
PARK 370
Multi-Tenant Industrial/Commercial Lease
(Net)

Between

WESTCORE DELTA LLC,
a Delaware limited liability company
(LESSOR)

and

GULF PACKAGING, INC.,
a Texas corporation
(LESSEE)

Date: May 24, 2013

SIC: _____

TABLE OF CONTENTS

<u>SUBJECT MATTER</u>	<u>PAGE</u>
1. Basic Provisions.....	1
2. Premises, Parking and Common Areas.....	2
3. Term.....	4
4. Rent.....	5
5. Security Deposit.....	7
6. Use.....	8
7. Maintenance, Repairs, Utility Installations, Trade Fixtures and Alterations	10
8. Insurance; Indemnity.....	12
9. Damage or Destruction.....	14
10. Real Property Taxes.....	17
11. Utilities.....	18
12. Assignment and Subletting.....	18
13. Default; Breach; Remedies.....	20
14. Condemnation.....	22
15. Brokers.....	22
16. Estoppel Certificate and Financial Statements.....	23
17. Lessor's Liability.....	23
18. Severability.....	23
19. Interest on Past-Due Obligations.....	23
20. Time of Essence.....	23
21. Rent Defined.....	23
22. No Prior or Other Agreements.....	23
23. Notices.....	23
24. Waivers.....	24
25. Recording.....	24
26. No Right To Holdover.....	24
27. Cumulative Remedies.....	24
28. Covenants and Conditions.....	24
29. Binding Effect; Choice of Law.....	24
30. Subordination; Attornment; Non-Disturbance.....	24
31. Attorneys' Fees.....	25
32. Lessor's Access; Showing Premises; Repairs.....	25
33. Auctions.....	25
34. Signs.....	25
35. Termination; Merger.....	25

36.	Consents.....	25
37.	Guarantor.	26
38.	Quiet Possession.	26
39.	Rules and Regulations.....	26
40.	Substitution Space.....	26
41.	Security Measures.	26
42.	Reservations.	26
43.	OFAC Compliance.....	26
44.	Authority.	26
45.	Conflict.	26
46.	Offer; Counterparts.	26
47.	Amendments.	26
48.	Multiple Parties	27
49.	Construction.....	27

Exhibit A	PREMISES
Exhibit B	INDUSTRIAL CENTER
Exhibit C	INTENTIONALLY OMITTED
Exhibit D	INTENTIONALLY OMITTED
Exhibit E	RULES AND REGULATIONS
Exhibit F	INTENTIONALLY OMITTED
Exhibit G	HAZARDOUS SUBSTANCES SURVEY FORM
Exhibit H	MOVE OUT STANDARDS

PARK 370

Multi-Tenant Industrial/Commercial Lease

(Net)

1. Basic Provisions

1.1 **Parties:** This Lease ("Lease"), effective May 24, 2013 ("Effective Date"), is made by and between WESTCORE DELTA LLC, a Delaware limited liability company ("Lessor"), and GULF PACKAGING, INC., a Texas corporation ("Lessee"), (collectively the "Parties," or individually a "Party").

1.2 Premises; Parking.

(a) **Premises:** All or a portion of that certain building ("Building"), including all improvements therein or to be provided by Lessor under the terms of this Lease, commonly known by the street address of 4774 Park 370 Boulevard, Suite 1B, Hazelwood, Missouri 63042, and containing approximately thirty thousand eight hundred thirty nine (30,839) square feet as outlined on Exhibit A attached hereto ("Premises"). In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, exterior walls, structural components or utility raceways of the Building or to any other buildings in the Industrial Center (defined below). The Premises, the Building, the Common Areas, the land upon which they are located (the "Land"), along with all other buildings and improvements now or hereafter thereon, including those two other buildings located at 1600 Park 370 Place and 4702 Park 370 Boulevard, are herein collectively referred to as the "Industrial Center" and are depicted on Exhibit B. The Industrial Center contains an aggregate of approximately 812,995 square feet. (Also see Paragraph 2.)

(b) **Parking:** So long as Lessee shall not be in Breach (as defined below), Lessee shall be entitled to the use, on an unreserved as-available basis, of a proportionate share of vehicle parking spaces within the Building based upon Lessee's Share (as defined in Paragraph 1.7 below), which currently equals up to thirty-one (31) unreserved parking spaces ("Parking Spaces"). (Also see Paragraph 2.6.)

1.3 **Term:** The term of this Lease shall be for a period of five (5) years and four (4) months ("Original Term") commencing on June 1, 2013 ("Commencement Date"). The term "Expiration Date" shall mean September 30, 2018. For purposes of this Lease, the "Term" of this Lease shall refer to the Original Term, as it may be extended or renewed by any properly exercised options granted hereunder. (Also see Paragraph 3.)

1.4 **Early Possession:** Not applicable. (Also see Paragraphs 3.2 and 3.3.)

1.5 **Base Rent:** Payable monthly, on the first day of each month, in the amount described below, calculated on a net basis ("Base Rent"), and commencing on the Commencement Date. (Also see Paragraph 4.)

<u>Period</u>	<u>Monthly Installment of Base Rent</u>
June 1, 2013 – September 30, 2013	\$0.00
October 1, 2013 – September 30, 2016	\$9,251.70
October 1, 2016 – September 30, 2018	\$10,151.17

1.6 **Advance Rent Paid Upon Execution:** Thirteen Thousand Nine Hundred Twenty Eight and 95/100 Dollars (\$13,928.95) representing Lessee's first installment of Base Rent and Lessee's Share of Common Area Operating Expenses due for the Original Term.

1.7 **Lessee's Share of Common Area Operating Expenses:** Three and 79/100 percent (3.79%) as to the Industrial Center and seventeen and 68/100 percent (17.68%) as to the Building ("Lessee's Share") which may be adjusted by Lessor from time to time, in Lessor's sole discretion based on changes in the size of and/or number of buildings comprising the Industrial Center.

1.8 **Security Deposit:** Thirteen Thousand Nine Hundred Twenty Eight and 95/100 Dollars (\$13,928.95) ("Security Deposit"). (Also see Paragraph 5.)

1.9 **Permitted Use:** Lessee shall use and occupy the Premises solely for the purpose of distribution of industrial packaging equipment and materials, as may be permitted under existing laws governing the Premises and for no other use or purpose ("Permitted Use"). (Also see Paragraph 6.)

1.10 (a) **Real Estate Brokers.** The following real estate broker(s) (collectively, the "Brokers") and brokerage relationships exist in this transaction and are consented to by the Parties (check applicable boxes):

☒ Jones Lang LaSalle represents Lessor exclusively ("Lessor's Broker");

☒ NAI DESCO represents Lessee exclusively ("Lessee's Broker"); or

☐ _____ represents both Lessor and Lessee ("Dual Agency"). (Also see Paragraph 15.)

(b) **Payment to Brokers.** Following the execution of this Lease by both Parties, Lessor shall pay to said Broker(s) jointly, or in such separate shares as they may mutually designate in writing, a fee as set forth in a separate written agreement between Lessor and said Broker(s)

1.11 **Guarantor(s):** None. (See also Paragraph 37)

1.12 **Lessee Insurance Coverage Minimums:**

(a) **Liability:** \$1,000,000 per occurrence/\$2,000,000 general aggregate

(b) **Property:** Full Replacement Cost

(c) **Umbrella:** \$2,000,000

(d) **Business Interruption:** 12 months

(e) **Automobile Liability:** \$1,000,000

(f) **Workers' Compensation:** As required by law

(g) **Employer's Liability:** \$1,000,000

1.13 **Exhibits.** Attached hereto are Exhibits A through H, all of which constitute a part of this Lease.

2. Premises, Parking and Common Areas

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the Term, at the Rent (defined below), and upon all of the terms, covenants and conditions set forth in this Lease. Unless otherwise provided herein, any statement of square footage set forth in this Lease, or that may have been used in calculating Base Rent, Lessee's Share and/or Common Area Operating Expenses, is an approximation which Lessor and Lessee agree is reasonable and, unless any changes are made to the size of the Premises, the Building or the Industrial Center, Lessee's Share based thereon is not subject to revision whether or not the actual square footage is more or less.

2.2 **Condition.** Lessee agrees (i) to accept the Premises on the date possession is delivered to Lessee by Lessor, and by taking possession of the Premises, Lessee shall be deemed to have accepted the Premises as then being suitable for Lessee's intended use and in good operating order, condition and repair in its then existing "AS-IS" condition, except as otherwise set forth in this Lease, and (ii) that except as expressly set forth in this Lease, neither Lessor nor any of Lessor's agents, representatives or employees has made any representations as to the suitability, fitness or condition of the Premises for the conduct of Lessee's business or for any other purpose. Notwithstanding the foregoing, Lessor shall deliver the Premises to Lessee with all existing Building systems, including the existing heating, air-conditioning and ventilation, electrical, lighting, plumbing, man doors and overhead loading doors in the Premises, other than those constructed or modified by Lessee, in good operating condition on the date Lessor tenders possession of the Premises to Lessee (the "Delivery Date"). If a non-compliance with the foregoing exists as of the Delivery Date, Lessor shall, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, commence to rectify same at Lessor's expense. If Lessee does not give Lessor written notice of a non-compliance

within sixty (60) days after the Delivery Date, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense. In addition, Lessor, at Lessor's sole cost and expense using Building standard materials, shall perform the following work in the Premises: (a) repair and touch up any damaged walls in the office areas of the Premises as reasonably determined by Lessor, (b) re-carpet the carpeted areas in the office area of the Premises, (c) clean the vinyl composite tile in the break room and restrooms of the Premises, (d) replace any non-working lights in the office area of the Premises with new lights, and (e) replace any stained or damaged ceiling tiles with new ceiling tiles.

2.3 Compliance with Covenants, Restrictions and Building Code. To the actual knowledge of Lessor, any improvements (other than Alterations or Utility Installations constructed by Lessee or at Lessee's direction) on or in the Premises, which have been constructed or installed by Lessor, comply with all applicable covenants or restrictions of record and applicable building codes, regulations and ordinances in effect on the Commencement Date. Lessor further warrants to Lessee that Lessor has no actual knowledge, without a duty of inquiry or investigation, of any claim having been made by any governmental agency that a violation or violations of applicable building codes, regulations, or ordinances exist with regard to the Premises as of the Commencement Date. For purposes of the foregoing representation, Lessor's actual knowledge shall be limited to the actual knowledge, without a duty of inquiry or investigation, of the person executing this Lease on behalf of Lessor. Said warranties shall not apply to any Alterations or Utility Installations (defined in Subparagraph 7.3(a)) made or to be made by Lessee. If the Premises do not comply with said warranties, Lessor shall, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee given within six (6) months following the Commencement Date and setting forth with specificity the nature and extent of such non-compliance, take such action, at Lessor's expense, as may be reasonable or appropriate to rectify the non-compliance. Lessor makes no warranty that the Permitted Use in Paragraph 1.9 is permitted for the Premises under Applicable Laws (as defined in Paragraph 2.4).

Lessee warrants that any improvements (other than those constructed by Lessor or at Lessor's direction) on or in the Premises, which are constructed or installed by Lessee, shall comply with all applicable covenants or restrictions of record and applicable building codes, regulations and ordinances in effect on the Commencement Date and throughout the Term of this Lease. Said warranties shall specifically apply to any Alterations or Utility Installations made or to be made by Lessee. If the Premises do not comply with said warranties, Lessee shall, except as otherwise provided in this Lease, within thirty (30) days after receipt of written notice from Lessor or any governmental authority, take such action, at Lessee's expense, as may be deemed reasonable or appropriate by Lessor to rectify the non-compliance.

2.4 Acceptance of Premises. Lessee hereby acknowledges: (a) that it has been advised to satisfy itself with respect to the condition of the Premises (including but not limited to the electrical and fire sprinkler systems, security, environmental aspects, seismic and earthquake requirements), and compliance with the Americans With Disabilities Act and applicable zoning, municipal, county, state and federal laws, ordinances and regulations and any covenants or restrictions of record (collectively, "Applicable Laws") and the present and future suitability of the Premises for Lessee's intended use; (b) that Lessee assumes all responsibility therefor as provided in this Lease; and (c) that neither Lessor, nor any of Lessor's agents, has made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease.

2.5 Intentionally Omitted.

2.6 Vehicle Parking. Lessee shall be entitled to use Parking Spaces in accordance with Subparagraph 1.2 (b) of the Basic Provisions on those portions of the Common Areas reasonably designated from time to time by Lessor for parking. Lessee shall not use more parking spaces than said number. Said Parking Spaces shall be used for parking by vehicles no larger than full-size passenger automobiles, SUVs or pick-up trucks, herein called "**Permitted Size Vehicles**." Vehicles other than Permitted Size Vehicles shall be parked and loaded or unloaded as directed by Lessor in the Rules and Regulations (as defined in Paragraph 39) issued by Lessor. Lessee's violation of this subparagraph shall constitute a material breach of this Lease. (Also see Paragraph 2.9.)

(a) Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, contractors or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.

(b) If Lessee permits or allows any of the prohibited activities described in this Paragraph 2.6, after reasonable notice from Lessor considering the circumstances, then Lessor shall have the right, without further notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.7 Common Areas - Definition. The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Industrial Center and interior utility raceways within the Premises that are provided and designated by the Lessor from time to time for the general non-exclusive use of Lessor, Lessee and other lessees of the Industrial Center and their respective employees, suppliers, shippers, customers, contractors and invitees, including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, parkways, driveways and landscaped areas.

2.8 **Common Areas - Lessee's Rights.** Lessor hereby grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the Original Term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Industrial Center, provided, however, that any such restrictions or rules and regulations shall not adversely and materially interfere with Lessee's use of the Premises for the Permitted Use. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable Rules and Regulations with respect thereto in accordance with Paragraph 39, provided, however, that any new Rules and Regulations shall not adversely and materially interfere with Lessee's use of the Premises for the Permitted Use. Lessee agrees to abide by and conform to all such reasonable Rules and Regulations, and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the non-compliance with said Rules and Regulations by other lessees of the Industrial Center, provided that Lessor shall enforce such Rules and Regulations in a uniform and nondiscriminatory manner.

2.10 **Common Areas - Changes.** Lessor shall have the right, in Lessor's sole discretion, from time to time:

(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;

(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;

(c) To designate other land outside the boundaries of the Industrial Center to be a part of the Common Areas;

(d) To add additional buildings and improvements to the Common Areas;

(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Industrial Center, or any portion thereof; and

(f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Industrial Center as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

Notwithstanding the foregoing, in connection with any of the actions described in this Paragraph 2.10, Lessor shall use commercially reasonable efforts not unreasonably interfere with Lessee's use or enjoyment of the Premises for the Permitted Uses as contemplated by this Lease.

3. **Term**

3.1 **Term.** The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Intentionally Deleted.**

3.3 **Delay in Possession.** If for any reason Lessor cannot deliver possession of the Premises to Lessee by the Commencement Date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease, or the obligations of Lessee hereunder, or extend the Term hereof, but in such case, Lessee shall not, except as otherwise provided herein, be obligated to pay rent or perform any other obligation of Lessee under the terms of this Lease until Lessor delivers possession of the Premises to Lessee.

3.4 **Option to Extend.** Lessee shall have one (1) option (the "**Option**") to extend the Term for a period of five (5) years (the "**Option Term**"), which Option shall be exercisable by written notice delivered by Lessee to Lessor as provided in this Paragraph 3.4, provided that Lessee has not at any time been in Breach of this Lease. The Option shall be exercisable only by the originally named Lessee under this Lease (the "**Original Lessee**") or any Permitted Transferee (as defined below) and only if the Original Lessee or any Permitted Transferee is in possession of one hundred percent (100%) of the Premises.

