms and provisions of Sections 20.A and 20.B hereof, for the purpose of assigning (or elects to assign) Tenant's interest under this Lease or the estate created thereby, to any other person, such interest or estate may be so assigned only if Landlord shall acknowledge in writing that the intended assignee has provided adequate assurance as defined in this Section 20.D. of future performance of all of the terms, covenants and conditions of this Lease to be performed by Tenant.

For purposes of this Section 20.D., Landlord and Tenant acknowledge that, in the context of a bankruptcy proceeding of Tenant, at a minimum "**adequate assurance of future performance**" shall mean that each of the following conditions have been satisfied, and Landlord has so acknowledged in writing:

(a) The assignee has submitted a current financial statement audited by a certified public accountant which shows a net worth and working capital in amounts determined to be sufficient by Landlord to assure the future performance by such assignee of Tenant's obligations under this Lease;

(b) The assignee, if requested by Landlord, shall have obtained guarantees in form and substance satisfactory to Landlord from one or more persons who satisfy Landlord's standards of creditworthiness; and

(b) The assignee, if requested by Landlord, shall have obtained guarantees in form and substance satisfactory to Landlord from one or more persons who satisfy Landlord's standards of creditworthiness; and

(c) Landlord has obtained all consents or waivers from any third party required under any lease, mortgage, financing arrangement or other agreement by which Landlord is bound to permit Landlord to consent to such assignment.

E. When, pursuant to the Bankruptcy Code, the Trustee or Debtor-in-Possession shall be obligated to pay reasonable use and occupancy charges for the use of the Premises or any portion thereof, such charges shall not be less than the minimum rent as defined in this Lease and other monetary obligations of Tenant for the payment of Operating Costs, Taxes, insurance and similar charges.

F. Neither Tenant's interest in this Lease, nor any lesser interest of Tenant herein, nor any estate of Tenant hereby created, shall pass to any trustee, receiver, assignee for the benefit of creditors, or any other person or entity, or otherwise by operation of law, unless Landlord shall consent to such transfer in writing. No acceptance

by Landlord of rent or any other payments from any such trustee, receiver, assignee, person or other entity shall be deemed to have waived, nor shall it waive the need to obtain Landlord's consent, or Landlord's right to terminate this Lease for any transfer of Tenant's interest under this Lease without such consent.

G. In the event the estate of Tenant created hereby shall be taken in execution or by the process of law, or if Tenant or any guarantor of Tenant's obligations shall be adjudicated insolvent pursuant to the provisions of any present or future insolvency law under state law, or if any proceedings are filed by or against such guarantor under the Bankruptcy Code, or any similar provisions of any future federal bankruptcy law, or if a custodian, receiver or Trustee of the property of Tenant or such guarantor shall be appointed under state law by reason of Tenant's or such guarantor's insolvency or inability to pay its debts as they become due or otherwise, or if any assignment shall be made of Tenant's or such guarantor's property for the benefit of creditors under state law; then and in any such event Landlord may, at its option, terminate this Lease and all rights of Tenant hereunder by giving Tenant written notice of the election to so terminate within thirty (30) days after the occurrence of such event.

## **21.** **DEFAULT**

A. The occurrence of any one or more of the following events will constitute an event of default on the part of Tenant:

(i) Tenant fails to pay within five (5) days after the due date therefor any installment of rent (whether Base Rent or Additional Rent) or any other sum required to be paid hereunder, or any part thereof, or

(ii) Tenant defaults in the prompt and full performance of any other (i.e. other than payment of rent or any other sum) covenant, agreement or condition of this Lease and such other default continues for a period of twenty (20) days after written notice thereof from Landlord to Tenant (unless such other default involves a hazardous condition, in which event it shall be cured forthwith), provided however in the event such default cannot be cured within a period of twenty (20) days and Tenant is diligently attempting to cure such default, the time period to cure same shall be reasonably extended but in no event for a period of more than ninety (90) days, or

(iii) The leasehold interest of Tenant is levied upon under execution or attached by process of law, or Tenant abandons the Premises, or

(iv) The bankruptcy or insolvency of Tenant.

B. Upon the occurrence of an event of default under this Lease by Tenant, Landlord may, without prejudice to any other rights and remedies available to a landlord at law, in equity or by statute, exercise one or more of the following remedies, all of which shall be construed and held to be cumulative and non-exclusive: (a) Terminate this Lease and re-enter and take possession of the Premises, in which event, Landlord is authorized to make such repairs, redecorating, refurbishments or improvements to the Premises as may be necessary in the reasonable opinion of Landlord acting in good faith for the purposes of reletting the Premises and the costs and expenses incurred in respect of such repairs, redecorating and refurbishments and the expenses of such reletting (including brokerage commissions) shall be paid by Tenant to Landlord within five (5) days after receipt of Landlord's statement; or (b) Without terminating this Lease, re-enter and take possession of the Premises; or (c) Without such re-entry, recover possession of the Premises in the manner prescribed by any statute relating to summary process, and any demand for rent, re-entry for condition broken, and any and all notices to quit, or other formalities of any nature to which Tenant may be entitled, are hereby specifically waived to the extent permitted by law; or (d) Without terminating this Lease, Landlord may relet the Premises as Landlord may see fit without thereby voiding or terminating this Lease, and for the purposes of such reletting, Landlord is authorized to make such repairs, redecorating, refurbishments or improvements to the Premises as may be necessary in the reasonable opinion of Landlord acting in good faith for the purpose of such reletting, and if a sufficient sum is not realized from such reletting (after payment of all costs and expenses of such repairs, redecorating

and refurbishments and expenses of such reletting (including brokerage commissions) and the collection of rent accruing therefrom) each month to equal the Annual Base Rent and Additional Rent payable hereunder, then Tenant shall pay such deficiency each month within ten (10) days after receipt of Landlord's statement; provided, however, Landlord may first lease Landlord's other available space and shall not be required to accept any tenant offered by Tenant or to observe any instructions given by Tenant with respect to any such reletting; or (e) Landlord may declare immediately due and payable all the remaining installments of Annual Base Rent and Additional Rent, and such amount, less the fair rental value of the Premises for the remainder of the Term, shall be paid by Tenant within ten (10) days after receipt of Landlord's statement. Landlord shall not by re-entry or any other act, be deemed to have terminated this Lease, or the liability of Tenant for the total Annual Base Rent and Additional Rent reserved hereunder or for any installment thereof then due or thereafter accruing, or for damages, unless Landlord notifies Tenant in writing that Landlord has so elected to terminate this Lease. After the occurrence of an event of default, the acceptance of Annual Base Rent or Additional Rent, or the failure to re-enter by Landlord shall not be deemed to be a waiver of Landlord's right to thereafter terminate this Lease and exercise any other rights and remedies available to it, and Landlord may re-enter and take possession of the Premises as if no Annual Base Rent or Additional Rent had been accepted after the occurrence of an event of default. Upon an event of default, Tenant shall also pay to Landlord all costs and expenses incurred by Landlord, including court costs and attorneys' fees, in retaking or otherwise obtaining possession of the Premises, removing and storing all equipment, fixtures and personal property on the Premises and otherwise enforcing any of Landlord's rights, remedies or recourses arising as a result of an event of default. All of the remedies granted to Landlord in this Lease in the event Tenant commits an event of default are in addition to all other rights or remedies available to a landlord at law, in equity or by statute, including, without limitation, the right to seize and sell all goods, equipment and personal property of Tenant located in the Premises and apply the proceeds thereof to all due and unpaid Annual Base Rent, Additional Rent and other amounts owing under this Lease. All rights, options and remedies available to Landlord shall be construed and held to be cumulative, and no one of them shall be exclusive of the other. Upon the occurrence of an event of default, all rights, privileges and contingencies which may be exercised by Tenant under this Lease, including, without limitation, options to renew, extend and expand, as well as relocation rights, contraction rights and any other rights which may be exercised by Tenant during the Term, shall be void and of no further force or effect.

