



CITY OF BETHLEHEM
OFFICE OF THE CITY SOLICITOR

INTEROFFICE MEMORANDUM

To: Tad J. Miller, City Clerk

From: John F. Spirk, Jr., Esq., City Solicitor

Re: Office Lease
Wells Fargo Bank, N.A. and City of Bethlehem
Office Space in Basement of Building Located at 52 W. Broad Street for use by
the Bethlehem Police Department as an emergency services training facility

Date: July 31, 2024

Attached is a proposed Resolution and associated Office Lease for Council's consideration.

Please place this matter on City Council's agenda for review and appropriate action.

John F. Spirk, Jr.

John F. Spirk, Jr., Esq., Solicitor

Cc: J. William Reynolds, Mayor
Chief Michelle Kott, Police Department

RESOLUTION NO. 2024-_____

Authorization For Office Lease

BE IT RESOLVED by the Council of the City of Bethlehem that the Mayor and the Controller, and/or such other City officials as deemed appropriate by the City Solicitor, are hereby authorized to execute an Office Lease between the City of Bethlehem and Wells Fargo Bank, N.A., and such other agreements and documents as are deemed by the City Solicitor to be necessary and/or related thereto, according to the terms and conditions indicated therein and made a part hereof (as the same may be modified as determined to be necessary by the City Solicitor and provided such modification is minor or technical or nature), for the purpose of leasing approximately 4,944 Rentable Square Feet of office space in the basement of the building located at 52 W. Broad Street to be used by the Bethlehem Police Department as an emergency services training facility.

Sponsored by _____

ADOPTED by Council this day of , 2024.

President of Council

ATTEST:

City Clerk

OFFICE LEASE

Bethlehem, PA – 52 W. Broad Street (BE #140379)

KEY PROVISIONS SUMMARY

Lease Date:	The date this Lease is executed by the last to sign of Landlord and Tenant as shown on the signature page(s) attached hereto	
Landlord:	Wells Fargo Bank, N.A., a national banking association	
Tenant:	City of Bethlehem	
Building:	That certain building having a street address of 52 W. Broad Street, Bethlehem, and located on the Land	
Premises:	Approximately 4,944 Rentable Square Feet (as defined below) located in the basement of the Building, as more particularly depicted in <u>Exhibit B</u>	
Notice Addresses:	<u>Landlord:</u> Wells Fargo CPG Attn: Property Admin (BE #140379) MAC D1116-L10 1525 West W.T. Harris Blvd. Charlotte, NC 28262 E: PropertyAdmin@WellsFargo.com	<u>Tenant:</u> City of Bethlehem Attn: Chief Michelle Kott 10 E. Church Street Bethlehem, PA 18018 E: mkott@bethlehem-pa.gov With a copy to: City of Bethlehem Attn: Legal Bureau, 3rd Floor 10 E. Church Street Bethlehem, PA 18018 E: <u>cbartera@bethlehem-pa.gov</u>
Commencement Date:	May 1, 2024 (<u>Section 5</u>)	
Expiration Date:	April 30, 2025	
Lease Term:	From Commencement Date to Expiration Date (<u>Section 5</u>)	
Annual Base Rent:	\$0.00	
Permitted Use:	Emergency services training facility (<u>Section 9</u>). “ Financial Services Business ” means accepting deposits; originating loans; cashing checks; providing automated teller machine services; offering trust services; selling stocks, bonds, or mutual funds; or providing investment advice. Tenant shall not use the Premises for a Financial Services Business.	
Exhibits:	Exhibit A – Site Plan/Legal Description	
	Exhibit B – Rules and Regulations	

OFFICE LEASE

THIS OFFICE LEASE (“**Lease**”) is entered into as of the Lease Date by and between Landlord and Tenant. The parties agree as follows:

1. **Key Provisions Summary and Enumeration of Exhibits.**

References in the body of this Lease to a portion of the Key Provisions Summary (e.g., the defined terms in the left-hand column of the Key Provisions Summary) are deemed and construed to incorporate all the terms provided under each such referenced portion of the Key Provisions Summary. References in the Key Provisions Summary to a portion of the body of this Lease (e.g., Section references in the right-hand column of the Key Provisions Summary) are deemed and construed to incorporate all the terms provided under each such referenced portion of the body of the Lease. Notwithstanding the foregoing, if there is any inconsistency between the Key Provisions Summary and another portion of this Lease, the terms of the Key Provisions Summary control. The Exhibits enumerated in the Key Provisions Summary and attached to this Lease are incorporated in this Lease by reference and are to be construed as a part of this Lease. Each party shall perform all obligations on its part as set forth in any Exhibit. **Except where expressly provided otherwise in this Lease, any consent or approval required under this Lease will not be unreasonably withheld, delayed, or conditioned.**

2. **Definitions.**

2.1. “**Common Areas**” (or sometimes “**Common Area**”) means all areas at the Property (as defined in Section 2.9 below) that are now or hereafter made available for the common, general, or joint use, convenience, and benefit of all tenants, employees, licensees, customers, and invitees of the Property including any parking areas, parking garages, exterior lighting, access roads, service drives, service areas, driveways, entrances and exits, retaining walls, landscaped areas, truck serviceways, loading docks or ramps, pedestrian walkways, overstreet walkways, connecting malls, atriums, walls, ceilings, patios, courtyards, garden areas, plaza areas, park areas, concourses, ramps, sidewalks, corridors, wash-rooms, signs, maintenance buildings, utility buildings, hallways, lobbies, elevators, elevator foyers, escalators, stairs, common window areas, and trash disposal areas.

2.2. “**Governmental Regulations**” means all federal, state, county, or municipal laws, ordinances, rules, regulations, directives, orders, and/or requirements, and all recorded declarations, covenants, and restrictions, now in force or which may hereafter be in force affecting the Property.

2.3. “**Land**” means the real property upon which the Building is situated.

2.4. “**Landlord Parties**” (individually, a “**Landlord Party**”) means Landlord’s parent(s), affiliated entities, and subsidiaries, and all of their respective agents, employees, officers, directors, contractors, successors, assigns, attorneys, or representatives.

2.5. “**Lease Year**” means each period of twelve (12) full consecutive calendar months beginning with the first full calendar month after the Commencement Date and each subsequent period of twelve (12) consecutive calendar months thereafter during the Lease Term; provided, however, that if the Commencement Date occurs on a day other than the first day of a calendar month, then the initial fractional month from the Commencement Date to the last day of the month in which the Commencement Date occurs plus the next succeeding twelve (12) full calendar months constitutes the first Lease Year of the Term.

2.6. “Normal Business Holidays” means New Year’s Day, Martin Luther King Jr. Day, Presidents Day, Memorial Day, Independence Day (4th of July), Labor Day, Thanksgiving Day, and Christmas Day.

2.7. “Normal Business Hours” means 8:00 a.m. to 6:00 p.m., Monday through Friday, and 8:00 a.m. to 1:00 p.m., Saturday, only, exclusive of Normal Business Holidays.

2.8. “Premises” means the floor space shown crosshatched (or otherwise indicated) in Exhibit A.

2.9. “Property” means the Building, the Land, and the Common Areas.

2.10. “Rentable Square Feet” means the gross leasable area of the Premises or the Building (as applicable) intended for the exclusive use of the occupant thereof and its customers and invitees measured from the outside finished surface of the exterior walls or permanent outer building walls, to the mid-point of any walls separating portions of such occupant’s premises from those of adjacent tenants, and to the inside surface of walls separating such occupant’s premises from the Common Areas.

2.11. “Rules and Regulations” means the rules and regulations adopted by Landlord for the Property set forth in Exhibit B, and any other rules and regulations that Landlord may adopt from time to time in the future in its sole discretion for the Property.

2.12. “Taxes” means (i) all real estate and ad valorem taxes, assessments, levies and other governmental impositions and charges of every kind and nature whatsoever, extraordinary as well as ordinary, assessed or imposed upon the Property, or any portion thereof, including any taxes and assessments as a result of the Property or any part thereof being located within a business improvement district; (ii) all personal property taxes, assessments, levies, or other similar governmental charges assessed or imposed upon any machinery, equipment, or other personal property used in connection with the operation, maintenance, or management of the Property; and (iii) all reasonable costs and expenses incurred by Landlord in contesting the amount or validity of any Taxes or the valuation of the Property including any fees of attorneys, tax consultants, accountants, appraisers, experts, and other witnesses.

2.13. “Tenant Parties” (sometimes “**Tenant Party**”) means the Tenant’s agents, employees, contractors, invitees, assignees, transferees, licensees, and subtenants.

3. Premises.

3.1. Landlord hereby leases the Premises to Tenant and Tenant hereby leases the Premises from Landlord.

3.2. Except as specifically agreed otherwise by Landlord in writing in its sole discretion, the Premises do not include: (i) any areas above the finished ceiling, integrated ceiling systems, or if the ceiling is open concept, above the underside of the overhead slab, or below the finished floor coverings that are not part of the leasehold improvements; (ii) janitor’s closets, (iii) stairways and stairwells to be used for emergency exiting or as Common Areas; (iv) rooms for mechanical systems or connection of telecommunication equipment; (v) vertical transportation shafts; (vi) vertical or horizontal shafts, risers, chases, flues, or ducts; or (vii) any easements or rights to natural light, air, or view.

4. Common Areas.

Tenant and the Tenant Parties may use the Common Areas in common with other tenants and occupants of the Building. Landlord may on one or more occasions and without liability to Tenant (i) modify the size, use, shape, location, or nature of the Property other than the Premises (except as permitted hereunder) or (ii) eliminate a Common Area altogether so long as Tenant continues to have reasonable access to the Premises. No easement for view, light, or air rights is granted hereunder.

5. Lease Term; Option to Terminate.

The Lease Term begins on the Commencement Date and expires on the Expiration Date.

Notwithstanding the foregoing, either party may terminate this Lease upon 60 days' prior written notice to the other party.

6. Landlord's Work.

Tenant acknowledges that it has inspected and accepts the Premises "**AS IS**", "**WHERE IS**", and "**WITH ALL FAULTS**", in their present condition, and as suitable for the purpose for which the Premises are leased. Taking possession of the Premises by Tenant is deemed conclusively to establish that the Premises are in good and satisfactory condition as of the date possession is taken. Tenant further acknowledges that neither Landlord nor any of Landlord's agents, representatives, contractors, or employees have made any representations or warranties, either express or implied, with respect to the Premises or the condition of the Premises, and no representations or promises to alter, remodel, or improve the Premises have been made by Landlord, its agents, representatives, contractors, or employees, except as otherwise expressly set forth in this Lease.

7. Tenant's Work. Tenant shall not perform any work to the Premises; provided, however, Tenant may install a camera on the outside of the Building facing the bus stop that is adjacent to the Building. At the expiration or earlier termination of this Lease, Tenant shall remove the camera and any wires installed by Tenant to use the camera, and repair any damage caused by such removal.

8. Taxes and Assessments. Tenant shall pay, prior to delinquency, all taxes, assessments, impositions, and charges assessed against or attributable to all personal property, equipment, inventory, and trade fixtures located within the Premises.