(a) **Exercise of Option.** The Option may be exercised by Lessee, if at all, by delivering written notice (the "Option Notice") to Lessor not more than nine (9) months, nor less than six (6) months, prior to the expiration of the Term, stating that Lessee is exercising the Option. Lessor, after receipt of Lessee's notice, shall deliver notice (the "Option Rent Notice") to Lessee within thirty (30) days of Lessor's receipt of the Option Notice setting forth the "Option Rent," as that term is defined in subparagraph (b) below, which shall be applicable to the Lease during the Option Term. On or before the date ten (10) business days after Lessee's receipt of the Option Rent Notice, Lessee may, at its option, object to the Option Rent contained in the Option Rent Notice by delivering written notice thereof to Lessor, in which case the Parties shall follow the procedure, and the Option Rent shall be determined, as set forth in subparagraph (c) below. If Lessee does not so object within such ten (10) business day period, the Option Rent applicable during the Option Term shall be the amount set forth in the Option Rent Notice and the Option Rent Notice shall be binding upon Lessee.

(b) **Option Rent.** The Base Rent payable by Lessee during the Option Term (the "Option Rent") shall be equal to ninety-five percent (95%) of the prevailing annual market rental value for comparable space in the area in which the Industrial Center is located (including additional rent and considering any "base year" or "expense stop" applicable thereto), including all escalations, at which tenants, as of the commencement of the Option Term, are leasing non-sublease, non-renewal, non-encumbered, non-equity space in comparable buildings for a comparable term. In no event shall the Option Rent be less than the Base Rent then in effect.

(c) **Determination of Option Rent.** The Option Rent Notice shall contain Lessor's good faith estimate of the Option Rent for the Premises for the Option Term. If Lessee timely and appropriately objects to Lessor's determination of the Option Rent, then Lessee shall have the right to submit the issue of Lessor's reasonableness (but not the prevailing annual market rental value) for neutral binding arbitration (and not by court action) to the American Arbitration Association in accordance with the rules of such Association then in effect. Lessee shall exercise such right of arbitration by delivering written notice of such election within thirty (30) days after receipt of the Option Rent Notice. If the arbitrators shall decide that Lessor's determination of the prevailing annual market rental value was reasonable, then the Option Rent shall be the amount previously determined by Lessor. If the arbitrators shall determine that Lessor acted unreasonably, then Lessor shall redetermine the Option Rent in its sole but reasonable discretion, provided that Lessee shall again have the right to challenge Lessor's reasonableness in the manner set forth above. In no event shall the arbitrators be permitted to determine rental value under this Lease. The decision of the arbitrators shall be binding upon both Parties. Each Party shall share equally the cost of the arbitration process.

4. Rent.

4.1 **Base Rent.** Lessee shall pay Base Rent and other rent or charges, as the same may be adjusted from time to time, to Lessor in lawful money of the United States, without notice, offset or deduction, on or before the day on which it is due under the terms of this Lease. For purposes of this Lease, Base Rent and all other sums or charges due Lessor from Lessee hereunder may be collectively referred to from time to time as "Rent." Rent for any period during the Term hereof which is for less than one (1) full month shall be prorated on the basis of a thirty (30) day month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or at such other addresses as Lessor may from time to time designate in writing to Lessee.

4.2 **Common Area Operating Expenses.** Lessee shall pay to Lessor during the Term hereof, in addition to the Base Rent, Lessee's Share of all Common Area Operating Expenses, as hereinafter defined, during each calendar year of the Term of this Lease, in accordance with the following provisions:

(a) "Common Area Operating Expenses" are defined, for purposes of this Lease, as all costs incurred by Lessor relating to the ownership and operation of the Industrial Center, including, but not limited to, the following:

(i) The costs of management, administration operation, repair, replacement and maintenance, in neat, clean, good order and condition, of the following:

(A) The Common Areas, including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, parkways, driveways, landscaped areas, striping, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators, exterior building walls and roofs.

(B) All heating, air conditioning, plumbing, electrical systems, life safety equipment, telecommunication and other equipment used in common by, or for the benefit of, lessees or other occupants of the Industrial Center.

(C) Exterior signs and any tenant directories.

(D) Fire detection and sprinkler systems.

(ii) The cost of water, sewer, gas, electricity, telephone and any other utility systems to service the Common Areas.

(iii) Trash disposal, property management and security services and the costs of any environmental inspections, unless such inspections are directly attributable to any violation of Applicable Laws by Lessor or any other tenant of the Industrial Center.

(iv) Intentionally deleted.

(v) Real Property Taxes (as defined in Paragraph 10.2) to be paid by Lessor for the Building and the Common Areas under Paragraph 10 hereof, subject to Paragraph 4.2(b) below.

(vi) The costs of the premiums for the insurance policies maintained by Lessor under Paragraph 8 hereof.

(vii) Any deductible portion of an insured loss concerning the Building or the Common Areas.

(viii) Any other services to be provided by Lessor that are stated elsewhere in this Lease to be a Common Area Operating Expense.

(ix) Replacing and/or adding improvements mandated by any governmental agency and any repairs or removals necessitated thereby amortized over their useful life according to Federal income tax regulations or guidelines for depreciation thereof (including interest on the un-amortized balance as is then reasonable in the judgment of Lessor's accountants).

(x) The cost of any capital improvements made to the Industrial Center necessary in order to keep the Industrial Center in good working order amortized over its useful life according to Federal income tax regulations or guidelines for depreciation thereof (including interest on the un-amortized balance as is then reasonable in the judgment of Lessor's accountants).

Notwithstanding anything contained in this Lease to the contrary, "**Common Area Operating Expenses**" shall not include the following:

(1) Leasing commissions, attorneys' fees and other expenses related to leasing tenant space and constructing improvements for the sole benefit of another tenant in the Industrial Center;

(2) Payment of interest or principal on loans secured by the Industrial Center;

(3) Attorneys' fees and other expenses incurred in connection with tenant defaults or as the result of a specific claim or action by another tenant in the Building;

(4) Costs paid by insurance proceeds or condemnation proceeds, Lessee, or other third parties;

(5) Expenses in connection with services or other benefits which are not offered to Lessee or for which Lessee is charged for directly but which are provided to another tenant or occupant of the Building;

(6) Costs incurred due to any violation by Lessor or any other tenant or occupant of the terms and conditions of any lease or other rental arrangement;

(7) Overhead and profit increment paid to Lessor or to subsidiaries or affiliates of Lessor for goods or services in the Building to the extent the same exceed the costs of goods or services rendered by unaffiliated third parties on a competitive basis for comparable buildings;

(8) Advertising and promotional expenditures;

(9) Costs, interest, fines, and penalties incurred due to violations by Lessor or tenants of any laws or resulting from a failure by Lessor or another tenant to pay any taxes;

(10) Wages, salaries, or other compensation of any kind or nature paid to any executive employees of Lessor above the grade of Property Manager or Building Engineer as such terms are commonly understood in the property management industry;

(11) Any other expense or cost which would not be considered a normal Common Area Operating Expense under GAAP;

(12) Costs incurred in connection with upgrading the Building or Common Areas to comply with Applicable Laws in effect and being enforced prior to the Delivery Date; provided, however, that a change in the procedures for enforcing an existing law will be the equivalent of a new law;

(13) Costs arising from construction defects in the base, shell or core of the Building or improvements installed by Lessor; and

(14) Charitable or political contributions; and

(15) Costs incurred in connection with the sale, refinancing or mortgaging of the Building including brokerage commissions, legal and accounting fees and closing costs.

(b) If the Industrial Center is less than ninety-five percent (95%) occupied during any calendar year, the variable components of the Common Area Operating Expenses as determined by Lessor shall be calculated as if the Industrial Center had been 95% occupied for the full calendar year. Any Common Area Operating Expenses and Real Property Taxes that are specifically attributable to the Building or to any other building in the Industrial Center or to the operation, repair and maintenance thereof, may be allocated entirely to the Building or to such other building. However, any Common Area Operating Expenses and Real Property Taxes that are not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, may be equitably allocated by Lessor to all buildings in the Industrial Center.

(c) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2 (a) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Industrial Center already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(d) Lessee's Share of Common Area Operating Expenses shall be payable by Lessee within ten (10) days after a reasonably detailed statement of actual expenses is presented to Lessee by Lessor. At Lessor's option, however, an amount may be estimated by Lessor from time to time of Lessee's Share of annual Common Area Operating Expenses and the same shall be payable monthly or quarterly, as Lessor shall designate, during each 12-month period of the Term, on the same day as the Base Rent is due hereunder. Notwithstanding the foregoing, Lessor agrees not to change any estimate of Common Area Operating Expenses more than one time in any twelve (12) month period. Lessor shall deliver to Lessee, within one hundred and twenty (120) days after the expiration of each calendar year or as soon thereafter as practicable, a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses incurred during the preceding year. If Lessee's payments under this Subparagraph 4.2 (d) during said preceding year exceed Lessee's Share as indicated on said statement, Lessor shall credit the amount of such over-payment against Lessee's Share of Common Area Operating Expenses next becoming due. If Lessee's payments under this Subparagraph 4.2 (d) during said preceding year were less than Lessee's Share as indicated on said statement, Lessee shall pay to Lessor the amount of the deficiency within ten (10) days after delivery by Lessor to Lessee of said statement.

(e) After delivery to Lessor of at least thirty (30) days prior written notice, Lessee, at its sole cost and expense through any accountant designated by it, shall have the right to examine and/or audit the books and records evidencing such expenses for the previous one (1) calendar year, during Lessor's reasonable business hours but not more frequently than once during any calendar year. Lessee may not compensate any such accountant on a contingency fee basis. The results of any such audit (and any negotiations between the Parties related thereto) shall be maintained strictly confidential by Lessee and its accounting firm and shall not be disclosed, published or otherwise disseminated to any other party other than to Lessor and its authorized agents or the Lessee's employees, accountants, real estate advisors, financial advisors and attorneys and as may be required by law or in any litigation or dispute arising out of such audit. Lessor and Lessee each shall use its commercially reasonable efforts to cooperate in such negotiations and to promptly resolve any discrepancies between Lessor and Lessee in the accounting of such expenses.

5. **Security Deposit.** Lessee shall deposit with Lessor upon Lessee's execution hereof the Security Deposit set forth in Paragraph 1.8 of the Basic Provisions as security for Lessee's faithful performance of Lessee's obligations under this Lease. If Lessee fails to pay Base Rent or other Rent or charges due hereunder, or otherwise Defaults under this Lease (as defined in Paragraph 13.1), Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due Lessor or to reimburse or compensate Lessor for any liability, cost, expense, loss or damage (including attorneys' fees and costs) which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of said Security Deposit, Lessee shall within ten (10) days after written request therefore deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. Any time the Base Rent increases during the Term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor as an addition to the Security Deposit so that the total amount of the Security Deposit shall at all times bear the same proportion to the then current Base Rent as the initial Security Deposit bears to the initial Base Rent set forth in Paragraph 1.5 of the Basic Provisions. Lessor shall not be required to keep all or any part of the Security Deposit separate from its general accounts. Lessor shall, at the expiration or earlier termination of the Term hereof and after Lessee has vacated the Premises, return to Lessee (or, at Lessor's option, to the last approved assignee, if any, of Lessee's interest herein), that portion of the Security Deposit not used or applied by Lessor. Unless otherwise expressly agreed in writing by Lessor, no part of the Security Deposit shall be considered to be held in trust, to bear interest or

other increment for its use, or to be prepayment for any monies to be paid by Lessee under this Lease. Notwithstanding anything to the contrary contained herein, the Security Deposit may be retained and applied by Lessor (a) to offset Rent (as defined in Section 4.1) which is unpaid either before or after the termination of this Lease, and (b) against other damages suffered by Lessor before or after the termination of this Lease, whether foreseeable or unforeseeable, caused by the act or omission of Lessee or any officer, employee, agent, contractor or invitee of Lessee.

6. **Use.**

6.1 **Use.** Lessee shall use and occupy the Premises only for the Permitted Use set forth in Paragraph 1.9 of the Basic Provisions and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates waste or a nuisance, or that disturbs owners and/or occupants of, or causes damage to the Premises or neighboring premises or properties. Lessee further covenants and agrees that it shall not use, or suffer or permit any person or persons to use, the Premises in violation of the laws of the United States of America, the State of Missouri, or the ordinances, regulations or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Building. To the actual knowledge of Lessor, without any duty of inquiry, Lessor is not aware that the Permitted Use of the Premises will constitute a violation of Applicable Laws. Lessee shall comply with all recorded covenants, conditions, and restrictions, now or hereafter affecting the Land. Lessee shall not use or allow another person or entity to use any part of the Premises for the storage, use, treatment, manufacture or sale of "Hazardous Substances," as that term is defined in Subparagraph 6.2 (a) of this Lease. Lessor acknowledges, however, that Lessee will maintain products in the Premises which are incidental to the operation of its business office operations, such as photocopy supplies, secretarial supplies and limited janitorial supplies, which products contain chemicals which are categorized as Hazardous Substances. Lessor agrees that the use, storage and disposal of such products in the Premises in compliance with Applicable Requirements (as defined below) and in the manner in which such products are designed to be used shall not be a violation by Lessee of this Paragraph 6.1.

6.2 **Hazardous Substances.**

(a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment, or the Premises; (ii) regulated or monitored by any governmental authority; or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substance shall include, but not be limited to, hydrocarbons, petroleum, gasoline, PCBs, crude oil or any products or by-products thereof. Lessee shall not engage in any activity in or about the Premises, which constitutes a Reportable Use (as hereinafter defined) of Hazardous Substances without the express prior written consent of Lessor and compliance in a timely manner (at Lessee's sole cost and expense) with all Applicable Requirements (as defined in Paragraph 6.3). "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and (iii) the presence in, on or about the Premises of a Hazardous Substance with respect to which any Applicable Requirements require that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may, without Lessor's prior consent, but upon written notice to Lessor and in compliance with all Applicable Requirements, use any ordinary and customary materials reasonably required to be used by Lessee in the normal course of the Permitted Use, so long as such use is not a Reportable Use and does not, in Lessor's good faith and reasonable business judgment, expose the Premises, the Building or the Industrial Center, or any part thereof, or neighboring properties to any risk of contamination or damage or, in Lessor's good faith and reasonable business judgment, expose Lessor to the possibility of any liability therefor. In addition, Lessor may (but without any obligation to do so) condition its consent to any Reportable Use of Hazardous Substance by Lessee upon Lessee's giving Lessor such additional assurances as Lessor, in its reasonable discretion, deems necessary to protect itself, the public, the Premises and the environment against damage, contamination or injury and/or liability therefor, including but not limited to the installation (and, at Lessor's option, removal on or before Lease expiration or earlier termination) of reasonably necessary protective modifications to the Premises and/or the deposit of an additional Security Deposit under Paragraph 5 hereof.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, the Building, or the Industrial Center other than as previously consented to by Lessor, Lessee shall immediately give Lessor written notice thereof, together with a copy of any statement, report, notice, registration, application, permit, business plan, license, claim, action, or proceeding given to, or received from, any governmental authority or private party concerning the presence, spill, release, discharge of, or exposure to, such Hazardous Substance including but not limited to all such documents as may be involved in any Reportable Use involving the Premises, the Building or the Industrial Center. Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under or about the Premises, the Building or the Industrial Center (including, without limitation, through the plumbing or sanitary sewer system).

(c) **Indemnification.** Lessee shall indemnify, protect, defend and hold Lessor (with counsel approved by Lessor), its directors, officers, agents, partners, members, managers, employees, lenders and ground lessor, if any, and their respective successors and assigns (collectively, "Lessor Parties") and the Industrial Center, harmless from and against any and all damages, liabilities, judgments, costs, claims, liens, expenses, penalties, loss of permits and attorneys' and consultants' fees and costs (collectively,

“**Claims**”) arising out of or involving any (i) Hazardous Substance brought, released or used or allowed to be brought, released or used on the Premises, the Building or the Industrial Center by Lessee or by anyone under Lessee’s control, or (ii) the breach by Lessee of any term, condition, representation or warranty contained in this Paragraph 6. Lessee’s obligations under this Subparagraph 6.2 (c) shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation (including consultants’ and attorneys’ fees and costs and testing), removal, remediation, restoration and/or abatement thereof, or of any contamination therein involved, and shall survive the expiration or earlier termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement. The provisions of this Paragraph 6.2(c) shall survive the expiration or earlier termination of this Lease.