C. Nothing herein contained shall limit or prejudice the right of Landlord to provide for and obtain as damages by reason of any such termination of this Lease or of possession an amount equal to the maximum allowed by any statute or rule of law in effect at the time when such termination takes place, whether or not such amount be greater, equal to or less than the amounts of damages which Landlord may elect to receive as set forth above.

D. In addition to the late charge described in Section 5.B. above, if any installment of Annual Base Rent or Additional Rent is not paid promptly when due, it shall bear interest at the lesser of the rate of ten percent (10%) per annum or the maximum rate (if any) permitted by applicable law; provided, however, this provision shall not relieve Tenant from any default in the making of any payment at the time and in the manner required by this Lease.

## 22.

### **RULES AND REGULATIONS**

The rules and regulations attached hereto and marked Appendix "C", as well as such reasonable rules and regulations as may be hereafter adopted by Landlord for the safety, care and cleanliness of the Premises and the preservation of good order thereon, are hereby expressly made a part hereof, and Tenant agrees to obey all such rules and regulations. The violation of any such rules and regulations by Tenant shall be deemed a default under this Lease by Tenant, affording Landlord all those remedies set out in this Lease. Landlord agrees all rules and regulations shall be uniformly enforced. In addition to all other liabilities for breach of any covenants of Appendix "C", Tenant shall pay to Landlord all damages caused by such breach and shall also pay to Landlord as Additional Rent an amount equal to any increase in insurance premiums caused by such breach. Any violation of Appendix "C" may be restrained by injunction. Landlord shall have the right to make such reasonable rules and regulations as Landlord or its Management Agent may from time to time adopt on such reasonable notice to be given as Landlord may elect. In the event a conflict between rules and this Lease occurs, this Lease shall control, provided, however, that the lack of a provision in this Lease covering the subject matter of the rule or regulation shall not be deemed a "conflict" for purposes of this sentence.

Nothing in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce provisions of Appendix "C" or any rules and regulations hereafter adopted, or the terms, covenants or conditions of any other lease as against any other tenant, and Landlord shall not be liable to Tenant for violation of the same by any other tenant, its servants, employees, agents, visitors or licensees.

23.

**NON REAL ESTATE TAXES**

During the Term hereof, Tenant shall pay prior to delinquency all taxes assessed against and levied upon fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises, and Tenant shall cause said fixtures, furnishing, equipment and other personal property to be assessed and billed separately from the real property of Landlord. In the event any or all of Tenant's fixtures, furnishings, equipment and other personal property shall be assessed and taxed with Landlord's real property, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

24.

**PERSONAL PROPERTY**

Intentionally omitted.

25.

**EMINENT DOMAIN**

If the Building, or a substantial part thereof or a substantial part of the Premises, shall be lawfully taken or condemned or conveyed in lieu thereof (or conveyed under threat of such taking or condemnation), for any public or quasi-public use or purpose, the Term of this Lease shall end upon and not before the date of the taking of possession by the condemning authority and without apportionment of the award. Tenant hereby assigns to Landlord Tenant's interest, if any, in such award and specifically agrees that any such award shall be the entire property of Landlord in which Tenant shall not be entitled to share. Tenant further waives any right to challenge the right of the condemning authority to proceed with such taking. Rent shall be apportioned as of the date of such termination. If any part of the Building other than the Premises or not constituting a substantial part of the Premises, shall be so taken or condemned (or conveyed under threat of such taking or condemnation), or if the grade of any street adjacent to the Building is changed by any competent authority and such taking or change of grade makes it necessary or desirable to substantially remodel or restore the Building, Landlord shall have the right to cancel this Lease upon not less than ninety (90) days' notice prior to the date of cancellation designated in the notice. No money or other consideration shall be payable by Landlord to Tenant for the right of cancellation, and Tenant shall have no right to share in any condemnation award or in any judgment for damages or in any proceeds of any sale made under any threat of condemnation or taking. Tenant shall have the right to separately pursue its own award for relocation expenses in the event of such condemnation proceedings.

26.

**SUBORDINATION**

A. Landlord may hereafter from time to time execute and deliver mortgages or trust deeds in the nature of a mortgage, both referred to herein as "Mortgages" against the land and Building, or any interest therein. This Lease is subject and subordinate to all Mortgages now or hereafter placed upon the Property, and all other encumbrances and matters of public record now or hereafter applicable to the Property. Any mortgagee or trustee under any Mortgage may elect to make this Lease prior to the lien of its Mortgage by written notice to Tenant, and if the mortgagee or trustee under any prior Mortgage shall require, this Lease



shall be prior to any subordinate Mortgage. Except as expressly provided to the contrary herein, the provisions of this Section shall be self-operative; however, if requested by the mortgagee or trustee under any Mortgage, Tenant will promptly execute and deliver such agreement or agreements as may be reasonably required by such mortgagee or trustee under any Mortgage whereby Tenant agrees to subordinate its interest in this Lease to said Mortgages, and to any and all advances made thereunder and to the interest thereon, and to all renewals, replacements, modifications and extensions thereof, provided however that any such subordination shall provide that so long as Tenant is not in default hereunder, its tenancy shall not be disturbed.

B. It is further agreed that (i) if any Mortgage shall be foreclosed (a) the liability of the mortgagee or trustee thereunder or purchaser at such foreclosure sale or the liability of a subsequent owner designated as Landlord under this Lease shall exist only so long as such trustee, mortgagee, purchaser or owner is the owner of the Building and such liability shall not continue or survive after further transfer of ownership; and (b) upon request of the mortgagee or trustee, Tenant will attorn, as Tenant under this Lease, to the purchaser at any foreclosure sale under any Mortgage, and Tenant will execute such instruments as may be necessary or appropriate to evidence such attornment; and (ii) this Lease may not be modified or amended so as to reduce the rent or shorten the term provided hereunder, or so as to adversely affect in any other respect to any material extent the rights of Landlord, nor shall this Lease be canceled or surrendered without the prior written consent, in each instance of the mortgagee or trustee under any Mortgage. Tenant hereby waives the provisions of any Laws (now or hereafter adopted) which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease or Tenant's obligations hereunder if foreclosure or power of sale proceedings are initiated, prosecuted or completed. It is understood that Tenant's tenancy shall not be disturbed so long as Tenant is not in default under this Lease.

C. No mortgagee and no person acquiring title to the Premises by reason of foreclosure of any Mortgage or by conveyance in lieu of foreclosure shall have any obligation or liability to Tenant on account of any security deposit unless such mortgagee or title holder shall receive such security deposit in cash.

## 27. WAIVER

The waiver of Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained. The acceptance of rent hereunder shall not be construed to be a waiver of any breach by Tenant of any term, covenant or condition of this Lease. No acceptance of a lesser amount of rent shall be deemed a waiver of Landlord's right to receive the full amount due, nor shall any endorsement or statement on any check or payment or any letter accompanying such check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due. The acceptance of rent, or of the performance of any other term or provision from, or providing directory listings or services for, any person or entity other than Tenant shall not constitute a waiver of Landlord's right to approve any transfer. No delivery to, or acceptance by, Landlord or its agents or employees of keys, nor any other act or omission of Tenant or Landlord or their agents or employees, shall be deemed a surrender, or acceptance of a surrender, of the Premises or a termination of this Lease, unless stated expressly in writing by Landlord. It is understood and agreed that the remedies herein given to Landlord shall be cumulative, and the exercise of any one remedy by Landlord shall not be to the exclusion of any other remedy. It is also agreed that after the service of notice or the commencement of a suit or judgment for possession of the Premises, Landlord may collect and receive any monies due, and the payment of said monies shall not waive or affect said notice, suit or judgment.

28.