9. Use of the Premises.

Tenant may use and occupy the Premises only for the Permitted Use and for no other purpose. Tenant shall, at its own cost, promptly comply with Governmental Regulations applicable to its use and occupancy of the Premises. Tenant shall comply with, and shall cause the Tenant Parties to comply with, all Rules and Regulations; provided, however, that Landlord has no liability to Tenant for the non-compliance of the Rules and Regulations by other tenants and occupants of the Property. Tenant shall not use or permit the use of the Premises or the Property for any purpose that is illegal, immoral, or improper or is in violation of any Rule or Regulation or any applicable Governmental Regulation, or that, in Landlord's reasonable opinion, creates a nuisance, disturbs any other tenant or occupant, or injures the reputation of the Property. Neither Landlord nor any Landlord Party has made any representation or warranty (either expressed or implied) as to the suitability of the Premises for the Permitted Use. Tenant is hereby granted 24-hour per day, 7-day per week access to the Premises subject to (i) any reasonable security procedures implemented by Landlord or (ii) a Force Majeure Event (as defined in Section 33 below).

10. Maintenance by Landlord.

10.1. Tenant shall notify Landlord promptly of any defective or dangerous condition observed by Tenant in the Premises or at the Property. Landlord shall maintain and repair (subject to normal wear and tear, casualty, and condemnation) the Common Areas, roof, foundation, exterior walls, all structural parts of the Building, and all electrical, plumbing, heating, air conditioning, and ventilation systems in the Building not exclusively serving the Premises. Landlord shall make all repairs and replacements promptly, in a good and workmanlike manner, and in compliance with applicable Governmental Regulations. Landlord is not responsible for any interruption, inconvenience, or annoyance to Tenant or Tenant's business caused by any such repairs or maintenance or by any repairs or restoration required to be made pursuant to Section 18 or Section 19 if Landlord uses commercially reasonable good faith efforts to avoid any such interruption, inconvenience, or annoyance. If any repair or maintenance is required because of any act or omission of Tenant or a Tenant Party, then Tenant shall pay Landlord upon demand accompanied by reasonable supporting documentation all reasonable costs and expenses incurred by Landlord in performing any such repair or maintenance.

10.2. Notwithstanding anything contained in this Lease, Landlord has no obligation to make any improvements, alterations, repairs, or maintenance to the Premises prior to or during the Lease Term except as specifically set forth in this Section 10.

11. Maintenance by Tenant.

11.1. Except for Landlord's repair obligations set forth in Section 10, Tenant shall, at its sole cost and expense, clean, keep in good repair, maintain, and replace all portions of the Premises, including all doors and plate glass within the Premises, all portions of Tenant's Work, all electrical, plumbing, heating, air conditioning, and ventilation systems exclusively serving the Premises, and all alterations, improvements, betterments, equipment, fixtures, and personal property belonging to Tenant or placed in the Premises by, for, or on behalf of Tenant. Tenant shall make all repairs and replacements promptly, in a good and workmanlike manner, in compliance with applicable Governmental Regulations, in quality at least equal to the original work, and with contractors approved by Landlord.

11.2. Tenant's use of the Premises and Property is at Tenant's own risk. Landlord is not liable to Tenant or a Tenant Party for any loss, injury, or damage to any property or person occasioned by theft, a Force Majeure Event, or any other cause beyond the reasonable control of Landlord, including any loss, injury, or damage caused by any act or omission of Tenant, a Tenant Party, any other tenant or occupant of the Building, or any third-party. All property placed in, on, under, or about the Premises and the Property by, at the direction of, or with the consent of Tenant or a Tenant Party is at the sole risk of Tenant or the owner thereof and Landlord is not liable for any loss of or damage to such property resulting from any cause whatsoever.

11.3. Tenant shall not move any heavy machinery, heavy equipment, freight, bulky matter, or fixtures into or out of the Building without Landlord's prior consent and payment to Landlord of Landlord's reasonable charges in connection therewith. If any such machinery, equipment, or other items require special handling, Tenant shall (i) employ only persons holding a Master Rigger's License to perform such work, and (ii) perform such work only during hours reasonably designated by Landlord.

12. Utilities and Other Services.

12.1. Landlord shall furnish the following services to the Premises: (i) Hot and cold water at those points of supply provided for general use of all tenants in the Building; (ii) Central heat and air conditioning sufficient for the comfortable occupancy of the Premises during Normal Business Hours

(see Section 12.8 below for heat and air conditioning outside Normal Business Hours); (iii) Reasonable janitorial service, Monday through Friday only, exclusive of Normal Business Holidays; (iv) Facilities to provide electricity for routine lighting and the operation of general office equipment; and (v) If elevators are located in the Building, reasonable elevator service during Normal Business Hours (except during periods of routine service and repairs).

12.2. Tenant shall not use any electrical equipment or machinery which in Landlord's reasonable opinion will overload the Building's or the Premises' electrical systems or circuits, and Tenant shall pay Landlord upon demand for all costs, expenses, and liabilities associated with Tenant overloading the electrical systems or circuits serving the Premises or the Building.

12.3. If Tenant uses any equipment or machinery in the Premises, and such equipment or machinery adversely affects the temperature otherwise maintained by the central heating and air conditioning system for other tenants in the Building, then Landlord may, in its reasonable discretion, install supplemental air conditioning units in the Premises and the cost thereof, including the cost of installation, maintenance, and operation of such units, shall be paid by Tenant to Landlord upon demand; provided, however, that the cost of any utility service related thereto shall be borne by Tenant as provided in Section 12.4 below.

12.4. Landlord may require that Tenant separately meter all or any of the utilities set forth above prior to the commencement of any of Tenant's Work, in which case Tenant shall pay, prior to delinquency and directly to the appropriate utility company, all costs and expenses of such separate meter and utility services, including all hook-up, user and tap fees and all other similar fees and charges.

12.5. Landlord shall not be obligated to furnish any services or utilities other than as set forth in this Section 12; provided, however, if Landlord elects to furnish additional services or utilities that will be utilized by all tenants within the Building (e.g., natural gas for heating), and the cost thereof is not included in Operating Expenses, then Tenant shall pay to Landlord upon demand therefor Tenant's Pro-Rata Share of the cost of such additional services or utilities as reasonably determined by Landlord (unless such service is separately metered or sub-metered, in which case Tenant shall pay the cost thereof as provided in Section 12.4 above).

12.6. Notwithstanding anything set forth in this Lease to the contrary, Landlord may interrupt any utilities or other services provided for in this Section 12 for such periods of time (not longer than thirty (30) days) as Landlord deems reasonably necessary for repairs, alterations, and improvements, and Landlord is not responsible for the stoppage or interruption of any such utilities or other services during such time.

12.7. The failure by Landlord to furnish, or the interruption or termination of utilities or other services in whole or in part, resulting from causes beyond the reasonable control of Landlord (including Force Majeure Event), does not render Landlord liable in any respect, is not to be construed as an eviction of Tenant, and does not relieve Tenant from any of its obligations hereunder.

12.8. Landlord, at Tenant's sole cost and expense, shall provide HVAC to the Premises outside Normal Business Hours, as reasonably requested by Tenant in advance not later than 3:00 p.m. on (i) the business day that additional service is required, or (ii) the last business day prior to a weekend or holiday that additional service is required. The charge to Tenant for after-hours HVAC will not exceed Landlord's standard hourly rates for after-hours HVAC charged from time to time to other tenants in the Building. In addition, as provided in Section 12.4 above, the cost of any separately metered or sub-metered utility service for such after-hours use shall be borne by Tenant.

13. Alterations.

13.1. Except as provided in Section 7 hereof, Tenant shall not make any alterations, additions, or improvements to, or install or otherwise affix any fixtures or trade fixtures to, any portion of the Premises (collectively, “**Alteration**”), either inside or outside, without Landlord’s prior written consent in each instance. Upon any request by Tenant to make any Alteration, Landlord reserves the right to require Tenant to submit to Landlord plans and specifications for such Alteration for Landlord’s approval, and Tenant shall pay Landlord a fee for processing such consent request and reviewing such plans and specifications in an amount equal to five percent (5%) of the total estimated cost of such Alteration. Any Alteration shall become a part of the Premises and Landlord’s property upon the expiration or earlier termination of this Lease; provided, however, that Landlord shall have the right, at Landlord’s sole option at any time, to require that Tenant remove any Alteration, in which case Tenant shall, at Tenant’s cost, promptly remove any such Alteration and repair any damage caused by such removal. If Tenant fails to remove such Alteration or repair any such damage, Landlord may remove such Alteration or repair such damage (as applicable) at Tenant’s cost, and Tenant shall pay Landlord on demand the cost thereof. Landlord’s approval of any Alteration does not constitute an affirmation by Landlord that such Alteration conforms to any Governmental Regulation or any construction or engineering standards.

13.2. At its sole cost and expense, Tenant shall: (i) perform each Alteration in a good and workmanlike manner using only contractors and subcontractors reasonably approved by Landlord; (ii) obtain all necessary governmental permits and certificates necessary for the commencement and completion of each Alteration (if applicable); (iii) cause all Alterations to be performed in compliance with all applicable Governmental Regulations; and (iv) pay Landlord a reasonable fee for Landlord’s supervision of each Alteration for which Landlord’s consent is required and for which Tenant does not engage a third-party construction manager to supervise such Alteration.

13.3. Tenant shall not employ, or permit the employment of, any contractor or laborer, or permit any materials to be delivered to or used in the Building, if such employment, delivery, or use will interfere or cause any conflict or disharmony with other contractors or laborers engaged in the construction, maintenance, or operation of the Building by Landlord, Tenant, or others, or the use and enjoyment of the Building by other tenants or occupants. In the event of such interference, conflict, or disharmony, upon Landlord’s request, Tenant shall cause all contractors or laborers causing such interference or conflict to leave the Building immediately.

14. Liens.

Notice is hereby given that Landlord shall not be liable for any labor or services performed or rendered or materials supplied or furnished to the Premises at the instance of Tenant, and no contractor, subcontractor, supplier, or design professional lien shall attach to or affect the estate or interest of Landlord or Tenant in and to this Lease, the Premises, or the Property. Tenant shall not create or permit to be created any lien, encumbrance, or charge against this Lease, the Premises, or the Property. If any lien, encumbrance, or charge is filed against this Lease, the Premises, or the Property, Tenant shall cause the same to be discharged by payment or by bond within ten (10) business days after the date filed. If Tenant fails to cause any such lien, encumbrance, or charge to be discharged within the permitted time, Landlord may cause it to be discharged and may make any payment which Landlord, in Landlord’s sole judgment, considers necessary, desirable, or proper to do so. If Landlord makes any such payment, all amounts paid by Landlord shall be payable by Tenant to Landlord upon demand.

15. Assignment & Subletting.

15.1. Except as otherwise provided in Section 15.3 below, Tenant shall not sell, assign, encumber, or otherwise transfer by operation of law or otherwise this Lease or any interest herein, sublet the Premises or any portion thereof, or allow any other person or entity to occupy or use the Premises or any portion thereof without the prior written consent of Landlord. Except with respect to the transactions described in Section 15.3 below, Tenant shall, by written notice, advise Landlord of its desire from and after a stated date (which shall not be less than thirty (30) days nor more than ninety (90) days after the date of Tenant's notice) to assign this Lease or to sublet all or any portion of the Premises. Tenant's notice shall include the name and address of the proposed assignee or subtenant, the terms of the proposed assignment or sublet, a copy of the proposed assignment or sublease, and a copy of the proposed assignee's or subtenant's financial information (e.g., balance sheet, income statement, etc.).