(d) **Exculpation of Lessor.** Other lessees of the Industrial Center may be using, handling or storing certain Hazardous Substances in connection with such lessees’ use of their premises. The failure of another lessee to comply with Applicable Requirements and procedures could result in a release of Hazardous Substances and contamination to the Industrial Center, or any part thereof, the soil and ground water thereunder or the air quality of the Industrial Center. In the event of such release, the lessee or occupant responsible for the release, and not Lessor, shall be solely responsible for any claim, damage or expense incurred by Lessee by reason of such contamination. Lessee waives any rights it may have to later assert that the foregoing release does not cover unknown claims. Lessee and anyone claiming by, through or under Lessee hereby fully and irrevocably releases Lessor and Lessor Parties from any and all claims that it may now have or hereafter acquire against such persons and entities for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to any Hazardous Substance release or contamination to the Industrial Center caused by another lessee or occupant at the Industrial Center. This release includes claims of which Lessee is presently unaware or which Lessee does not presently suspect to exist in its favor, which, if known by Lessee, would materially affect Lessee’s release of Lessor.

(e) **Environmental Questionnaire Disclosure.** Prior to the execution of this Lease, Lessee shall complete, execute and deliver to Lessor a Hazardous Substances Survey Form in the form of Exhibit G attached hereto (“**Survey Form**”), and Lessee shall certify to Lessor, to Lessee’s knowledge, that all information contained in the Survey Form is true and correct. The completed Survey Form shall be deemed incorporated into this Lease for all purposes, and Lessor shall be entitled to rely on the information contained therein. Within ten (10) business days following receipt by Lessee of a written request therefore from Lessor (which request shall not be made more often than annually), Lessee shall disclose to Lessor in writing the names and amounts of all Hazardous Substances, or any combination thereof, which were stored, generated, used or disposed of on, under or about the Premises for the twelve (12) month period prior to and after each such request, or which Lessee intends to store, generate, use or dispose of on, under or about the Premises, provided, however, that Lessee shall not be required to disclose nominal amounts of ordinary household cleaners, office supplies and janitorial supplies which are not actionable under any Applicable Requirements (as defined below). At Lessor’s option, Lessee’s disclosure obligation under this Subparagraph shall include the requirement that Lessee update, execute and deliver to Lessor the Survey Form, as the same may be modified by Lessor from time to time.

(f) **Pre-Existing Conditions or Conditions Caused by Lessor.** Notwithstanding anything in this Lease to the contrary, Lessee shall not be responsible for any Hazardous Substances existing on the Premises, the Building or the Industrial Center as of the date possession of the Premises is delivered to Lessee or any Hazardous Substances brought, released or used on the Premises, the Building or the Industrial Center by any of the Lessor Parties.

6.3 **Lessee’s Compliance with Requirements.** Lessee shall, at Lessee’s sole cost and expense, fully, diligently and in a timely manner, comply with all “**Applicable Requirements**” with respect to Lessee’s use of the Premises, which term is used in this Lease to mean all laws, rules, regulations, ordinances, directives, covenants, easements and restrictions of record, permits, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor’s engineers and/or consultants, relating in any manner to the Premises (including but not limited to matters pertaining to (i) industrial hygiene, (ii) environmental conditions on, in, under or about the Premises, including air quality, soil and groundwater conditions, and (iii) the use, generation, manufacture, production, installation, maintenance, removal, transportation, storage, spill, or release of any Hazardous Substance), now in effect or which may hereafter come into effect. Lessee shall, within five (5) days after receipt of Lessor’s written request, provide Lessor with copies of all documents and information, including but not limited to permits, registrations, manifests, applications, reports and certificates, evidencing Lessee’s compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving failure by Lessee or the Premises to comply with any Applicable Requirements.

6.4 **Inspection; Compliance with Law.** Lessor, Lessor’s agents, employees, contractors and designated representatives, and the holders of any mortgages, deeds of trust or ground leases on the Premises (“**Lenders**”) shall have the right, upon 24 hours’ prior notice (except in the case of an emergency) to enter the Premises at any time in the case of an emergency, and otherwise at reasonable times, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease and all Applicable Requirements, and Lessor shall be entitled to employ experts and/or consultants in connection therewith to advise Lessor with respect to Lessee’s activities, including but not limited to Lessee’s installation, operation, use, monitoring, maintenance, or removal of any Hazardous Substance on or from the Premises. Lessor shall use commercially reasonable efforts to minimize any interference with Lessee’s use of the Premises for the Permitted Use in connection with any such entry. The costs and expenses of any such

inspections shall be paid by the Party requesting same, unless a Default or Breach of this Lease by Lessee or a violation of Applicable Requirements or a contamination, caused or materially contributed to by Lessee, is found to exist or to be imminent, or unless the inspection is requested or ordered by a governmental authority as the result of any such existing or imminent violation or contamination. In such case, Lessee shall upon request reimburse Lessor or Lessor's Lender, as the case may be, for the actual and reasonable costs and expenses of such inspections.

7. Maintenance, Repairs, Utility Installations, Trade Fixtures and Alterations

7.1 Lessee's Obligations.

(a) Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance with Covenants, Restrictions and Building Code), 7.2 (Lessor's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole cost and expense and at all times, keep the Premises and every part thereof in good order, condition and repair (whether or not such portion of the Premises requiring repair, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises) as existing at the time of the Delivery Date, including, without limiting the generality of the foregoing, all equipment or facilities specifically serving the Premises, such as plumbing, heating, air conditioning, ventilating, electrical, lighting facilities, boilers, fired or unfired pressure vessels, fire hose connections if within the Premises, fixtures, interior walls, interior surfaces of exterior walls, ceilings, floors, windows, doors, plate glass, and skylights, but excluding any items which are the responsibility of Lessor pursuant to Paragraph 7.2 below. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair as existing at the time of the Delivery Date.

(b) Lessee shall, at Lessee's sole cost and expense, procure and maintain a contract, with copies to Lessor, in customary form and substance for and with a contractor specializing and experienced in the inspection, maintenance and service of the heating, air conditioning and ventilation for the Premises. Such contract shall provide for maintenance of the HVAC system not less than quarterly and replacement of the air filters not less than monthly. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain the contract for the heating, air conditioning and ventilating systems and to maintain a contract for fire/life safety inspections, repairs and monitoring, and if Lessor so elects, Lessee shall reimburse Lessor, upon demand, for the cost thereof, or as part of Common Area Operating Expenses.

(c) If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after ten (10) days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, in accordance with Paragraph 13.2 below.

7.2 Lessor's Obligations. Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance with Covenants, Restrictions and Building Code), 4.2 (Common Area Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), and subject to the reimbursement requirements of Paragraph 4.2, Lessor, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior and structure of the roof, fire sprinkler and/or standpipe and hose (if located in the Common Areas) or other automatic fire extinguishing system including fire alarm and/or smoke detection systems and equipment, fire hydrants, parking lots, walkways, parkways, driveways, landscaping, fences, signs and utility systems serving the Common Areas and all parts thereof, as well as providing the services for which there is a Common Area Operating Expense pursuant to Paragraph 4.2. Lessor, in performing the foregoing, shall exercise and perform good maintenance practices. Lessor shall not be obligated to paint the exterior or interior surfaces of exterior walls nor shall Lessor be obligated to maintain, repair or replace windows, doors (or any parts thereof), skylights or plate glass of the Premises. Lessee expressly waives the benefit of any statute now or hereafter in effect which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate this Lease because of Lessor's failure to keep the Building, Industrial Center or Common Areas in good order, condition and repair.

7.3 Utility Installations, Trade Fixtures, Alterations.

(a) **Definitions; Consent Required.** The term "Utility Installations" is used in this Lease to refer to all air lines, power panels, electrical distribution, security, fire protection systems, communications systems, lighting fixtures, heating, ventilating and air conditioning equipment, plumbing, and fencing in, on or about the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment, which can be removed without doing damage to the Premises. The term "Alterations" shall mean any modification of the improvements on the Premises, which are provided by Lessor or by Lessee, with Lessor's prior written approval, under the terms of this Lease, other than Utility Installations or Trade Fixtures. "Lessee-Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Subparagraph 7.4 (a). Lessee shall not make nor cause to be made any Alterations or Utility Installations in, on, under or about the Premises without Lessor's prior written consent, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Lessee shall have the right without Lessor's consent but upon ten (10) business days' prior notice to Lessor to make cosmetic, non-structural Alterations to the Premises in accordance with the terms of this Lease, provided that such Alterations do not (i) affect the

exterior of the Premises, the Building or the Industrial Center (nor may such Alterations be visible from the exterior of the Building), (ii) affect the Building's electrical, ventilation, plumbing, elevator, mechanical, air conditioning or any other systems therein, (iii) exceed \$10,000 per year in the aggregate, or (iv) require a building permit.

(b) **Consent.** Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with reasonably detailed plans. All consents given by Lessor, whether by virtue of Subparagraph 7.3 (a) or by subsequent specific consent, shall be deemed conditioned upon: (i) Lessee's acquiring all applicable permits required by governmental authorities; (ii) the furnishing of copies of such permits together with a copy of the plans and specifications for the Alteration or Utility Installation to Lessor prior to commencement of the work thereon; and (iii) the compliance by Lessee with all conditions of said permits in a prompt and expeditious manner. In connection with approving any Alterations or Utility Installations, Lessor shall have the right to approve Lessee's contractor(s). Any Alterations or Utility Installations by Lessee during the Term of this Lease shall be done in a good and workmanlike manner, with good and sufficient materials, and be in compliance with all Applicable Requirements. Lessor's approval of the plans, specifications and working drawings for Lessee's Alterations or Utility Installations shall create no responsibility or liability on the part of Lessor for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities. All work with respect to any Alterations or Utility Installations must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of work. In performing the work of any such Alterations or Utility Installations, Lessee shall have the work performed in such manner as not to obstruct access to the Building or the Common Areas for any other lessee of the Building or the Industrial Center, and as not to obstruct the business of Lessor or other lessees or occupants in the Building or the Industrial Center, or interfere with the labor force working in the Building or the Industrial Center. In the event that Lessee makes any Alterations or Utility Installations, Lessee agrees to carry "Builder's All Risk" insurance in an amount approved by Lessor covering the construction of such Alterations or Utility Installations, and such other insurance as Lessor may reasonably require based on the scope of the Alteration, it being understood and agreed that all of such Alterations or Utility Installations shall be insured by Lessee pursuant to Article 8 of this Lease immediately upon completion thereof. Upon completion of any Alterations or Utility Installations, Lessee agrees to furnish full and final lien waivers from all persons or entities furnishing goods or services to the Premises in connection with the Alterations or Utility Installations, and Lessee shall deliver to Lessor a copy of the "as built" drawings, and specifications therefor of the Alterations or Utility Installations. Lessor may (but without obligation to do so) condition its consent to any requested Alteration or Utility Installation that costs Ten Thousand Dollars (\$10,000.00) or more upon Lessee's providing Lessor with a lien and completion bond in an amount equal to one and one-half times the estimated cost of such Alteration or Utility Installation or provide such assurances to Lessor, including without limitation, establishing an escrow account, as Lessor shall require to assure payment of the costs thereof to protect Lessor and the Industrial Center from and against any mechanic's, materialmen's or other liens. Lessee shall keep the Premises lien free. Lessee shall pay to Lessor all of Lessor's actual and reasonable costs incurred in conjunction with the review of Lessee's proposed Alterations or Utility Installations within fifteen (15) days of Lessee's receipt of an invoice therefor.

(c) **Lien Protection.** Lessee shall pay when due all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than ten (10) days' notice prior to the commencement of any work in, on, or about the Premises, and Lessor shall have the right to post notices of non-responsibility in or on the Premises and to record the same, as provided by law. If Lessee shall, in good faith, contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense, defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof against the Lessor or the Premises. If Lessor shall require during any contested claim or otherwise, Lessee shall furnish to Lessor a surety bond satisfactory to Lessor in an amount equal to one and one-half times the amount of such contested lien claim or demand, indemnifying Lessor against liability for the same, as required by law for the holding of the Premises free from the effect of such lien or claim. In addition, during any contested claim, if Lessee continues to contest such claim within ten (10) days of Lessor's notice that it will incur legal costs related thereto, Lessor may require Lessee to pay Lessor's actual and reasonable attorneys' fees and costs in participating in such action if Lessor shall decide it is to its best interest to do so.

7.4 Ownership, Removal, Surrender, and Restoration.

(a) **Ownership.** Subject to Lessor's right to require their removal and to cause Lessee to become the owner thereof as hereinafter provided in this Paragraph 7.4, all Alterations and Utility Installations made to the Premises by Lessee shall be the property of and owned by Lessee, but considered a part of the Premises. Lessor may, at any time and at its option, elect in writing to Lessee to be the owner of all or any specified part of the Lessee-Owned Alterations and Utility Installation. Unless otherwise instructed per Subparagraph 7.4 (b) hereof, all Lessee-Owned Alterations and Utility Installations shall, at the expiration or earlier termination of this Lease, automatically and without further action on the part of Lessor, become the property of Lessor and remain upon the Premises and be surrendered with the Premises by Lessee.

(b) **Removal.** Unless otherwise agreed in writing, Lessor may require that any or all Lessee-Owned Alterations or Utility Installations be removed by the expiration or earlier termination of this Lease, notwithstanding that Lessor may have consented to their installation. Concurrently with Lessee's request for consent, Lessee may request in writing that Lessor determine whether such Lessee-Owned Alterations or Utility Installations will be required to be so removed and if Lessor does not require such

removal when consent is given, Lessee shall not be obligated to remove the Lessee-Owned Alterations or Utility Installations at the expiration or earlier termination of this Lease. Lessor may require the removal at any time of all or any part of any Alterations or Utility Installations made without the required consent of Lessor.

(c) **Surrender/Restoration.** Lessee shall surrender the Premises by the end of the last day of the Term or any earlier termination date, clean and free of debris and in good operating order, condition and state of repair as existing on the Delivery Date as more particularly described in the Move Out Standards attached as Exhibit H to this Lease and shall provide Lessor with keys for all interior doors. Except as otherwise agreed or specified herein, the Premises, as surrendered, shall include the Alterations and Utility Installations. The obligations of Lessee shall include the repair of any damage occasioned by the installation, maintenance or removal of Lessee's Trade Fixtures, furnishings, equipment, and Lessee-Owned Alterations and Utility Installations, as well as the removal of any storage tank installed by or for Lessee, and the removal, replacement, or remediation of any air quality, soil, material or ground water contaminated by Lessee, all as may then be required by Applicable Requirements and/or good practice. Lessee's Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee subject to its obligation to repair and restore the Premises pursuant to this Lease.

8. Insurance; Indemnity.

8.1 **Lessor's Insurance.** At all times during the Term of this Lease, Lessor will purchase and maintain, as part of the Common Area Operating Expenses, Commercial General Liability Insurance and Commercial Property Insurance covering the Common Areas and Lessor's equipment and furnishings in such reasonable amounts and with such reasonable coverages as the insurance maintained by other prudent owners of similar industrial centers located in the vicinity of the Industrial Center. Lessee acknowledges that it shall not be a named insured on such policies and that it has no right to receive any proceeds from any such insurance policies carried by Lessor. Lessee further acknowledges that Lessor shall not be required to carry insurance covering (1) Lessee-Owned Alterations and Utility Installations, Trade Fixtures and Lessee's personal property; (2) Business Income Insurance against, or be responsible for, any loss suffered by Lessee due to interruption of Lessee's business from any cause; (3) loss to the Premises resulting from flood, earthquake, windstorm or hurricane; and (4) any other type of property. Lessee shall cooperate with Lessor's insurance companies in the adjustment of any claims for any damage to the Building.