**INABILITY TO PERFORM**

This Lease and the obligation of Tenant to pay rent hereunder and perform all of the other covenants and agreements hereunder on part of Tenant to be performed shall not be affected, impaired or excused, nor shall Landlord at any time be deemed to be in default hereunder because Landlord is unable to fulfill any of its obligations under this Lease or to supply or is delayed in supplying any service expressly or by implication to be supplied or is unable to make, or is delayed in making any tenant improvement, repair, additions, alterations, or decorations or is unable to supply or is delayed in supplying any equipment or fixtures if Landlord is prevented or delayed from so doing by reason of strike or labor troubles or any outside cause whatsoever beyond the reasonable control of Landlord, including but not limited to riots, civil disturbances, acts of God or terrorism, energy shortages, inclement weather (including rain), governmental preemption in connection with a national emergency or by reason of any rule, order, or regulation of any department or subdivision thereof of any government agency or by reason of the conditions of supply and demand which have been or are affected by war or other emergency.

29.

**SUBROGATION**

The parties hereto agree to use good faith efforts to have any and all fire, extended coverage or any and all material damage insurance which may be carried endorsed with a subrogation clause substantially as follows: "This insurance shall not be invalidated should the insured waive in writing prior to a loss any or all right of recovery against any party for loss occurring to the property described herein"; and each party hereto waives all claims for recovery from the other party for any loss or damage (whether or not such loss or damage is caused by negligence of the other party and notwithstanding any provision or provisions contained in this Lease to the contrary) to any of its property insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance, subject to the limitation that this waiver shall apply only when it is permitted by the applicable policy of insurance.

30.

**SALE BY LANDLORD**

In the event of a sale or conveyance by Landlord of the Building containing the Premises, the same shall operate to release Landlord from any future liability under any of the covenants or conditions, express or implied, herein contained in favor of Tenant, and in such event Tenant agrees to look solely to the responsibility of the successor in interest of Landlord in and to this Lease. If any security deposit has been made by Tenant hereunder, Landlord shall transfer such security deposit to such successor in interest of Landlord and thereupon Landlord shall be released from any further obligations hereunder. This Lease shall not be affected by any such sale, and Tenant agrees to attorn to the purchaser or assignee.

31.

**RIGHTS OF LANDLORD TO PERFORM**

All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement of rent. If Tenant shall fail to pay any sum of money, other than rent, required to be paid it hereunder, or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue for ten (10) days after notice thereof by Landlord (except in cases of emergency, no notice shall be required), Landlord may, but shall not be obligated so to do, and without waiving or release Tenant from any obligations of Tenant, make any such payment or perform any such other act on Tenant's part to be made or performed as in this Lease provided. All sums so paid by Landlord and all necessary incidental costs together with interest thereon at the rate of five per annum, computed from the date of such payment by Landlord shall be payable to Landlord on demand

and Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of the non-payment thereof by Tenant as in the case of default by Tenant in the payment of rent.

**32.**

**ATTORNEYS' FEES**

In the event of any litigation between Tenant and Landlord to enforce any provision of this Lease, or any right of either party hereto, the unsuccessful party of such litigation shall pay to the prevailing party all costs and expenses, including reasonable attorneys' fees, incurred therein. In addition, Landlord shall be entitled to all attorneys' fees and all other costs incurred in the preparation and service of any notice or demand hereunder, whether or not a legal action is subsequently commenced, and such fees and costs shall constitute Additional Rent under this Lease and shall be due and payable with Tenant's succeeding installment of Base Rent. Moreover, if either party, without fault is made a party to any litigation instituted by or against the other party, the other party shall indemnify such party without fault against and save it harmless for, from and against all costs and expenses, including reasonable attorneys' fees incurred by it in connection therewith.

**33.**

**ESTOPPEL CERTIFICATE**

Tenant shall at any time and from time to time within ten (10) days after written notice from Landlord execute, acknowledge and deliver to Landlord a statement in writing, certifying (i) that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), (ii) the date to which the rental and other charges are paid, (iii) that Tenant has paid Landlord the Security Deposit, if any, under this Lease, and the amount thereof, (iv) the Commencement Date and the scheduled Expiration Date of the Term, (v) the rights (if any) of Tenant to extend or renew this Lease or to expand the Premises, (vi) the amount of Base Rent and other charges currently payable under this Lease (vii) whether there are defaults existing under the Lease by Tenant and the circumstances currently existing that would constitute a default solely upon the service of notice or the passage of time, and whether there is an existing basis for Landlord to exercise any remedies available to it by virtue of a default by Tenant, (viii) the usable square footage and rentable square footage of the Premises, (ix) whether all improvements required to be performed under the Lease have been completed in accordance with the Workletter attached to Lease as Appendix "D", (x) whether there are defaults existing under the Lease by Landlord and the circumstances currently existing that would constitute a default solely upon the service of notice or the passage of time, and whether there is an existing basis for Tenant to exercise any remedies available to it by virtue of a default by Landlord, (xi) whether there are currently valid defenses, counterclaims, offsets, credits, deductions in rent or claims against the enforcement of any of the agreements, terms or conditions of the Lease, (xii) whether Tenant has accepted and is now in full possession of the Premises and is paying full rental under the Lease or, if Tenant is not in full possession, whether Tenant has assigned the Lease, sublet all or any portion of the Premises, or otherwise transferred any interest in the Lease or the Premises, (xiii) whether there has been a material adverse change in Tenant's financial condition between the date of the execution of the Lease and the date hereof, (xiv) whether there are currently bankruptcy or reorganization actions, whether voluntary or involuntary, pending against Tenant under the Bankruptcy Laws of the United States or any state thereof, (xv) that the person signing the statement on behalf of Tenant is a duly authorized agent of Tenant, and any other reasonable factual information reasonably requested by Landlord. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises are a part. Tenant's failure to deliver such statement within said ten (10)-day period shall, at the option of Landlord, be an event of default by Tenant under this Lease, and/or be conclusive upon Tenant that all of the information set forth in the statement delivered to Tenant is true and correct, without exception. If Tenant fails to deliver such statement within said ten (10)-day period, notwithstanding anything in this Lease to the contrary, as an additional remedy for Landlord, Tenant shall also pay to Landlord the amount of \$100.00 per day for each day commencing

on the tenth (10<sup>th</sup>) day after Landlord's notice and continuing thereafter until the statement has been delivered to Landlord as required hereunder. Said amount shall be in addition to all other charges and sums due under this Lease and shall represent the agreed liquidated damages to Landlord as the exact amount of damages to Landlord cannot be ascertained with certainty but are a reasonable estimate of the actual damages which could be anticipated. The right to receive such liquidated damages shall be in addition to any and all other rights and remedies of Landlord whether hereunder or at law or in equity.

**34.**  
**PREPARATION**

Landlord agrees to cause the Premises to be completed in accordance with the plans, specifications and agreements approved by both parties on the terms, conditions and provisions as provided in the Workletter attached hereto as Appendix "D" and made a part of this Lease.

**35.**  
**NOTICE**

Any notice or other communication from Landlord to Tenant or from Tenant to Landlord shall be in writing and shall be served personally, by mail, by overnight delivery, by affixing a copy on any door leading into the Premises or by facsimile transmission. Any notices or other communications from Landlord to Tenant may be given by Landlord's attorney, the Management Agent or another agent of Landlord. If served by mail, notice shall be deemed served on the second day after mailing by registered or certified mail, return receipt requested, postage prepaid, addressed to Tenant at the Premises or to Landlord at the place from time to time established for the payment of rent and a copy thereof shall until further notice, be served personally or by registered or certified mail to Landlord at the address shown for service of notice at the address set forth for service of notice in the Lease Schedule or at such other address as Landlord may from time to time designate by notice hereunder. Unless otherwise stated, notice shall be effective upon delivery. In the event of a release or threatened release of pollutants or contaminants to the environment resulting from Tenant's activities at the site or in the event any claim, demand, action or notice is made against Tenant regarding Tenant's failure or alleged failure to comply with any Laws, Tenant shall immediately notify Landlord by fax or telephone with confirmation in writing and shall give to Landlord copies of any written claims, demands or actions, or notices so made.