15.2. Landlord may terminate this Lease with respect to the portion of the Premises described in Tenant's notice sent pursuant to Section 15.1 above by giving written notice of termination to Tenant within fifteen (15) business days after receipt of Tenant's notice, such termination to be effective as of the proposed date of assignment or sublet set forth in Tenant's notice. If Tenant's notice specifies a portion of the Premises to be sublet in accordance with Section 15.1 above, and Landlord exercises its right to terminate, and this Lease, as so amended, will continue thereafter in full force and effect. Tenant shall, at Tenant's sole cost and expense, discharge in full any commission which may be due and owing as a result of any proposed assignment or subletting, whether or not the Lease is terminated pursuant hereto and rented by Landlord to the proposed subtenant or any other tenant.

15.3. Notwithstanding anything set forth to the contrary in Sections 15.1 or 15.2 herein, Tenant may, without first obtaining Landlord's consent, assign this Lease or sublease all or any portion of the Premises to (i) an entity resulting from a merger or a consolidation with Tenant; (ii) any entity purchasing or succeeding to all or substantially all of the business and assets of Tenant; or (iii) any entity that controls, is controlled by, or is under common control with Tenant (collectively, "**Affiliated Entity**"); provided, however, that Tenant shall give Landlord written notice of any such sublease or assignment not later than ten (10) business days after the effective date of the sublease or assignment accompanied by a copy of the sublease or assignment. Landlord is not entitled to any Transfer Profits (as defined in Section 15.4 below) from a sublease or assignment to an Affiliated Entity.

15.4. Except for an assignment or sublease to an Affiliated Entity as provided in Section 15.3 above, Tenant shall pay to Landlord one hundred percent (100%) of Tenant's profits from any assignment or sublease ("**Transfer Profits**"). All reasonable costs incurred by Tenant ("**Transfer Expenses**") in subleasing or assigning the Premises may be subtracted before determining the Transfer Profits. Tenant's Transfer Expenses may include brokerage commissions, free rent, any improvement allowance, and space planning fees only. Transfer Expenses will be credited to Tenant first rather than amortizing them over the sublease/assignment term.

15.5. Any assignment or subletting does not result in Tenant being released or discharged from any liability or obligation under this Lease. As a condition to Landlord's prior written consent as provided for in this Section 15, the subtenant or assignee must agree in writing to comply with and be bound by all of the terms, covenants, conditions, provisions, and agreements of this Lease, and Tenant shall deliver to Landlord promptly after execution, an executed copy of each sublease, assignment, and agreement of such compliance. In the case of default hereunder after a sublet, Landlord may, in addition to any other remedies herein provided or provided by law, collect directly from the subtenant all rents and other sums becoming due to Tenant under the sublease and apply the rent against any sums due to Landlord by Tenant hereunder, and Tenant hereby authorizes and directs any such subtenant to make payments of rent directly to Landlord upon receipt of notice from Landlord. No direct collection by Landlord from

any subtenant will be construed to constitute a novation or a release of Tenant from the further performance of its obligations hereunder. Receipt by Landlord of rent from any assignee, subtenant, or occupant of the Premises will not be deemed a waiver of the covenants contained in this Lease or a release of Tenant under the Lease. The receipt by Landlord from any subtenant obligated to make payments of rent will be a full and complete release, discharge, and acquittance to the subtenant of its obligations to Tenant to the extent of any such amount of rent so paid to Landlord. Landlord is authorized and empowered, on behalf of Tenant, to endorse the name of Tenant upon any check, draft, or other instrument payable to Tenant with respect to the Premises and evidencing payment of rent, or any part thereof, and to receive and apply the proceeds therefrom in accordance with the terms hereof.

15.6. Landlord's consent to any sale, assignment, encumbrance, subletting, occupation, lien, or other transfer does not release Tenant from any of Tenant's obligations hereunder or be deemed to be consent to any subsequent occurrence. Any sale, assignment, encumbrance, subletting, occupation, lien, or other transfer of this Lease that does not comply with the provisions of this Section 15 is void.

15.7. Except as otherwise provided in Section 15.3 above, the following constitute an assignment, whether the result of a single or a series of transactions, and are subject to Landlord's approval under Section 15.1 above: (i) any transfer of this Lease by merger, consolidation, or liquidation; (ii) any change in ownership of or power to vote the majority of outstanding voting stock of Tenant; (iii) the sale, transfer, mortgage, pledge or encumbrance of the stock or membership interest of Tenant; and (iv) if Tenant is a partnership, any withdrawal, replacement, or substitution of any partner or partners, whether general or limited.

15.8. Tenant shall pay to Landlord a fee of One Thousand Five Hundred Dollars and No Cents (\$1,500.00) for each request to Landlord to consent to an assignment of this Lease or a sublet or other transfer of all or any portion of the Premises, such payment to be delivered to Landlord at the time of Tenant's request.

15.9. Landlord reserves the right to require a Letter of Credit (as defined below) from Tenant (if Landlord does not already have such Letter of Credit from Tenant) and from Tenant's assignee or subtenant regardless of whether or not Landlord consent is required for such assignment or sublet.

15.10. Landlord may assign its interest herein at any time and is relieved from any further liability or obligation accruing under this Lease on or after the effective date of the written assumption by the assignee of all of Landlord's obligations hereunder.

16. Insurance.

16.1. Landlord's Insurance. During the Lease Term, Landlord shall maintain Commercial Property insurance ("**CP Insurance**") on the Building (exclusive of Tenant's Work and any alterations, additions, improvements, and betterments constructed in and about the Premises by Tenant) on a replacement cost basis. Except to the extent caused by the gross negligence or willful or wanton misconduct of Tenant, Landlord hereby waives and releases Tenant of and from any and all rights of recovery, claims, actions, or causes of action against Tenant and any Tenant Party for any loss or damage that may occur to Landlord's property by reason of fire or other casualty, regardless of cause or origin. Landlord shall obtain a waiver of subrogation from its insurers and shall endorse its CP Insurance policy to reflect such waiver of subrogation. The above waiver of subrogation applies whether or not there are any deductibles or self-insured retentions and in the absence of any CP Insurance. Landlord may carry and maintain commercial liability insurance in such amounts as determined by Landlord. The cost of Landlord's insurance is an Operating Expense, and payments for losses under any Landlord insurance policy will be made solely to or on behalf of Landlord or to any mortgagee of Landlord, as their interests may appear.

16.2. Tenant's Insurance.

16.2.1. During the Lease Term, Tenant shall maintain CP Insurance that covers Tenant's Work and any alterations, additions, improvements, and betterments constructed in and about the Premises by Tenant on a full replacement cost basis. The CP Insurance policy shall, at a minimum, insure against the perils included in the ISO special causes of loss form CP 10 30 and any amendments or "all-risk" coverage, including loss or damage due to fire and the risks normally included in extended coverage (flood, windstorm, and earthquake).

16.2.2. Except to the extent caused by the gross negligence or willful or wanton misconduct of Landlord, Tenant hereby waives and releases Landlord of and from any and all rights of recovery, claims, actions, or causes of action against Landlord or a Landlord Party for any loss or damage that may occur to the Tenant's Work and any alterations, additions, improvements, and betterments constructed in and about the Premises by Tenant by reason of fire or other casualty, regardless of cause or origin, including the negligence of Landlord or the Landlord Parties. Tenant shall obtain a waiver of subrogation from its insurers and shall endorse its CP Insurance policy to reflect the above waiver of subrogation. The above waiver of subrogation applies whether or not there are any deductibles or self-insured retentions and in the absence of any CP Insurance.

16.2.3. During the Lease Term, Tenant shall maintain: (i) Commercial General Liability insurance ("**CGL Insurance**") with limits of liability not less than \$1,000,000 per occurrence with a general aggregate of not less than \$2,000,000 covering liability arising from the Premises, its operations, independent contractors, product-completed operations, personal injury, and advertising injury, and also must include a contractual liability endorsement that insures Tenant's assumed liability under this Lease; (ii) Commercial Auto Liability insurance ("**CAL Insurance**") with combined single limits of liability not less than \$1,000,000 covering bodily injury, including death, and property damage for liability arising from use of Tenant's owned, non-owned, and hired vehicles; and (iii) Umbrella Liability insurance ("**Umbrella Liability Insurance**") with limits of liability of not less than \$5,000,000 per occurrence that applies on a "following form" basis and is in excess of the underlying CGL Insurance, CAL Insurance, and EL Insurance limits of liability with the Umbrella Liability Insurance policy listing the CGL Insurance, CAL Insurance, and EL Insurance policies on its schedule of underlying insurance (collectively, "**Liability Insurance**"). Landlord and Tenant acknowledge and agree that Tenant currently maintains, and shall maintain throughout the Lease Term, Workers' Compensation insurance in accordance with all federal and state statutory requirements and Employers' Liability insurance in an amount of not less than \$1,000,000 per occurrence and aggregate and that these coverages are maintained and will be maintained through a self-insured retention.

16.2.4. For each Liability Insurance policy, except CAL Insurance, Tenant shall name Landlord and the Landlord Parties as additional insureds. In addition, the Liability Insurance policies must be endorsed to be primary and non-contributory, rather than excess, with respect to their additional insured status. If a Liability Insurance policy does not contain a standard ISO separation of insureds provision, it must be endorsed to provide cross-liability coverage. Further, the Liability Insurance policies must not (i) contain any endorsement or provision that states the limits of the policy will not stack, pyramid, or be in addition to any other limits provided by that insurer or (ii) have any cross suits exclusion or any similar exclusion that excludes coverage for claims brought by an additional insured under the policy against another insured under the policy.

16.2.5. All insurance policies required by this Section 16.2 (i) must be issued by insurance companies having an "A" rating or better by Standard and Poor's, and if not rated by Standard & Poor's, then a rating of "A" by A.M. Best Company, and (ii) may be satisfied by a primary policy or combination of primary, excess, or umbrella policies. The insurance provisions in this Section 16.2 set

forth the minimum amounts and scopes of coverage to be maintained by Tenant and are not to be construed in any way as a limitation on Tenant's liability under this Lease.

16.2.6. Tenant shall furnish Certificate(s) of Insurance evidencing all of the above-described insurance policies, waivers of subrogation, additional insured obligations, and separation of insured provision prior to or upon execution of this Lease and annually not later than ten (10) business days after the expiration of each policy. Tenant shall notify Landlord within ten (10) business days after Tenant's receipt of any Notice of Cancellation, material modification, reduction in coverage, or non-renewal from its insurer that results in non-compliance with the requirements of this Section 16.2.

16.2.7. If Tenant fails to procure any of the insurance required under this Section 16, or fails to maintain the same in full force and effect continuously during the Lease Term, then Landlord may obtain such insurance and Tenant shall reimburse Landlord upon demand for all costs and expenses of obtaining such insurance.