8.2 **Lessee's Insurance.** At all times during the Term of this Lease, Lessee will purchase and maintain, at Lessee's sole expense, the following insurance, in amounts not less than those specified below or such other amounts as Lessor may from time to time reasonably request, with insurance companies and on forms satisfactory to Lessor.

(a) Commercial General Liability Insurance written on an I.S.O. "occurrence" form or its equivalent covering the use, occupancy and maintenance of the Premises and all operations of Lessee. Such coverage shall include Premises Operations; Independent Contractors; Products - Completed Operations; Broad Form Property Damage; Blanket Contractual Liability; Personal and Advertising Injury; Fire Legal Liability; Employees Named as Additional Insureds; and Severability. Limits for such coverage shall be Bodily Injury and Property Damage Combined Single Limit of \$1,000,000 per Occurrence \$2,000,000 General Aggregate, Products and Completed Operations Aggregate of \$2,000,000, Personal and Advertising Injury of \$1,000,000 Per Person/Organization subject to \$2,000,000 General Aggregate, and Fire Legal Liability of \$250,000. The policy shall further contain a provision that the General Aggregate limit applies exclusively to the Premises. The policy shall contain an endorsement specifically naming the following as additional insureds (the "**Additional Insured Parties**"): (1) Lessor, (2) Westcore Properties, LLC, (3) Westcore Management I, LLC, (4) Cassidy Turley Commercial Real Estate Services, Inc. and their officers, members, directors, partners and employees, with respect to the Lessee's use, occupancy or maintenance of the Premises. The amount of such insurance shall not limit Lessee's liability nor relieve Lessee of any obligation hereunder. Each policy shall insure Lessee's performance of the indemnity provisions contained in this Lease. If Lessee's liability insurance policy covers more than one location, Lessee shall obtain an "Aggregate Limits of Insurance (per location)" endorsement. The policy shall also contain an endorsement amending the "Other Insurance" clause as follows: "The insurance afforded to Additional Insureds under this policy is primary insurance and the insurer will not seek contribution from other insurance available to the Additional Insureds." The policy shall contain a waiver of subrogation endorsement. The policy shall provide defense expense in addition to the limit of liability stated in the policy.

(b) Umbrella or Excess Liability Insurance to be excess over the Commercial General Liability, Automobile Liability and Employers' Liability Insurance. The Umbrella Liability policy shall be written on an "occurrence" form with a limit of liability of Two Million Dollars (\$2,000,000.00) and a Self-Insured Retention no greater than Ten Thousand Dollars (\$10,000.00). The policy shall contain an endorsement naming the Additional Insured Parties as additional insureds following the form of the underlying Commercial General Liability and Automobile Liability policies. The policy shall also contain an endorsement amending the "Other Insurance" clause as follows: "Subject to the terms and conditions of this policy, the insurance afforded to Additional Insureds, (1) Lessor and (2) Westcore Properties, LLC, under this policy shall be considered to be primary to any insurance they may have in force which also applies to a loss covered hereunder and, further, the insurer shall not seek contribution from other insurance available to the Additional Insureds." The policy shall contain a waiver of subrogation endorsement.

(c) Commercial Property Insurance covering all Lessee's furniture, fixtures, machinery, equipment, stock and any other personal property owned and/or used in Lessee's business and all leasehold improvements, whether made or acquired at the Lessee's expense or Lessor's expense, plate glass that is part of the Premises and any other property in the Premises that Lessee is responsible for repairing or replacing under this Lease, in an amount equal to their full replacement cost without deduction for depreciation. At a minimum,

such policy shall insure against destruction or damage by fire and other perils covered on an ISO Causes of Loss - Special Form including wind and hurricane. Such policy shall further provide Replacement Cost Coverage. Such policy shall not contain a per occurrence deductible greater than Ten Thousand Dollars (\$10,000.00). Lessee, with all reasonable speed, will use all proceeds of such insurance, so long as this Lease remains in effect, for rebuilding, repairing, replacing or otherwise reinstating the improvements and all other fixed property. Lessee is responsible for repairing in a good and substantial manner pursuant to applicable building laws and codes and the plan as shall have been approved in writing by Lessor. Lessee will make up from its own funds any deficiency in such insurance proceeds. Further, the policy shall contain a provision specifically naming the Additional Insured Parties as additional insureds and naming Lessor as loss payee for property which Lessor has an insurable interest (i.e., leasehold improvements).

(d) Business Income and/or Extra Expense Insurance in an amount sufficient to insure payment of Rent and all other expenses to be borne by Lessee under this Lease, for a period of not less than Twelve (12) months, during any interruption of Lessee's business by reason of the Premises or personal property being damaged by fire or other perils covered on an ISO Causes of Loss - Special Form or its equivalent. In addition, such coverage shall be written on an Agreed Amount Basis. Lessee acknowledges that it assumes all risks of loss due to interruption of Lessee's business by any cause.

(e) If required by Lessor because of special environmental concerns regarding the Lessee's operations, Pollution Legal Liability Insurance and/or Environmental Impairment Insurance covering claims for damage or injury caused by hazardous materials, including, without limitation, bodily injury, wrongful death, property damage, including loss of use, removal, cleanup and restoration of work and materials necessary to return the Premises and any other property of whatever nature located on the Premises to their condition existing prior to the appearance of Lessee's hazardous materials on the Premises. The policy shall contain a provision specifically naming Lessor and Lessor's officers, members, managers and employees as additional insureds. If such coverage is required, Lessor shall determine limits of liability.

(f) Automobile Liability Insurance to include coverage for any owned, non-owned or hired automobiles entering and exiting from the Premises and automobile contractual liability with limits of: \$1,000,000 per Person/\$1,000,000 per Accident - Bodily Injury; \$1,000,000 per Accident - Property Damage; and Basic No-Fault coverage as required by law or regulation if any, in the State in which the Premises is located.

(g) Workers' Compensation coverage shall be carried as required by law in the State in which the employees are hired and to further include: Voluntary Compensation Coverage and Other States' Coverage, if applicable, with statutory limits for Workers' Compensation and limits for Employers' Liability of: \$1,000,000 Each Accident; \$1,000,000 Disease - Policy Limit; and \$1,000,000 Disease - Each Employee. The policy shall further contain an endorsement providing a waiver of subrogation in favor of the Additional Insured Parties.

8.3 General Requirements.

(a) Certificates of Insurance evidencing all such insurance and acceptable to Lessor shall be filed with Lessor prior to occupancy of the Premises and at least five (5) days prior to the expiration of the term of each policy thereafter. Such Certificates of Insurance must specifically show all of the special policy conditions required in this Article including "additional insured", "waiver of subrogation", "notice of cancellation", and "primary insurance" wording applicable to each policy. Alternatively, a certified, true and complete copy of each properly endorsed policy may be submitted;

(b) All coverage shall be written by an admitted insurer in the State in which the Premises is located with a current Best Rating of A-10 or better.

(c) All insurance policies required hereunder shall be specifically endorsed to state that coverages afforded under the policies will not be cancelled or allowed to expire for any reason until at least thirty (30) days' prior written notice has been mailed to the Lessor. The Certificate of Insurance for each policy must state that "the issuing company will mail thirty (30) days' written notice of cancellation or modification to the certificate holder." The words "endeavor to" and "failure to mail such notice shall impose no obligation for liability . . ." are unacceptable and these two phrases must be crossed out if they appear in the printed certificate form.

(d) If the limits of available liability coverage required herein become substantially reduced as a result of claim payments, Lessee shall immediately, at its own expense, purchase insurance to reinstate the limits of liability coverage required by this Lease.

(e) Lessee shall not settle any claim or accept any proceeds in satisfaction of any claim involving damage to the Premises or liability of Lessor without Lessor's express prior written consent.

(f) Lessee may maintain the insurance required under this Paragraph under blanket or umbrella policies, as applicable, issued to Lessee covering other properties owned or leased by Lessee; provided that the policies otherwise comply with this Paragraph and allocate to the Premises the coverage specified by this Paragraph, without possibility of reduction or coinsurance penalty by reason of, or damage to, any other properties named therein, and if the insurance required by this Paragraph shall be effected by any such blanket or umbrella policies, Lessee shall furnish to Lessor certificates of such coverage with schedules thereto attached showing the amount of insurance afforded by such policies to the Premises.

8.4 **Adequacy of Coverage.** Lessor, its agents and employees, make no representation that the limits of liability specified to be carried by Lessee pursuant to this Paragraph are adequate to protect Lessee. If Lessee believes that any of such insurance coverage is inadequate, Lessee will obtain such additional insurance coverage as Lessee deems adequate, at Lessee's sole expense.

8.5 **Reservation of Rights - Changes.** Lessor hereby reserves the right to make reasonable changes at any time to the insurance requirements herein should new exposures be brought to light or new insurance products become available during the Term of this Lease and to the extent that such coverage is consistent with the kinds and amounts for similar industrial centers located in the vicinity of the Industrial Center. Lessee shall add as additional insureds to the insurance policies required by this Paragraph such other persons as Lessor may from time to time reasonably require.

8.6 **Waiver of Subrogation.** Lessee hereby waives, on Lessee's behalf and on behalf of any insurance carrier of Lessee, any claim which Lessee might otherwise have against Lessor and Lessor's affiliates, arising out of loss or damage, including consequential loss or damage, to any property of Lessee within the Premises, Building or the Industrial Center from any risk required to be insured against by Lessee.

8.7 **Indemnity.** Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, the Industrial Center, Lessor and Lessor Parties from and against any and all Claims arising out of, involving, or in connection with, the occupancy of the Premises by Lessee, the conduct of Lessee's business, any act, omission or neglect of Lessee, its agents, contractors, employees or invitees, and out of any Default or Breach by Lessee in the performance in a timely manner of any obligation on Lessee's part to be performed under this Lease. The foregoing shall include, but not be limited to, the defense or pursuit of any claim or any action or proceeding involved therein, and whether or not (in the case of claims made against Lessor) litigated and/or reduced to judgment. In case any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee, upon notice from Lessor, shall defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be so indemnified. Lessor need not have first paid any such claim in order to be so indemnified. The provisions of this Paragraph 8.7 shall survive the expiration or earlier termination of this Lease.

8.8 **Exemption of Lessor from Liability.** Except to the extent caused by Lessor's gross negligence or willful misconduct or, subject to Paragraph 8.6 above, Lessor's default of its covenants and obligations under this Lease, Lessor shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether said injury or damage results from conditions arising upon the Premises or upon other portions of the Building of which the Premises are a part, from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is accessible or not. Lessor shall not be liable for any damages arising from any act or neglect of any other lessee of Lessor nor from the failure by Lessor to enforce the provisions of any other lease or occupancy agreement in the Industrial Center. Notwithstanding Lessor's negligence or breach of this Lease, Lessor shall under no circumstances be liable for injury to Lessee's business or for any loss of income or profit therefrom.

9. **Damage or Destruction.**

9.1 **Definitions.**

(a) **"Premises Partial Damage"** shall mean damage or destruction to the Premises, other than Lessee-Owned Alterations and Utility Installations, the repair cost of which damage or destruction is less than seventy-five percent (75%) of the then Replacement Cost (as defined in Subparagraph 9.1 (d)) of the Premises (excluding Lessee-Owned Alterations and Utility Installations and Trade Fixtures) immediately prior to such damage or destruction.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the Premises, other than Lessee-Owned Alterations and Utility Installations, the repair cost of which damage or destruction is seventy-five percent (75%) or more the then Replacement Cost of the Premises (excluding Lessee-Owned Alterations and Utility Installations and Trade Fixtures) immediately prior to such damage or destruction. In addition, damage or destruction to the Building, other than Lessee-Owned Alterations and Utility Installations and Trade Fixtures of any lessees of the Building, the cost of which damage or destruction is seventy-five percent (75%) or more of the then Replacement Cost (excluding Lessee-Owned Alterations and Utility Installations and Trade Fixtures of any lessees of the Building) of the Building shall, at the option of Lessor, be deemed to be Premises Total Destruction.

(c) **"Insured Loss"** shall mean damage or destruction to the Premises, other than Lessee-Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.1 irrespective of any deductible amounts or coverage limits involved, and where adequate insurance proceeds are available to Lessor for the reconstruction of the Premises.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of applicable building codes, ordinances or laws, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance as defined in Subparagraph 6.2 (a), in, on or under the Premises.

9.2 **Premises Partial Damage - Insured Loss.** If Premises Partial Damage occurs, and such damage or destruction is an Insured Loss, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee-Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect. In the event, however, that there is a shortage of insurance proceeds available to Lessor, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within ten (10) days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said ten (10) day period, Lessor shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If Lessor does not receive such funds or assurance within said period, Lessor may nevertheless elect by written notice to Lessee within ten (10) days thereafter to make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect. If Lessor does not receive such funds or assurance within such ten (10) day period, and if Lessor does not so elect to restore and repair, then this Lease shall terminate sixty (60) days following the occurrence of the damage or destruction. Unless otherwise agreed, Lessee shall in no event have any right to reimbursement from Lessor for any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3 rather than this Paragraph 9.2, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 **Partial Damage - Uninsured Loss.** If Premises Partial Damage occurs and such damage or destruction is not an Insured Loss, then unless such damage or destruction was caused by a negligent or willful act of Lessee, its agents, contractors or employees (in which the event Lessee shall make the repairs at Lessee's expense and this Lease shall continue in full force and effect), Lessor may at Lessor's option, either (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) give written notice to Lessee within sixty (60) days after receipt by Lessor of knowledge of the occurrence of such damage of Lessor's desire to terminate this Lease as of the date sixty (60) days following the date of such notice. In the event Lessor elects to give such notice of Lessor's intention to terminate this Lease, Lessee shall have the right within ten (10) days after the receipt of such notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage totally at Lessee's expense and without reimbursement from Lessor. Lessee shall provide Lessor with the required funds or satisfactory assurance thereof within thirty (30) days following such commitment from Lessee. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the funds or assurance thereof within in the times specified above, this Lease shall terminate as of the date specified in Lessor's notice of termination.

9.4 **Total Destruction.** Notwithstanding any other provision hereof, if Premises Total Destruction occurs (including any destruction required by any authorized public authority), and Lessee is prevented from utilizing the Premises and from deriving any beneficial use therefrom, this Lease shall terminate sixty (60) days following the date of such Premises Total Destruction, whether or not the damage or destruction is an Insured Loss or was caused by a negligent or willful act of Lessee. In the event, however, that the damage or destruction was caused by Lessee, Lessor shall have the right to recover Lessor's damages from Lessee except as released and waived in Paragraph 8.6.

9.5 **Damage Near End of Term.** If at any time during the last twelve (12) months of the Term of this Lease there is damage for which the cost to repair exceeds three (3) month's Base Rent, whether or not an Insured Loss, Lessor or Lessee may, at such Party's option, terminate this Lease effective sixty (60) days following the date of occurrence of such damage by giving written notice to the other Party of such Party's election to do so within thirty (30) days after the date of occurrence of such damage. Provided, however, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by (a) exercising such option, and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is ten (10) days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's expense repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate as of the date set forth in the first sentence of this Paragraph 9.5.

9.6 **Abatement of Rent; Lessee's Remedies.**

(a) In the event of (i) Premises Partial Damage or (ii) Hazardous Substance Condition for which Lessee is not legally responsible, the Base Rent, Common Area Operating Expenses and other charges, if any, payable by Lessee hereunder for the period during which such damage or condition, its repair, remediation or restoration continues, shall be abated in proportion to the degree

to which, in Lessor's good faith reasonable business judgment, Lessee's use of the Premises for the Permitted Use or access to the Premises is impaired. Except for abatement of Base Rent, Common Area Operating Expenses and other charges, if any, as aforesaid, all other obligations of Lessee hereunder shall be performed by Lessee, and Lessee shall have no claim against Lessor for any damage suffered by reason of any such damage, destruction, repair, remediation or restoration.