**36.**  
**DEPOSIT**

Intentionally omitted

37.

**RIGHTS RESERVED**

Landlord reserves the following rights, exercisable without notice and without liability to Tenant for damage or injury to property, person or business and without effecting an eviction, constructive or actual, or disturbance of Tenant's use of possession or giving rise to any claim for set-off or abatement of rent:

- (a) To change the Building's name or street address;
- (b) To install, affix and maintain any and all signs on the interior or exterior of the Building;
- (c) To designate and approve, prior to installation, all types of window shades, blinds, drapes, awnings, window ventilators and other similar equipment, and to control all interior or exterior lighting of the Building;
- (d) To designate, restrict and control all sources from which Tenant may obtain sign painting and lettering, and in general to designate, limit, restrict and control any service in or to the Building and Tenant, provided such services as are designated by Landlord are reasonably competitive as to the rates charged thereby, and further provided that such designation, restrictions, or controls do not prohibit Tenant's operations in accordance with the terms of this Lease. No vending or dispensing machines of any kind shall be placed in or about the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, it is understood that Tenant shall have the right to operate beverage machines, microwave ovens, and refrigerators for the convenience of its employees and invitees;
- (e) To retain at all times, and to use in appropriate instances, keys and/or keycards, to all doors within and into the Premises. No locks or bolts shall be altered, changed or added without the prior written consent of Landlord;
- (f) To decorate or to make repairs, alterations, additions or improvements, whether structural or otherwise, in and about the Building, or any part thereof, and for such purpose to enter upon the Premises, and during the continuance of said work to temporarily close doors, entryways, and to interrupt or temporarily suspend Building services and facilities, provided that Tenant is not prevented from access to the Premises;
- (g) To prescribe the location and style of the suite number and identification sign or lettering for the Premises occupied by Tenant;
- (h) To enter the Premises as set forth in Section 19;
- (i) To require all persons entering or leaving the Building during such hours as Landlord may from time to time reasonably determine to identify themselves to watchmen by designation or otherwise, and to establish their right to enter or leave in accordance with the provisions of this Lease. Landlord shall not be liable except for the willful or negligent act or omission of Landlord in damages for any error with respect to admission to or eviction or exclusion from the Building of any person. In case of fire, invasion, insurrection, mob, riot, civil disorder, public excitement or other commotion, or threat thereof, Landlord reserves the right to limit or prevent access to the Building during the continuance of the same or otherwise take such action or preventive measures deemed necessary by Landlord for the safety of the tenants or other occupants of the Building or the protection of the Building and the property in the Building. Tenant agrees to cooperate in any reasonable safety program developed by Landlord;
- (j) To control and prevent access to common areas and other non-general public areas including the roof;

- (k) To have and retain a paramount title to the Premises free and clear of any act of Tenant;
- (l) To grant to anyone the exclusive right to conduct any business or render any services in the Building, which do interfere with Tenant's use of the Premises;
- (m) To approve the weight, size and location of safes and other heavy equipment and articles in and about the Premises and the Building, and to require all such items and furniture to be moved into and out of the Building and the Premises only at such times and in such manner as Landlord shall direct in writing. Movements of Tenant's property into or out of the Building and within the Building are entirely at the risk and responsibility of Tenant and Landlord reserves the right to require permits before allowing any such property to be moved into or out of the Building;
- (n) To designate all sources furnishing coffee cart service used in the Building; and
- (o) To close the Building after regular working hours and on Holidays subject, however, to the right of Tenant to admittance, under such reasonable regulations as Landlord may prescribe from time to time which may include by way of example but not of limitation, that persons entering or leaving the Building, or removing materials from the Building, identify themselves to a watchman by registration or otherwise and that said persons establish their right to enter or leave or remove materials from the Building.

**38.**

**SUBSTITUTION OF SPACE**

Intentionally omitted.

**39.**

**REAL ESTATE BROKER**

Tenant represents that Tenant has dealt directly with and only with the brokers set forth in the Lease Schedule as brokers in connection with this Lease and agrees to indemnify and hold Landlord harmless for, from and against all claims or demands of any other broker or brokers for any commission alleged to be due such broker or brokers in connection with its participating in the negotiation with Tenant of this Lease.

**40.**

**MISCELLANEOUS PROVISIONS**

- A. Time is of the essence of this Lease and each and all of its provisions.
- B. Submission of this instrument for examination or signature by Tenant does not constitute a reservation or offer or option for lease, and it is not effective as a lease or otherwise. Tenant acknowledges and agrees with Landlord that, except as may be specifically set forth elsewhere in this Lease, neither Landlord, nor any employee of Landlord, nor other party claiming to act on Landlord's behalf, has made any representations, warranties, estimations, or promises of any kind or nature whatsoever relating to the physical condition of the Building in which the Premises are located, or the land under the Building, including by way of example only, the fitness of the Premises for Tenant's intended use or the actual dimensions of the Premises or Building.
- C. The invalidity or unenforceability of any provision hereof shall not affect or impair any other provision.
- D. This Lease shall be governed by and construed pursuant to the Laws of the Jurisdiction in

which the Property is located. Venue for resolution of any dispute arising under this Lease lies exclusively in the State of Illinois and the County of Lake.

E. Should any mortgagee require a modification of this Lease, which modifications will not bring about any increased cost or expense to Tenant or in any other way substantially change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees not to unreasonably withhold or delay its consent to such modification.

F. All rights and remedies of Landlord under this Lease, or that may be provided by law, may be exercised by Landlord in its own name individually, or in its name by its Management Agent, and all legal proceedings for the enforcement of any such rights or remedies, including for rent, forcible detainer, and any other legal or equitable proceedings, may be commenced and prosecuted to final judgment and execution by Landlord in its own name individually or in its name by its agent. Landlord represents that it has full power and authority to execute this Lease and to make and perform the agreements herein contained and Tenant expressly stipulates that any rights or remedies available to Landlord either by the provision of this Lease or otherwise may be enforced by Landlord in its own name individually or in its name by agent or principal.

G. All of the obligations and rights of either party under this Lease arising during or attributable to the period prior to the expiration or earlier termination of this Lease shall survive such expiration or termination of this Lease.

H. The marginal headings and titles to the paragraphs of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

I. Subject to complying with all of the provisions with respect to assignments and subleases, if Tenant is a corporation and if at any time during the Term the person or persons who owns a majority of its voting shares at the time of the execution of this Lease cease to own a majority of such shares (except as a result of transfers by gift, bequest or inheritance), Tenant shall so notify Landlord and Landlord may terminate this Lease by notice to Tenant given within ninety (90) days thereafter. This Section shall not apply whenever Tenant is a corporation, the outstanding voting stock of which is listed on a recognized security exchange or if at least ninety percent (90%) of its voting stock is owned by another corporation, the voting stock of which is so listed.

J. Any and all Exhibits or Appendices attached hereto are expressly made a part of this Lease.

K. Upon termination of this Lease or upon Tenant's abandonment of the leasehold, Tenant shall, at its sole expense, remove any equipment which may cause contamination of the Property, and shall clean up any existing contamination in compliance with all applicable Laws.

L. This is a commercial lease and has been entered into by both parties in reliance upon the economic and legal bargains contained herein, and both parties agree and represent each to the other that they have had the opportunity to obtain counsel of their own choice to represent them in the negotiation and execution of this Lease, whether or not either or both have elected to avail themselves of such opportunity. This Lease shall be interpreted and construed in a fair and impartial manner without regard to such factors as the party which prepared the instrument, the relative bargaining powers of the parties or the domicile of any party.