17. Indemnification.

Tenant shall indemnify, defend, hold harmless, pay, and reimburse Landlord and the Landlord Parties from, for, and against any and all suits, actions, claims, costs, fees, sums, amounts, losses, causes of action, damages, liabilities, and expenses (including reasonable attorneys' fees, court costs, expert witness fees, and alternative dispute resolution expenses) caused in whole or in part, or arising directly or indirectly out of (a) any occurrence or act associated with Tenant's Work and use or occupancy of the Premises; (b) any intentional act or omission of Tenant or a Tenant Party; or (b) any breach by Tenant of its obligations under this Lease, all in an amount not to exceed in aggregate Five Hundred Thousand and 00/100 Dollars (\$500,000.00). The foregoing indemnity survives the expiration or earlier termination of this Lease.

18. Casualty.

18.1. If the Building is, or the Premises are, rendered partially or wholly untenable by fire or other casualty, and if (i) such damage cannot, in Landlord's reasonable estimation, be materially restored within two hundred seventy (270) days after such damage, or (ii) such damage is of a material nature and Landlord reasonably determines that it would not be feasible to restore such damage, or (iii) Landlord reasonably determines that it will not receive sufficient insurance proceeds to restore such damage, then Landlord may, at its sole option, terminate this Lease as of the date of such fire or casualty by giving written notice of termination to Tenant not later than sixty (60) days after the date of such fire or other casualty.

18.2. If this Lease is not terminated pursuant to Section 18.1 above, then Landlord shall proceed, at Landlord's cost and with commercially reasonable due diligence, to repair and restore the Building; provided, however, that Landlord may elect not to restore the Building if the Premises are damaged during the last eighteen (18) months of the Lease Term and Tenant has not yet renewed as provided in Section 5 above (if applicable). Tenant shall proceed with commercially reasonable due diligence to repair and restore Tenant's Work after the Premises have been materially restored by Landlord.

18.3. If this Lease is terminated pursuant to Section 18.1 above, the Lease Term ends on the date of such damage as if that date had been originally fixed as the Expiration Date. If this Lease is not terminated by Landlord pursuant to Section 18.1 above, and if Landlord fails to complete the repairs and material restoration within three hundred thirty (330) days after the date of such damage (subject to extension for Force Majeure Events), Tenant may, at its option and as its sole remedy, terminate this

Lease by delivering written notice to Landlord, whereupon the Lease ends on the date of such notice as if the date of such notice were the date originally fixed in this Lease as the Expiration Date.

18.4. Tenant shall continue the operation of Tenant's business within the Premises to the extent practicable during any period of restoration or repair of the Premises.

18.5. Landlord is not required to rebuild, repair, or replace any portion of Tenant's Work or Alteration. Any insurance which may be carried by Landlord or Tenant against loss or damage to the Building or Premises is for the sole benefit of the party carrying such insurance and under its sole control except that Landlord's insurance may be subject to control by the holder or holders of any indebtedness secured by a mortgage or deed of trust covering any interest of Landlord in the Premises or the Property.

18.6. Notwithstanding anything set forth in this Lease to the contrary, if the holder of any indebtedness secured by a mortgage or deed of trust covering the Property requests that any insurance proceeds be paid to it, and such proceeds are applied to reduce the debt and not made generally available for reconstruction, then Landlord may terminate this Lease by delivering written notice of termination to Tenant within ten (10) business days after such requirement is made (but in no event later than sixty (60) days of such fire or other casualty), whereupon the Lease ends on the date of such damage as if the date of such damage were the date originally fixed in this Lease as the Expiration Date.

18.7. If the Building or the Premises is damaged as provided in this Section 18, and the Lease is not terminated as provided in this Section 18, Tenant shall, upon notice from Landlord, remove forthwith, at its sole cost and expense, all or such portion of the personal property belonging to Tenant or a Tenant Party from the Building or the Premises (as applicable) as Landlord reasonably requests to effect a restoration of the Building or the Premises (as applicable).

19. Eminent Domain.

19.1. If all or any substantial part of the Property or Premises is taken for any public or quasi-public use under applicable Governmental Regulations, or by right of eminent domain, or by private purchase in lieu thereof (collectively, a "Taking"), and the Taking would prevent or materially interfere with Tenant's then existing Permitted Use of the Premises, this Lease terminates effective when the physical Taking occurs in the same manner as if the date of such Taking were the date originally fixed in this Lease as the Expiration Date.

19.2. If there is a Taking and this Lease is not terminated as provided in Section 19.1 above, this Lease will not terminate and Landlord shall undertake to restore the Property or Premises, as applicable, to a condition for Tenant's use, as near to the condition existing prior to such Taking as is reasonably feasible under the circumstances.

19.3. Tenant will not share in any condemnation award or payment in lieu thereof, the same being hereby assigned to Landlord by Tenant; provided, however, that Tenant may separately claim and receive from the condemning authority, if legally payable, compensation for Tenant's removal and relocation costs and for Tenant's loss of business and/or business interruption, except that no such claim will diminish or otherwise adversely affect Landlord's award or the awards of any and all ground and underlying lessors and mortgagees (including deed of trust beneficiaries).

19.4. If the temporary use or occupancy of any part of the Premises is taken or appropriated under power of eminent domain during the Lease Term, this Lease will remain unaffected by such Taking or appropriation. However, in the event of any such temporary appropriation or Taking, Tenant is

entitled to receive that portion of any award that represents compensation for the use of or occupancy of the Premises during the Lease Term and Landlord is entitled to receive that portion of any award that represents the cost of restoration of the Premises and the use and occupancy of the Premises after the end of the Lease Term.

20. Surrender.

20.1. Upon the expiration or earlier termination of this Lease, Tenant shall immediately (i) quit and surrender the Premises to Landlord; (ii) remove from the Premises all of Tenant's Personal Property (as defined below), regardless of whether such Personal Property was placed in the Premises during the initial build-out of the Premises or otherwise, and repair any damage caused by such removal; (iii) remove from the Premises all data and communication cables and wires (collectively, "**Cables**") that Tenant installed (or caused to be installed) at the Premises (including "Abandoned Cable" as such term is defined in the 2002 National Electric Code); (iv) clean the Premises and restore them to their original or better condition, exclusive of ordinary wear and tear; (v) execute any requested bills of sales for the alterations or improvements permitted by Landlord to remain in the Premises free of any and all liens and encumbrances; and (vi) perform all other obligations required of Tenant under the terms of this Lease (e.g., removal of Alterations if required under Section 13 above). "**Personal Property**" means all of Tenant's personal and other property excluding any Alteration but including moveable trade fixtures, moveable equipment, signage, systems, equipment, or accessories installed specifically for Tenant's business (e.g., security, card access, intercom, supplemental HVAC, back-up electrical power, etc., and any associated wiring, plumbing, etc.).

20.2. If Tenant fails to remove Cables as provided above, then Landlord may do so at Tenant's sole cost and expense.

21. Holding Over.

If Tenant holds over and remains in possession of the Premises beyond the expiration or earlier termination of this Lease, such holding over is not deemed or construed to be a renewal of this Lease, or with the consent of Landlord, but constitutes the creation of a month-to-month tenancy which may be terminated by either Landlord or Tenant upon thirty (30) days' prior written notice to the other party. During such holding over, Tenant is bound by the terms and conditions of this Lease, except that during such month-to-month tenancy. Tenant shall indemnify, defend, hold harmless, pay, and reimburse Landlord from and against any and all suits, actions, claims, costs, fees, sums, amounts, losses, causes of action, damages, liabilities, and expenses (including reasonable attorneys' fees, court costs, expert witness fees, and alternative dispute resolution expenses) caused in whole or in part, or arising directly or indirectly out of any holdover by Tenant, including any costs or expenses incurred in connection with any successor tenant of the Premises.

22. Default.

22.1. The following events or occurrences constitute events of default by Tenant under this Lease (each, an "**Event of Default**"): (i) Tenant's failure to make any payment to Landlord within five (5) days of when due; (ii) Tenant's vacation or abandonment of the Premises, or removal of all or substantially all of Tenant's Personal Property or Alterations from the Premises; (iii) Tenant's general assignment of all or substantially all of its assets for the benefit of creditors; (iv) Any attachment or execution against a substantial part of Tenant's assets, or Tenant's interest in this Lease is taken by legal process in any action against Tenant; (v) Tenant's failure to execute an attornment agreement or an estoppel certificate within ten (10) business days of written request therefor as provided in Section 23 and Section 29, respectively, and such failure continues for more than ten (10) days after Tenant's receipt of written notice

of such failure from Landlord; (vi) Tenant's failure to obtain and maintain insurance as required by Section 16.2 above if such failure is not cured within ten (10) business days of Landlord's written notice of such default; (vii) Tenant's filing a petition for relief of any kind under the provisions of any federal, state, or local bankruptcy or insolvency laws or an involuntary petition under any of such laws is filed against Tenant, or a receiver or trustee is appointed for all or substantially all of Tenant's assets; (viii) Tenant's failure to perform any other covenant or condition of this Lease if such failure is not cured within thirty (30) days of Landlord's written notice of such default; or (ix) Tenant dies or becomes incompetent (if an individual) or dissolves or is otherwise prohibited from doing business (if an entity).

22.2. Upon the occurrence of any Event of Default, and in addition to any other rights and remedies under this Lease, at law, or in equity, including distraint, and with or without terminating this Lease, Landlord and its agents and representatives may exercise any or all of the following rights and remedies (and use by Landlord of one or more of the following remedies do not preclude Landlord from simultaneously or later utilizing any one or more of these remedies), without further notice or demand whatsoever:

22.2.1. Landlord may, at its election, upon the occurrence of an Event of Default, bring suit for the collection of any amounts for which Tenant may be in default, for the performance of any covenant or agreement required to be performed by Tenant hereunder, or for Landlord's damages, costs, and reasonable attorneys' fees.

22.2.2. Landlord may, at its election, upon the occurrence of the Event of Default or at any time thereafter, terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying said Premises or any part thereof, by force, if necessary, without being liable for prosecution or any claim of damages therefor. Tenant shall pay to Landlord on demand the amount of all loss and damage which Landlord may suffer by reason of such termination, whether through inability to re-let the Premises on satisfactory terms or otherwise.

22.2.3. Landlord may, at its election, upon the occurrence of an Event of Default, terminate Tenant's right of possession (but not this Lease) and enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any portion thereof, by entry (including the use of force, if necessary), dispossessory suit or otherwise, without thereby releasing Tenant from any liability hereunder, without terminating this Lease, and without being liable for prosecution or any claim of damages therefor.

22.2.4. At any time or from time to time after the repossession of the Premises or any part thereof pursuant to Section 22.2.3 above, whether or not this Lease is terminated pursuant to Section 22.2.2 above, Landlord may (but is under no obligation to) re-let the Premises or any other part thereof for the account of Tenant, in the name of Tenant, Landlord or otherwise, without notice to Tenant, for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the term hereof) and on such conditions (which may include concessions or free rent) and at such a rate (which may be at a rental rate greater than or less than the rent under this Lease) and for such uses as Landlord, in its absolute discretion, may determine, and Landlord may collect and receive any rents payable by reason of such re-letting. Landlord is not responsible or liable for any failure to collect any rent due upon such re-letting.