(b) If Lessor is obligated to repair or restore the Premises under the provisions of this Paragraph 9 and does not commence the repair or restoration of the Premises within one hundred eighty (180) days after either (i) such obligation shall accrue, or (ii) receipt of all applicable insurance proceeds, whichever time period is greater, then Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice of Lessee's election to terminate this Lease on a date not less than sixty (60) days following the giving of such notice. If Lessee gives such notice to Lessor and such Lenders and such repair or restoration is not commenced within sixty (60) days after receipt of such notice, this Lease shall terminate as of the date specified in said notice. If Lessor or a Lender commences the repair or restoration of the Premises within sixty (60) days after the receipt of such notice, this Lease shall continue in full force and effect. "**Commence**" as used in this Paragraph 9.6 shall mean either the authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever occurs first.

(c) If Lessor does not elect to terminate this Lease under the terms of this Section 9, but the damage required to be repaired by Lessor is not repaired within the period ending 180 days after the damage or destruction (the "**180 Day Period**") (subject to extension for any delay caused by strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of Lessor, provided that in no event shall such extension exceed 90 days), then Lessee (subject to the provisions of this Paragraph 9.6(c)), within thirty (30) days after the end of such 180 Day Period, may terminate this Lease by written notice to Lessor, in which event this Lease shall terminate as of the date of receipt of the notice. Notwithstanding the foregoing, if Lessor is diligently proceeding to complete the repair of such damage, then Lessee shall not have the right to terminate this Lease if, prior to the expiration of the 180 Day Period, Lessor, at Lessor's sole option, gives written notice to Lessee that the repairs will be completed within thirty (30) days after the end of such 180 Day Period, and the repairs are actually completed within such thirty (30) day period. If the repairs are not completed within thirty (30) days after the end of such 180 Day Period, then Lessee may terminate this Lease by written notice to the Lessor. Such notice of termination shall be given within sixty (60) days after the end of such 180 Day Period, and shall be effective upon receipt thereof by Lessor. Notwithstanding the provisions of this subparagraph (c), Lessee shall have the right to terminate this Lease under this subparagraph (c) only if there is no Breach then in effect.

9.7 **Hazardous Substance Condition.** If a Hazardous Substance Condition occurs, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Subparagraph 6.2 (c) and Paragraph 13), Lessor may at Lessor's option (which option shall be exercised in Lessor's sole and absolute discretion) either (i) investigate and remediate such Hazardous Substance Condition, if and to the extent required by Applicable Requirements, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to investigate and remediate such condition exceeds twelve (12) times the then monthly Base Rent or One Hundred Thousand Dollars (\$100,000.00) whichever is greater, give written notice to Lessee, within thirty (30) days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition and the estimated cost and time to remediate such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date sixty (60) days following the date of such notice. In the event Lessor elects to give such notice of Lessor's intention to terminate this Lease, Lessee shall have the right within ten (10) days after the receipt of such notice to give written notice to Lessor of Lessee's commitment to pay for the excess costs of (a) investigation and remediation of such Hazardous Substance Condition to the extent required by Applicable Requirements, over (b) an amount equal to twelve (12) times the then monthly Base Rent or One Hundred Thousand Dollars (\$100,000.00), whichever is greater. Lessee shall provide Lessor with the funds required of Lessee or satisfactory assurance thereof within thirty (30) days following said commitment by Lessee. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such investigation and remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time period specified above, this Lease shall terminate as of the date specified in Lessor's notice of termination. Notwithstanding anything to the contrary contained in this Lease, in the event of a Hazardous Substance Condition that was not caused by Lessee which renders the Premises unusable for the normal conduct of Lessee's business and Lessee, in fact, ceases to use and occupy such portion of the Premises for the normal conduct of its business as a result of such entry or activities (an "**Abatement Event**"), then Lessee shall give Lessor notice of such Abatement Event, and if such Abatement Event continues for five (5) consecutive business days after Lessor's receipt of any such notice (the "**Eligibility Period**"), then the Base Rent shall be abated or reduced, as the case may be, after the expiration of the Eligibility Period for such time that Lessee continues to be so prevented from using, and does not use, the Premises or a portion thereof, in the proportion that the rentable area of the portion of the Premises that Lessee is prevented from using, and does not use, bears to the total rentable area of the Premises; provided, however, in the event that Lessee is prevented from using, and does not use, a portion of the Premises for a period of time in excess of the Eligibility Period and the remaining portion of the Premises is not sufficient to allow Lessee to effectively conduct its business therein, and if Lessee does not conduct its business from such remaining portion, then for such time after expiration of the Eligibility Period during which Lessee is so prevented from effectively conducting its business therein, the Base Rent for the entire Premises shall be abated for such time as Lessee continues to be so prevented from using, and does not use, the Premises. If, however, Lessee reoccupies and conducts normal business operations in any portion of the Premises during such period, the rent allocable to such reoccupied portion, based on the proportion that the rentable area of such reoccupied portion of the Premises

bears to the total rentable area of the Premises, shall be payable by Lessee from the date Lessee reoccupies and conducts normal business operations in such portion of the Premises. In the event that the Eligibility Period for an Abatement Event extends for a period in excess of one hundred eighty (180) consecutive days, such that Lessee is prevented from using and does not use all of the Premises as a result thereof, and provided any such extension of the Eligibility Period is not attributable to the fault or neglect of Lessee, its agents, employees, contractors or subtenant, or the failure of Lessee to fulfill its responsibilities under this Lease, then Lessee shall have the right to terminate this Lease by written notice to Lessor delivered not later than forty-five (45) days after the expiration of such one hundred eighty (150) day period, provided that Lessee is not then in Breach. Such right to abate Base Rent or terminate this Lease described in this Paragraph 9.7 shall be Lessee's sole and exclusive remedy at law or in equity for an Abatement Event.

9.8 Termination - Advance Payments. Upon termination of this Lease pursuant to this Paragraph 9, Lessor shall return to Lessee any advance payment made by Lessee to Lessor and so much of Lessee's Security Deposit as has not been or is not then required to be, used by Lessor under the terms of this Lease.

9.9 Waiver of Statutes. Lessor and Lessee agree that the terms of this Lease shall govern the effect of any damage to or destruction of the Premises and the Building with respect to the termination of this Lease and hereby waive the provisions of any present or future statute to the extent it is inconsistent herewith.

10. Real Property Taxes.

10.1 Payment of Taxes. Lessor shall pay the Real Property Taxes, as defined in Paragraph 10.2, applicable to the Industrial Center, and except as otherwise provided in Paragraph 10.3, any such amounts shall be included in the calculation of Common Area Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.2 Real Property Tax Definition. As used herein, the term "Real Property Taxes" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed upon the Industrial Center by any authority having the direct or indirect power to tax, including any city, state or federal government, or any school, agricultural, sanitary, fire, street, drainage, or other improvement district thereof, levied against any legal or equitable interest of Lessor in the Industrial Center or any portion thereof, Lessor's right to rent or other income therefrom, and/or Lessor's business of leasing the Premises. The term "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein, imposed by reason of events occurring, or changes in Applicable Law taking effect, during the Term of this Lease, including but not limited to a change in the ownership of the Industrial Center (or any portion thereof) or in the improvements thereon, the execution of this Lease, or any modification, amendment or transfer thereof, and whether or not contemplated by the Parties. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days, which such calendar year and tax year have in common. Each year, at Lessor's election, Lessor may protest real property assessments. In the event Lessor elects to protest a real property tax assessment, Lessor may utilize the services of a tax consultant to protest the real property tax assessment. If as a result of the protest, the Real Property Taxes are lowered, and a tax consultant has been utilized in connection with the protest, Lessee agrees to pay, as additional rent during the Term, its prorated Lessee's Share of all fees payable to tax consultants in the manner set forth in this Lease, as long as there is a net benefit to Lessee from such lowering of Real Property Taxes.

10.3 Additional Improvements. Common Area Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Industrial Center by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.1 hereof, Lessee shall, however, pay to Lessor at the time Common Area Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request.

10.4 Joint Assessment. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 Lessee's Property Taxes. Lessee shall pay, prior to delinquency, all taxes assessed against and levied upon Lessee-Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises or stored within the Industrial Center. When possible, Lessee shall cause its Lessee-Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within ten (10) days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. **Utilities.** Lessee shall pay directly for all utilities and services supplied to the Premises, including but not limited to electricity, telephone, security, gas, trash removal and cleaning of the Premises, together with any taxes thereon. Lessee shall deliver to Lessor copies of all bills for separately metered utilities supplied to the Premises for the past twelve (12) month period within thirty (30) days of Lessor's request. If any such utilities or services are not separately metered to the Premises or separately billed to the Premises, Lessee shall pay to Lessor a reasonable proportion to be determined by Lessor of all such charges jointly metered or billed with other premises in the Building, in the manner and within the time periods set forth in Subparagraph 4.2 (d). Lessor shall provide reasonable backup for any allocation of utilities costs which are not separately metered upon request.

12. **Assignment and Subletting.**

12.1 **Lessor's Consent Required.**

(a) Except for a Permitted Transfer (as defined below), Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or otherwise transfer or encumber (collectively, "**assign**" or "**assignment**") or sublet all or any part of Lessee's interest or obligations in this Lease or in the Premises without Lessor's prior written consent given under and subject to the terms of this Paragraph 12 and Paragraph 36, which Lessor shall not withhold unreasonably. The Parties agree, however, that the manner of operation of the Premises and conduct of business thereon by Lessee will have an impact on the quality and reputation of the Industrial Center. Accordingly, the Parties agree that in approving or disapproving of any proposed assignment or subletting of the Premises or the Lease, Lessor shall be entitled to take into consideration, by way of example and not limitation, any or all of the criteria set forth below and that it shall not be unreasonable for Lessor to withhold its consent if any of the following circumstances exist or may exist: (i) the transferee's contemplated use of the Premises following the proposed assignment or subletting is different from the permitted use specified herein; (ii) in Lessor's reasonable business judgment, the transferee lacks sufficient business reputation or experience to operate a successful business of the type and quality permitted under the Lease; (iii) in Lessor's reasonable business judgment, the present net worth of the transferee is less than the greater of Lessee's net worth at the Effective Date or Lessee's "**Net Worth**" (as defined in Subparagraph C below) at the date of Lessee's request for consent to the assignment or subletting; (iv) intentionally deleted; (v) the proposed assignment or subletting would breach any covenant of Lessor in any other lease, financing agreement or other agreement relating to the Industrial Center or otherwise; or (vi) the transferee requests an amendment to the Lease other than the identity of Lessee. No assignment or subletting shall release Lessee from its obligations and liabilities hereunder. Notwithstanding the foregoing and subject to the provisions of subsection (c) below, Lessee may assign this Lease or sublease the Premises ("**Permitted Transfers**"), without Lessor's consent but upon ten (10) days prior written notice to Lessor, to any corporation which controls, is controlled by or is under common control with Lessee, or to any corporation resulting from the merger of or consolidation with Lessee (a "**Permitted Transferee**"). In such case, any Permitted Transferee shall assume in writing all of Lessee's obligations under this Lease.

(b) A "**Change of Control**" of Lessee shall constitute an assignment requiring Lessor's consent. Change of Control shall mean the transfer by sale, assignment, death, incompetency, mortgage, deed of trust, trust, operation of law, or otherwise, of any shares, voting rights or ownership interest which will result in a change in the identity of the entity, entities, person or persons exercising, or who may exercise, effective control of Lessee, unless such change results from the trading of shares listed on a recognized public stock exchange and such trading is not for the purpose of acquiring effective control of Lessee. If Lessee is a private corporation whose stock becomes publicly held, the transfers of such stock from private to public ownership shall not be deemed a Change of Control. The transfer, on a cumulative basis, of twenty-five percent (25%) or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, refinancing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which may, in Lessor's good faith reasonable business judgment, result in a reduction of the Net Worth of Lessee, as hereinafter defined, by an amount equal to or greater than twenty (20%) of such Net Worth of Lessee as it was represented to Lessor at the time of full execution and delivery of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, at whichever time said Net Worth of Lessee was or is greater, shall be considered an assignment of this Lease by Lessee to which Lessor may reasonably withhold its consent. "**Net Worth**" of Lessee for purposes of this Lease shall be the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles consistently applied.

(d) An assignment of Lessee's interest in this Lease or subletting of the Premises without Lessor's specific prior written consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1.

(e) Lessee's remedy for any breach of this Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

12.2 **Terms and Conditions Applicable to Assignment and Subletting.**

(a) Regardless of Lessor's consent, any assignment or subletting shall not (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations

hereunder, nor (iii) alter the primary liability of Lessee for the payment of Base Rent and other sums due Lessor hereunder or for the performance of any other obligations to be performed by Lessee under this Lease.

(b) Lessor may accept any Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of any Rent for performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for the Default or Breach by Lessee of any of the terms, covenants or conditions of this Lease.

(c) The consent of Lessor to any assignment or subletting shall not constitute consent to any subsequent assignment or subletting by Lessee or to any subsequent or successive assignment or subletting by the assignee or sublessee. However, Lessor may consent to subsequent sublettings and assignments of the sublease or any amendments or modifications thereto without notifying Lessee or anyone else liable under this Lease or the sublease and without obtaining their consent, and such action shall not relieve such persons from liability under this Lease or the sublease.

(d) In the event of any Default or Breach of Lessee's obligation under this Lease, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of the Lessee's obligations under this Lease, including any sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefor to Lessor, or any security held by Lessor.

(e) Should Lessee desire to enter into an assignment or subletting transaction (other than a Permitted Transfer), Lessee shall give notice thereof to Lessor by requesting in writing Lessor's consent to such assignment or subletting at least thirty (30) days before the proposed effective date of any such assignment or subletting and shall provide Lessor with the following: (i) the reasonable particulars of the proposed assignment or subletting transaction, including its nature, effective date, terms and conditions, and copies of any documents pertaining to such proposed transaction; (ii) a description of the identity, net worth and previous business experience of the transferee, including copies of transferee's latest income, balance sheet and change-of-financial-position statements (with accompanying notes and disclosures of all material changes thereto) in audited form, if available, and certified as accurate by the transferee; and (iii) any further information relevant to the transaction which Lessor shall have requested within thirty (30) days after receipt of Lessee's request for consent and all information specified above in Subparagraphs (i), (ii) and (iii).

Each assignment or subletting to which Lessor has consented shall be evidenced by an instrument made in such written form as is reasonably satisfactory to Lessor and executed by Lessee and transferee. By such instrument, transferee shall assume all the terms, covenants and conditions of this Lease, which are obligations of Lessee. Lessee shall remain fully liable to perform its duties under this Lease following the assignment or subletting. Lessee shall, on demand of Lessor, reimburse Lessor for Lessor's reasonable costs, including legal fees, incurred in obtaining advice and preparing documentation for each assignment or subletting to which Lessor has consented.

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment or entering into such sublease, be deemed, for the benefit of Lessor, to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented in writing.

(g) Intentionally deleted.

(h) Intentionally deleted.

(i) If Lessor consents to an assignment or subletting (other than a Permitted Transfer), as a condition thereto which the Parties hereby agree is reasonable, Lessee shall pay to Lessor fifty percent (50%) of any "Transfer Premium," as that term is defined in this Paragraph, received by Lessee from such assignee or sublessee. "Transfer Premium" shall mean all rent, additional rent or other consideration payable by the assignee or sublessee in connection with the assignment or sublease of the Premises in excess of the Base Rent under this Lease during the term of the assignment or sublease on a per rentable square foot basis if less than all of the Premises is transferred, deducting any expenses incurred by Lessee in connection with the assignment or subletting, including without limitation, expenses of marketing brokerage commissions and reasonable attorneys' fees, but excluding expenses incurred in improving the space or loss of rent. "Transfer Premium" shall also include, but not be limited to, key money, bonus money or other cash consideration paid by such assignee or sublessee to Lessee in connection with such assignment or sublease. The determination of the amount of Lessor's applicable share of the Transfer Premium shall be made on a monthly basis as rent or other consideration is received by Lessee under the assignment or sublease.