M. **WAIVER OF RIGHT TO TRIAL BY JURY.** Landlord and Tenant hereby waive any right to a trial by jury in any action or proceeding based upon, or related to, the subject matter of this Lease. This waiver is knowingly, intentionally, and voluntarily made by each of parties hereto and each party acknowledges to the other that neither the other party nor any person acting on its respective behalf has made any representations to induce this waiver of trial by jury or in any way to modify or nullify its effect. The parties acknowledge

that they have read and understand the meaning and ramifications of this waiver provision and have elected same of their own free will.

N. Landlord hereby covenants that so long as Tenant is not in default under the terms and provisions of this Lease, Tenant shall be entitled to quiet enjoyment of the Premises.

O. This Lease does not grant any rights to light or air over or about the real property of Landlord. Except to the extent specifically otherwise herein provided, Landlord specifically excepts and reserves to itself the use of any roofs, the exterior portions of the Building, all rights to and the land and improvements below the improved floor level of the Building, to the improvements and air rights above the Building and to the improvements and air rights located outside the demising walls of the Building and to such areas within the Building required for installation of utility lines and other installations required to serve any occupants of the Building and to maintain and repair same, and no rights with respect thereto are conferred upon Tenant, unless otherwise specifically provided herein.

P. This Lease and any Appendices and riders attached hereto and forming a part hereof, set forth all of the covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises and there are no covenants, promises, agreements, representations, warranties, conditions or understandings either oral or written between them other than as contained in this Lease. Except as otherwise provided in this Lease, no subsequent alteration, amendment, change or addition to this Lease shall be binding unless it is in writing and signed by both Landlord and Tenant. Without limitation as to the generality of the foregoing, Tenant hereby acknowledges and agrees that Landlord's leasing agents and field personnel are only authorized to show the Premises and negotiate terms and conditions for leases subject to Landlord's final approval, and are not authorized to make any agreements, representations, understandings or obligations, binding upon Landlord, respecting the condition of the Premises or Property, suitability of the same for Tenant's business, the amount of rent or other terms applicable under other leases at the Property, whether Landlord is furnishing the same utilities or services to other tenants at all, on the same level or on the same basis, or any other matter, and no such agreements, representations, understandings or obligations not expressly contained herein or in such contemporaneous agreement shall be of any force or effect. **TENANT HAS RELIED ON TENANT'S INSPECTIONS AND DUE DILIGENCE IN ENTERING THIS LEASE, AND NOT ON ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE HABITABILITY, CONDITION OR SUITABILITY OF THE PREMISES OR PROPERTY FOR ANY PARTICULAR PURPOSE OR ANY OTHER MATTER NOT EXPRESSLY CONTAINED HEREIN.**

Q. If Landlord becomes obligated to pay Tenant any judgment arising out of any failure by Landlord to perform or observe any of the terms, covenants, conditions or provisions to be performed or observed by Landlord under this Lease, Tenant shall be limited in the satisfaction of such judgment solely to Landlord's interest in the Building and the Property or any proceeds arising from the sale thereof and no other property or assets of Landlord or the individual members, managers, partners, directors, officers or shareholders of Landlord or its constituent partners shall be subject to levy, execution or other enforcement procedure whatsoever for the satisfaction of any such money judgment.

R. Each of Landlord and Tenant, each as to itself, hereby represents its compliance with all applicable anti-money laundering laws, including, without limitation, the USA Patriot Act, and the laws administered by the United States Treasury Department's Office of Foreign Assets Control, including, without limitation, Executive Order 13224 ("**Executive Order**"). Each of Landlord and Tenant further represents (i) that it is not, and it is not owned or controlled directly or indirectly by any person or entity, on the SDN List published by the United States Treasury Department's Office of Foreign Assets Control and (ii) that it is not a person otherwise identified by government or legal authority as a person with whom a U.S. Person is prohibited from transacting business. As of the date hereof, a list of such designations and the text of the



Executive Order are published under the following internet website address:  
[www.ustreas.gov/offices/enforcement/ofac](http://www.ustreas.gov/offices/enforcement/ofac).

S. The parties mutually warrant and represent that in entering into this Lease they have not relied on any representation, inducement, forecast or promise from or by the other party to this Lease or its agents or attorneys. This Lease constitutes the entire agreement between the parties. It supersedes any prior agreements or understandings, oral, written or otherwise, between the parties relating to the subject matter hereof, and it may not be modified or amended except by written amendment signed by the parties.

T. Under no circumstances shall this Lease be recorded and if Tenant records this Lease in violation of the terms hereof, in addition to any other remedy available to Landlord upon Tenant's default, Landlord shall have the option to terminate this Lease by recording a notice to such effect.

**41.**  
**TENANT-CORPORATION OR**  
**PARTNERSHIP**

In case Tenant is a corporation, Tenant represents and warrants that this Lease has been duly authorized, executed and delivered by and on behalf of Tenant and constitutes the valid and binding agreement of Tenant in accordance with the terms hereof. In case Tenant is a partnership, Tenant represents and warrants that all of the persons who are general or managing partners in said partnership have executed this Lease on behalf of Tenant, or that this Lease has been executed and delivered pursuant to and in conformity with a valid and effective authorization therefor by all of the general or managing partners of such partnership, and is and constitutes the valid and binding agreement of the partnership and each and every partner therein in accordance with its terms. Also, it is agreed that each and every present and future partner in Tenant shall be and remain at all times jointly and severally liable hereunder and that the death, resignation or withdrawal of any partner shall not release the liability of such partner under the terms of this Lease unless and until Landlord shall have consented in writing to such release. In case Tenant is a limited liability company, Tenant represents and warrants that this Lease has been duly authorized, executed, and delivered by and on behalf of Tenant and constitutes a valid and binding agreement of Tenant in accordance with the terms hereof. If Tenant is any of these types of entities, it shall deliver to Landlord the location and name of its registered agent and registered office in Illinois.

**42.**  
**HAZARDOUS SUBSTANCES**

A. Tenant shall not cause or permit any Hazardous Substances to be used, stored, generated, or disposed of on or in the Premises by Tenant, Tenant's agents, employees, contractors, or invitees without first obtaining Landlord's written consent, except for any Hazardous Substances that may be present in ordinary office supplies, cleaning chemicals or products which shall be used, stored and disposed of in accordance with all legal requirements and any other applicable industry guidelines and regulations. The term "**Hazardous Substances**" shall mean any chemical, compound, material, substance or other matter that: (i) is a flammable explosive, asbestos which is either in friable condition or such other condition deemed hazardous pursuant to any applicable Laws, polychlorinated biphenyls ("**PCBs**"), petroleum, radioactive material, nuclear medicine material, drug, vaccine, bacteria, virus, hazardous waste, medical waste, toxic substance, petroleum product, or related injurious or potentially injurious material, whether injurious or potentially injurious by itself or in combination with other materials; (ii) is controlled, designated in or governed by any Laws; (iii) gives rise to any reporting, notice or publication requirements under any Laws; or (iv) gives rise to any liability, responsibility or duty on the part of Tenant or Landlord with respect to any third person under any Laws. Tenant shall indemnify, defend and hold Landlord, its agents, representatives, servants and employees, harmless for, from and against any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including, without limitation, any and all sums paid for good faith settlement of

claims, attorneys' fees, consultant and expert fees) arising during or after the Term (or any applicable renewal term) to the extent arising as a result of such contamination by Tenant. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the site or any cleanup, removal or restoration mandated by a federal, state or local agency or political subdivision. Without limitation of the foregoing, if Tenant causes or permits the presence of any Hazardous Substances in the Premises and such action results in contamination, Tenant shall promptly notify Landlord of such contamination, and, at its sole expense, take any and all necessary actions to return the Premises to the condition existing prior to the presence of any such Hazardous Substances on the Premises. Tenant shall first obtain Landlord's approval for any such remedial action, which shall not be unreasonably withheld or delayed. Tenant shall also notify Landlord, in writing, within two (2) days after any of the following: (a) Tenant's receipt of any order of a governmental agency requiring any remedial work; or (b) Tenant's receipt of any warning, notice of inspection, notice of violation or alleged violation, or Tenant's receipt of notice or knowledge of any proceeding, investigation of enforcement action, pursuant to any Laws respecting Hazardous Substances.