22.2.5. No expiration or termination of this Lease pursuant to Section 22.2.2 above, by operation of law or otherwise, and no repossession of the Premises or any part thereof pursuant to Section 22.2.3 above or otherwise, and no re-letting of the Premises or any part thereof pursuant to

Section 22.2.4 above, relieves Tenant of its obligations and liabilities hereunder, all of which survive such expiration, termination, repossession, or re-letting.

22.2.6. No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy is cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing at law or in equity. The failure of either party to insist at any time upon the strict performance of any covenant or agreement or to exercise any option, right, power, or remedy contained in this Lease is not to be construed as a waiver or relinquishment thereof for the future. The receipt by Landlord or payment by Tenant of any payment with knowledge of the breach of any covenant or agreement contained in this Lease is not to be deemed a waiver of such breach, and no waiver by either party of any provision of this Lease will be deemed to have been made unless expressed in writing and signed by such party. In addition to the other remedies provided in this Lease, either party is entitled, to the extent permitted by applicable Governmental Regulations, to injunctive relief in case of the violation, or attempted or threatened violation, of any of the covenants, agreements, conditions, or provisions of this Lease, or to a decree compelling performance of this Lease, or to any other remedy allowed to such party at law or in equity.

22.2.7. Landlord may, but is not obligated to, enter upon the Premises and cure any default by Tenant after complying with the notice provisions herein set forth, and whenever Landlord so elects, all costs and expenses paid or incurred by Landlord in curing such default, including reasonable attorneys' fees, is due on demand. Notwithstanding anything to the contrary contained in this Lease, in the event of an emergency, Landlord may immediately enter upon the Premises and cure any such breach or default by Tenant prior to the expiration of the applicable notice and cure period if reasonably necessary to protect the Premises or the Property to prevent injury or damage to persons or property or in the event of any other emergency, and Tenant shall pay to Landlord all amounts expended by Landlord to cure such default within ten (10) business days after Tenant's receipt of invoice therefor accompanied by reasonable supporting documentation.

23. Subordination and Transfer by Landlord.

Tenant's interest under this Lease and in the Premises are and will remain subordinate and subject to every present and future ground lease or underlying lease of the Property and to any and all mortgages, deeds of trust or other security instruments encumbering all or any portion of the Property and/or the Premises (each, a "**Mortgage**") and any extensions, modifications, or renewals thereof, and to all advances made thereunder. This provision is self-operative; provided, however, upon Landlord's request, Tenant shall execute any additional documents as may be required by Landlord or by any third party to evidence such subordination within ten days of Tenant's receipt of such request. If Tenant fails to execute any such documents within ten days of request, then Tenant is deemed to have approved such document and all the information set forth therein. Failure of Tenant to execute any such document within ten days of request is deemed an "**Event of Default**" as set forth in Section 22. If such Event of Default occurs, Tenant hereby appoints Landlord as Tenant's attorney-in-fact to execute such documentation. If Landlord sells or transfers the Premises, or if the Premises are acquired by any person or entity through a foreclosure sale, a deed in lieu of foreclosure, or by the exercise of any right or remedy pursuant to the terms of any Mortgage, then (i) Tenant shall attorn to such purchaser or transferee as Tenant's landlord under this Lease; (ii) Tenant shall continue to perform all of Tenant's obligations under this Lease for such purchaser or transferee; and (iii) Tenant shall look solely to such purchaser or transferee as the landlord under this Lease, Landlord is released from all of its liabilities and obligations hereunder, and Tenant's remedies for any breach of this Lease is solely against such purchaser or transferee.

24. Hazardous Materials.

24.1. Throughout the Lease Term, Tenant and the Tenant Parties shall not cause, permit, or allow any substances, chemicals, materials, or pollutants (whether solid, liquid, or gaseous) deemed to be toxic or hazardous or the manufacture, storage, transport, or disposal of which is regulated, governed, restricted, or prohibited by any Governmental Regulation related to the environment, health, or safety (collectively, the “**Environmental Laws**”), including any oil, gasoline, petroleum, petroleum by-products, asbestos, or asbestos containing materials (collectively, “**Hazardous Materials**”), to be handled, placed, stored, dumped, dispensed, released, discharged, deposited, manufactured, generated, treated, processed, used, transported, or located (collectively, “**released**” or “**release**”) in, on, under, or about the Premises or the Property in violation of applicable Environmental Laws. Upon the expiration or earlier termination of this Lease, Tenant shall, at Tenant’s sole cost and expense, as may be required by applicable Environmental Laws, remove (i) all Hazardous Materials from the Premises (except to the extent placed upon the Premises by Landlord), and (ii) any and all Hazardous Materials released in, on, under, or about the Property by Tenant or a Tenant Party.

24.2. Tenant shall notify Landlord promptly, but in no event later than five (5) business days after Tenant becomes aware, of any release or threatened release of any Hazardous Materials in, on, under, or about the Premises or the Property by Tenant or a Tenant Party in violation of applicable Environmental Laws or any claim or action related thereto. Such notice must include a description of measures proposed to be taken by Tenant to contain and/or remediate the release of such Hazardous Materials and any resultant damage to or impact on property, persons, and/or the environment (which term includes air, soil, surface water, or groundwater). Upon Landlord’s approval and at Tenant’s sole cost and expense, Tenant shall promptly take all steps necessary to clean up and remediate any such release of Hazardous Materials to the extent required by applicable Environmental Laws and otherwise report and/or coordinate with Landlord and all appropriate governmental agencies.

24.3. Tenant shall indemnify, defend, and hold harmless Landlord and the Landlord Parties from and against any and all Liabilities (as defined below) suffered by, incurred by, or assessed against Landlord or a Landlord Party arising out of or resulting from the release, removal, or remediation of any Hazardous Materials in, on, under, or about the Property arising out of or resulting from the act or omission of Tenant or a Tenant Party. Tenant’s obligations and liabilities under this Section 24 survive the expiration or earlier termination of this Lease.

24.4. “**Liabilities**” means any and all liabilities, expenses, demands, fees, sums, amounts, damages (including punitive, exemplary, and consequential damages), costs, cleanup costs, response costs, remediation costs, losses, causes of action, claims for relief, attorneys’ fees, court costs, alternative dispute resolution expenses and other legal fees, other professional fees, penalties, fines, assessments, and charges.

25. Parking.

During the Lease Term, Tenant is hereby granted the non-exclusive right to use, in common with Landlord, other tenants and occupants of the Property and their respective guests, employees and invitees and others granted a right to use, the non-reserved common automobile parking areas located in the Common Areas, as such parking areas are designated and/or modified by Landlord from time to time in its sole discretion. Landlord may reserve parking spaces as it elects and condition the use thereof on such terms as it elects, all in Landlord’s sole discretion.

26. Limitation of Liability.

Any judgment obtained by Tenant against Landlord with respect to this Lease may be satisfied only against the interest of Landlord in the Property. Landlord is not personally liable for any deficiency, and Tenant has no right to levy execution of such judgment against any property of Landlord other than its interest in the Property. In no event will any Landlord Party have any personal liability with respect to this Lease.

27. Entry.

Landlord, the Landlord Parties, and representatives of Landlord's current or prospective lender(s) may enter the Premises at all reasonable times (except in the event of an emergency when such entry may be made at any time) for the purpose of inspecting the Premises, performing alterations, additions, improvements, and repairs to the Premises or adjacent premises, exhibiting the Premises to prospective buyers, mortgagees, or tenants, or for any other reasonable purpose. Any such entry by Landlord shall not unreasonably interfere with Tenant's business. Landlord may take all materials and supplies into the Premises that may be required for the purpose of performing the foregoing alterations, additions, improvements, and repairs without the same constituting a constructive eviction of Tenant, in whole or in part.

28. Signage.

Subject to Landlord's prior written approval, Tenant may, at its sole cost, install an identification sign for the Premises. Such signage must comply with applicable Governmental Regulations and Landlord's signage criteria for the Building (if any). Tenant shall maintain such signage at its sole cost and expense and in a first-class manner.

29. Estoppel.

Tenant shall, from time to time, upon ten (10) business days' prior written notice, deliver to Landlord or its designee or mortgagee, a written statement certifying the following: (a) this Lease is unmodified and is in full force and effect; (b) the amount of rent then payable under this Lease and the date to which rent has been paid; (c) there are no defaults under this Lease by Landlord or Tenant, or a detailed description of such default; (d) Tenant is in possession of the Premises and Tenant's Work is completed in accordance with the terms of this Lease; and (e) any other information reasonably requested. If Tenant fails to execute any such document within ten (10) business days of request, then Tenant is deemed to have approved such document and all the information set forth therein.

30. Landlord's Lien. [Intentionally Omitted].

31. Brokers.

Each party represents to the other that it has had no dealings with any real estate broker, agent, or finder in connection with the negotiation of this Lease other than the Broker(s) and that it knows of no real estate broker or agent entitled to any commission or finder's fee in connection with this Lease other than the Broker(s). Landlord shall pay to the Broker(s) a commission fee pursuant to a separate written agreement with the Broker(s). Each party shall indemnify and hold harmless the other party from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, costs, and expenses (including attorneys' fees and costs) with respect to any leasing commission, finder's fee, or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker, agent, or finder.

32. Notices.

32.1. Written Notice; Delivery Methods. Each party giving or making any notice, request, demand, consent, approval, or other communication (each, a “**Notice**” (but sometimes “**notice**”)) pursuant to this Lease shall: (i) give the Notice in writing; (ii) cause the Notice to be signed by an authorized representative of the sending party (the sending party’s attorney is authorized to sign and send a Notice on behalf of the sending party); and (iii) use one of the following methods of delivery, each of which for purposes of this Lease is a writing: (a) personal delivery; (b) Certified Mail, return receipt requested, with postage paid; (c) nationally recognized overnight courier, with all fees paid; or (d) email (but only if a party’s email address is included in its notice address in the Key Provisions Summary or is otherwise provided to the other party by a Notice).

32.2. Addresses. Each party giving a Notice shall address the Notice to the appropriate person at the receiving party (the “**Addressee**”) at the address(es) listed in the Notice Addresses section of the Key Provisions Summary or to another Addressee or at another address as designated by a party in a Notice pursuant to this Section 32.

32.3. Effectiveness of a Notice. Except as provided elsewhere in this Lease, a Notice is effective only if (i) the party giving the Notice has complied with the two subsections set forth above and (ii) the Notice is deemed to have been received by the Addressee. A Notice is deemed to have been received by the Addressee as follows: (a) if a Notice is delivered in person, sent by Certified Mail, or sent by nationally recognized overnight courier: on the earlier of the date of delivery or the date the Notice is available for pickup, all as evidenced by the records of the delivering person or entity; (b) if a Notice is sent by email: on the date the email Notice is sent to the Addressee’s email address; and (c) if the Addressee rejects or otherwise refuses to accept the Notice (e.g., if the Addressee does not pick up the Notice timely), or if the Notice cannot be delivered because of a change in address for which no Notice was given: upon the rejection, refusal, or inability to deliver the Notice, which shall be deemed to be the date of rejection, refusal, inability to deliver, or availability for pickup, all as evidenced by the records of the delivering person or entity. If a Notice is sent by email, the party sending the Notice also must send, unless such requirement is waived in a return email from the receiving party, a confirmation copy of the Notice by one of the other methods in the first subsection set forth above within three (3) business days after the send date of the email, but the lack of delivery of such other Notice does not negate the email Notice.