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all rentals and income arising from any sublease of all or a portion of the Premises heretofore or hereafter made by Lessee, and Lessor may collect such rent and income and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations under this Lease, Lessee may, except as otherwise provided in this Lease, receive, collect and enjoy the rents accruing under such sublease. Lessor shall not, by reason of the foregoing provision or any other assignment of such sublease to Lessor, nor by reason of the collection of the rents from a sublessee, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee under such Sublease. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor the rents and other charges due and to become due under the sublease. Sublessee shall rely upon any such statement and request from Lessor and shall pay such rents and other charges to Lessor without any obligation or right to inquire as to whether such Breach exists and notwithstanding any notice from or claim from Lessee to the contrary. Lessee shall have no right or claim against such sublessee, or, until the Breach has been cured, against Lessor, for any such rents and other charges so paid by said sublessee to Lessor.

(b) In the event of a Breach by Lessee in the performance of its obligations under this Lease, Lessor, at its option and without any obligation to do so, may require any sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any other prior defaults or breaches of such sublessor under such sublease.

(c) Any matter or thing requiring the consent of the sublessor under a sublease shall also require the consent of Lessor herein.

(d) No sublessee under a sublease approved by Lessor shall further assign or sublet all or any part of the Premises without Lessor's prior written consent, which consent may be granted or denied in Lessor's sole discretion.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. **Default; Breach; Remedies.**

13.1 **Default; Breach.** Lessee's obligations to Lessor hereunder shall include any and all costs or expenses incurred by Lessor in conjunction with enforcing Lessor's rights and remedies hereunder, which shall include, but shall not be limited to, any attorneys' fees or other legal expenses or costs associated therewith, and that Lessor may include the cost of such services and costs in any notice of Default as rent due and payable to cure said default. A "**Default**" by Lessee is defined as a failure by Lessee to observe, comply with or perform any of the terms, covenants, conditions or rules applicable to Lessee under this Lease. A "**Breach**" by Lessee is defined as the occurrence of any Default, including but not limited to those listed below, and, where a grace period for cure after notice is specified herein, the failure by Lessee to cure such Default prior to the expiration of the applicable grace period, and shall entitle Lessor to pursue the remedies set forth in Paragraphs 13.2 and/or 13.3:

(a) The vacating of the Premises without the intention to reoccupy same, or the abandonment of the Premises, coupled with the failure to pay rent.

(b) Except as expressly otherwise provided in this Lease, the failure by Lessee to make any payment of Rent, Lessee's Share of Common Area Operating Expenses, or any other monetary payment required to be made by Lessee hereunder as and when due, the failure by Lessee to provide Lessor with reasonable evidence of insurance or surety bond required under this Lease, or the failure of Lessee to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of five (5) days following written notice thereof by or on behalf of Lessor to Lessee.

(c) Except as expressly otherwise provided in this Lease, the failure by Lessee to provide Lessor with reasonable written evidence (in duly executed original form, if applicable) of (i) compliance with Applicable Requirements per Paragraph 6.3, (ii) the inspection, maintenance and service contracts required under Subparagraph 7.1 (b), (iii) the rescission of an unauthorized assignment or subletting per Paragraph 12.1, (iv) an Estoppel Certificate or financial statement per Paragraphs 16 or 37, (v) the subordination or non-subordination of this Lease per Paragraph 30, (vi) the Guaranty of the performance of Lessee's obligations under this Lease if required under Paragraphs 1.11 and 37, (vii) the execution of any document requested under Paragraph 42 (Reservations), or (viii) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of ten (10) days following written notice by or on behalf of Lessor to Lessee.

(d) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the Rules and Regulations adopted under Paragraph 39 hereof that are to be observed, complied with or performed by Lessee, other than those described in Subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of thirty (30) days after written notice

thereof by or on behalf of Lessor to Lessee; provided, however, that if the nature of Lessee's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach of this Lease by Lessee if Lessee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

(e) The occurrence of any of the following events: (i) the making by Lessee of any general arrangement or assignment for the benefit of creditors; (ii) Lessee's becoming a "debtor" as defined in 11 U.S. Code Section 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within thirty (30) days; provided, however, in the event that any provision of this Subparagraph 13.1(e) is contrary to any applicable law, such provision shall be of no force or effect, and shall not affect the validity of the remaining provisions.

(f) The discovery by Lessor that any financial statement of Lessee or of any Guarantor, given to Lessor by Lessee or any Guarantor, was materially false.

(g) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such Guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the Guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory breach basis, and Lessee's failure, within sixty (60) days following written notice by or on behalf of Lessor to Lessee of any such event, to provide Lessor with written alternative assurances of security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessee fails to perform any affirmative duty or obligation of Lessee under this Lease, within ten (10) days after written notice to Lessee (or in case of an emergency, without notice), Lessor may at its option (but without obligation to do so), perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by Lessor shall be due and payable by Lessee to Lessor upon invoice therefor. If more than one (1) check given to Lessor by Lessee in any twelve (12) month period shall not be honored by the bank upon which it is drawn, Lessor at its own option, may require all future payments to be made under this Lease by Lessee to be made only by cashier's check. In the event of a Breach of this Lease by Lessee, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy, which Lessor may have by reason of such Breach, Lessor may:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease and the Term hereof shall terminate and Lessee shall immediately surrender possession of the Premises to Lessor. In such event Lessor shall be entitled to recover from Lessee: Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and any real estate commission actually paid in connection with the reletting; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Lessee proves could be reasonably avoided; that portion of the leasing commission paid by Lessor, as well as the cost of any inducements such as free rent or a tenant finish allowance, applicable to the unexpired term of this Lease. If a notice and grace period required under Subparagraph 13.1 (b), (c) or (d) was not previously given, a notice to pay rent or quit, or to perform or quit, as the case may be, given to Lessee under any statute authorizing the forfeiture of leases for unlawful detainer shall also constitute the applicable notice for grace period purposes required by Subparagraph 13.1 (b), (c) or (d). In such case, the applicable grace period under the unlawful detainer statute shall run concurrently after the one such statutory notice, and the failure of Lessee to cure the Default within the greater of the two (2) such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession in effect after Lessee's Breach. In such event Lessor shall be entitled to enforce all of Lessor's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder. Acts of maintenance or preservation, efforts to relet the Premises, or the appointment of a receiver to protect the Lessor's interest under this Lease, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available to Lessor under the laws or judicial decisions of the state wherein the Premises are located.

(d) The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the Term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture in Event of Breach. Any agreement by Lessor for free or abated rent or other charges applicable to the Premises, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "**Inducement Provisions**" shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease to be performed or observed by Lessee during the Term hereof as the same may be extended. Upon the occurrence of a Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, and recoverable by Lessor, as additional rent due under this Lease, until any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this Paragraph 13.3 shall not be deemed a waiver by Lessor of the provisions of this Paragraph 13.3 unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee to Lessor of rent and other sums due hereunder will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges, which may be imposed upon Lessor by the terms of any ground lease, mortgage or deed of trust covering the Premises. Accordingly, if any installment of rent or other sum due from Lessee shall not be received by Lessor or Lessor's designee within five (5) days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall pay to Lessor a late charge equal to ten percent (10%) of such overdue amount. Notwithstanding the foregoing, Lessee shall not be obligated to pay such late charge for the first such late payment in any twelve (12) month period, provided that such payment is made within three (3) business days after notice from Lessor that such amount was not paid when due. The Parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent Lessor from exercising any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) installments of Base Rent in any twelve (12) month period, then notwithstanding Paragraph 4.1 or any other provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Breach by Lessor. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph 13.5, a reasonable time shall in no event be less than thirty (30) days after receipt by Lessor, and by any Lender(s) whose name and address shall have been furnished to Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than thirty (30) days after such notice are reasonably required for its performance, then Lessor shall not be in breach of this Lease if performance is commenced within such thirty (30) day period and thereafter diligently pursued to completion.

14. Condemnation. If the Premises or any portion thereof are permanently taken under the power of eminent domain or sold under the threat of the exercise of said power (all of which are herein called "condemnation", this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than ten percent (10%) of the floor area of the Premises, or more than twenty-five percent (25%) of the portion of the Common Areas designated for Lessee's parking, is taken by condemnation, or any portion of the Common Area is taken by condemnation and such taking permanently prevents access to the Premises. Lessee may, at Lessee's option, to be exercised in writing within twenty (20) days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within twenty (20) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Rent shall be reduced in the same proportion as the rentable floor area of the Premises taken bears to the total rentable floor area of the Premises. No reduction of Rent shall occur if the condemnation does not apply to any portion of the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Lessor, whether such award shall be made as compensation for diminution of value of the leasehold or for the taking of the fee, or as severance damages; provided, however, that Lessee shall be entitled to seek a separate award for Lessee's relocation expenses and/or loss of Lessee's Trade Fixtures. In the event that this Lease is not terminated by reason of such condemnation, Lessor shall to the extent of its net severance damages received, over and above Lessee's Share of the legal and other expenses incurred by Lessor in the condemnation matter, repair any damage to the Premises caused by such condemnation authority. Lessee shall be responsible for the payment of any amount in excess of such net severance damages required to complete such repair.

15. Brokers.

15.1 Procuring Cause. The Broker(s) named in Paragraph 1.10 is/are the procuring cause of this Lease. Lessee and Lessor acknowledge that the brokerage relationship described in Paragraph 1.10, if required by rule or regulation, were disclosed to the Lessor or Lessee or their respective agents no later than the first showing, upon first contact or immediately upon the occurrence of any change to the relationship.

15.2 Representations and Warranties. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder other than as named in Paragraph 1.10 in connection with the negotiation of this Lease

and/or the consummation of the transaction contemplated hereby, and that no broker or other person, firm or entity other than said named Broker(s) is entitled to any commission or finder's fee in connection with said transaction. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, and/or attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificate and Financial Statements.

16.1 Estoppel Certificate. Within ten (10) days after written notice from Lessor, Lessee shall execute and deliver to Lessor a certificate stating such matters reflecting the status of this Lease or the Premises as Lessor or Lessor's lender, purchaser or ground lessor may reasonably request.

16.2 Financial Statement. If Lessee is in Default under this Lease or Lessor desires to finance, refinance, or sell the Premises, the Building, or the Industrial Center, or any part thereof, Lessee and all Guarantors shall deliver to Lessor and any potential lender or purchaser designated by Lessor such financial statements of Lessee and such Guarantors as may be reasonably required by Lessor and/or such lender or purchaser, including but not limited to Lessee's financial statements for the past three (3) years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Lessor's Liability. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises. In the event of a transfer of Lessor's title or interest in the Premises or in this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor at the time of such transfer or assignment. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined. In no event shall the obligations of Lessor under this Lease constitute personal obligations of Lessor, its direct or indirect partners, members, managers, directors, officers, shareholders, employees or representatives, and Lessee hereby expressly waives such personal liability on behalf of itself and all persons claiming by, through or under Lessee. Further, Lessee, for satisfaction of any liability of Lessor under this Lease, may seek recourse only against Lessor's interest in the Industrial Center (including all rents and proceeds therefrom) and shall not seek recourse against Lessor's other assets or against Lessor's direct or indirect partners, members, managers, directors, officers, shareholders, employees or representatives or any of their respective personal assets.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Interest on Past-Due Obligations. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor within ten (10) days following the date on which it was due, shall bear interest from the date due at the rate of eight percent (8%) per annum, but not exceeding the maximum rate allowed by law, in addition to the potential late charge provided for in Paragraph 13.4.

20. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

21. Rent Defined. All monetary obligations of Lessee to Lessor under the terms of this Lease are deemed to be rent.

22. No Prior or Other Agreements. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. It is understood and agreed that there are no oral agreements between the Parties affecting this Lease and this Lease (including all exhibits and addenda) supersedes and cancels any and all previous negotiations, arrangements, brochures, marketing materials, agreements and understandings, if any, between the Parties hereto or displayed by Lessor to Lessee with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. This Lease and any separate agreement executed by Lessor and Lessee in connection with this Lease and dated of even date herewith (a) contain all of the terms, covenants, conditions, warranties and agreements of the Parties relating in any manner to the rental, use and occupancy of the Premises, and (b) shall be considered to be the only agreement between the Parties and their representatives and agents. This Lease may not be modified, deleted or added to except by a writing signed by the Parties hereto. All negotiations and oral agreements have been merged into and are included herein. There are no other representations or warranties between the Parties, and all reliance with respect to representations is based totally upon the representations and agreements contained in this Lease. The Parties acknowledge that (i) each Party and/or its counsel have reviewed and revised this Lease, and (ii) no rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall be employed in the interpretation or enforcement of this Lease or any amendments or exhibits to this Lease or any document executed and delivered by either Party in connection with this Lease.

23. Notices. All notices required or permitted by this Lease shall be in writing and shall be and deemed duly served or given when actually delivered, if personally delivered (including delivery by Federal Express, Express Mail or other similar overnight or personal

courier service which confirms delivery in writing), or within three (3) business days after deposit in the U.S. Mail, if sent by certified mail, postage prepaid, return receipt requested, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. If notice is received on a Saturday or a Sunday or a legal holiday, it shall be deemed received on the next business day. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notice purposes. Either Party may by written notice to the other specify a different address for notice purposes, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for the purpose of mailing or delivering notices to Lessee. A copy of all notices required or permitted to be given to Lessor hereunder shall be concurrently transmitted to such Party or Parties at such addresses as Lessor may from time to time hereafter designate by written notice to Lessee.

24. **Waivers.** No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or any other term, covenant or condition hereof. Lessor's consent to, or approval of, any such act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent. Regardless of Lessor's knowledge of a Default or Breach at the time of accepting rent, the acceptance of rent by Lessor shall not be a waiver of any Default or Breach by Lessee of any provision hereof. Any payment given Lessor by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

25. **Recording.** Lessee shall not record this Lease or any memorandum of this Lease.

26. **No Right To Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or earlier termination of this Lease. In the event that Lessee holds over in violation of this Paragraph 26 then the Base Rent payable from and after the time of the expiration or earlier termination of this Lease shall be increased to one hundred fifty percent (150%) of the Base Rent applicable during the month immediately preceding such expiration or earlier termination. Lessee shall protect, defend, indemnify and hold Lessor harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from Lessee's holding over, including, without limiting the generality of the foregoing, the cost of unlawful detainer proceedings instituted by Lessor against Lessee, increased construction costs to Lessor as a result of Lessor's inability to timely commence construction of improvements for a new tenant for the Premises, actual damages that results from Lessor's inability to timely deliver the Premises to such new tenant, and any claims made by any succeeding tenant founded upon such failure to surrender and any lost profits to Lessor resulting therefrom. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions.

29. **Binding Effect; Choice of Law.** This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Lessee expressly agrees that any and all disputes arising out of or in connection with this Lease shall be litigated only in the Circuit Court of the State of Missouri for the county in which the Premises are located (and in no other), and Lessee hereby consents to the jurisdiction of said court.

30. **Subordination; Attornment; Non-Disturbance.**

30.1 **Subordination.** This Lease and any Option granted hereby shall automatically be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device or amendment or modification thereto (collectively, "Security Device"), now or hereafter placed by Lessor upon the real property of which the Premises are a part, to any and all advances made on the security thereof, and to all renewals, modifications, consolidations, replacements and extensions thereof. Lessee agrees that the Lenders holding any such Security Device shall have no duty, liability or obligation to perform any of the obligations of Lessor under this Lease, but that in the event of Lessor's default with respect to any such obligation, Lessee will give any Lender whose name and address have been furnished Lessee in writing for such purpose notice of Lessor's default pursuant to Paragraph 13.5. If any Lender shall elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device and shall give written notice thereof to Lessee, this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** Subject to the non-disturbance provisions of Paragraph 30.3, Lessee agrees to attorn to a Lender or any other party who acquires ownership of the Premises by reason of a foreclosure of a Security Device, and that in the event of such foreclosure, such new owner shall not: (i) be liable for any act or omission or any prior lessor or with respect to events occurring prior to acquisition of ownership, (ii) be subject to any offsets or defenses which Lessee might have against any prior lessor, or (iii) be bound by prepayment of more than one month's rent.