B. Landlord shall not cause or knowingly permit any Hazardous Substances (except ordinary supplies, cleaning chemicals or products) to be used, stored, generated or disposed of on or in the Property by Landlord, its agents, employees, contractors, invitees or other tenants on the Property without the prior written notification of Tenant. Landlord, at Landlord's sole cost and expense, shall be responsible for the removal, abatement and/or remediation of any Hazardous Substances now or hereafter located in, on or under the Property which were introduced by its agents or employees. If Hazardous Substances are stored, generated or disposed of on or in the Property or if the Property becomes contaminated as a result of any actions of Landlord, its agents or employees, or any third party other than Tenant, Landlord shall defend Tenant with counsel designated by Landlord for any and all claims or liabilities arising during or after the Term (and any applicable renewal term) as a result of such contamination at Landlord's cost. Landlord represents and warrants that any handling, transportation, storage, treatment or use of Hazardous Substances that has occurred or will occur on the Property prior to the Commencement Date, has been or will be in compliance with all applicable Laws; that to the best of Landlord's knowledge, no leak, spill, release, discharge, emission or disposal of Hazardous Substances has occurred on the Premises or at the Property prior to the Commencement Date; that to the best of Landlord's knowledge, the soil, ground water and soil vapor on or under the Premises and Property are free of toxic or hazardous substances and will be as of the actual Commencement Date and that as of the actual Commencement Date the Property to the best of Landlord's knowledge, does not contain any asbestos, PCBs, radon or underground storage tanks. Landlord shall defend, indemnify and save Tenant harmless from any claims, fines, penalties, liabilities, losses, damages, costs and expenses (including reasonable attorney fees, expert witness fees and other cost to defend) which arise from Landlord's breach of its representations, agreements and warranties contained in this Article 42.

C. Radon gas is a naturally occurring radioactive gas that when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time additional information regarding radon and radon testing may be obtained from your county public health unit.

#### 43.

#### **SUCCESSORS AND ASSIGNS**

Subject to the restrictions on assignment and subletting set forth in this Lease, the covenants and conditions herein contained shall apply to and bind the respective heirs, successors, executors, administrators, and assigns of the parties hereto. The terms "Landlord" and "Tenant" shall include the successors and assigns of either such party, whether immediate or remote.

[Rest of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease the day and year first above written.

**LANDLORD:**

415 WASHINGTON STREET, LLC,  
an Illinois limited liability company

By: ACP II Operating Partnership, LLC,  
a Delaware limited liability company  
Its: Sole Member

By: Ascendance Manager II, LLC,  
an Illinois limited liability company  
Its: Manager

By: \_\_\_\_\_

Name: John A. Purtillo

Its: 6/10/19

Dated:

**TENANT:**

LAKE COUNTY CIRCUIT COURT CLERK

By: \_\_\_\_\_

Name: Erin Carwagut Weinstein

Its: ECW

Dated: 6/14/19

THE COUNTY OF LAKE

By: \_\_\_\_\_

Name: Sandra Hunt

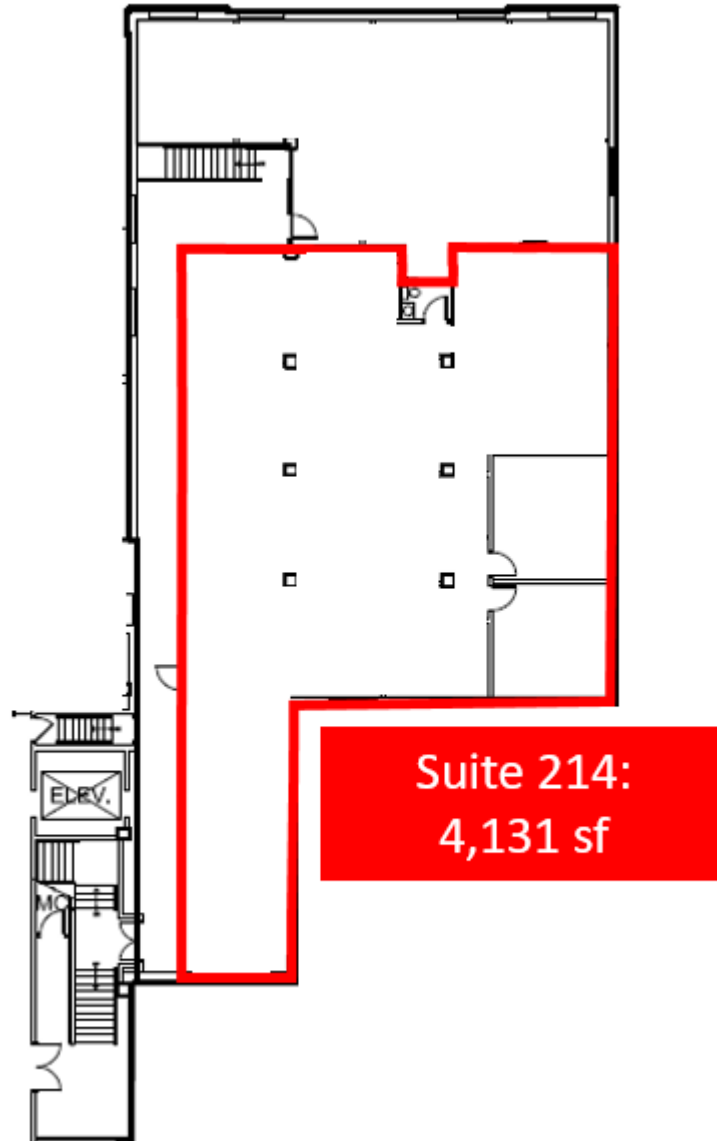
Its: SH

Dated:

6/6/19

**APPENDIX "A"**

**DEPICTION OF PREMISES**



## **APPENDIX "B"**

### **FACILITY ALTERATION PROCEDURE**

To follow is the approved procedure which is acceptable in the event that you, as Tenant, should desire to alter the Premises which you occupy. All of the below steps must be completed *before any alterations are performed*. None of the following applies to the initial leasehold improvements to be constructed pursuant to the Workletter attached as Appendix "D".

1. Except where approval is not required under Article 13 of the Lease, a letter requesting approval and describing the proposed alteration to the Premises must be sent to Landlord. This letter must be signed by the original signatory of the lease document or another authorized representative of Tenant and it must be received by Landlord prior to the commencement of any work.
2. Except where approval is not required under Article 13 of the Lease, copies of all sketches or drawings of the proposed alteration(s) must be submitted to Landlord or its Management Agent for approval by Landlord. Landlord's approval of the plans, specifications and working drawings for Tenant's alterations shall create no responsibility or liability on the part of Landlord for their completeness, design, sufficiency, or compliance with Laws.
3. It is the sole responsibility of Tenant to contact local authorities, secure any necessary permits and to comply with any and all applicable codes and ordinances. Evidence of this shall be by copy of any building permit(s) or a letter from local authorities indicating that same is waived or not necessary.
4. Where approval is required under Article 13 of the Lease, upon receipt of complete sets of those items numbered one (1) through three (3) above and the certificate of insurance required pursuant to the Lease, Tenant will be provided with a written response from Landlord or its Management Agent as to whether Tenant may proceed with the alteration requested.
5. Proceeding with any alteration to the Premises without complete compliance with all of the foregoing is in direct violation of the Lease, and may result in litigation.
6. Where approval is required under Article 13 of the Lease, Landlord or its Management Agent must be notified in writing upon completion of any approved alteration.
7. A copy of a Contractor's Sworn Statement must be submitted to Landlord or its Management Agent prior to the start of any work. Upon completion of the work, final waivers of lien from each subcontractor in accordance with the Contractor's Sworn Statement, including any change orders executed during the course of the work, must be submitted to Landlord or its Management Agent. Landlord reserves the right to require Tenant to post a deposit in an amount reasonably determined by Landlord prior to the start of any work hereunder.
8. It shall be at the sole option of Landlord to require that any alteration become a part of the Premises, or that the Premises be restored to its original condition at such time that Tenant surrenders the Premises. If required, said restoration shall be at the sole expense of Tenant.
9. Tenant agrees to reimburse Landlord for actual, out-of-pocket sums expended for examination and approval of the architectural and mechanical plans and specifications. Such reimbursement shall include cost of any of Landlord's employees (including a fee for overhead), or "third-party" consultants, architects, engineers, attorneys, or other consultants. In addition, Landlord reserves the right to charge Tenant a fee for services to review plans and

specifications, to review work as it progresses, to evaluate that work in place is consistent with plans, and to prepare a final inspection and punchlist. The amount of the fee shall be the greater of two percent (2%) of the cost of the work or at least \$104.00 per hour, or such other reasonable rate as may be established from time to time by Landlord. Such fee shall be established prior to commencement of the work.