32.4. Delivery Time of Notice. Notwithstanding the foregoing, if any Notice is received after 5:00 p.m. on a Business Day where the Addressee is located, or on a day that is not a Business Day where the Addressee is located, then the Notice is deemed received at 9:00 a.m. on the next Business Day where the Addressee is located.

33. Force Majeure.

33.1. Definition. “**Force Majeure Event**” means any act or event, whether foreseen or unforeseen, that meets all three of the following tests: (a) the act or event prevents a party (the “**Non-Performing Party**”), in whole or in part, from (i) performing its obligations under this Lease, or (ii) satisfying any conditions to the obligations of the other party (the “**Performing Party**”) under this Lease; (b) the act or event is beyond the reasonable control of and not the fault of the Non-Performing Party; and (c) the Non-Performing Party has been unable to avoid or overcome the act or event by the exercise of due diligence. In furtherance of the definition of Force Majeure Event and not in limitation of that definition, each of the following acts or events is an example of an act or event that could be a Force Majeure Event if the act or event meets each of the above requirements of this Section 33.1: accident; fire; act of God; act of a public enemy; injunction; riot; strike; lockout; insurrection; war; terrorist attack; court order; requisition or order of governmental body or authority; epidemic, pandemic, or quarantine

(such as the events connected with COVID-19); and inability to procure labor or materials from normally available sources. Notwithstanding the preceding definition of a Force Majeure Event, a Force Majeure Event excludes economic hardship, changes in market conditions, insufficiency of funds (e.g., inability to pay), the obligation to pay rent, surrender obligations (e.g., Section 20), and holdover obligations (e.g., Section 21).

33.2. Suspension of Performance. If a Force Majeure Event occurs, the Non-Performing Party is excused from (i) whatever performance is prevented by the Force Majeure Event to the extent prevented, and (ii) satisfying whatever conditions precedent to the Performing Party's obligations that cannot be satisfied, but only to the extent they cannot be satisfied due to the Force Majeure Event. Notwithstanding the preceding sentence, a Force Majeure Event does not excuse any obligation by either the Performing Party or the Non-Performing Party to make any payment required under this Lease.

33.3. Obligations of Non-Performing Party. Not later than five (5) business days after becoming aware of the occurrence of a Force Majeure Event, the Non-Performing Party shall send written notice to the Performing Party describing the particulars of the occurrence, including an estimate of its expected duration and probable impact on the performance of the Non-Performing Party's obligations under this Lease. During the continuation of the Force Majeure Event, the Non-Performing Party shall (i) furnish timely, regular written reports updating the initial notice and providing any other information reasonably requested by the Performing Party; (ii) exercise commercially reasonable efforts to mitigate or limit damages to the Performing Party; (iii) exercise commercially reasonable due diligence to overcome the Force Majeure Event; (iv) to the extent that it is able, continue to perform its obligations under this Lease; and (v) cause the suspension of performance to be of no greater scope and no longer duration than the Force Majeure Event requires.

33.4. Resumption of Performance. When a Force Majeure Event no longer prevents the Non-Performing Party from (i) resuming performance of its obligations under this Lease, or (ii) satisfying the conditions precedent to the Performing Party's obligations, the Non-Performing Party shall immediately give the Performing Party written notice to that effect and shall resume performance under this Lease no later than five (5) business days after the notice is delivered.

33.5. Exclusive Remedy. The relief offered by this Force Majeure provision is the exclusive remedy available to the Non-Performing Party with respect to a Force Majeure Event. In addition, the liability of either party for an event that arose before the occurrence of the Force Majeure Event is not excused as a result of such occurrence.

34. Rights Reserved to Landlord.

Landlord has the following rights exercisable without notice and without liability to Tenant for damage or injury to property, person or business (all claims for damage being hereby waived and released by Tenant) and without effecting an eviction or disturbance of Tenant's use or possession of the Premises: (i) To change the name or street address of the Building or the suite number of the Premises; (ii) To install and maintain signs on the exterior and interior of the Building; (iii) To designate all sources furnishing sign painting and lettering, towels, coffee cart service, vending machines, or toilet supplies used or consumed in the Premises and the Building; (iv) To have pass keys to the Premises; (v) To grant to anyone the exclusive right to conduct any business or render any service in the Building, provided such exclusive right does not operate to exclude Tenant from the Permitted Use; (vi) To have access to all mail chutes or boxes according to the rules of the United States Postal Service; (vii) To require all persons entering or leaving the Building during such hours as Landlord may from time to time determine in its sole discretion to identify themselves to security personnel by registration or otherwise, and to establish such persons' right to enter or leave the Building, and to exclude or expel any peddler, solicitor, or beggar at any time

from the Property; and (viii) To close the Building on Normal Business Holidays and outside Normal Business Hours subject to Tenant's right to access its Premises at all times as provided in Section 9 above.

35. Additional Terms.

35.1. Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of rent due is deemed to be other than on account of the amount due and no endorsement or statement on any check or payment of rent is deemed an accord and satisfaction.

35.2. No Joint Venture. Landlord and Tenant are deemed and construed as independent contractors with respect to one another for all purposes relating to this Lease, and nothing contained in this Lease is intended to constitute, nor is it deemed or construed as constituting, the creation of any partnership, joint venture, or principal/agent relationship between Landlord and Tenant arising out of the existence or exercise by Landlord or Tenant of their respective rights under this Lease. If Tenant is two or more individuals or entities, such individuals or entities are jointly and severally liable for the performance of all obligations, covenants, and agreements of Tenant in this Lease.

35.3. No Estate. This Lease creates the relationship of landlord and tenant only between Landlord and Tenant and no estate passes out of Landlord. Tenant has only a usufruct, not subject to levy and sale, and not assignable in whole or in part by Tenant except as provided herein.

35.4. Consent to Jurisdiction. Except as expressly provided to the contrary in this Lease, all disputes arising, directly or indirectly, out of or relating to this Lease, and all actions to enforce this Lease, will be dealt with and adjudicated in the local or federal courts of the state, commonwealth, or jurisdiction in which the Premises are located and for that purpose Tenant expressly and irrevocably submits itself to the jurisdiction of such courts. So far as is permitted under applicable law, this consent to personal jurisdiction is self-operative and no further instrument or action, other than service of notice of process as required by applicable Governmental Regulations is necessary to confer jurisdiction upon Tenant in any such court. Any judgment against Tenant in any such action or proceeding is conclusive and, to the extent permitted by applicable Governmental Regulations, enforceable in any other jurisdiction within or outside the United States of America by suit on the judgment, a certified or exemplified copy of which is conclusive evidence of the fact and of the amount of its indebtedness.

35.5. Waiver of Rights. TO THE EXTENT ALLOWED BY APPLICABLE LAW TENANT HEREBY WAIVES FOR ITSELF AND ALL THOSE CLAIMING UNDER IT, ANY RIGHTS WHICH IT MAY HAVE UNDER ANY PRESENT OR FUTURE GOVERNMENTAL REGULATION: (A) TO REDEEM THE PREMISES AFTER TERMINATION OF TENANT'S RIGHT OF OCCUPANCY BY ORDER OR JUDGMENT OF ANY COURT OR BY ANY LEGAL PROCESS OR WRIT; (B) WHICH EXEMPTS PROPERTY FROM LIABILITY FOR DEBT OR FOR DISTRESS FOR RENT; (C) WHICH ENTITLES TENANT TO NOTICE OR HEARING PRIOR TO LANDLORD OBTAINING ANY PREJUDGMENT REMEDY; AND (D) WHICH ENTITLES TENANT TO RECEIVE ANY PRIOR NOTICE TO QUIT AS A CONDITION PRECEDENT TO LANDLORD'S FILING OF A COMPLAINT AND SUMMONS FOR IMMEDIATE POSSESSION OR OCCUPANCY OF THE PREMISES.

35.6. Acceptance of Keys. The acceptance of keys to the Premises by Landlord, its agents, employees, contractors, or any other person on Landlord's behalf is not to be deemed and does not constitute an early termination of this Lease unless such early termination is evidenced in writing and signed by Landlord.

35.7. Successors or Assigns. The terms, conditions, covenants, and agreements of this Lease extend to and are binding upon Landlord, Tenant, and their respective heirs, administrators, executors, legal representatives and permitted successors, subtenants, and assigns, if any, and upon any person or entity coming into ownership or possession of any interest in the Premises by operation of law or otherwise.

35.8. Severability. If any term, covenant, or condition of this Lease or the application thereof to any person or circumstance is, to any extent, invalid, illegal, or unenforceable, the remainder of this Lease, or the application of such term, covenant, or condition to parties or circumstances other than those to which it is held invalid, illegal, or unenforceable, is not affected thereby and each term, covenant, and condition of this Lease remains valid and enforceable to the fullest extent permitted by law, but only if the essential terms and conditions of this Lease for each party remain valid, binding, and enforceable.

35.9. Memorandum of Lease. Neither Landlord nor Tenant shall permit, allow or cause this Lease, or any amendment to this Lease, to be recorded in any public registry or office of register of deeds; provided, however, at the request of either party, Landlord and Tenant shall execute a recordable memorandum of this Lease setting forth the names and addresses of the parties, a reference to this Lease with its date of execution, specific legal descriptions of the Premises and the Property, the actual Commencement Date, the Lease Term, any Renewal Term(s), and all other information that may be required by statute, which memorandum may be recorded by Tenant at Tenant's expense or by Landlord at Landlord's expense in the appropriate public records of the jurisdiction in which the Premises are situated. Notwithstanding the foregoing, Landlord and Tenant acknowledge and agree that the Lease shall constitute a public document and may be subject to public disclosure pursuant to Pennsylvania's Right-to-Know Law, *as amended* 65 P.S. Section 67.101.

35.10. Waiver. The parties may waive any provision of this Lease only by a writing executed by the party or parties against whom the waiver is sought to be enforced. No failure or delay in exercising any right or remedy or in requiring the satisfaction of any condition under this Lease, and no act, omission, or course of dealing between the parties, operates as a waiver or estoppel of any right, remedy, or condition. A waiver once given is not to be construed as a waiver on any future occasion or against any other person or entity.

35.11. Amendment. The parties may amend this Lease only by a written agreement of the parties that identifies itself as an amendment to this Lease.

35.12. Headings & Interpretation. The descriptive headings/captions of the sections and subsections of this Lease are for convenience only, do not constitute a part of this Lease, and do not affect this Lease's construction or interpretation. Whenever used in this Lease: (i) the words "herein", "hereof", and similar words refer to this Lease in its entirety and not solely to any specific sentence, paragraph, or section; (ii) the words "include," "includes," and "including" mean considered as part of a larger group, incorporate "without limitation", and are not limited to the items recited; (iii) the word "shall" means "is obligated to"; (iv) the word "may" means "is permitted to, but is not obligated to"; and (v) unless otherwise noted reference to a specific Section or Exhibit is a reference to a Section or Exhibit in this Lease.