30.3 **Non-Disturbance.** With respect to Security Devices entered into for the first time (as opposed to amendments or modifications to existing Security Devices) by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receipt of an assurance (a "**Nondisturbance Agreement**") from the Lender that Lessee's possession and this Lease, including any options to extend the Term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises.

30.4 **Self-Executing.** The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of Premises, Lessee shall, within ten (10) business days following the date of such request, execute such further writings as may be reasonably required to separately document any such subordination or non-subordination, attornment and/or non-disturbance agreement as is provided for herein.

31. **Attorneys' Fees.** If any Party brings an action or proceeding to enforce the terms hereof or declare rights hereunder, the Prevailing Party (defined below) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "**Prevailing Party**" shall include, without limitation, a Party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party of its claim or defense. The attorneys' fee award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. Lessor shall be entitled to attorneys' fees, costs and expenses incurred in preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach.

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at upon not less than twenty-four (24) hours notice at reasonable times for the purpose of showing the same to prospective purchasers, lenders, or lessees, and making such alterations, repairs, improvements or additions to the Premises or to the Building, as Lessor may reasonably deem necessary, including the right to take photographs of the Premises in connection with such entry. Lessor may at any time place on or about the Premises or Building any ordinary "For Sale" signs and Lessor may at any time during the last one hundred eighty (180) days of the Term hereof place on or about the Premises any ordinary "For Lease" signs. All such activities of Lessor shall be without abatement of rent or liability to Lessee.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, either voluntarily or involuntarily, any auction upon the Premises without first having obtained Lessor's prior written consent. Notwithstanding anything to the contrary in this Lease, Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to grant such consent.

34. **Signs.** Lessee shall not place any sign upon the exterior of the Premises or the Building, except that Lessee may, with Lessor's prior written consent and at Lessee's sole cost and expense, install (but not on the roof) such signs as are reasonably required to advertise Lessee's own business so long as such signs are in a location mutually approved by Lessor and Lessee and comply with Applicable Requirements and the signage criteria established for the Industrial Center by Lessor. Notwithstanding the foregoing, Lessee shall have the right to install (a) a sign on the exterior of the Building, and (b) a monument sign in front of the Building, which signage shall consist solely of the name "Gulf Packaging, Inc." and/or its logo, subject to Lessor's prior approval of such signage, which approval shall not be unreasonably withheld or delayed, and Lessee's compliance with the other provisions of this Paragraph 34. The location, quality, design, style, lighting and size of such signage shall be subject to Lessor's prior written approval, which shall not be unreasonably withheld or delayed. The right granted under this paragraph shall be personal to the originally named Lessee under this Lease. Such signage shall comply with all applicable laws, statutes, regulations, ordinances and restrictions, including but not limited to, any permit requirements. Lessee shall install and maintain said signage in good condition and repair at its sole cost and expense during the entire Term. The installation of any sign on the Premises by or for Lessee shall be subject to the provisions of Paragraph 7 (Maintenance, Repairs, Utility Installations, Trade Fixtures and Alterations). Unless otherwise expressly agreed herein, Lessor reserves all rights to the use of the roof of the Building, and the right to install advertising signs on the Building, including the roof, which do not unreasonably interfere with the conduct of Lessee's business or the visibility of Lessee's signage or the Premises; Lessor shall be entitled to all revenues from such advertising signs.

35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, Lessor shall, in the event of any such surrender, termination or cancellation, have the option to continue any one or all of any existing subtenancies. Lessor's failure within ten (10) days following any such event to make a written election to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents.** Except for Paragraph 33 hereof (Auctions) or as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent pertaining to this Lease or the Premises, including but not limited to consents

to an assignment a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee to Lessor upon receipt of an invoice therefor. Lessor's consent to any act, assignment of this Lease or subletting of the Premises by Lessee shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. Lessee acknowledges all conditions to Lessor's consent authorized by this Lease as being reasonable. The failure to specify herein any particular condition to Lessor's consent shall not preclude the impositions by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given.

37. **Intentionally Deleted.**

38. **Quiet Possession.** Upon payment by Lessee of the Rent for the Premises and the performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, and unless specifically provided herein, Lessee shall have quiet possession of the Premises for the entire Term hereof subject to all of the provisions of this Lease.

39. **Rules and Regulations.** Lessee agrees that it will abide by, and keep and observe all reasonable rules and regulations ("**Rules and Regulations**") which Lessor may make from time to time for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or Lessee of the Building and the Industrial Center and their invitees. The current Rules and Regulations for the Industrial Center are attached hereto as Exhibit E.

40. **Substitution Space.** Intentionally deleted.

41. **Security Measures.** Lessee hereby acknowledges that the rental payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties and shall install, at Lessee's sole cost and expense, any and all necessary security devices.

42. **Reservations.** Lessor reserves the right, from time to time, to grant, without the consent or joinder of Lessee, such easements, rights of way, utility raceways, and dedications that Lessor deems necessary, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights of way, utility raceways, dedications, maps and restrictions do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate any such easement rights, dedication, map or restrictions, provided that Lessee's use of the Premises for the Permitted Use and access to the Premises and the Industrial Center are not materially and adversely affected.

43. **OFAC Compliance.** Lessee represents, warrants and covenants to Lessor that neither they are not, and, after making due inquiry, that no person or entity that owns a 10% or greater equity interest in or otherwise controls Lessee, nor any of their respective officers, directors or managing members, (i) is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or any similar list) or under any statute, executive order (including Executive Order 13224 (the "**Executive Order**") signed on September 24, 2001 and entitled "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism"), or other governmental action, (ii) is currently subject to any U.S. sanctions administered by OFAC, (iii) is in violation of the International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001 or the regulations or orders promulgated thereunder (as amended from time to time, the "**Money Laundering Act**") and none of the activities of such person violate the Money Laundering Act, and (iv) that throughout the term of this Lease the Lessee shall comply with the Executive Order and with the Money Laundering Act.

44. **Authority.** If either Party hereto is a corporation, limited liability company, trust, or general or limited partnership, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. If Lessee is a corporation, limited liability company, trust or partnership, Lessee shall, within five (5) days after request by Lessor, deliver to Lessor evidence satisfactory to Lessor of such authority.

45. **Conflict.** The typewritten or handwritten provisions shall control any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions.

46. **Offer; Counterparts.** Preparation of this Lease by either Lessor or Lessee or Lessor's agent or Lessee's agent and submission of same to Lessee or Lessor shall not be deemed an offer to lease. This Lease is not intended to be binding until executed and delivered by all Parties hereto. This Lease may be executed in counterparts, each of which shall be deemed an original, but such counterparts, when taken together, shall constitute one agreement.

47. **Amendments.** This Lease may be modified only in writing, signed by the parties in interest at the time of the modification. The Parties shall amend this Lease from time to time to reflect any adjustments that are made to the Base Rent or other rent payable under this Lease.

48. **Multiple Parties.** Except as otherwise expressly provided herein, if more than one person or entity is named herein as either Lessor or Lessee, the obligations of such multiple parties shall be the joint and several responsibility of all persons or entities named herein as such Lessor or Lessee.

49. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the Parties and are not a part of the Lease. Whenever required by the context of this Lease, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Lease shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared the same and, consequently, any inconsistencies or ambiguities herein shall not be interpreted against either Party as the drafter of the Lease. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Lease. All exhibits referred to in this Lease are attached and incorporated by this reference. Except as specifically provided herein, Lessee hereby agrees that Lessee shall not disclose any of the economic terms of this Lease to any person or entity not a party to this Lease, nor shall Lessee issue any press releases or make any public statements relating to the terms or provisions of this Lease; provided, however, Lessee may make necessary disclosures to potential lenders, attorneys, accountants and space planning consultants, and/or as may be required by applicable Laws or court order, so long as such Parties agree to keep all of the economic terms of this Lease strictly confidential. The obligation of Lessee set forth in this section shall survive the expiration or any earlier termination of this Lease.

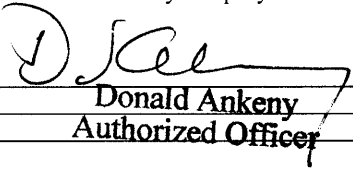
THE PARTIES HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

IF THIS LEASE HAS BEEN FILLED IN, IT HAS BEEN PREPARED FOR YOUR ATTORNEY'S REVIEW AND APPROVAL. FURTHER, EXPERTS SHOULD BE CONSULTED TO EVALUATE THE CONDITION OF THE PROPERTY AS TO THE POSSIBLE PRESENCE OF ASBESTOS OR HAZARDOUS SUBSTANCES. THE PARTIES SHALL RELY SOLELY UPON THE ADVICE OF THEIR OWN COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE. IF THE SUBJECT PROPERTY IS LOCATED IN A STATE OTHER THAN MISSOURI, AN ATTORNEY FROM THE STATE WHERE THE PROPERTY IS LOCATED SHOULD BE CONSULTED.

The Parties hereto have executed this Lease as of the Effective Date.

LESSOR

WESTCORE DELTA LLC,
a Delaware limited liability company

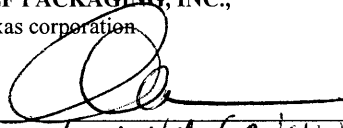
By: 
Name: Donald Ankeny
Title: Authorized Officer

Address:

c/o Westcore Properties, LLC
4435 Eastgate Mall, Suite 300
San Diego, CA 92121
Telephone: (858) 625-4100
Facsimile: (858) 678-0060

LESSEE

GULF PACKAGING, INC.,
a Texas corporation

By: 
Name: Stephen R. Sullivan
Title: CEO

By: _____
Name: _____
Title: _____

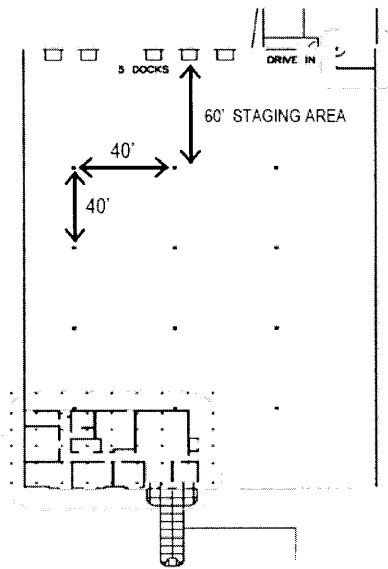
Address:

1040 WILSON AVENUE
DUBLIN, CA 94568
60419
Telephone: 908 849 8100
Facsimile: 908 841 4880

EXHIBIT A

PREMISES

THE SITE PLAN SET FORTH HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE A WARRANTY OR REPRESENTATION CONCERNING THE SIZE OR LAYOUT OF THE PREMISES.



4774 Park 370 Suite 1B

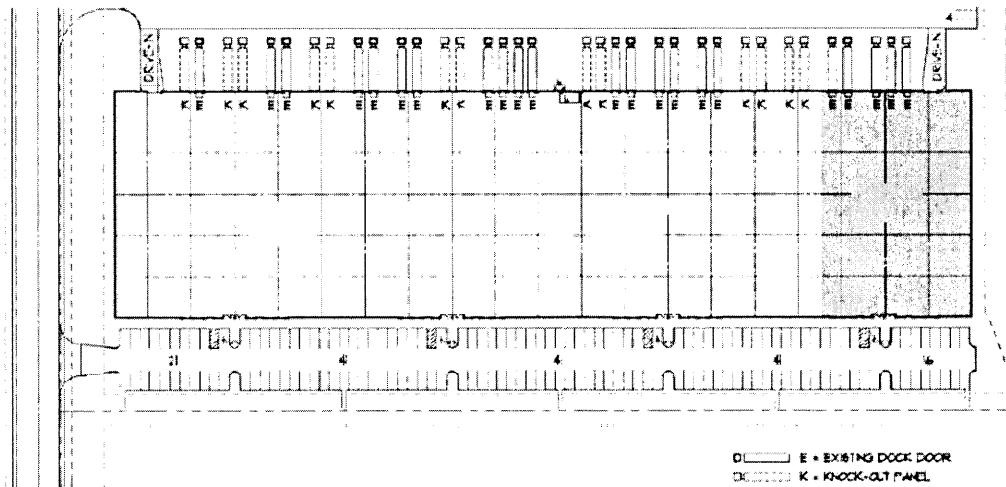


EXHIBIT B

INDUSTRIAL CENTER

THE SITE PLAN SET FORTH HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE AN EXACT MEASUREMENT OF THE PARCELS OWNED BY LESSOR, NOR DOES IT CONSTITUTE A WARRANTY, REPRESENTATION OR AGREEMENT ON THE PART OF LESSOR THAT THE TENANT MIX OR LAYOUT OF THE INDUSTRIAL CENTER IS OR WILL REMAIN AS INDICATED HEREON.



EXHIBIT C

INTENTIONALLY OMITTED

Initial AK
Initial DA

EXHIBIT D
INTENTIONALLY OMITTED





Initial 
Initial 

EXHIBIT E

RULES AND REGULATIONS

1. No sign, placard, picture, advertisement, name or notice shall be inscribed, displayed or affixed on or to any part of the outside or inside of the Industrial Center, the Premises or the surrounding area without the written consent of the Lessor being first obtained. If Lessor gives such consent, Lessor may regulate the manner of display of the sign, placard, picture, advertisement, name or notice. Lessor shall have the right to remove any sign, placard, picture, advertisement, name or notice which has not been approved by Lessor or is being displayed in a non-approved manner without notice to and at the expense of the Lessee. All approved signs or lettering on doors shall be printed, painted, affixed or inscribed at the expense of Lessee by a person approved by Lessor. Lessee shall not place anything or allow anything to be placed near window, door, partition or wall, which may appear unsightly from outside of the Premises.
2. The directory of the Industrial Center (if any) will be provided exclusively for the display of the name and location of the lessees only, and Lessor reserves the right to exclude any other names therefrom.
3. The sidewalks, halls, passages, exits and entrances shall not be obstructed by any of the lessees or used by them for any purpose other than for ingress to and egress from their respective Premises. The halls, passages, exits, entrances and roof are not for the use of the general public and the Lessor shall in all cases retain the right to control thereof and prevent access thereto by all persons whose presence in the judgment of the Lessor shall be prejudicial to the safety, character, reputation and interests of the Industrial Center or its lessees; provided, however, that nothing herein contained shall be construed to prevent access by persons with whom the Lessee normally deals in the ordinary course of Lessee's business unless such persons are engaged in illegal activities. No lessee and no employees or invitees of any lessee shall go upon the roof of the Industrial Center.
4. Lessee shall not alter any lock or install any new additional locks or bolts on any exterior door of the Premises without the written consent of Lessor. Lessee may install an electronic alarm system.
5. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from a violation of this rule shall be borne by the Lessee who, or whose employees or invitees, shall have caused it.
6. Lessee shall not overload the floor of the Premises and shall not deface the Premises.
7. Lessee shall not use, keep or permit to be used or kept any food or noxious gas or substance in the Premise, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to the Lessor or other occupants of the Industrial Center by reason of noise, odors and/or vibrations, or interfere in any way with other lessees or those having business in the Industrial Center. Neither animals nor birds shall be brought in or kept in or about the Premises of the Industrial Center. No lessee shall make or permit to be made any disturbing noises or disturb or interfere with occupants of this or neighboring Industrial Centers or Premises, or with those having business with such occupants, by the use of any musical instruments, radio, phonograph, unusual noise, or in any other way. No lessee shall throw anything out of doors. No cooking shall be done or permitted by Lessee in the Premises beyond the use of a microwave oven or other small appliances.
8. No Lessee shall occupy or permit any portion of its Premises to be occupied for the manufacture, sale, or use of liquor or narcotics in any form, or as a medical office, or as a barbershop or manicure shop, except without prior written consent of Lessor. The Premises shall not be used for lodging or sleeping or for illegal purposes.
9. Lessor will direct electricians as to where and how telephone wires are to be introduced. No boring or cutting for or stringing of wires will be allowed without the consent of Lessor, which consent shall not be unreasonably withheld. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Lessor, which approval shall not be unreasonably withheld.
10. Lessee upon termination of the tenancy, shall deliver to the Lessor the keys to the Premises, offices, rooms, and toilet rooms which shall have been furnished and shall pay the Lessor the cost of replacing any lost key or of changing the lock or locks opened by such lost key if Lessor deems it necessary to make such change.
11. No lessee shall lay linoleum, tile, carpet or other similar floor coverings so that the same shall be affixed to the floor of the Premises in any manner except as approved by the Lessor, which approval shall not be unreasonably withheld. The expense of repairing any damage resulting from a violation of this rule or removal of any floor covering shall be borne by the lessee by whom, or by whose contractors, employees or invitees, the floor covering shall have been laid.

Initial 
Initial 

12. In case of invasion, mob riot, public excitement, or other commotion, the Lessor reserves the right to prevent access to the Industrial Center during the continuance of the same, by closing the doors or otherwise, for the safety of the lessees and protection of the Industrial Center and property located therein. Anything to the foregoing notwithstanding, Lessor shall have no duty to provide security protection for the Industrial Center at any time or to monitor access thereto.

13. Lessee shall see that the doors of the Premises are closed and securely locked before leaving the Premises and that all water faucets, water apparatus and electricity are entirely shut off before Lessee or Lessee's employees leave the Premises. Lessee shall be responsible for any damage to the Industrial Center or other lessees' premises caused by a failure to comply with this rule.

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

15. Any requests of Lessee will be considered only upon application at the Office of Lessor. Employees of Lessor shall not be requested to perform any work or do anything outside of their regular duties unless under special instructions from the Lessor.

16. Lessor shall have the right, exercisable with reasonable notice and without liability to Lessee, to change the name and the street address of the Industrial Center of which the Premises are a part, where such change is required by any government agency.

17. Lessee agrees that it shall comply with all fire regulations that may be issued from time to time by Lessor, and Lessee also shall provide Lessor with the name of a designated responsible employee to represent Lessee in all matters pertaining to fire regulations.

18. Lessor reserves the right by written notice to Lessee, to rescind, alter or waive any rule or regulation at any time prescribed for the Industrial Center when, in Lessor's judgment, it is necessary, desirable or proper for the best interest of the Industrial Center or its Lessees, provided that at all times the rules and regulations are uniformly enforced by Lessor.

19. Lessee shall not disturb, solicit, or canvas any occupant of the Industrial Center and shall cooperate to prevent same.

20. Without the written consent of Lessor, Lessee shall not use the name of the Industrial Center in connection with or in promotion or advertising the business of Lessee except as Lessee's address.

21. Lessee shall be entitled to use parking spaces during working hours. Lessee shall not park in driveways or loading areas, or reserved parking spaces of other lessees. In the event that Lessee (a) parks any tractor or trailer in an area not designated for parking of tractors or trailers, (b) parks any vehicle in a reserved parking space of another lessee of the Industrial Center, or (c) parks any vehicle overnight in an area not permitted for overnight parking, Lessee shall pay to Lessor upon demand a per diem parking fee of \$20 per day per tractor or trailer. Lessor or its agents shall have the right to cause to be removed any car of Lessee, its employees or agents, that may be parked in unauthorized areas, and Lessee agrees to save and hold harmless Lessor, its agents and employees from any and all claims, losses, damages and demands asserted or arising in respect to or in connection with the removal of any such vehicle and for all expense incurred by Lessor in connection with such removal. Lessee will from time to time, upon request of Lessor, supply Lessor with a list of license plate numbers or vehicles owned or operated by its employees and agent.



Initial 
Initial 

EXHIBIT F
INTENTIONALLY OMITTED


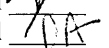
Initial 
Initial 

EXHIBIT G

HAZARDOUS SUBSTANCES SURVEY FORM

The purpose of this form is to obtain information regarding the use of Hazardous Substances on the Premises. Prospective lessees should answer the questions in light of their proposed operations on the Premises. Existing lessees should answer the questions as they relate to ongoing operations on the Premises and should update any information previously submitted. If additional space is needed to answer the questions, you may attach separate sheets of paper to this form.

Your cooperation in this matter is appreciated. Any questions should be directed to, and when completed, the form should be mailed to:

1. GENERAL INFORMATION

Company Name: Gulf Packaging Inc

Check Applicable Status: Prospective Lessee: ☒ Current Lessee: ☐

Mailing Address: 1040 Maryland Avenue
Chicago, IL 60619

Contact Person & Title: IRENE MATHIAS BUSINESS MANAGER

Phone #: 708 849 3100

Address of Premises: 4774 RANK 370 Blvd. Side 1 B Halesum Mo
63042

Describe the proposed operations to take place on the Premises, including principal products manufactured or services to be conducted. Existing lessees should describe any proposed changes to ongoing operations.

DISTRIBUTION OF Flexible Packaging

2. STORAGE OF HAZARDOUS SUBSTANCES

2.1 Will any Hazardous Substances be used or stored on the Premises?

Wastes Yes _____ No ☒

Chemical Products Yes _____ No ☒

Attach the list of any Hazardous Substances to be used or stored, the quantities that will be on site at any given time, and the location and method of storage.

3. STORAGE TANKS & SUMPS

Initial AM
Initial DA

- 3.1 Is any above or belowground storage of gasoline, diesel, or other Hazardous Substances in tanks or sumps proposed or currently conducted on the Premises?

Yes _____ No ☒ _____

If yes, describe the materials to be stored, and the type, size and construction of the sump or tank. Attach copies of any permits obtained for the storage of such substances.

- 3.2 Have any of the tanks or sumps been inspected or tested for leakage?

Yes _____ No ☒ _____ N/A

If so, attach results.

- 3.3 Have any spills or leaks occurred from such tanks or sumps?

Yes _____ No ☒ _____ N/A

If so, describe.

- 3.4 Were any regulatory agencies notified of the spill or leak?

Yes _____ No _____ N/A

If so, attach copies of any spill reports filed, any clearance letters or other correspondence from regulatory agencies relating to the spill or leak.

- 3.5 Have any underground storage tanks or sumps been taken out of service or been removed?

Yes _____ No _____ N/A

If yes, attach copies of any closure permits and clearance obtained from regulatory agencies relating to closure and removal of such tanks.

4. SPILLS

- 4.1 During the past year, have any spills occurred on the Premises?

Yes _____ No _____ N/A

If so, please describe the spill and attach the results of any testing conducted to determine the extent of such spills.

- 4.2 Were any agencies notified in connection with such spills?

Yes _____ No _____ N/A

If so, attach copies of any spill reports or other correspondence with regulatory agencies.

- 4.3 Were any cleanup actions undertaken in connection with the spill?

Yes _____ No _____ N/A

Initial
Initial

If so, briefly describe the actions taken. Attach copies of any clearance letters obtained from any regulatory agencies involved and the results of any final soil or ground water sampling done upon completion of the cleanup work.

5. WASTE MANAGEMENT

5.1 Has your company been issued an EPA Hazardous Waste Generator I.D. Number?

Yes _____ No _____

N/A

5.2 Has your company filed a biennial report as a hazardous waste generator?

Yes _____ No _____

N/A

If so, attach a copy of the most recent report files.

5.3 Attach a list of the Hazardous Substances, if any, generated or to be generated at the Premises, its hazard class and the quality generated on a monthly basis.

5.4 Describe the method(s) of disposal for each substance. Indicate where and how often disposal will take place.

N/A

5.5 Indicate the name of the person(s) responsible for maintaining copies of hazardous manifests completed for off-site shipments of Hazardous Substances.

N/A

5.6 Is any treatment or processing of Hazardous Substances currently conducted or proposed to be conducted at the Premises:

Yes _____ No _____

N/A

If yes, please describe any existing or proposed treatment methods.

5.7 Attach copies of any hazardous waste permits or licenses issued to your company with respect to its operations on the Premises.

6. WATER TREATMENT / DISCHARGE

Initial 
Initial 

6.1 Do you discharge waste water to:
_____ storm drain? _____ sewer? *N/A*
_____ surface water: _____ no industrial discharge.

6.2 Is your wastewater treated before discharge?
Yes _____ No _____ *N/A*
If yes, describe the type of treatment conducted.

Attach copies of any wastewater discharge permits issued to your company with respect to its operations on the Premises.

7. AIR DISCHARGES

7.1 Do you have any filtration systems or stacks that discharge into the air?
Yes _____ No _____ *N/A*

7.2 Do you operate any of the following types of equipment, or any other equipment requiring an air emissions permit?

_____ Spray booth
_____ Dip tank
_____ Drying oven
_____ Incinerator
_____ Other _____
_____ No Equipment Requiring Air Permits

7.3 Are air emissions from your operation monitored?
Yes _____ No _____ *N/A*

If so, indicate the frequency of monitoring and a description of the monitoring results.

7.4 Attach copies of any air emissions permits pertaining to your operations on the Premises.

8. HAZARDOUS SUBSTANCES DISCLOSURES

8.1 Does your company handle Hazardous Substances in a quantity equal to or exceeding an aggregate of 500 pound, 5 gallons, or 200 cubic feet?
Yes _____ No _____ *N/A*

8.2 Has your company prepared a Hazardous Substances management plan ("Business Plan") pursuant to the Fire Department requirements for the County in which the Premises is located?
Yes _____ No _____ *N/A*

Initial *AS*
Initial *DA*

8.3 Are any of the chemicals used in your operation regulated under Proposition 65?

Yes _____

No _____

If so, describe the actions taken, or proposed actions to be taken, to comply with the proposition.

8.4 Describe the procedure followed to comply with OSHA Hazard Communication Standard requirements.

9. ENFORCEMENT ACTIONS, COMPLAINTS

9.1 Has your company ever been subject to any agency enforcement actions, administrative orders, or consent decrees?

Yes _____

No _____

If so, describe the actions and any continuing compliance obligations imposed as a result of these actions.

9.2 Has your company ever received requests for information, notice or demand letters, or any other inquiries regarding its operation?

Yes _____

No _____

9.3 Have there ever been, or are there now pending, any lawsuits against the company regarding any environmental or health and safety concerns?

Yes _____

No _____

9.4 Has an environmental audit ever been conducted at your company's current facility?

Yes _____

No _____

9.5 Have there been any problems or complaints from neighbors at the company's current facility?

Yes _____

No _____

Gulf Packaging Inc
Company

By: _____

Title: CEO

Date: 5-28-13

Initial _____
Initial _____

EXHIBIT H



MOVE OUT STANDARDS

Before surrendering the Premises, Lessee shall remove all of its personal property, trade fixtures and such improvements, alterations or additions to the Premises made by Lessee as may be specified for removal by Lessor and repair any damage caused by such removal such that the damaged area is returned to the condition that existed prior to the installation of such personal property, trade fixtures, improvements, alterations or additions, subject to ordinary wear and tear. Ordinary wear and tear shall not include any damage or deterioration that would have been prevented by good maintenance practices, Lessee's proper and orderly occupation and use of the Premises or by Lessee timely performing its obligations in this Lease.

If Lessee fails to remove its personal property, trade fixtures, improvements, alterations or additions upon the Expiration Date or earlier termination of this Lease, the same shall be deemed abandoned and shall become the property of the Lessor. Notwithstanding the foregoing, Lessee shall be liable to Lessor for all costs and damages incurred by Lessor in removing, storing or selling such personal property, trade fixtures, improvements, alterations or additions and in restoring the Premises the condition required as provided in this Lease.

Provided that the Premises were in the following condition as of the Delivery Date, Lessee shall surrender the Premises, at the time of the Expiration Date or earlier termination of this Lease, in a condition that shall include, without limitation, the following:

1. Lights: Office, warehouse and exterior lights and ballasts must be fully operational with all bulbs functioning. Broken light lenses must be replaced with matching lenses. Ballast color should all be uniform (either all "cool" or all "warm").
2. Dock Levelers & Roll-Up Doors: Must be fully operational. Damaged panels must be replaced and painted to match. All missing or damaged dock bumpers, dock levelers, Dok-loks and Dok-lok lights must be replaced.
3. Truck Doors, Dock Seals, and Awnings: Metal and fabric awnings must be free of damage and tears. Frames and fasteners must be secure and undamaged. Dock seals must be free of damage, operational and securely fastened in place.
4. Warehouse Floors and Columns: Must be free of stains and swept with no racking bolts and other protrusions left in floor. Bolts must be ground down or removed and patched with an appropriate epoxy filing; bolts must not be removed with a gas torch. Cracks in the floor which are 1/4" or greater must be repaired with an epoxy sealer. Heavily scarred floor seal requires re-sealing. Damaged or bent columns, bollards, railing, etc. must be repaired.
5. Lessee Installed Equipment & Wiring: Must be removed and space returned to original condition when originally leased (remove air lines, junction boxes, conduit, etc.). Security systems must be disarmed and removed with damage, if any, repaired. Phone systems must be removed and damage, if any, repaired.
6. Walls: All nails, shelves, and toggle bolts must be removed from walls. Holes must be professionally filed and sanded. Large damaged areas may require tape, bed and sanding. Holes must not remain in either office or warehouse walls. Any sticky residue from placards or signs must be completely removed.
7. Roof: Any lessee-installed equipment must be removed and roof penetrations properly repaired by a licensed roofing contractor. If maintenance of the roof is a Lessee responsibility, then active leaks must be fixed and the most recent Lessor maintenance and repairs recommendations must have been completed.
8. Signs: All exterior Lessee signage must be removed, holes patched, fixings remediated and paint touched up to match, as necessary. All door and window signs must be removed and damage, if any, repaired.

Initial 
Initial 

9. Heating & Air Conditioning System:

If maintenance of the HVAC equipment is a Lessee responsibility, then a written report from a licensed contractor must be submitted to Lessor within the last two (2) months of the Term. The report must (i) state that all evaporative coolers and/or heaters within the warehouse are operational and safe and that office HVAC system is also in good and safe operating condition, and (ii) set out detailed specifications of work necessary to put any equipment and installations into such condition. All repairs/maintenance specified in the HVAC report must be completed by Lessee.

10. Painting:

All touch up painting must match existing paint. Scarred and damaged walls and rooms may need to be entirely repainted.

11. Doors:

All interior and exterior personnel doors (for office and warehouse) must be in good appearance and fully operational including fixtures, door closures, etc. Holes/scars in doors must be repaired and painted to match. Irreparable holes will require door replacement of matching and like quality doors. Any signs or name placards on doors must be removed as well as any residue leftover from adhesion.

12. Ceiling Tiles

Any damaged or stained ceiling tiles in the office area should be replaced.

13. Overall Cleanliness:

Clean windows, kitchens, and restrooms to full janitorial standard (i.e., strip/wax floors, sanitize toilets, sinks, clean under cabinets, exhaust fans must be operational, fixtures must be operational, etc.), professionally clean carpet, VCT floors require stripping and waxing, and remove any and all debris from office and warehouse areas. Remove all pallets and debris from exterior of Premises. Debris and trash may not be stored temporarily outside of the Building. Parking lot must be swept and dumpster removed. If appropriate, interior pest control treatment must be completed.

14. Building Systems:

All building systems must be in good and safe working order (e.g., plumbing, electrical, fire alarms, intruder alarms, etc.). Provide certification of recent fire sprinkler inspection by a licensed company, if a Lessee responsibility.

15. External

All landscaping, parking and other external areas must be repaired as necessary if a lessee responsibility, including but not limited to the removal of all debris and trash, remarking/repainting parking lots, repair/replacement of generic and emergency signage, resetting/replacing damaged curb stones, and replacing/repairing damaged gulley grids and manhole covers.

16. Upon Completion:

Contact Lessor's property manager to coordinate date of turning off power and utilities, turning in keys, and obtaining final Lessor Inspection of the Premises.

Notwithstanding anything contained in this Exhibit, Lessee shall not be required to put any of the foregoing components of the Premises in better condition than such components existed as of the Delivery Date.

Initial AB
Initial DF