10. Tenant shall pay Landlord's direct, out-of-pocket operating expenses for after-hours, overtime elevator and/or hoist expenses incurred by Landlord in connection with any improvements to the Premises, including base building work, but only to the extent that (i) the performance of such work during normal business hours will disrupt other tenants or the operation of the Building, as reasonably determined by Landlord, or (ii) Tenant requests after-hours work. Tenant shall cooperate with Landlord in scheduling such use.

11. If Tenant is responsible for performing the construction, it is Tenant's responsibility to furnish to Landlord a Certificate of Occupancy and/or evidence of passing a final inspection by the building department of the municipality where the Premises are located.

## APPENDIX "C"

### **RULES AND REGULATIONS ATTACHED TO AND MADE PART OF THIS LEASE**

1. Tenant shall not place anything or allow anything to be placed near the glass of any window, door, partition or wall which may in Landlord's judgment diminish light, or appear unsightly from outside the Premises or the Building. Tenant shall further lower and adjust the venetian blinds on the windows in the Premises if such lowering and adjustment reduces the heat load from the sun. Landlord shall furnish and install building standard window blinds at all exterior windows.

2. The sidewalks, exits and entrances shall not be obstructed by Tenant or used by Tenant for any purpose other than for ingress to and egress from the Premises. The passages, exits, entrances and roof are not for the use of the general public and Landlord shall in all cases retain the right to control and prevent access thereto by all persons whose presence in the judgment of Landlord, reasonably exercised, shall be prejudicial to the safety, character, reputation and interests of the Building. Neither Tenant nor any employees or invitees of Tenant shall go upon the roof of the building.

3. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein and to the extent caused by Tenant or its employees or invitees, the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Tenant.

4. Tenant shall not cause any unnecessary janitorial labor or services by reason of Tenant's carelessness or indifference in the preservation of good order and cleanliness.

5. No cooking other than microwave warming shall be done or permitted by Tenant on the Premises, nor shall the Premises be used for lodging.

6. Tenant shall not bring upon, use or keep in the Premises or the Building any kerosene gasoline or inflammable or combustible fluid or material, or use any method of heating or air conditioning other than that supplied by Landlord.

7. Landlord shall have sole power to direct electricians as to where and how telephone and other wires are to be introduced. No boring or cutting for wires will be allowed without the consent of Landlord. The location of telephone, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

8. Upon the termination of the tenancy, Tenant shall deliver to Landlord all keys or electronic key cards and passes for offices, rooms, parking lot and toilet rooms which have been furnished Tenant. In the event of loss of any keys or electronic key cards so furnished, Tenant shall pay Landlord therefor. Tenant shall not make or cause to be made any such keys or electronic key cards and shall order all such keys or electronic key cards solely from Landlord and shall pay Landlord for any additional such keys or electronic key cards over and above the keys furnished by Landlord at occupancy.

9. Tenant shall not install linoleum, tile, carpet or other floor coverings so that the same shall be affixed to the floor of the Premises in any manner except as approved by Landlord.

10. Tenant shall cause all doors to the Premises to be closed and securely locked before leaving the Building at the end of each day.

11. Without the prior written consent of Landlord not to be unreasonably withheld or delayed, Tenant shall not use the name of the Building or any picture of the Building in connection with or in promoting or advertising the business of Tenant, except Tenant may use the address of the Building as the address of its business.

12. Tenant shall refrain from attempting to adjust any heat or air conditioning controls other than room or system thermostats installed within the Premises for Tenant's use.

13. Tenant assumes full responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to Premises closed and secured.

14. Peddlers, solicitors and beggars shall be reported to the office of the Building or as Landlord otherwise requests.

15. Tenant shall not advertise the business, profession or activities of Tenant conducted in the Building in any manner which violates the letter or spirit of any code of ethics adopted by any recognized association or organization pertaining to such business, profession or activities.

16. Tenant shall allow no animals or pets other than service animals for disabled persons to be brought or to remain in the Building or any part thereof.

17. Tenant acknowledges that Building security problems may occur which may require the employment of extreme security measures in the day-to-day operation of the Building. Accordingly:

(a) Landlord may at any time, or from time to time, or for regularly scheduled time periods, as deemed advisable by Landlord and/or its agents, in their sole discretion, require that persons entering or leaving the Building identify themselves to watchmen or other employees designated by Landlord by registration, identification or otherwise.

(b) Landlord may at any time, or from time to time or for regularly scheduled time periods, as deemed advisable by Landlord and/or its agents, in their sole discretion, employ other security measures such as but not limited to the search of all persons, parcels, packages, etc., entering and leaving the Building, the evacuation of the Building and the denial of access of any person to the Building.

(c) Tenant hereby assents to the exercise of the above discretion of Landlord and its agents, whether done acting under reasonable belief of cause or for drills, regardless of whether or not such action shall in fact be warranted and regardless of whether any such action is applied uniformly or is aimed at specific persons whose conduct is deemed suspicious.

(d) The exercise of such security measures and the resulting interruption of service and cessation or loss of Tenant's business, if any, shall never be deemed an eviction or disturbance of Tenant's use and possession of the Premises, or any part thereof, or render Landlord liable to Tenant for damages or relieve Tenant from Tenant's obligations under this Lease.

(e) Tenant agrees that it and its employees will cooperate fully with Building employees in the implementation of any and all security procedures.

18. In the event carpeting is furnished by Landlord, Tenant will be fully responsible for and upon Landlord's request will pay for any damage to carpeting caused by lack of protective mats under desk chairs or equipment or any other abnormal puncture and wearing of carpet.



19. Tenant shall comply with all applicable Laws with respect to the Premises and the use or occupancy thereof. Tenant shall not make or permit any use of the Premises which directly or indirectly is forbidden by any Law, or which may be dangerous to person or property.

20. Tenant shall not use or permit to be brought into the Premises or the Building any flammable oils or fluids, or any explosive or other articles deemed hazardous to persons or property, or do or permit to be done any act or thing which will invalidate or which if brought in would be in conflict with any insurance policy covering the Building or its operation, or the Premises, or any part of either, and will not do or permit to be done anything in or upon the Premises, or bring or keep anything therein, which shall not comply with all rules, orders, regulations or requirements of any organization, bureau, department or body having jurisdiction with respect thereto (and Tenant shall at all times comply with all such rules, orders, regulations or requirements), or which shall increase the rate of insurance on the Building, its appurtenances, contents or operation. The foregoing prohibitions shall include but not be limited to the discharge of any toxic wastes or other hazardous materials in violation of any law, ordinance, statute, rule or insurance regulation.