35.13. Choice of Law. The laws of the state, commonwealth, or jurisdiction where the Premises are located (without giving effect to its conflict of laws principles) govern all matters arising out of or relating to this Lease and the transactions it contemplates, including its interpretation, construction, performance, and enforcement.

35.14. Authority to Execute. Each party represents to the other that this Lease: (i) resulted from an arm's-length negotiation; (ii) has been duly authorized, executed, and delivered by and on behalf of such party; and (iii) constitutes the valid, binding, and enforceable agreement of such party in accordance with the terms of this Lease. In addition, Tenant represents to Landlord that Tenant has the full right, power, and authority to enter into this Lease without the necessity of obtaining any third-party approval (other than those already obtained by Tenant) and that the terms of this Lease do not violate any lease, loan, condition, covenant, restriction, exclusive, or any other agreement or provisions which existed prior to the date of this Lease.

35.15. No Construction Against Drafting Party. Landlord and Tenant acknowledge that each of them and their respective counsel have had an opportunity to review this Lease and that this Lease will not be construed for or against either party merely because such party prepared or drafted this Lease or any particular provision thereof.

35.16. Counterparts & Digital Signatures. The parties may execute this Lease in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. The signatures of all parties need not appear on the same counterpart. This Lease is valid, binding, and enforceable against a party only when executed by an authorized individual on behalf of a party by means of (i) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, or any other relevant and applicable electronic signatures law; (ii) an original manual signature; or (iii) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature has for all purposes the same validity, legal effect, and admissibility in evidence as an original manual signature. This Lease is effective upon delivery of one executed counterpart from each party to the other party(ies). In proving this Lease, a party must produce or account only for the executed counterpart of the party to be charged.

35.17. Acceptance. The submission of this Lease to Landlord by Tenant or to Tenant by Landlord does not constitute an offer to lease. This Lease becomes effective only upon the execution and delivery thereof by both Landlord and Tenant.

35.18. Damages. Notwithstanding anything set forth in this Lease to the contrary, neither party is liable to the other for any special, indirect, punitive, or consequential damages.

35.19. Time of the Essence. Time is of the essence in this Lease.

35.20. Business Days. “**Business Day**” (or “**business day**”) means, as to any party, any day that is not a Saturday, Sunday, or other day on which national banks are authorized or required to close in the state, commonwealth, or jurisdiction where the Premises are located (“**Bank Holiday**”). To compute a time period under this Lease when the period is stated in days or a longer unit of time: (i) exclude the day of the event that triggers the period; (ii) count every day, including intermediate Saturdays, Sundays, and Bank Holidays; and (iii) include the last day of the period, but if the last day is a Saturday, Sunday, or Bank Holiday, the period continues to run until the end of the next day that is not a Saturday, Sunday, or Bank Holiday.

35.21. Attorneys' Fees. In the event of any litigation related to this Lease, whether to enforce its terms, recover for default, or otherwise, if either party receives a judgment, settlement, or award in its favor (the “**Receiving Party**”) against the other party (the “**Paying Party**”) in such litigation, the Paying Party shall pay upon demand all of the Receiving Party's costs, charges, and expenses (including reasonable attorneys' fees, court costs, and expert witness fees) arising out of such litigation (including the costs of any appeal related thereto); provided, however, that if prior to commencement of a trial in

the litigation the Paying Party offers to pay an amount equal to or in excess of such judgment, settlement, or award, the Receiving Party is not entitled to any such costs, charges, expenses, or attorneys' fees.

35.22. Third-Party Beneficiaries. This Lease does not and is not intended to confer any rights or remedies upon any person or legal entity other than the signatories.

35.23. Survival. The provisions of this Lease that would require that they survive the expiration or earlier termination of the Lease in whole or part to give them full effect survive the expiration or termination of this Lease in whole or part for any reason, regardless of the date, cause, or manner of such expiration or termination. In addition, all rights of action arising from or related to this Lease that accrue during the Lease Term, and any remedies for such claims, both legal and equitable, survive expiration or earlier termination.

35.24. Confidentiality. [Intentionally Omitted].

35.25. Voluntary Programs. Landlord may institute certain voluntary programs for the Property that Landlord believes will be in the best interest of the Property and its tenants. Such programs may include, but shall not be limited to, recycling and/or car-pooling programs. Tenant shall promptly, at no cost or expense, comply with and carry out its obligations under such programs, as the same may exist from time to time. However, Tenant is not obligated to join, participate in, or contribute to an advertising program or merchants' association.

35.26. Anti-Money Laundering, Sanctions, and Anti-Corruption.

35.26.1. “AML Laws” means all U.S. anti-money laundering laws that criminalize money laundering or any predicate crimes to money laundering. “**Anti-Corruption Laws**” means the U.S. Foreign Corrupt Practices Act and any similar applicable statute, rule, or regulation relating to bribery or corruption. “**Sanctions**” means any economic, trade, or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes, or anti-terrorism laws imposed from time to time by the United States government including but not limited to those administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control. Each party represents to the other party that it is not a target of Sanctions and will not directly or indirectly transfer any of its interest in the Lease to a target of Sanctions. At all times during the Lease Term each party shall not violate applicable Sanctions, AML Laws, or Anti-Corruption Laws to the extent that such violation results in it being unlawful for the non-violating party to transact business under the Lease with the violating party. If a violation occurs that results in it being unlawful for the non-violating party to transact business under the Lease with the violating party, the non-violating party may suspend, upon written notice thereof to the violating party, any monetary obligations under the Lease until such time as the violating party is no longer in violation. In addition, if such violation is not cured promptly, the non-violating party may terminate the Lease upon prior written notice thereof to the violating party.

35.26.2. “Sanctions Info” means (i) full legal name, (ii) TIN/SSN for an entity or individual, as applicable, that is a party to the Lease, and (iii) full current business street address. “**Entity Signatory**” (collectively, “**Entity Signatories**”) means an entity that executes this Lease directly or indirectly for an entity party. Tenant shall, prior to execution of this Lease, deliver to Landlord a notice setting forth Sanctions Info for all entities and individuals that are a party to the Lease and for all Entity Signatories (e.g., if the entity executing this Lease is John Smith LLC (the entity party) by Peter Jones LLC, its sole manager (the Entity Signatory), by Jack Miller, its sole manager, then the notice must include Sanctions Info for John Smith LLC and for Peter Jones LLC, but not for Jack Miller). Thereafter, each party shall, within five (5) business days after receipt of written notice thereof from the other party,

deliver to the requesting party a notice setting forth the Sanctions Info (see example above) for all entities and individuals that are a party to the Lease and for all Entity Signatories.

35.27. Lease Date. The date this Lease is signed by the last party to sign it (as indicated by the date associated with that party's signature) will be deemed the date of this Lease. If a party signs but fails to date a signature the date that the other party receives the signing party's signature will be deemed to be the date that the signing party signed this Lease and the other party may inscribe that date as the date associated with the signing party's signature; provided, however, if only one party dated this Lease, then such date is the date of this Lease.

35.28. Merger/Prior Agreements. THIS LEASE CONSTITUTES THE FINAL AGREEMENT BETWEEN THE PARTIES. IT IS THE COMPLETE AND EXCLUSIVE EXPRESSION OF THE PARTIES' AGREEMENT ON THE MATTERS CONTAINED IN THIS LEASE. ALL PRIOR AND CONTEMPORANEOUS NEGOTIATIONS AND AGREEMENTS BETWEEN THE PARTIES ON THE MATTERS CONTAINED IN THIS LEASE ARE EXPRESSLY MERGED INTO AND SUPERSEDED BY THIS LEASE. THE PROVISIONS OF THIS LEASE MAY NOT BE EXPLAINED, SUPPLEMENTED, OR QUALIFIED THROUGH EVIDENCE OF TRADE USAGE OR A PRIOR COURSE OF DEALINGS. IN ENTERING INTO THIS LEASE, THE PARTIES HAVE NOT RELIED UPON ANY STATEMENT, REPRESENTATION, OR AGREEMENT OF THE OTHER PARTY EXCEPT FOR THOSE EXPRESSLY CONTAINED IN THIS LEASE. THERE IS NO CONDITION PRECEDENT TO THE EFFECTIVENESS OF THIS LEASE OTHER THAN THOSE EXPRESSLY STATED IN THIS LEASE.

36. Waiver of Jury Trial.

EACH PARTY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY TO THE EXTENT PERMITTED BY LAW IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS LEASE AND THE TRANSACTIONS IT CONTEMPLATES. THIS WAIVER APPLIES TO ANY ACTION OR OTHER LEGAL PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. EACH PARTY ACKNOWLEDGES THAT IT HAS RECEIVED THE ADVICE OF COMPETENT COUNSEL.

[Remainder of Page Left Blank Intentionally –
Signatures on Following Page(s)]

The parties hereby execute this Lease as of the dates set forth below.

Landlord:

Tenant:

WELLS FARGO BANK, N.A.

CITY OF BETHLEHEM

By: _____

By: _____

Print Name: _____

Print Name: J. William Reynolds

Title: _____

Title: Mayor

Date: _____

Date: _____

By: _____

By: George Yasso

Print Name: _____

Title: Controller

Title: _____

Date: _____

Date: _____

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EXHIBIT A

SITE PLAN/FLOOR PLAN

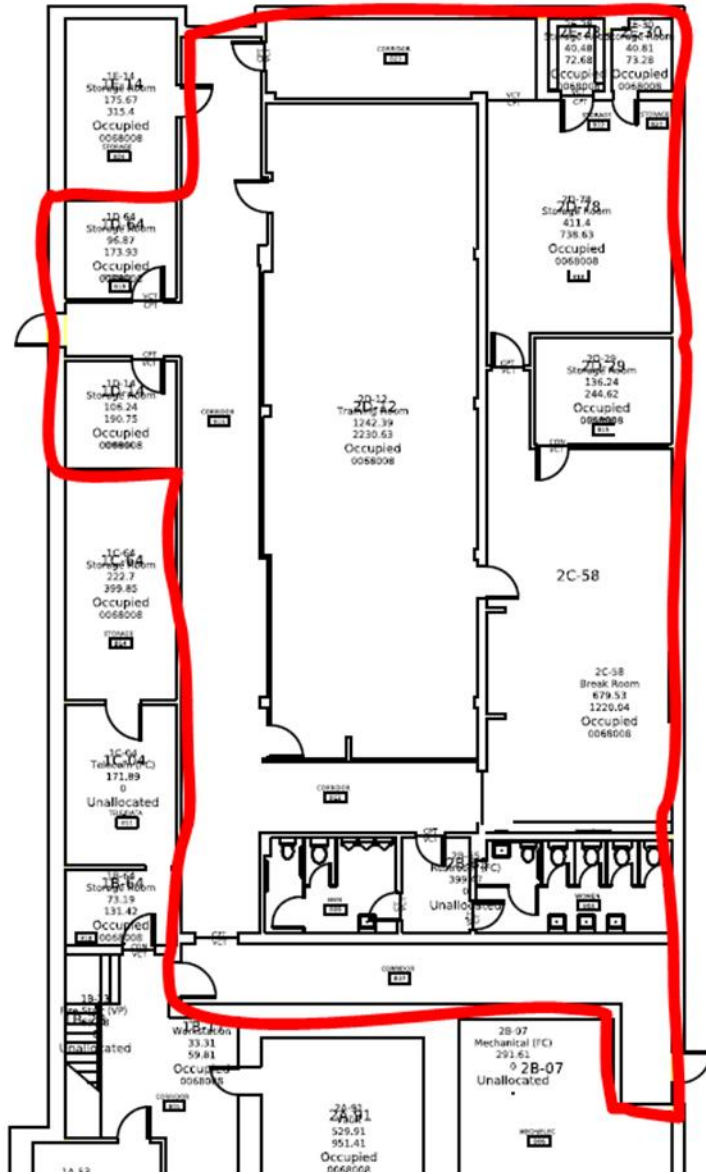


EXHIBIT B

RULES AND REGULATIONS

1. Smoking, whether cigarettes, cigars, or otherwise, is prohibited at all times at the Property (including within the Building and the Premises).
 2. Tenant shall not obstruct, or use for any purpose other than ingress and egress, any sidewalk, hall, passage, exit, entrance, elevator, or stairway (collectively, "**Access Areas**"). The Access Areas are not intended for use by the general public and Landlord may at all times control and prevent access thereto by all persons whose presence, in the reasonable judgment of Landlord, is prejudicial to the safety, character, reputation, or interests of the Building; provided, however, that nothing herein is construed to prevent access by persons with whom Tenant normally deals in the ordinary course of Tenant's business unless such persons are engaged in illegal, immoral, or improper activities. Tenant and the Tenant Parties are not allowed access to the roof of the Building except as otherwise specifically provided in the Lease.
 3. Tenant shall not inscribe, paint, affix, install, or otherwise display any sign, picture, placard, name, advertisement, or notice (each, a "**Sign**"), within the Premises and visible from the exterior of the Premises, or on any part of the Building, without the prior written consent of Landlord, which consent may be withheld by Landlord in its sole discretion. Landlord may, without notice and at Tenant's sole cost and expense, remove any unapproved Sign. Only contractors approved by Landlord may install approved Signs. Installation of Signs will be at Tenant's sole cost and expense.
 4. Except as otherwise approved as part of Tenant's Work, no curtains, draperies, blinds, shutters, shades, screens or other coverings, awnings, hangings, or decorations may be attached to, hung, or placed in or used in connection with, any window or door in the Premises without the prior written consent of Landlord (which consent may be withheld by Landlord in its sole discretion). All such items may only be installed in such a manner that they are in no way visible from the exterior of the Building. Tenant shall not place or keep any articles (i) on the windowsills so as to be visible from the exterior of the Building, or (ii) placed against glass partitions or doors that might appear unsightly from outside the Premises.
 5. Landlord may exclude from the Building all persons who are not a Tenant Party. For example, Landlord may exclude or expel from the Building any person who, in Landlord's judgment, is intoxicated or under the influence of liquor or drugs or who is in violation of any of the Rules and Regulations. Landlord is not liable for any damages for excluding any person from the Building. Landlord may evacuate the Building and/or prevent access to the Building during a Force Majeure Event.
 6. Tenant shall not engage or allow any janitorial service or person other than the janitorial service or staff engaged by Landlord to clean the Premises without the prior written consent of Landlord, which consent may be withheld by Landlord in its sole discretion. Landlord is not responsible for loss or damage to any property of Tenant or a Tenant Party, regardless of cause. Landlord is not responsible for the failure to provide janitorial services to the Premises if Landlord is precluded from providing such janitorial services because the Premises are occupied or being used after Normal Business Hours.
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7. Tenant shall ensure, before leaving the Premises each day, that all doors to the Premises are closed and securely locked, that all water faucets or water apparatus are shut off, and that the utilities (if applicable) are shut off. Tenant shall keep the door(s) to the Building corridors, stairwells, and rest rooms closed at all times except for ingress and egress.
 8. Tenant shall not waste electricity, water, or air conditioning, shall cooperate fully with Landlord to assure the most effective operation of the Building's HVAC system, and shall refrain from adjusting any controls. Tenant shall keep window coverings in the Premises closed when the effect of sunlight or cold weather would impose unnecessary loads on the Building's HVAC system.
 9. Tenant shall not alter any lock or access device or install a new or additional lock or access device to any door within the Premises. Tenant shall not make or have made additional copies of any keys or access devices provided to Tenant by Landlord. Tenant shall, upon the expiration or earlier termination of this Lease, deliver to Landlord all keys or access devices for the Building and its facilities. Tenant shall reimburse Landlord for the cost to replace any keys or access devices lost by Tenant.
 10. The toilet rooms, toilets, urinals, wash bowls, and other apparatus must not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever, including coffee grounds, may be thrown therein.
 11. Tenant shall not use or keep within the Premises or the Building any kerosene or gasoline. Tenant shall not use any method of heating or air conditioning other than the Building's HVAC system.
 12. Except for animals used to assist the disabled or law enforcement or emergency service canines, animals are not allowed in the Building or the Premises.
 13. Tenant shall not use the Premises for cooking or otherwise preparing food or for lodging or residential purposes; provided, however, that Tenant may use Underwriter's Laboratory approved microwave ovens to heat food items, ice machines, cold beverage machines, vending machines, and equipment for the preparation of coffee, tea, hot chocolate, and similar beverages.
 14. Except with the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion, Tenant shall not sell or permit the sale of newspapers, magazines, periodicals, theater tickets, movie tickets, lottery tickets, or any other goods or merchandise within the Premises. Tenant shall not install an ATM within the Premises. Tenant shall not use the Premises for a stenography, typewriting, printing, photocopying, or similar business, for the storage of merchandise or the manufacture of any item, or as a barbershop or beauty parlor. Tenant shall not accept barbering or shoeshine services in the Premises except from persons authorized by Landlord to provide such services.
 15. Tenant shall comply with Landlord's reasonable installation instructions if Tenant requires telegraphic, telephonic, burglar alarm, or similar services. Landlord will direct electricians as to where and how telephone, telegraph, and electrical wires are to be introduced or installed. No boring or cutting for wires will be allowed without the prior written consent of Landlord. The location of burglar alarms, telephones, call boxes, and other office equipment affixed to the Premises is subject to the prior written approval of Landlord.
 16. Tenant shall not use or permit the Premises to be used for any purpose that, in Landlord's reasonable opinion, creates a nuisance or disturbs any other tenant or occupant of the Property (e.g., emitting from the Premises foul or noxious odors, loud noises, vibrations, etc.).
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17. Tenant shall not install any radio or television antenna, loudspeaker, or any other device on the exterior walls or the roof of the Building. Tenant shall not interfere with radio or television broadcasting or reception at the Building.
 18. Tenant shall not install linoleum, tile, carpet, or any other floor covering so that the same is affixed to the floor of the Premises in any manner that has not been approved by Landlord prior to installation. Tenant shall reimburse Landlord for all costs incurred by Landlord to remove any such floor covering.
 19. No furniture, freight, equipment, materials, supplies, packages, merchandise, or other property will be received in the Building or carried up or down the elevators except during such hours and in such elevators as Landlord designates. Landlord may prescribe the weight, size, and position of all safes, furniture, files, bookcases, or other heavy equipment brought into the Building. Safes or other heavy objects shall, if considered necessary by Landlord, stand on wood strips of such thickness as determined by Landlord to be necessary to distribute properly the weight thereof. Landlord is not responsible for loss of or damage to any such safe, equipment, or property from any cause, and all damage done to the Building by moving or maintaining any such safe, equipment, or other property shall be repaired at Tenant's expense. Business machines and mechanical equipment belonging to Tenant which cause noise or vibration that may be transmitted to the structure of the Building or to any space therein to such a degree as to be objectionable to Landlord or to any tenants in the Building must be placed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other devices sufficient to eliminate noise or vibration. Tenant may move equipment, safes, etc., in or out of the Building only by a contractor approved by Landlord.
 20. Tenant shall not place a load upon any floor of the Premises that exceeds the load per square foot that such floor was designed to carry, and which is allowed by applicable Governmental Regulations. Tenant shall not mark, drive nails, screw, or drill into the partitions, woodwork, or plaster or otherwise deface the Premises; provided, however, that Tenant shall be entitled to hang pictures or other works of art within the Premises in a manner similar to other modern office tenants.
 21. Tenant shall not use any hand truck, cart, dolly, pallet jack, lift, or other material transportation device that does not conform to the transportation device standards set by Landlord from time to time (a copy of such standards is available upon request). Bicycles, Segways, scooters, skateboards, and other personal transportation devices are prohibited in the Building and the Premises except in areas specifically designated for securing such personal transportation devices (e.g., a bicycle rack).
 22. Tenant shall store all its trash and garbage within the interior of the Premises. Tenant shall not place any material in the trash boxes or receptacles that cannot be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage without violation of applicable Governmental Regulations. All trash, garbage, and refuse disposal must be made only through entryways and elevators provided for such purposes and at such times as Landlord designates.
 23. Tenant shall not canvass, solicit, distribute handbills or other written materials, or peddle at the Property. Tenant shall cooperate with Landlord in preventing others from engaging in any such activities.
 24. Without the prior written consent of Landlord, Tenant shall not use the name or likeness of the Building or its components in connection with or in promoting or advertising the business of Tenant; provided, however, that Tenant may use the name of the Building as part of its address.
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25. Tenant shall comply with all energy conservation, safety, fire protection, and evacuation procedures and regulations established by Landlord or any governmental agency.
 26. [Intentionally Omitted]..
 27. An authorized individual will attend to the requirements of Tenant only upon application at the office of the Building. Employees of Landlord shall not perform any work or do anything outside of their regular duties unless under special instructions from Landlord, and no employees will admit any person (tenant or otherwise) to any office without specific instructions from Landlord.
 28. Tenant may install wallpaper or vinyl fabric materials on painted walls using only a strippable adhesive. If Tenant uses a non-strippable adhesive, Tenant shall reimburse Landlord for any cost or damages arising therefrom.
 29. Tenant shall refer to Landlord for Landlord's supervision, approval, and control all contractors, contractor's representatives, and installation technicians rendering any service to Tenant in the Building, including the installation of telephones, telegraph equipment, and other electrical as well as any installation of any nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment, or other physical portion of the Premises or Building. Tenant shall ensure that its contractors, vendors, suppliers, etc., comply with the contractor rules and regulations established by Landlord from time to time (if any).
 30. Tenant shall give prompt notice to Landlord of any accidents to or defects in plumbing, electrical fixtures, or heating apparatus so that such accidents or defects may be attended to promptly.
 31. Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular tenant or tenants, but no such waiver by Landlord will be construed as a waiver of such Rules and Regulations in favor of any other tenant or tenants, nor prevent Landlord from thereafter enforcing any such Rules and Regulations against any or all tenants of the Building.
 32. Landlord reserves the right to make such other reasonable rules and regulations as in its judgment may from time to time be needed for the operation and maintenance of the Building. Tenant shall abide by all Rules and Regulations adopted by Landlord after written notice thereof. Tenant shall be responsible for the observance of all Rules and Regulations by the Tenant Parties. If there is a conflict between the Rules and Regulations and the terms of the Lease, the terms of the Lease shall control.
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