21. If Tenant desires signal, communication, alarm or other utility or similar service connections installed or changed, Tenant shall not install or change the same without the approval of Landlord and then only under direction of Landlord and at Tenant's expense. Tenant shall not install in the Premises any equipment which requires a substantial amount of electrical current without the advance written consent of Landlord and Tenant shall ascertain from Landlord the maximum amount of load or demand for or use of electrical current which can safely be permitted in the Premises, taking into account the capacity of the electric wiring in the Building and the Premises and the needs of other tenants of the Building, and shall not in any event connect a greater load than such safe capacity.

22. Service requirements of Tenant will be attended to only upon application to Landlord or its Management Agent. Employees of Landlord shall not perform any work or do anything outside of their regular duties unless under special instruction from Landlord.

23. Landlord reserves the right to exclude or expel from the Building any person who, in the judgment of Landlord is intoxicated or under the influence of liquor or drugs or who shall in any manner do any act in violation of any of the rules and regulations of the Building.

24. No vending machines of any description shall be installed, maintained or operated in the Premises without the written consent of Landlord.

25. Tenant shall not (i) install or operate any internal combustion engine, boiler, machinery, refrigerating, heating or air-conditioning apparatus in or about the Premises, (ii) carry on any mechanical business in or about the Premises without the written permission of Landlord, (iii) exhibit, sell or offer for sale, use, rent or exchange in the Premises or Building any article, thing or service except those ordinarily embraced within the Permitted Use of the Premises specified in this Lease, (iv) use the Premises for housing, lodging or sleeping purposes, (v) permit preparation or warming of food in the Premises or permit food to be brought into the Premises for consumption therein (warming of coffee and individual lunches of employees and invitees excepted) except by express permission of Landlord, (vi) place any radio, television antennae, or microwave dish on the roof or on or in any part of the inside or outside of the Building other than the inside of the Premises, (vii) operate or permit to be operated any musical or sound producing instrument or device inside or outside the Premises which may be heard outside the Premises, (viii) use any illumination or power for the operation of any equipment or device other than electricity, (ix) operate any electrical device from which may emanate electrical waves which may interfere with or impair radio or television broadcasting or reception from or in the Building or elsewhere, (x) bring or permit to be in the Building any bicycle or other vehicle, or dog (except in the company of a disabled person) or other animal or bird, (xi) make or permit any objectionable noise or odor to emanate from the Premises, (xii) disturb, solicit or canvas any occupant of the Building, (xiii) do anything in or about the

Premises tending to create or maintain a nuisance or do any act tending to injure the reputation of the Building, or (xiv) throw or permit to be thrown or dropped any article from any window or other opening in the Building.

26. Tenant shall not conduct any auction, fire or "going out of business", or bankruptcy sales in or from the Premises.

27. Landlord reserves the right to from time to time supplement, amend and modify these rules and regulations.

28. If the Property now or hereafter contains, or Landlord has obtained the right to use for the Property, an on-grade parking lot, a parking garage, structure, facility or parking area, the following rules shall apply therein:

(i) Except for any reserved parking spaces specifically provided in the Lease Schedule, parking for Tenant and its employees and visitors shall be on a "first come, first served," unassigned basis, in common with Landlord and other tenants at the Property, and their employees and visitors, and other persons to whom Landlord shall grant the right or who shall otherwise have the right to use the same. The total number of parking spaces, reserved and unreserved, available to Tenant and the ratio upon which Tenant's allocation of parking spaces is based are set forth in the Lease Schedule. Tenant shall not use more than its allotted share. Tenant acknowledges that included within Tenant's allocation of reserved and unreserved parking spaces are Tenant's requisite proportionate share of covered and uncovered handicapped accessible ("HA") parking spaces, which HA parking spaces are required by applicable law to be provided at the Property (and at any applicable nearby parking facility). Tenant further understands that, except to the extent Tenant's employees or other personnel working at the Premises require HA parking, the HA parking spaces which are included within Tenant's allocation of parking spaces must otherwise remain open and available for persons who require HA parking and may not otherwise be utilized by Tenant's employees or other personnel working at the Premises who do not require HA parking. Landlord reserves the right to: (x) adopt additional requirements or procedures pertaining to parking, (y) assign specific spaces, and reserve spaces for small and other size cars, disabled persons, and other tenants, customers of tenants or other parties, and (z) restrict or prohibit full size vans and other large vehicles.

(ii) In case of any violation of these rules, Landlord may also refuse to permit the violator to park, and may remove the vehicle owned or driven by the violator from the Property without liability whatsoever, at such violator's risk and expense. Landlord reserves the right to close all or a portion of the parking areas or facilities in order to make repairs or perform maintenance services, or to alter, modify, re-stripe or renovate the same, or if required by casualty, strike, condemnation, act of God or terrorism, Law or governmental requirement or guideline, termination or modification of any lease or other agreement by which Landlord obtained parking rights, or any other reason beyond Landlord's reasonable control.

(iii) Hours shall be reasonably established by Landlord from time to time; cars must be parked entirely within the stall lines, and only small or other qualifying cars may be parked in areas reserved for such cars; all directional signs, arrows and speed limits must be observed; spaces reserved for disabled persons must be used only by vehicles properly designated; washing, waxing, cleaning or servicing of any vehicle is prohibited; every parker is required to park and lock his own car, except to the extent that Landlord adopts a valet parking system; parking is prohibited in areas: (a) not striped or designated for parking, (b) aisles, (c) where "no parking" signs are posted, (d) on ramps, and (e) loading areas and other specially designated areas. Delivery trucks and vehicles shall use only those areas designated therefor.

(iv) Parking stickers, key cards or any other devices or forms of identification or entry, if any, shall remain the property of Landlord. Such devices must be displayed as requested and may not be mutilated in any manner. The serial number of the parking identification device may not be obliterated. Devices are not transferable and any device in the possession of an unauthorized holder will be void. Loss or theft of parking identification, key cards or other such devices must be reported to Landlord or any parking facilities manager immediately. Any parking devices reported lost or stolen which are found on any unauthorized car will be confiscated and the illegal holder will be subject to prosecution. Lost or stolen devices found by Tenant or its employees must be reported to Landlord or the office of the parking facilities manager immediately.

[Remainder of page intentionally left blank.]

## **APPENDIX "D"**

### **WORKLETTER**

Landlord, at its expense, shall complete the following using Landlord's building standard materials:

1. Demolish all interior walls to match the floor plan as depicted in Appendix A.
2. Provide adequate lighting throughout Premises.
3. Check skylights and roof over Premises.
4. Install window treatments on any exterior windows, included in the Premises, without window treatments.
5. Remove all carpet, clean and seal concrete floor throughout Premises.
6. Provide secure space.
7. Extend the demising wall to the roof deck.
8. Replace any damage or missing ceiling tiles or metal framing for ceiling tiles.

**APPENDIX "E"**

**CONFIRMATION OF COMMENCEMENT DATE AND ACCEPTANCE OF POSSESSION**

Attached to and made a part of the Lease, dated the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, entered into by and between 415 WASHINGTON STREET, LLC, as Landlord, and LAKE COUNTY CIRCUIT COURT CLERK, as Tenant.

Landlord and Tenant do hereby declare and evidence that the Premises, as defined the Lease, was accepted by Tenant in its condition on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_. For the purpose of the Lease, the Commencement Date is confirmed as being \_\_\_\_\_, 20\_\_, and the Expiration Date is confirmed as being \_\_\_\_\_, 20\_\_.

Landlord and Tenant have executed this Confirmation of Commencement Date and Expiration Date and Acceptance of Possession as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**LANDLORD:**

415 WASHINGTON STREET, LLC,  
an Illinois limited liability company

By: ACP II Operating Partnership, LLC,  
a Delaware limited liability company  
Its: Sole Member

By: Ascendance Manager II, LLC,  
an Illinois limited liability company  
Its: Manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Dated:

**TENANT:**

LAKE COUNTY CIRCUIT COURT CLERK

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Dated:

THE COUNTY OF LAKE

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Dated: