

Tenant's Proportionate Share of OPEX Expenses Operating Expenses:	In addition, Tenant shall pay Operating Expenses (OPEX), estimated at a rate of \$1.65 PSF per year, equal to \$3,180.51 per month, during the first 5 years of this lease. <u>Principal Components of Operating Expenses Include:</u> <ul style="list-style-type: none"> <li>- Real Property Taxes</li> <li>- Security Guard</li> <li>- Landscaping and general maintenance</li> <li>- Property Insurance</li> <li>- Common area electric and maintenance</li> <li>- Management</li> </ul>
--	---

JJA

Security Deposit:	Three (3) month's deposit rent and one month rent advance upon the execution of this Lease.
Documentation:	Tenant shall provide the following items to Landlord. Failure to do so shall be grounds for immediate termination of this Lease, provided Tenant shall have 30 days after notice to cure any breach of compliance with these terms. <ol style="list-style-type: none"> <li>1. Confirmation that GCV Investments LLC is in good standing with the PR Department of State.</li> <li>2. GCV Investments LLC Certificate of Organization and Operating Agreement.</li> <li>3. The names of all individuals with authority and/or decision-making powers in GCV Investments LLC. Owner's certificate with name, title and ownership participation in GCV Investments LLC.</li> <li>4. Evidence of Tenant's FEIN issued by the IRS to Tenant.</li> <li>5. Any other document or condition reasonably required by Landlord's Lender.</li> </ol>
License to Operate a Cannabis product	Prior to the production, Tenant shall obtain and secure the License issued by the Puerto Rico Department of Health for Tenant to operate, and as soon as such license is issued to Tenant, Tenant shall forward a copy to Landlord. Failure to do so shall be grounds for immediate termination of this Lease. Tenant shall have 30 days after notice to cure any breach of compliance with the terms of this Lease.
Landlord's Broker	Binswanger Puerto Rico LLC is Landlord's broker and will be paid by Landlord. No other brokers are involved in this transaction.
Permitted Uses:	This Lease authorizes Tenant to use the above referenced premises as a warehouse and for Growing and Production of Cannabis products.

EXHIBITS

- A. Park Site -Building locations
- B. Premises Depiction (hereinafter the "Premises")
- C. Work Letter
- D. Rules and Regulations
- E. Estoppel Certificate
- F. Move-Out Conditions
- G. Minimum HVAC System Service Contract Requirements

The Basic Lease Information set forth above and the Addendum, Exhibits and Schedules attached hereto are incorporated into and made a part of this Lease. Each reference in this Lease to any of the Basic Lease Information shall mean the respective information above. In the event of any conflict between the Basic Lease Information and the provisions of the Lease, the provisions of the Lease shall prevail.

1. PREMISES/USE.

JJA

1.1 Premises. Subject to the terms and conditions of this Lease, Landlord hereby leases to Tenant the Premises. Tenant has determined that the Premises are acceptable for Tenant's use and Tenant acknowledges that, except as may be expressly set forth in the Work Letter attached hereto as Exhibit C (the "Work Letter"), if any, neither Landlord nor any broker or agent has made any representations or warranties in connection with the physical condition of the Premises or their fitness for Tenant's use upon which Tenant has relied directly or indirectly for any purpose. By taking possession of the Premises, Tenant accepts the Premises "AS-IS" and waives all claims of defect in the Premises except as may be expressly set forth in the Work Letter. Tenant hereby acknowledges that the area of the Premises and the Building set forth in the Basic Lease Information is approximate only, and Tenant accepts and agrees to be bound by such figure for all purposes in this Lease. Landlord has made no representation or warranty as to the suitability of the Premises for the conduct of Tenant's business, and Tenant waives any implied warranty that the Premises are suitable for Tenant's intended purposes.

1.2 Use. The Premises shall be used only for the Permitted Uses and for no other uses without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Tenant agrees to use the Premises in compliance with and subject to all applicable laws, statutes, codes, ordinances, orders, rules, regulations, conditions of approval and requirements of all federal, state, county, municipal and governmental authorities and all administrative or judicial orders or decrees and all permits, licenses, approvals and other entitlements issued by governmental entities, and rules of common or civil law, relating to or affecting the Project, the Premises or the Building or the use or operation thereof, whether now existing or hereafter enacted, including, without limitation, the Americans with Disabilities Act of 1990, 42 USC 12111 et seq. (the "ADA"), as any of the foregoing may be amended from time to time, all Environmental Laws (as defined in Section 12.1), and any covenants, conditions and restrictions encumbering the Land and/or the Project ("CC&Rs") or any supplement thereto recorded in any official or public records with respect to the Project or any portion thereof ("Applicable Laws"). Tenant shall be responsible for obtaining any permit, business license, or other permits or licenses required by any governmental agency permitting Tenant's use or occupancy of the Premises. Tenant shall not commit waste, overload the floors or structure of the Building, subject the Premises or the Project to any use which would damage the same or increase the risk of loss, violate, or invalidate any insurance coverage, permit any unreasonable odors, smoke, dust, gas, substances, noise or vibrations to emanate from the Premises, take any action which would constitute a nuisance, take any action which would abrogate any warranties, or use or allow the Premises to be used for any unlawful purpose. Landlord agrees that the use of the Premises for the Permitted Uses will not violate the immediately preceding sentence.

2. TERM.

The Term of this Lease shall commence on the Commencement Date and this Lease shall continue in full force and effect for the period of time specified as the Term provided that if the last day of the Term would not otherwise be the last day of a calendar month, then the Term shall be extended to the last day of the calendar month.

3. RENT.

Tenant shall pay to Landlord, at Landlord's Address for Payment of Rent designated in the Basic Lease Information (or such other address provided by Landlord from time to time), or as otherwise directed by Landlord, the Base Rent and Tenant's Proportionate Share of Operating Expenses without notice, demand, offset or deduction, in advance, on the first day of each calendar month. All payments required to be paid by Tenant to Landlord shall be made by check or by electronic fund transfer of immediately availability. Base Rent, or other sum due and payable under this Lease remains unpaid for more than five (5) days beyond the date when due, Tenant shall pay to Landlord on written demand from a late charge equal to ten percent (10%) of such delinquent sum. The provision for such late charge shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as a penalty.

4. UTILITIES.

Tenant shall be responsible for and pay when due all charges for electricity and water as well as any other utilities used on or provided to the Premises. Except for interruptions caused by the gross negligence or intentional misconduct of Landlord, its employees or agents, Landlord shall not be liable to Tenant for interruption in or curtailment of any utility service, nor shall any such interruption or curtailment constitute constructive eviction or grounds for rental abatement. All Utilities of the Premises are separately metered.

5. SECURITY DEPOSIT.

Tenant shall bring to closing a check for the sum of thirty-nine thousand and seven hundred and seventy dollars and twelve cents \$39,770.12 equivalent to three (3) month's deposit rent and one month rent advance upon execution of this Lease.

6. TAXES AND OPERATING EXPENSES.

6.1 Operating Expenses. Operating Expenses. Tenant shall pay to Landlord Tenant's pro-rata Share of Operating Expenses for each full or partial calendar year during the Term, as provided in Section 7 below. It is intended that this Lease be a "triple net lease" and that the Rent to be paid hereunder by Tenant will be received by Landlord without any deduction or offset whatsoever by Tenant, foreseeable or unforeseeable. Except as expressly provided to the contrary in this Lease, or as otherwise agreed to by

Landlord and Tenant in writing, Landlord shall not be required to make any expenditure, incur any obligation, or incur any liability of any kind whatsoever in connection with this Lease or the ownership, construction, maintenance, operation or repair of the Premises or the Project. To the extent the Building shares certain items or services with other buildings, including neighboring buildings or other buildings which comprise a complex; Landlord shall reasonably allocate items or services between such buildings and/or users as set forth herein.

Any additional services, costs or specific expenses, either required by law, regulation or other, needed to operate a warehouse and the Growing and Production of Cannabis products, shall be paid by the Tenant

JJA  
6.2 "Operating Expenses" excludes repair and replacement of the roof and roof membrane and repair and replacement and painting of the exterior walls of the Premises. "Operating Expenses" means the total costs and expenses incurred by Landlord in the ownership, operation, maintenance, repair and management of the Building and/or the Land including, but not limited to: (1) repair, replacement, maintenance, utility costs, and landscaping of the exterior portions of the Premises, including, but not limited to, any and all costs of maintenance, repair and replacement of all parking areas (including bumpers, sweeping, striping and slurry coating), common driveways, loading and unloading areas, trash areas, outdoor lighting, sidewalks, walkways, landscaping (including tree trimming), irrigation systems, fences and gates and other costs which are allocable to the Building and/or the Land; (2) the costs relating to the insurance maintained by Landlord as described in Section 7.1 below, including, without limitation, Landlord's cost of any deductible or self-insurance retention; (3) maintenance contracts for, and the repair and replacement of, the elevators, if any, and all heating, ventilation and air-conditioning (HVAC) systems, but only to the extent maintained by Landlord;

(4) maintenance, repair, replacement, monitoring and operation of all mechanical, electrical and plumbing systems, but only to the extent maintained by Landlord; (5) maintenance, repair, replacement, monitoring and operation of the fire/life safety and sprinkler system (to the extent Landlord is obligated to do so pursuant to Section 8.2); (6) landscaping, trash removal; (7) capital improvements or capital replacements (excluding the roof structure) made to, or capital assets acquired for, the Building, the Project, or the Land after the Commencement Date that are (a) intended to reduce Operating Expenses, (b) are reasonably necessary for the health and safety of the occupants of the Building, or (c) are required under any governmental law or regulation, in each case which capital costs, or an allocable portion thereof, shall be amortized over the period determined by Landlord, together with interest on the unamortized balance at ten percent (10%); (8) commercially reasonable reserves set aside for maintenance and repair; and (9) costs incurred by Landlord for Project on site security, guardhouse and equipment; and (10) any other costs incurred by Landlord related to the Building and/or the Land including, but not limited to, paving, parking areas, roads, driveways, alleys, railroad facilities, heating and ventilation, systems, and other similar items; and (11) Municipality of Jayuya Municipal License Tax (Patente Municipal); and (12) any other taxes on leases which may be imposed by governmental authorities at any time during the Lease Term. Operating Expenses shall also include assessments, association fees and all other costs assessed or charged under the CC&Rs, if any, that are attributable to the Land and/or the Building in connection with any property owners or maintenance association or operator. Notwithstanding any provision to the contrary contained in this Lease, Tenant shall pay to Landlord estimated at three (3%) of the net rent, for the management of this Lease, the Premises, the Building and/or the Land including the cost of those services which are customarily performed by a property management services company, whether performed by Landlord or by an affiliate of Landlord or through an outside management company or any combination of the foregoing. Operating Expenses shall not include (i) replacement of or structural repairs to the roof or the exterior walls, (ii) repairs to the extent covered by insurance proceeds, or paid by Tenant or other third parties, and actually received by Landlord, (iii) alterations solely attributable to tenants of the Project other than Tenant, (iv) marketing expenses for leasing at the Project, and (v) any cost or expense associated with compliance with any laws, ordinances, rules or regulations regarding any condition existing in the Building or on the Land solely to the extent such condition existed prior to the Commencement Date.

6.3 Tenant's Proportionate Share. Tenant shall pay to Landlord Tenant's Proportionate Share of all real property taxes, assessments, conferred or imposed by any public authority upon the Project, Land, the Building, or any other improvements, fixtures, equipment, or other property located at or on the Project (collectively, "Real Property Taxes") for each full or partial calendar year during the Term in accordance with the terms and provisions of Sections 7 and 8 below. Landlord may, but is not obligated to, contest by appropriate legal proceedings the amount, validity, or application of any Real Property Taxes or liens thereof

## 7. INSURANCE

7.1 Landlord. Upon the Effective Date of this Lease, Landlord will not provide insurance coverage insuring the Building. During the term of this Lease, and upon written notice from Landlord to Tenant, Landlord may decide to obtain insurance for the Building, and therefore Landlord shall have the right, but not the obligation to maintain insurance through individual or blanket policies insuring the Building against fire and extended coverage (including, if Landlord elects, "all risk" coverage, earthquake/volcanic action, flood and/or surface water insurance) for the full replacement cost of the Building, with deductibles and endorsements of such coverage as selected by Landlord, and such information must be disclosed to Tenant. Landlord may also carry such other insurance as Landlord may deem prudent or advisable, including, without limitation, liability insurance in such amounts and on such terms as Landlord shall reasonably determine. In the event that Landlord decides to maintain insurance on the Building, Landlord will notify Tenant, and Tenant shall have the option of cancelling its building insurance coverage. During the period of time that Tenant maintains insurance on the Building, Landlord will use reasonable best efforts to include such pro-rata insurance premium cost in the operating expenses of its other tenants, and upon collecting such amount from its other tenants of the building, will either rebate or credit such insurance costs to Tenant. As applicable, Tenant shall pay to Landlord, as a pro-rata portion of the Operating Expenses, the costs of the insurance coverages described herein, including,

without limitation, Landlord's cost of any self-insurance deductible or retention. In the event of a covered Loss, Landlord shall be responsible for payment of any deductible amount prior to insurance paying for the loss and will hold Tenant liable for any such deductible amount.

7.2 Tenant. Tenant shall maintain insurance coverage for the full replacement cost of the Building under terms and conditions as provided by Tenant's broad form "All Risk" commercial property insurance policy, except the perils of Earthquake/volcanic action, Flood and/or Wind shall be excluded. In addition, Tenant shall, at Tenant's expense, obtain and keep in force at all times the following insurance (and other commercially reasonable form(s) of insurance Landlord may reasonably require from time to time in the following coverage amounts, which coverage amounts Landlord may reasonably increase from time to time upon reasonable advance written notice to Tenant, upon verified insurance underwriter report

JJA.

- i. Commercial General Liability Insurance (Occurrence Form). A policy of commercial general liability insurance ("CGL Policy") (occurrence form) having a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate per location (if Tenant has multiple locations) (and Fifty Thousand Dollars (\$50,000) self-insured retention/deductible) and an umbrella liability policy or excess liability policy having a limit of not less than Three Million Dollars (\$3,000,000.00) (which policy shall be in "following form" and shall provide that if the underlying aggregate is exhausted, the excess coverage will drop down as primary insurance);
- ii. Automobile Liability Insurance. Business automobile liability insurance having a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence and insuring Tenant against liability for claims arising out of ownership, maintenance, or use of any owned, hired or non-owned automobiles;
- iii. Workers' Compensation and Employer's Liability Insurance. Workers' compensation insurance having limits not less than those required by applicable statutes, and covering all persons employed by Tenant, including volunteers, in the conduct of its operations on the Premises, together with employer's liability insurance coverage in the amount of at least One Million Dollars (\$1,000,000) each accident for bodily injury by accident; One Million Dollars (\$1,000,000) each employee for bodily injury by disease; and One Million Dollars (\$1,000,000) policy limit for bodily injury by disease;
- iv. Property Insurance. Broad form "All risk" property insurance including coverage for vandalism, malicious mischief, sprinkler leakage insuring (1) Tenant's fixtures, furniture, equipment (including electronic data processing equipment, if applicable), merchandise, inventory, and all other personal property and other contents contained within the Premises, including Tenant's Trade Fixtures and Alterations (collectively "Tenant's Property"), and (2) the Alterations (as defined in Section 9.1) (including Leasehold Improvements installed by or for the benefit of Tenant, whether pursuant to this Lease or pursuant to any prior lease or other agreement to which Tenant was a party). Such insurance shall be written on a broad all risk form for physical loss or damage, for the full replacement cost value (subject to reasonable deductible amounts) new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance, and shall include coverage for damage or other loss caused by fire, and other insured perils, including vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion. Landlord shall be designated as a loss payee with respect to Tenant's property insurance on any Tenant-insured Leasehold Improvements.

General.

- i. Insurance Companies. Insurance required to be maintained by Tenant shall (1) be written by companies licensed to do business in the jurisdiction in which the Premises are located and having a "Financial Strength Rating" of at least "A-; VIII" (or such higher rating as may be required by a lender having a lien on the Premises) as determined by A.M. Best Company and (2) countersigned by an agent licensed in the jurisdiction in which the Premises are located.
- ii. Certificates of Insurance. Tenant shall deliver to Landlord certificates of insurance for all insurance required to be maintained by Tenant in the form of ACORD 28 (Evidence of Property Insurance) and ACORD 25 (Certificate of Liability Insurance) (or in a form reasonably acceptable to Landlord in its sole discretion), no later than seven (7) days after the Effective Date of this Lease (but in any event prior to any entry onto the Premises by Tenant or any employee, agent or contractor of Tenant, if such entry is any earlier than such seven (7)-day period). In the event of a claim, and upon reasonable request from Landlord, Tenant shall provide to Landlord a true, correct and complete copy of the actual insurance policy for all insurance required to be maintained by Tenant hereof. Tenant shall, prior to expiration of any required coverage, furnish Landlord with certificates of renewal or "binders" thereof. Each policy shall expressly provide that such policies shall not be cancelable except after thirty (30) days prior written notice to the parties named as additional insureds in this Lease (except in the case of cancellation for nonpayment of premium in which case cancellation shall not take effect until at least ten (10) days' notice has been given to Landlord). Acceptance by Landlord of delivery of any certificates of insurance does not constitute approval or agreement by Landlord that the insurance requirements in this Section 7 have been met, and failure of Landlord to demand such evidence of full compliance with these insurance requirements or failure of Landlord to identify a deficiency

from evidence provided will not be construed as a waiver of Tenant's obligation to maintain such insurance. If Tenant fails to maintain any insurance required in this Lease, Tenant shall be liable for all losses and costs suffered or incurred by Landlord (including litigation costs and attorneys' fees and expenses) resulting from said failure.

- JJA.
- iii. **Additional Insureds:** Primary Coverage. Landlord, Landlord's lender and any property management company of Landlord for the Premises shall be named as additional insureds ("Additional Insureds") under Insurance Services Office ("ISO") endorsement CG 2010 or equivalent under all of the applicable policies required by this Section 7 and such endorsement shall be included with the certificates to be provided to Landlord pursuant to Section 7.1.6 above. The policies carried or required to be carried by Tenant pursuant to Section 7 shall provide for severability of interest and shall be primary as respects the Additional Insureds, and any insurance maintained by the Additional Insureds shall be excess and non-contributing. Landlord is to be insured as its interests may appear and is to be designated as a loss payee on the insurance required to be maintained by Tenant pursuant to Section 7.2.4.
- iv. **Limits of Insurance.** The limits and types of insurance maintained by Tenant shall not limit Tenant's liability under this Lease, except as expressly provided in Section 8 below.
- v. **Mutual Waiver of Subrogation.** Whenever (1) any loss, cost, damage or expense resulting from fire, explosion or any other casualties incurred by either Landlord or Tenant or by anyone claiming by, through or under Landlord or Tenant in connection with the Premises, and (2) such party is covered in whole or in part by property insurance (or would have been covered but for such party's failure to maintain the property coverage required in this Section 7; or would have been covered but for such party's election to self-insure as expressly permitted hereunder, if applicable) with respect to such loss, cost, damage or expense, then the party so insured or self-insured (or so required) hereby waives (on its own behalf and on behalf of its insured) any claims against and releases the other party from any liability said other party may have on account of such loss, cost, damage or expense. All insurance which is carried by either party to insure against damage or loss to property shall include provisions denying to each respective insurer rights of subrogation and recovery against the other party.
- vi. **Notification of Incidents.** Tenant shall notify Landlord within twenty-four (24) hours after the occurrence of any accidents or incidents in the Premises or the park which could give rise to a claim under any of the insurance policies required under this Section 7.

7.1.11 **Indemnity.** Excepting claims pertaining to any environmental condition(s) that existed on or at the Premises prior to the Commencement Date of this Lease, and, except for any claims resulting from or to the extent caused by Landlord's gross negligence or willful misconduct, and further subject to the mutual waiver of subrogation set forth in par. 7.1.9, Tenant shall indemnify, protect, defend (by counsel acceptable to Landlord) and hold harmless Landlord and all of Landlord's affiliated entities, and each of their respective members, managers, partners, directors, officers, employees, shareholders, investors, investment manager, trustees, lenders, agents, contractors, and representatives, and each of their respective successors and assigns (individually and collectively, "Indemnitees") from and against any and all claims, demands, judgments, settlements, causes of action, damages, penalties, fines, encumbrances, liens, liabilities, taxes, costs, losses, and expenses, including all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon, arising at any time after the execution hereof, during the Term, or after the Term as a result (directly or indirectly) of or in connection with (1) any default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or (2) Tenant's use of the Premises, the conduct of Tenant's business or any activity, work or things done, permitted or suffered by Tenant or any Tenant Party (as defined in Section 11.1) in or about the Premises or other portions of the Project, except to the extent caused by Landlord's gross negligence or willful misconduct. Landlord reserves the right to retain counsel for its defense, in which case Tenant shall be responsible for the costs of such defense. The obligations of Tenant under this Section 7 shall survive the termination of this Lease with respect to any claims or liability arising prior to such termination.

7.1.12 **Exemption of Landlord from Liability.** Except as otherwise set forth in this Lease, Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property including, but not limited to, Tenant's Property and all Alterations in, upon or about the Premises, arising from any cause whether such damage is caused by fire, steam, electricity, gas, water or rain, or from the breakage, leakage or other defects of sprinklers, wires, appliances, ventilation, plumbing, air conditioning or lighting fixtures, or from any other cause, and whether said damage, results from conditions arising upon the Premises, upon other portions of the Building or from other sources or places, and regardless of whether the cause of such damage or the means of repairing the same is inaccessible to Tenant; and Tenant hereby expressly releases Landlord and waives all claims in respect thereof against Landlord; provided, however, subject to Section 7 the foregoing release and waiver shall not apply to the extent such claims are caused by Landlord's gross negligence or willful misconduct. Further, Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of illness or injury to persons in, upon or about the Premises, and hereby expressly releases Landlord and waives all claims in respect thereof against Landlord; provided, however, the foregoing release and waiver shall not apply to the extent such claims are caused by Landlord's gross negligence or willful misconduct. Notwithstanding any provision to the contrary in this Lease, Tenant hereby agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom under any circumstances. Without limiting the generality

of the foregoing, Landlord shall not be liable for any damages arising from any act, omission, or neglect of any contractor or other tenant if any, of the Building or the Project or Landlord's failure to enforce the terms of any agreements with parties other than Tenant.

7.1.13 Exemption of Tenant from Liability. Tenant shall not be liable for any damage to the Premises, Land or the Project arising from, or as the result of a natural disaster, which includes, Earthquake/volcanic action, Flood or Windstorm event). This exemption of Tenant from liability excludes environmental damage that is the result of a natural disaster, which is caused by Tenant's products, or equipment at the Premises.

## 8. REPAIRS AND MAINTENANCE

### 8.1 Tenant

- JJA.
- i. Tenant's Obligations. Subject to Landlord's responsibilities without affecting and/or contradict what was stated in subsection 6.2 of this agreement and as set forth in Section 8.2 hereunder, Tenant, at Tenant's sole cost and expense, shall keep and maintain all parts of the Premises, including the interior and exterior of the Premises, in good, clean and safe order, condition and repair, including replacement but not on non-normal wear and tear conditions (insurable perils terms) (as necessary, and to the extent that such replacement is estimated and calculated on the useful life of such parts of the Premises and the amount of such cost is allocated on a pro-rata share to Tenant and as set forth in the attached schedule 1 attached hereto and incorporated herein by reference.), including, without limitation, the following: loading docks, roll up doors and ramps; floors, subfloors and floor coverings; walls and wall coverings (excluding painting of exterior walls); doors, door frames, locks and other locking devices, windows, glass and plate glass; ceilings, and lighting systems; all plumbing, electrical and mechanical equipment and systems inside or exclusively serving the Premises; all heating, ventilating and air conditioning equipment and systems inside, outside, or exclusively serving the Premises (subject to Landlord's rights described below); all fixtures installed by or for Tenant at the Premises; and wiring, appliances and devices using or containing refrigerants, or otherwise attached to or part of Tenant's trade-fixtures and/or equipment. Without limiting the foregoing, Tenant shall, at Tenant's sole expense, (i) immediately replace all broken glass in the Premises with glass aesthetically reasonably satisfactory to Landlord, which glass shall be equal to or in excess of the specification and quality of the original glass, and (ii) repair any area damaged by Tenant or any Tenant Party, including any damage caused by any roof or roof membrane penetration, whether or not such penetration was approved by Landlord. All repairs and replacements by Tenant shall be made and performed: (1) at Tenant's cost and expense and at such time and in such manner as Landlord may designate, (2) by contractors or mechanics reasonably approved by Landlord, (3) so that same shall be at least equal in quality, value and utility to the original work or installation, (4) in a manner and using equipment and materials that will not interfere with or impair the operations, use or occupation of the Building or any of the mechanical, electrical, plumbing or other systems in the Building or the Project, and (5) in accordance with the Rules and Regulations and all Applicable Laws.
- ii. Tenant shall enter into a regularly scheduled preventive maintenance/service contract ("Service Contract") with a maintenance contractor reasonably acceptable to Landlord for servicing all heating, ventilation, and air conditioning systems and equipment inside, outside, or exclusively serving the Premises (collectively, the "HVAC System"). The Service Contract shall require the maintenance contractor to complete the minimum service requirements set forth on Exhibit G attached hereto. Tenant shall deliver full and complete copies of the Service Contract to Landlord within one hundred twenty (120) days after the Commencement Date. Notwithstanding the foregoing, if Tenant fails to maintain the Service Contract in accordance with this Section 8.1.2 then Landlord may elect to maintain the Service Contract respecting the HVAC System, in which case Tenant shall reimburse Landlord within thirty (30) days after Landlord's demand for the cost of the Service Contract and for any payments due in connection therewith. Tenant, in all cases, shall promptly undertake and complete the repairs and/or replacements recommended by such maintenance contractor during the Term of this Lease
- iii. Landlord's Right to Repair. In the event Tenant fails, in the reasonable judgment of Landlord, to maintain the Premises in accordance with the obligations under this Lease, which failure is not cured within fifteen (15) days following delivery of written notice to Tenant stating the nature of the failure, or in the case of an emergency immediately without prior notice, Landlord shall have the right, but not the obligation, to enter the Premises and perform such maintenance, repairs or refurbishing at Tenant's sole cost and expense (including a sum for overhead to Landlord equal to ten percent (10%) of the costs of maintenance, repairs or refurbishing). Tenant shall maintain written records of maintenance and repairs, as required by any Applicable Law, and shall use certified technicians to perform such maintenance and repairs, as so required.

8.2 Landlord. Landlord shall, at its sole cost and expense, subject to the following limitations, repair damage to structural portions of the roof, foundation and load-bearing portions of walls (excluding wall coverings, painting, glass and doors) of the Building; provided, if such damage is caused by an act or omission of Tenant, or any Tenant Party, then such repairs shall be at Tenant's sole expense. Except as otherwise set forth herein, Landlord may, at Tenant's expense as an Operating Expense maintain, repair and replace those portions of the Building. Landlord shall not be required to make any repair resulting (1) any alteration or modification to the Building or to mechanical equipment

within the Building performed by, for or because of Tenant or to special equipment or systems installed by, for or because of Tenant, (2) the installation, use or operation of Tenant's property, fixtures and equipment, (3) the moving of Tenant's property in or out of the Building or in and about the Premises, (4) Tenant's use or occupancy of the Premises in violation of this Lease or in the manner not contemplated by the parties at the time of the execution of this Lease, (5) the acts or omissions of Tenant or any Tenant Party, (6) fire and other casualty, except as provided by Section 12 of this Lease, or (7) condemnation, except as provided in Section 13 of this Lease. Landlord shall have no obligation to make repairs under this Section 8.2 until a reasonable time after receipt of written notice from Tenant of the need for such repairs. Except as otherwise set forth herein, there shall be no abatement of Rent during the performance of such work. Landlord shall not be liable to Tenant for injury or damage that may result from any defect in the construction or condition of the Premises, or for any damage that may result from interruption of Tenant's use of the Premises during any repairs by Landlord. Tenant waives any right to repair the Premises at the expense of Landlord under any Applicable Laws.

## 9. ALTERATIONS

JJA

Trade Fixtures; Alterations. Subject to limitations set forth in this Lease, Tenant may install **reasonably necessary** trade fixtures, equipment, cabling/wiring, and furniture ("Tenant's Trade Fixtures") in the Premises, provided that all such installations and/or work is done in compliance with provisions of this Lease and such items are installed and are removable without structural or material damage to the Premises. **Tenant shall not construct, or allow to be constructed, any alterations, physical additions, improvements, or partitions in, about, or to the Premises ("Alterations") without obtaining the prior written consent of Landlord,** which consent shall be conditioned upon Tenant's compliance with the provisions of this Lease and any other applicable requirements of Landlord regarding construction of improvements and alterations, and should otherwise not be unreasonably withheld, conditioned or delayed. In the event Tenant makes any alterations to the Premises that trigger or give rise to a requirement that the Building or the Premises come into compliance with any governmental laws, ordinances, statutes, orders and/or regulations (such as ADA requirements), Tenant shall be fully responsible for complying, at its sole cost and expense, with same. Tenant shall file a notice of completion after completion of such work and provide Landlord with a copy thereof.

Damage; Removal. Tenant shall repair and be responsible for all damage to the Premises, the Building or the Project caused by the installation or removal of Tenant's Property. Upon the expiration or earlier termination of this Lease, Tenant shall remove any or all Tenant's Property made or installed by, or on behalf of, Tenant and restore the Premises to the original condition, normal wear and tear excepted, provided, however, Landlord has the absolute right to require Tenant to retain, preserve, and/or leave in place all or any portion of such Alterations designated by Landlord at the time such approved construction is completed, in which event such items shall be and become the property of Landlord upon the expiration or earlier termination of this Lease. Should Tenant make any Alterations without the prior written approval of Landlord, Landlord may require that Tenant remove any or all of such Alterations and repair any damage to the Premises or the Project resulting from the installation and/or removal of such Alterations at any time and from time to time. All such removals and restoration shall be accomplished in a good and workmanlike manner and so as not to cause any damage to the Premises or the Project whatsoever.

Liens. Tenant shall not do any act which shall in any way encumber the title of Landlord in and to the Premises, the Building, the Land, and or the Project. Tenant shall promptly pay and discharge all invoices and claims for labor performed, supplies furnished and services rendered for or at the request of Tenant and shall keep the Premises free of all mechanics', materialmen's, or other similar liens in connection therewith. Tenant shall provide at least fifteen (15) days prior written notice to Landlord before any labor is performed, supplies furnished or services rendered on or at the Premises and Landlord shall have the right to post on the Premises notices of non-responsibility. If any lien is filed, Tenant shall cause such lien to be released and removed within fifteen (15) days after the date of filing, and if Tenant fails to do so, Landlord may take such action as may be necessary to remove such lien and Tenant shall promptly pay Landlord such amounts expended by Landlord in connection therewith, including, without limitation, reasonable attorneys' fees and expenses, together with interest thereon at the Applicable Interest Rate from the date of expenditure. Landlord shall have the right, without the joinder or consent of Tenant, to record a memorandum of the foregoing in the Public Records of the jurisdiction in which the Premises is located.

Standard of Work. All work to be performed by or for Tenant pursuant hereto shall be performed diligently and in a first class, workmanlike manner, and in compliance with the provisions of this Lease, all Applicable Laws, and Tenant and Landlord's insurance carriers. Landlord shall have the right, but not the obligation, to inspect periodically the work on the Premises and Landlord may require changes in the method or quality of the work in the event Landlord reasonably determines that Tenant has not complied with the requirements of this Section 9.

## 10. LANDLORD'S RIGHTS

Landlord reserves the right to enter the Premises for any reason upon reasonable notice to Tenant (or without notice in case of an emergency) and/or to undertake the following all without abatement of rent or liability to Tenant: inspect the Premises and/or the performance by Tenant of the terms and conditions hereof; make such alterations, repairs, improvements or additions to the Premises as required or permitted hereunder; change boundary lines of the Land so long as such change does not materially and adversely impact Tenant's use of the parking area and/or access to the Premises without reasonable substitution, replacement or accommodation; install, use, maintain, repair, alter

relocate or replace any pipes, ducts, conduits, wires, equipment and other facilities in the Building (including within the Premises); install, maintain and operate conduit cabling within the utility and/or conduit ducts and risers within the Building, as well as grant lease, license or use rights to third parties and to utilize the foregoing easements or licenses on the Land and/or the Project; dedicate for public use portions of the Land and/or the Project; and enter into and/or record covenants, conditions and restrictions affecting the Land and/or the Project record new or make amendments to CC&Rs which do not unreasonably interfere with Tenant's use of the Premises or impose additional material monetary obligations on Tenant; change the name of the Building and/or the Project, including Project and or Building identity to another entity; affix reasonable signs and displays on the Building and/or the Land; show the Premises, the Building, and/or the Project to prospective purchasers and investors, ground lessees, and existing and prospective lenders; and, during the last nine (9) months of the Term, place signs for the rental of, and show the Premises to prospective tenants.

#### ENVIRONMENTAL MATTERS

**Hazardous Materials.** Tenant shall not cause, permit, or allow any of Tenant's or Tenant's affiliates' employees, agents, customers, visitors, invitees, licensees, contractors, assignees, or subtenants (individually, a "Tenant Party" and collectively, "Tenant's Parties") to cause or permit, any Hazardous Materials (as defined herein) to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under, or about the Premises or the Project, except for amounts of office and janitorial supplies in usual and customary quantities for the reasonable use of the Premises for general office and reasonable building operation purposes, including the operation of forklifts, machinery and vehicles at the Premises, as subject to the requirement to store, use, and dispose of all of the foregoing in a safe and reasonable manner and in accordance with all applicable Environmental Laws. As used herein, the term "Environmental Laws" means all applicable present and future statutes, regulations, ordinances, rules, codes, judgments, orders or other similar enactments of any governmental authority or agency regulating or relating to health, safety, or environmental conditions on, under, or about the Premises or the environment, including without limitation, the following: the Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation and Recovery Act; and all state and local counterparts thereto, and any regulations or policies promulgated or issued thereunder. The term "Hazardous Materials" means and includes any substance, material, waste, pollutant, or contaminant listed or defined as hazardous or toxic, under any Environmental Laws, asbestos, petroleum, including crude oil or any fraction or derivative thereof, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas), and explosives, flammables, or radioactive substances of any kind. As defined in Environmental Laws, Tenant is and shall be deemed to be the "operator" of Tenant's "facility" and the "owner" of all Hazardous Materials brought on the Premises by Tenant or any Tenant Party, and the wastes, by-products, or residues generated, resulting, or produced therefrom. Tenant shall cause Tenant and the Tenant Parties to comply with all Environmental Laws and shall not allow or permit the Land or the Building to become contaminated with any Hazardous Materials. Tenant shall immediately give Landlord a copy of any statement, report, notice, registration, application, permit, license, claim, action, or proceeding given to, or received from, any governmental authority or private party, or persons occupying the Premises concerning the presence, spill, release, discharge of, or exposure to, any Hazardous Materials or contamination in, on, or about the Premises or the improvements or the soil or groundwater thereunder. At all times, Landlord shall have the right to enter upon and inspect the Premises and to conduct tests, monitoring and investigations. If such tests indicate the presence of any Environmental Condition caused or exacerbated by Tenant or any Tenant Party or arising during Tenant's or any Tenant Party's occupancy, Tenant shall reimburse Landlord for the cost of conducting such tests. The phrase "Environmental Condition" shall mean any adverse condition relating to any Hazardous Materials or the environment, including surface water, groundwater, drinking water supply, land, surface or subsurface strata or the ambient air and includes air, land and water pollutants, noise, vibration, light and odors. In the event of the existence of any such Environmental Condition, Tenant shall promptly notify both the property manager and the Landlord and shall promptly take any and all steps necessary to rectify the same to the satisfaction of the applicable agencies and Landlord, or shall, at Landlord's election, reimburse Landlord, upon demand, for the cost to Landlord of performing work. The reimbursement shall be paid to Landlord in advance of Landlord's performing such work, based upon Landlord's reasonable estimate of the cost thereof; and upon completion of such work by Landlord, Tenant shall pay to Landlord any shortfall promptly after receipt of Landlord's bills therefor or Landlord shall promptly refund to Tenant any excess deposit, as the case may be.

**Indemnification.** Except for any pre-existing environmental condition, or as otherwise set forth in this Lease, and as set forth in the Phase I Environmental Property Site Assessment (EPSA) Report ERTEC JobNo. E-114749 dated January 9, 2012, including the recommendations to address the recognized environmental conditions, Tenant shall indemnify, protect, defend (by counsel acceptable to Landlord) and hold harmless Landlord and each Indemnitee from and against any and all claims, demands, judgments, settlements, causes of action, damages, penalties, fines, encumbrances, liens, taxes, costs, liabilities, losses and expenses (including, all costs, attorneys' fees, expenses, and court costs) arising at any time from and after the date of execution hereof as a result (directly or indirectly) of or in connection with (1) Tenant's and/or any Tenant Party's breach of this Section 11 or any Environmental Law, or (2) an Environmental Condition and/or the presence of Hazardous Materials on, under or about the Premises or other property as a result (directly or indirectly) of Tenant's and/or any Tenant Party's activities, or failure to act, in connection with the Premises. Landlord reserves the right to retain counsel for its defense, in which case Tenant shall be responsible for the cost of such defense, and reasonably acceptable to Tenant. This indemnity shall include, without limitation, the cost of any required, desirable, or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, whether such action is required, desirable, or necessary prior to or following

JJA.

✓



the termination of this Lease. Neither the written consent by Landlord to the presence of Hazardous Materials on, under or about the Premises, nor the strict compliance by Tenant with all Environmental Laws, shall excuse Tenant from Tenant's obligation of indemnification pursuant hereto. Landlord's and Tenant's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease.

Mold Prevention. Tenant acknowledges the necessity of housekeeping, ventilation, and moisture control (especially in kitchens, janitor's closets, bathrooms, break rooms, and around outside walls) for mold prevention. Tenant agrees to notify Landlord promptly if it observes mold/mildew and/or moisture conditions (from any source, including leaks), and allow Landlord to evaluate and make recommendations and/or, in spite of having no obligation whatsoever to do so under this Lease, take appropriate corrective action. Tenant waives any claim against Landlord from any liability for and bodily injury or damages to property caused by or associated with moisture or the growth of or occurrence of mold or mildew on the Premises, except as a direct result of Landlord's negligence or willful misconduct. Execution of this Lease constitutes acknowledgement by Tenant that control of moisture and mold prevention in the Premises are integral to its Lease obligations.

JJA

#### DAMAGE AND DESTRUCTION.

If at any time during the Term the Premises are damaged by a fire or other casualty such that Tenant may not continue operations in the Building, Landlord shall notify Tenant within sixty (60) days after Landlord becomes aware of such damage as to the amount of time Landlord reasonably estimates it will take to materially restore the Premises. If the restoration time is estimated to exceed six (6) months from the issuance of all permits, subject to extensions for Force Majeure, then either Landlord or Tenant may elect to terminate this Lease. If Landlord estimates that restoration time will exceed six (6) months, then Tenant may, as its sole remedy, terminate this Lease on or before thirty (30) days after receipt of Landlord's notice describing the estimated restoration time that is greater than six (6) months, and Tenant shall not be liable for any further payment of rent beyond that six (6) month period. If neither party elects to terminate this Lease as provided above or if Landlord estimates that restoration will take six (6) months or less, then, subject to receipt of sufficient insurance proceeds, Landlord shall promptly commence to materially restore the Premises, excluding the improvements installed by, or on behalf of, Tenant, subject to delays arising from the collection of insurance proceeds, Force Majeure events, and any Tenant caused delay. If this Lease is not terminated by Landlord or Tenant in accordance with this section, Tenant shall be responsible for and shall pay to Landlord Tenant's Share of any deductible or retention amount payable under the property insurance for the Building following any such casualty. Tenant at Tenant's expense shall promptly perform, subject to delays arising from the collection of insurance proceeds, or from Force Majeure events, all repairs or restoration not required to be done by Landlord and shall promptly re-enter the Premises and commence doing business in accordance with this Lease. Notwithstanding the foregoing, either party may terminate this Lease if the Premises are damaged during the last year of the Term and Landlord reasonably estimates that it will take more than three (3) months to repair such damage. Base Rent and Operating Expenses shall be abated for the period of repair and restoration commencing on the date of such casualty event until the date Landlord tenders possession of the Premises (or the affected portion thereof) back to Tenant as repair or restored, in the proportion which the area of the Premises, if any, which is not usable by Tenant bears to the total area of the Premises. Such abatement shall be the sole remedy of Tenant, and except as provided herein, Tenant waives any right to terminate this Lease by reason of damage or casualty loss.

#### 12. CONDEMNATION.

If any part of the Premises, the Building, or the Project should be taken for any public or quasi public use under governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof (a "Taking" or "Taken"), and the Taking could be reasonably expected to materially interfere with or impair Landlord's ownership or operation of the Project (as determined by Landlord), then upon written notice by Landlord this Lease shall terminate and Base Rent shall be apportioned as of said date. If part of the Premises or the Building shall be Taken and such condemnation does not materially impair Tenant's ability to use the Premises for Tenant's business, and this Lease is not terminated as provided above, the Base Rent payable hereunder during the unexpired Term shall be reduced to such extent as Landlord reasonably determines under the circumstances. In the event of any such Taking, Landlord shall be entitled to receive the entire price or award from any such Taking without any payment to Tenant, and Tenant hereby assigns to Landlord Tenant's interest, if any, in such award. Tenant shall have the right, to the extent that same shall not diminish Landlord's award, to make a separate claim against the condemning authority (but not Landlord) for such compensation as may be separately awarded or recoverable by Tenant for moving expenses and damage to Tenant's Trade Fixtures.

#### 13. DEFAULT

Events of Defaults. The occurrence of any of the following events shall, as applicable, at Landlord's or Tenant's option, constitute an "Event of Default":

Tenant shall fail to pay any installment of Base Rent or any other payment required herein when due, and such failure shall continue for a period of five (5) business days from the date such payment was due, following written notice from Landlord to Tenant.

Tenant or any guarantor or surety of Tenant's obligations hereunder shall (1) make a general

assignment for the benefit of creditors; (2) commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as a debtor or to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or of any substantial part of its property (collectively, a "Proceeding for Relief"); (3) become the subject of any Proceeding for Relief which is not dismissed within sixty (60) days of its filing or entry; or (4) die or suffer a legal disability (if Tenant, guarantor, or surety is an individual) or be dissolved or otherwise fail to maintain its legal existence (if Tenant, guarantor or surety is a corporation, partnership or other entity).

If any insurance required to be maintained by Tenant pursuant to this Lease shall be cancelled or terminated or shall expire or shall be reduced or materially changed, except, in each case, as permitted in this Lease.

Tenant shall not occupy or shall vacate the Premises whether or not Tenant is in monetary or other default under this Lease. Tenant's vacating of the Premises shall not constitute an Event of Default if, prior to vacating the Premises, Tenant has made arrangements reasonably acceptable to Landlord to (1) ensure that Tenant's insurance for the Premises will not be voided or cancelled with respect to the Premises as a result of such vacancy, (2) ensure that the Premises are secured and not subject to vandalism, (3) ensure that the Premises will be properly maintained after such vacation, including, but not limited to, keeping the heating, ventilation and cooling systems maintenance contracts required by this Lease in full force and effect, and (4) satisfy such other requirements as Landlord may require. During any such period of vacation, Tenant shall inspect the Premises at least once each month and report monthly in writing to Landlord on the condition of the Premises.

Tenant shall attempt or there shall occur any Transfer (as hereinafter defined) except as otherwise permitted in this Lease.

Tenant shall fail to discharge any lien placed upon the Premises in violation of this Lease within fifteen (15) days after any such lien or encumbrance is filed against the Premises.

Tenant shall fail to comply with any provision of this Lease other than those specifically referred to in this Section 14.1, and except as otherwise expressly provided herein, such default shall continue for more than thirty

(30) days after Landlord shall have given Tenant written notice of such default.

#### Landlord's Remedies.

- i. Upon each occurrence of an Event of Default and so long as such Event of Default shall be continuing, Landlord may at any time thereafter at its election: (1) terminate this Lease or Tenant's right of possession (but Tenant shall remain liable as hereinafter provided), (2) cure such default at Tenant's sole expense, and/or (3) pursue any other remedies at law or in equity. No right or remedy conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing by agreement, Applicable Law, or in equity. Upon the termination of this Lease or termination of Tenant's right of possession, it shall be lawful for Landlord, without formal demand or notice of any kind, to re-enter the Premises by summary dispossession proceedings or any other action or proceeding authorized by law and to remove Tenant and all persons and property therefrom. If Landlord re-enters the Premises, Landlord shall have the right to keep in place and use, or remove and store, at Tenant's risk of loss and sole costs and expense, all of the furniture, fixtures and equipment at the Premises.
- ii. If Landlord terminates this Lease, Landlord may recover from Tenant the sum of: all Base Rent and all other amounts accrued hereunder to the date of such termination; the reasonable cost of reletting the whole or any part of the Premises, including without limitation brokerage fees and/or leasing commissions incurred by Landlord, and costs of removing and storing Tenant's or any other occupant's property, repairing, altering, remodeling, or otherwise putting the Premises into condition acceptable to a new tenant or tenants, and all reasonable expenses incurred by Landlord in pursuing its remedies, including reasonable attorneys' fees and court costs; and the excess of the then present value of the Base Rent and other amounts payable by Tenant under this Lease as would otherwise have been required to be paid by Tenant to Landlord during the period following the termination of this Lease measured from the date of such termination to the expiration date stated in this Lease, over the present value of any net amounts which Tenant establishes Landlord can reasonably expect to recover by reletting the Premises for such period, taking into consideration the availability of acceptable tenants and other market conditions affecting leasing. Such present values shall be calculated at a discount rate equal to the ninety (90)-day U.S. Treasury bill rate at the date of such termination.
- iii. If Landlord terminates Tenant's right of possession (but not this Lease), Landlord may, but shall be under no obligation to, relet the Premises for the account of Tenant for such rent and upon such terms as shall be satisfactory to Landlord without thereby releasing Tenant from any liability hereunder and without demand or notice of any kind to Tenant. For the purpose of such reletting Landlord is authorized, at Tenant's sole cost and expense, to make any repairs, changes, alterations, or additions in or to the Premises as Landlord deems reasonably necessary or desirable. If the Premises are not relet, then Tenant shall pay to Landlord as damages a sum equal to the amount of the rental reserved in this Lease for

such period or periods, plus the cost of recovering possession of the Premises (including attorneys' fees and costs of suit), the unpaid Base Rent and other amounts accrued hereunder at the time of repossession, and the costs incurred in any attempt by Landlord to relet the Premises. If the Premises are relet and a sufficient sum shall not be realized from such reletting (after first deducting therefrom, for retention by Landlord, the unpaid Base Rent and other amounts accrued hereunder at the time of reletting, the cost of recovering possession (including attorneys' fees and costs of suit), all of the costs and expense of repairs, changes, alterations, and additions, the expense of such reletting (including without limitation brokerage fees and leasing commissions) and the cost of collection of the rent accruing therefrom) to satisfy the rent provided for in this Lease to be paid, then Tenant shall immediately satisfy and pay any such deficiency. Any such payments due Landlord shall be made upon demand therefor from time to time and Tenant agrees that Landlord may file suit to recover any sums falling due from time to time. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect in writing to terminate this Lease for such previous breach.

IJA

iv. If Landlord elects to cure such default by Tenant, Landlord may, at Landlord's option, enter into and upon the Premises and correct the same without being deemed in any manner guilty of trespass, eviction or forcible entry and detainer and without incurring any liability for any damage or interruption of Tenant's business resulting therefrom and Tenant agrees to pay Landlord an amount equal to one hundred ten percent (110%) of any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease.

✓

v. Exercise by Landlord of any one (1) or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance of surrender of the Premises and/or a termination of this Lease by Landlord, whether by agreement or by operation of law, it being understood that such surrender and/or termination can be effected only by the written agreement of Landlord and Tenant. Any law, usage, or custom to the contrary notwithstanding, Landlord shall have the right at all times to enforce the provisions of this Lease in strict accordance with the terms hereof, and the failure of Landlord at any time to enforce its rights under this Lease strictly in accordance with same shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions, and covenants of this Lease or as having modified the same. Tenant and Landlord further agree that forbearance or waiver by Landlord to enforce its rights pursuant to this Lease or at law or in equity, shall not be a waiver of Landlord's right to enforce one (1) or more of its rights in connection with any subsequent default. A receipt by Landlord of rent or other payment with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach, and no waiver by Landlord of any provision of this Lease shall be deemed to have been made unless expressed in writing and signed by Landlord. To the greatest extent permitted by law, Tenant waives the service of notice of Landlord's intention to re-enter as provided for in any statute, or to institute legal proceedings to that end, and also waives all right of redemption in case Tenant shall be dispossessed by a judgment or by warrant of any court or judge. The terms "enter," "re-enter," "entry" or "re-entry," as used in this Lease, are not restricted to their technical legal meanings. Any reletting of the Premises shall be on such terms and conditions as Landlord in its sole discretion may determine (including without limitation a term different than the remaining Term, rental concessions, alterations and repair of the Premises, lease of less than the entire Premises to any tenant and leasing any or all other portions of the Project before reletting the Premises). Landlord shall not be liable, nor shall Tenant's obligations hereunder be diminished because of, Landlord's failure to relet the Premises or collect rent due in respect of such reletting.

14.2.1 Landlord shall fail to substantially complete Landlord's Work as outlined in the work letter (Exhibit C),

14.2.2 Tenant's remedies Upon occurrence of an Event of Default by Landlord and so long as such Event of Default shall be continuing, Tenant may at any time thereafter at its election after giving 15 days written notice notifying Landlord of any deficiency: Landlord shall have the right to correct the deficiency in 15 days or begin any needed corrections if the corrections shall take longer to complete than 15 days from the date of receipt of Tenant's notice. If the Landlord should fail to respond then the Tenant shall have the right to:

- (1) terminate this Lease and Tenant's right of possession without any further liability to Landlord and receive back its pre-paid rents.
- (2) allow Landlord to cure such default at Landlord's sole expense.
- (3) In no event shall landlord be responsible for consequential damages or any other damages of any nature beyond the return of any rents or deposits.
- (4) BY SIGNING THIS LEASE, TENANT AGREES THAT UPON SURRENDER OR ABANDONMENT, LANDLORD SHALL NOT BE LIABLE OR RESPONSIBLE FOR STORAGE OR DISPOSITION OF TENANT'S PERSONAL PROPERTY

15. ASSIGNMENT AND SUBLETTING.

15.1.1 Assignment and Subletting. Tenant shall not assign, sublet, license, or otherwise transfer ("Transfer") except to related companies with common ownership, whether voluntarily or involuntarily or by operation of law, the Premises or any part thereof without Landlord's prior written approval, which shall not be unreasonably withheld, conditioned or delayed; provided, however, Tenant agrees it shall be reasonable for Landlord to disapprove of a requested Transfer if (a) the financial condition of the proposed subtenant, assignee, or transferee is not satisfactory to

Landlord, (b) the subtenant, assignee, or transferee desires to change the use within the Premises, or (c) the subtenant, assignee, or transferee is a governmental or quasi-governmental party or any party by whom any suit or action could be defended on the ground of sovereign immunity or diplomatic immunity. A "Transfer" shall be deemed to include any of the following: (i) the merger of Tenant with any other entity, (ii) the transfer of any direct or indirect controlling or managing ownership or beneficial interest in Tenant, or (iii) the assignment or transfer of a substantial portion of the assets of Tenant, whether or not located at the Premises. If Tenant desires to undertake a Transfer, Tenant shall give Landlord prior written notice thereof with copies of all related documents and agreements associated with the Transfer, including without limitation, the financial statements of any proposed assignee, subtenant, or transferee, at least forty-five (45) days prior to the anticipated effective date of the Transfer. Tenant shall pay Landlord's reasonable attorneys' and financial consultant's fees incurred in the review of such documentation whether or not a Transfer is consummated, or approval is granted. Landlord shall have a period of thirty (30) days following receipt of such notice and all related documents and agreements to notify Tenant in writing of Landlord's approval or disapproval of the proposed Transfer. If Landlord fails to notify Tenant in writing of such election, Landlord shall be deemed to have disapproved such Transfer. This Lease may not be assigned by operation of law. Any purported assignment or subletting contrary to the provisions hereof shall be void and shall constitute an Event of Default hereunder.

JJA

V

If consent to a Transfer is required by Tenant and such Transfer is for substantially the remainder of the Term, Landlord may, at its option, terminate this Lease (or in the case of a partial sublease, terminate this Lease with respect to the portion of the Premises proposed to be subject to the sublease) by giving written notice to Tenant within such thirty (30) day review period set forth in the preceding subsection. If Tenant receives rent or other consideration for any such transfer in excess of the Rent, or in the case of a sublease of a portion of the Premises, in excess of such Rent that is fairly allocable to such portion, after appropriate adjustments to assure that all other payments required hereunder are appropriately taken into account, Tenant shall pay Landlord sixty percent (60%) of the difference between each such payment of rent or other consideration and the Rent required hereunder, after Tenant's recovery of its actual and reasonable attorney's fees, brokerage commissions and improvement allowances or improvement costs incurred directly in connection with such assignment or subletting. Tenant shall continue to be liable as a principal and not as a guarantor or surety to the same extent as though no assignment had been made. No permitted assignment shall be effective until there has been delivered to Landlord a counterpart of the assignment instrument in which the assignee agrees to be and remain jointly and severally liable with Tenant for the payment of Rent pertaining to the Premises and for the performance of all of the terms and provisions of this Lease relating thereto arising on or after the date of the Transfer. Notwithstanding anything to the contrary herein or otherwise, Tenant shall not collaterally assign, mortgage, pledge, hypothecate or otherwise encumber this Lease or any of Tenant's rights hereunder without the prior written consent of Landlord, which consent Landlord may withhold in its sole discretion.

Landlord shall have the right to assign the Lease to any purchaser of all or a portion of the Project.

16. ESTOPPEL ATTORNMENT AND SUBORDINATION

16.1.1 Estoppel. Within fifteen (15) business days after receipt of written request by Landlord, Tenant shall deliver an estoppel certificate duly executed (and acknowledged, if required by any lender or by Landlord), in the form attached hereto as Exhibit E, or in such other form as may be reasonably acceptable to any such lender, which form may include some or all of the provisions contained in Exhibit E, to any proposed lender, ground lessee, purchaser or Landlord. Tenant's failure to deliver said statement in such time period shall be an Event of Default hereunder and shall be conclusive upon Tenant that (1) this Lease is in full force and effect, without modification except as may be represented by Landlord; (2) there are no uncured defaults in Landlord's performance and Tenant has no right of offset, counterclaim or deduction against Rent hereunder; and (3) no more than one month's Base Rent has been paid in advance. If any financier should require that this Lease be amended (other than in the description of the Premises, the Term, the Permitted Use, the Rent or as will substantially, materially or adversely affect the rights of Tenant), Landlord shall give written notice thereof to Tenant, which notice shall be accompanied by a Lease supplement embodying such amendments. Tenant shall, within ten (10) days after the receipt of Landlord's notice, execute and deliver to Landlord the tendered Lease supplement.

16.1.2 Subordination. This Lease shall unconditionally be and at all times remain subject and subordinate to all ground leases, master leases and all mortgages and deeds of trust which now or hereafter affect the Premises or the Project or Landlord's interest therein (including any modifications, renewals or extensions thereof and all amendments thereto), all without the necessity of Tenant's executing further instruments to effect such subordination. If requested, Tenant shall execute and deliver to Landlord within ten (10) days after Landlord's request whatever documentation that may reasonably be required to further effect the provisions of this paragraph including a Subordination, Nondisturbance and Attornment Agreement ("SNDA") in the form reasonably required by the applicable lender. Notwithstanding anything contained in this Lease to the contrary,

(1) the obligation for commissions shall not be binding on, and will not be enforceable against, any of Landlord's lenders or any party that holds a mortgage or other security interest in the Property, and (2) such commission obligation shall be unconditionally subordinate to the lien of any mortgage or other security interest in the Property, and any commissions otherwise payable under this Lease shall not be due or payable after an event of default under any such mortgage or other security interest. Notwithstanding anything to the contrary contained in this Section 16.1.2, the holder of any such mortgage may at any time subordinate its mortgage to this Lease, without Tenant's consent, by notice in writing to Tenant, and thereupon this Lease shall be deemed prior to such mortgage

without regard to their respective dates of executing, delivery or recording and in the event such holder shall have the same rights with respect to this Lease as though this Lease has been executed prior to the executing, delivery and recording of such mortgage and had been assigned to such holder.

Attornment. Tenant hereby agrees that Tenant will recognize as its landlord under this Lease and shall attorn to any person succeeding to the interest of Landlord in respect of the land and the buildings governed by this Lease or upon any foreclosure of any mortgage or deed of trust upon such land or buildings or upon the execution of any deed in lieu of foreclosure in respect to such deed of trust, upon receipt of written notice of such action. Tenant shall pay all rental payments required to be made pursuant to the terms of this Lease for the duration of the term of this Lease. Tenant's attornment shall be effective and self-operative without the execution of any further instrument immediately upon Landlord's lender succeeding Landlord's interest in this Lease and giving written notice thereof to Tenant. If requested, Tenant shall execute and deliver an instrument or instruments confirming its attornment as provided for herein; provided, however, that no such beneficiary or successor-in-interest shall be bound by any payment of Base Rent for more than one (1) month in advance, or any amendment or modification of this Lease made without the express written consent of such beneficiary where such consent is required under applicable loan documents. Landlord's lender shall not be liable for, nor subject to, any offsets or defenses which Tenant may have by reason of any act or omission of Landlord under this Lease, nor for the return of any sums which Tenant may have paid to Landlord under this Lease as and for security deposits, advance rentals or otherwise, except to the extent that such sums are actually delivered by Landlord to Landlord's lender. If Landlord's lender, by succeeding to the interest of Landlord under this Lease, should become obligated to perform the covenants of Landlord hereunder, then, upon, any further transfer of Landlord's interest by Landlord's lender, all such obligations shall terminate as to Landlord's lender.

JJA

17. MISCELLANEOUS

General

- i. Entire Agreement. This Lease, Addenda, Exhibits and Schedules set forth all the agreements between Landlord and Tenant concerning the Premises and the Building; and there are no agreements either oral or written other than as set forth herein.
- ii. Time of Essence. Time is of the essence of this Lease. For all purposes herein, a "Business Day" shall be defined to mean any day other than a Saturday or Sunday or other day on which commercial banks are authorized by Applicable Law to be closed in New York, New York.
- iii. Attorneys' Fees; Jury Trial Waiver. In any dispute regarding this Lease or in any action or proceeding which either party brings against the other to enforce its rights hereunder, the non-prevailing party shall pay all costs incurred by the prevailing party, including reasonable attorneys' fees and costs. Any judgment or order entered in any final judgment shall contain a specific provision providing for the recovery of all costs and expenses of suit, including reasonable attorneys' fees (collectively "Costs") incurred in enforcing, perfecting and executing such judgment. For the purposes of this paragraph, Costs shall include, without limitation, attorneys' fees, costs and expenses incurred in (1) post-judgment motions, (2) contempt proceeding, (3) garnishment, levy, and debtor and third party examination, (4) discovery, and (5) bankruptcy litigation. **TENANT ALSO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS LEASE.**
- iv. Severability. If any provision of this Lease or the application of any such provision shall be held by a court of competent jurisdiction to be invalid, void or unenforceable to any extent, the remaining provisions of this Lease and the application thereof shall remain in full force and effect and shall not be affected, impaired or invalidated.
- v. Law. This Lease shall be construed and enforced in accordance with the laws of the Commonwealth of Puerto Rico. Proper venue for any action related to the performance of this Lease shall reside exclusively in the courts located in the Commonwealth of Puerto Rico.
- vi. No Option. Submission of this Lease to Tenant for examination or negotiation does not constitute an option to lease, offer to lease or a reservation of, or option for, the Premises; and this document shall become effective and binding only upon the execution and delivery hereof by Landlord and Tenant.
- vii. Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the successors and assigns of Landlord and, subject to compliance with the terms of Section 16 Tenant.
- viii. Third Party Beneficiaries. Nothing herein is intended to create any third party beneficiary.
- ix. Memorandum of Lease. Tenant shall not record this Lease or a short form memorandum hereof.
- x. Agency, Partnership or Joint Venture. Nothing contained herein nor any acts of the parties hereto shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture by the

parties hereto or any relationship other than the relationship of landlord and tenant.

- xi. Merger. The voluntary or other surrender of this Lease by Tenant or a mutual cancellation thereof or a termination by Landlord shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.
- xii. Headings. Section headings have been inserted solely as a matter of convenience and are not intended to define or limit the scope of any of the provisions contained therein.
- xiii. Landlord's Lien/Security Interest. Tenant hereby grants Landlord a security interest, and this Lease constitutes a security agreement, within the meaning of and pursuant to the Uniform Commercial Code of the state in which the Premises are situated as to all of Tenant's property situated in, or upon, or used in connection with the Premises (except merchandise sold in the ordinary course of business) as security for all of Tenant's obligations hereunder, including, without limitation, the obligation to pay Rent. Such personalty thus encumbered includes specifically all Tenant's Property and inventory, equipment, contract rights, accounts receivable, general intangibles, and all of the proceeds of any of the foregoing. Tenant hereby authorizes Landlord to file any such financing statements or statements necessary to perfect Landlord's interest in same and hereby agrees to execute as debtor such financing statement or statements and such other documents as Landlord may now or hereafter request in order to perfect or further protect Landlord's security interest.
- xiv. Survival. All obligations of Tenant under this Lease not fully performed as of the expiration or earlier termination of the Term shall survive the expiration or earlier termination of the Term.

JJA

✓

17.1.15 Signs. All signs and graphics of every kind which Tenant desires to install on the exterior of the Building or the exterior of the Premises and which are visible in or from public view, the exterior of the Premises (whether located inside or outside of the Premises) shall be subject to Landlord's prior written approval (not to be unreasonably withheld) and shall be subject to the CC&Rs, the Rules and Regulations, and any applicable governmental laws, ordinances, and regulations and in compliance with Landlord's signage program (if any). Tenant, at its sole cost and expense, shall remove all signs installed by, or on behalf of, Tenant prior to the termination of this Lease and such installations and removals shall be made in such manner as to avoid injury or defacement of the Premises. Tenant shall repair any damage, injury, or defacement, including without limitation, discoloration caused by such installation or removal.

17.1.16 Waiver. No waiver of any default or breach hereunder shall be implied from any omission to take action on account thereof, notwithstanding any custom and practice or course of dealing. No waiver by either party of any provision under this Lease shall be effective unless in writing and signed by such party. No waiver shall affect any default other than the default specified in the waiver and then such waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant shall not be construed as a waiver of any subsequent breach of the same.

17.1.17 Financial Statements. Tenant shall provide, and cause each Guarantor, if applicable, to provide to any lender, any purchaser of the Building, the Land, and/or the Project, or Landlord or its affiliates or property manager, within ten business (10) days after written request sent and delivered in accordance with the Lease, a current, accurate, audited financial statement for Tenant. Landlord shall not make such request more than once per calendar year.

17.1.18 Limitation of Liability. The obligations of Landlord under this Lease are not personal obligations of the individual partners, members, managers, directors, officers, trustees, investment managers, shareholders, agents, or employees of Landlord. Tenant shall look solely to Landlord's interest in the Building for satisfaction of any liability of Landlord and shall not look to other assets of Landlord nor seek recourse against the assets of the individual partners, members, managers, directors, officers, trustees, investment managers, shareholders, agents, or employees of Landlord. Whenever Landlord transfers its interest, Landlord shall be automatically released from further performance under this Lease and from all further liabilities and expenses hereunder and the transferee of Landlord's interest shall assume all liabilities and obligations of Landlord hereunder from the date of such transfer.

17.1.19 Notices. All notices to be given hereunder shall be in writing and mailed postage prepaid by certified or registered mail, return receipt requested, or delivered by personal or courier delivery (such as FedEx, UPS, or similar courier service), to Landlord's Address and Tenant's Address, or to such other place as Landlord or Tenant may designate in a written notice given to the other party. Notices shall be deemed served upon the first attempted delivery by the U.S. Postal Service, the courier, or a recognized delivery service prior to 5 p.m. central time on any Business Day, or, if after 5 p.m. central time, on the next Business Day.

17.1.20 Brokerage Commission.

Except for Binswanger Puerto Rico LLC who represents Landlord, ("Landlord's Broker"), whose entire commissions shall be paid by Landlord, each party represents that it has not had any dealing with any real estate broker, finder, or other person with respect to this Lease. Each party shall hold harmless the other from all damages or claims that may be asserted by any broker, finder, or other person with whom the indemnifying party has purportedly dealt

17.1.21 Authorization. Both Landlord and Tenant represent and warrant that both Parties are qualified to do business in the Commonwealth of Puerto Rico, that the respective entity has full right

and authority to enter into this Lease, and that all persons signing on behalf of either Landlord or Tenant are authorized to do so by appropriate actions. If requested by either Landlord or Tenant, the other Party agrees to deliver to the requesting party, simultaneously with the delivery of this Lease, a corporate resolution, proof of due authorization by partners, opinion of counsel or other appropriate documentation reasonably acceptable to either Landlord or Tenant as applicable, evidencing the due authorization of the respective Party to enter into this Lease.

18. Holding Over, Surrender

Holding Over. If Tenant holds over the Premises or any part thereof after the expiration or earlier termination of the Lease, such holding over shall, at Landlord's option, constitute a month-to-month tenancy, at a rent equal to one hundred fifty percent (150%) during the first and second holdover months and two hundred percent (200%), for each and every holdover month thereafter of the Base Rent in effect immediately prior to such holding over and shall otherwise be on all the other terms and conditions of this Lease. This section shall not be construed as Landlord's permission for Tenant to hold over and Landlord shall have the right to immediately terminate any continued possession of the Premises by Tenant at any time upon such holding over. Acceptance of Rent by Landlord following expiration or termination shall not constitute a renewal of this Lease or extension of the Term except as specifically set forth above. If Tenant fails to surrender the Premises upon expiration or earlier termination of this Lease, Tenant shall be liable for any and all damages and hereby indemnifies and holds Landlord harmless from and against all loss or liability resulting from or arising out of Tenant's failure to surrender the Premises, including, but not limited to, any amounts required to be paid to any tenant or prospective tenant who was to have occupied the Premises after the expiration or earlier termination of this Lease and any related attorneys' fees and brokerage commissions.

JJA

i. Surrender. On or before the expiration or earlier termination of this Lease, Tenant shall surrender the Premises, together with all keys and security codes, to Landlord in accordance with the move-out procedures set forth in Exhibit F attached hereto and in broom clean condition and in as good a condition as when received ordinary wear and tear and damage by fire or casualty excepted, such obligation to expressly include repairing any damage to and restoring the condition of the Premises in accordance with Section 9.2. Conditions existing because of Tenant's failure to perform maintenance, repairs or replacements shall not be deemed "reasonable wear and tear." Tenant shall also remove all of Tenant's Property and shall repair all damage to the Premises and the Project caused by the installation or removal of Tenant's Property or in any way in connection with the surrender of the Premises. Such repairs or restoration shall include, without limitation, the repair, patching, and filling of all holes in the floors, walls roof, and other improvements within or without the Premises and all penetrations of the roof shall be resealed to a water tight condition. In no event shall Tenant remove from the Building any mechanical or electrical systems or any wiring or any other aspect of any systems within the Premises, unless Landlord specifically permits such removal in writing.

18.1.24 Joint and Several. If Tenant consists of more than one person, the obligation of all such persons shall be joint and several.

18.1.25 Covenants and Conditions. Each provision to be performed by Tenant hereunder shall be deemed to be both a covenant and a condition.

18.1.26 Consents. Except as otherwise provided elsewhere in this Lease, Landlord's actual reasonable 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 Tenant for any Landlord consent, including but not limited to, consents to a Transfer or the presence or use of a Hazardous Material, shall be paid by Tenant upon receipt of an invoice and supporting documentation therefor. In the event these costs are expected to exceed \$500.00, prior to processing Tenant's request, Landlord agrees to provide to Tenant a good faith estimate of the expenses for Tenant's approval. If Tenant does not approve, Landlord shall have no obligation to process Tenant's request.

18.1.27 Force Majeure. "Force Majeure" as used in this Lease means delays resulting from causes beyond the reasonable control of Landlord, including, without limitation, any delay caused by any action, inaction, order, ruling, moratorium, regulation, statute, condition or other decision of any private party or governmental agency having jurisdiction over any portion of the Project, over the construction anticipated to occur thereon or over any uses thereof, or by delays in inspections or in issuing approvals by private parties or permits by governmental agencies, or by fire, flood, inclement weather, electrical grid blackouts, atmospheric phenomenon like hurricanes and/or cyclones, strikes, lockouts or other labor or industrial disturbance, failure or inability to secure materials, supplies or labor through ordinary sources, earthquake, or other natural disaster, or any cause whatsoever beyond the reasonable control (excluding financial inability) of the Landlord, or any of its contractors or other representatives, whether or not similar to any of the causes hereinabove stated.

18.1.28 Mortgagee Protection. Tenant agrees to give any holder of any mortgage or deed of trust secured by the Premises or the Project, by registered or certified mail or nationally recognized overnight delivery service, a copy of any notice of default served upon the Landlord by Tenant concurrently with delivery to Landlord, provided that, prior to such notice, Tenant has been notified in writing (by way of service on Tenant of a copy of assignment of rents and leases or otherwise) of the address of such holder of a mortgage or deed of trust. Tenant further agrees that if Landlord shall have failed to cure such default within thirty (30) days after such notice to Landlord (or if such default cannot be cured or corrected within that time, then such additional time as may be

necessary if Landlord has commenced within such thirty (30) day period and is diligently pursuing the remedies or steps necessary to cure or correct such default), then the holder of any mortgage or deed of trust shall have an additional sixty (60) days within which to cure or correct such default (or if such default cannot be cured or corrected within that time, then such additional time as may be necessary if such holder of any mortgage or deed of trust has commenced within such sixty (60) day period and is diligently pursuing the remedies or steps necessary to cure or correct such default). Notwithstanding the foregoing, in no event shall any holder of any mortgage or deed of trust have any obligation to cure any default of the Landlord.

JJA  
18.1.29 OFAC. Tenant hereby represents and warrants that, to the best of its knowledge, Tenant is not, nor any persons or entities holding any legal or beneficial interest whatsoever in such party, are (1) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (2) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (3) named on the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time during the Term, an Event of Default will be deemed to have occurred, without the necessity of notice to Tenant.

18.1.30 Roof Use by Landlord. Landlord reserves the right to use the surface of the roof in any manner which does not materially interfere with Tenant's use of the Premises, or Tenant's use of a satellite dish, in accordance with Landlord's reasonable regulations governing the design, installation and use of said satellite dish, including, but not limited to, installation of telecommunication equipment, solar equipment or any other uses. In the event that Landlord utilizes the roof, then Landlord shall assume all liability for such activity and indemnify and hold Tenant harmless for any damage or destruction that results from such use.

18.1.31 Guarantors. The Guarantors, if any, shall each execute a guaranty in a form provided by Landlord. It shall constitute an Event of Default of the Tenant if any Guarantor fails or refuses, upon request to provide: (1) evidence of the execution and continued enforceability of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (2) current financial statements, (3) an estoppel certificate, or (4) written confirmation that the guaranty is still in effect as a valid binding obligation.

18.1.32 Automobile Parking. Tenant shall have, at no additional cost to tenant, use, 10 spaces on an exclusive basis, and use of the shared automobile parking areas at the Building as they exist from time to time during the Term. Initial location shown on Exhibit A-1. There shall be adequate parking for at least 10 automobiles. Tenant agrees not to overburden the parking facilities and agrees to cooperate with Landlord in the use of parking facilities. Landlord shall not be responsible for enforcing Tenant's parking rights against any third parties.

18.1.33 Electronic Signatures. Landlord and Tenant each (1) have agreed to permit the use from time to time, where appropriate, of telecopy, electronic mail, or other electronic signatures in order to expedite the transaction contemplated by this Lease, (2) intends to be bound by its respective telecopy electronic mail, or other electronic signature, (3) is aware that the other will rely on the telecopied, electronic mail, or other electronically transmitted signature, and (4) acknowledges such reliance and waives any defenses to the enforcement of this Lease and the documents affecting the transaction contemplated by this Lease based on the fact that a signature was sent by telecopy, electronic mail, or electronic transmission only.

18.1.34 Signage. Tenant, at its sole expense, shall be permitted to install prominent exterior building and monument (at park main entrance) signage subject to Landlord's reasonable signage criteria.

18.1.35 Industrial Tax Exemption. Tenant may qualify for an industrial tax exemption grant, Tenant agrees to apply for, and use commercially reasonable efforts to obtain, this grant at its sole expense.

19. SUBMISSION NOT AN OFFER.

19.1 The submission of a draft of this Lease does not constitute an offer to lease, it being understood and agreed that neither Landlord nor Tenant will be legally bound with respect to the Lease unless this Lease has been executed by Landlord and Tenant and fully executed Agreement is delivered.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date set forth above.



"Landlord"

Learis KN Life Science, LLC

By: [Signature]  
Name: Dr. Satish Idudu  
Its: President

WITNESS #1 AS TO LANDLORD: Broker

JJA

By: \_\_\_\_\_  
Name: Edwin Hernandez

WITNESS #2 AS TO LANDLORD:

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

"Tenant"

**GCV INVESTMENTS LLC**  
a Puerto Rico limited liability company

By: \_\_\_\_\_  
Name: Juan J. Avilés García  
Its: President, Secretary and Lease Guarantor

WITNESS #1 AS TO TENANT: Tenant's Representative

By: \_\_\_\_\_  
Name: Lcdo. Eloy F. Verdejo Rodriguez  
Its: Attorney

WITNESS #2 AS TO TENANT:

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

EXHIBIT A  
SITE PLAN / BUILDING DEPICTION

Lots-JA03 & JA 04 Warehouse C & B Bldg. CRIMCatastro Number:  
216-082-012-04

JJA



EXHIBIT B

Intentionally Left Blank

JJA

✓

EXHIBIT C

WORK LETTER

(a) **AS-IS Condition.** Except as otherwise agreed to by Landlord and Tenant, and as otherwise set forth in the Lease, Tenant shall lease the Premises from Landlord on an "AS-IS" basis, with the representation or warranty that all Building systems (electric, water, sewer and the like) are in good working order at the Commencement Date

A. Landlord shall, at its sole expense, perform the following work to the premises:

- Remove the equipment or racks Tenant will not be using.
- Brush cleans the space.
- Fix the roof.

JJA

✓

B. Tenant shall have the right to do the following work.

- Clean, repair, and retrofit building interior as it sees fit for its use thereof. The parties agree that such work shall require a consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed.
- Tenant will keep some of the racks (6-8), the Laboratory equipment and the made to measure furniture on the Kitchen area.
- Tenant will build a metal structure (ceiling) next to the back door area for cleaning products purposes.
- Tenant will build a drainage System.
- Tenant will modify on tenants expenses the electrical substation to generate his needed power.

EXHIBIT D

RULES AND REGULATIONS

1. No automobile, recreational vehicle or any other type of vehicle or equipment not related to Tenant's operation shall remain upon the Premises longer than seventy-two (72) hours and no vehicle or equipment of any kind shall be dismantled or repaired or serviced on the Premises. All vehicle parking shall be restricted to areas designated and marked for vehicle parking. The foregoing restrictions shall not be deemed to prevent temporary parking for loading or unloading of vehicles in designated areas.
2. Signs will conform to sign standards and criteria established from time to time by Landlord, and in compliance with any applicable local laws or ordinances.
3. No antenna, aerial, discs, dishes or other such device shall be erected on the roof or exterior walls of the Premises, or on the grounds, without the written consent of the Landlord in each instance. Any device so installed without such written consent shall be subject to removal without notice at any time.
4. No loudspeakers, televisions, phonographs, radios or other devices shall be used in a manner so as to be heard or seen outside of the Premises without the prior written consent of the Landlord.
5. The outside areas immediately adjoining the Premises shall be kept clean and free from dirt and rubbish by the Tenant to the satisfaction of Landlord and Tenant shall not place or permit any obstruction or materials in such areas or permit any work to be performed outside the Premises.
6. No open storage shall be permitted in the Project.
7. All garbage and refuse shall be placed in containers placed at the location designated for refuse collection, in the manner specified by Landlord.
8. No vending machine or machines of any description shall be installed, maintained or operated upon the Land outside of the building.
9. Tenant shall not disturb, solicit, or canvass any occupant of the building and shall cooperate to prevent same.
10. No noxious or offensive trade or activity shall be carried on upon any units or any part of the Premises nor shall anything be done thereon which would in any way interfere with the quiet enjoyment of each of the other tenants of the Project or which would increase the rate of insurance or overburden utility facilities from time to time existing in the Project.
11. Landlord reserves the right to make such amendments to these rules and regulations from time to time as arenondiscriminatory and not inconsistent with the Lease.

EXHIBIT E

ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document] ("Relying Party")  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_

Re: Lease Dated: \_\_\_\_\_  
Current Landlord: \_\_\_\_\_  
Current Tenant: \_\_\_\_\_  
Square Feet: Approximately \_\_\_\_\_  
Floor(s): \_\_\_\_\_  
Located at: \_\_\_\_\_

JJA

2

\_\_\_\_\_ hereby certifies that as of \_\_\_\_\_, 20\_\_:

1. It is the present owner and holder of the [tenant's][landlord's] interest under the lease described above, as it may be amended to date (the "Lease") with \_\_\_\_\_ as Landlord (who is called "Landlord" for the purposes of this Certificate). (USE THE NEXT SENTENCE IF THE LANDLORD OR TENANT NAMED IN THE LEASE IS A PREDECESSOR TO THE CURRENT LANDLORD OR TENANT.) [The original landlord under the Lease was \_\_\_\_\_, and the original tenant under the Lease was \_\_\_\_\_.] The Lease covers the premises commonly known as \_\_\_\_\_ (the "Premises") in the building (the "Building") at the address set forth above.

2. (a) The attached Exhibit A accurately identifies the Lease and all modifications, amendments, supplements, side letters, addenda and riders of and to it.

(b) The term of the Lease commenced on \_\_\_\_\_, 201\_ and will expire on \_\_\_\_\_, including any presently exercised option or renewal term.

(c) Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking, except as set forth in \_\_\_\_\_.

(d) Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part) except \_\_\_\_\_. Tenant has no right or interest with respect to the Premises or the Building other than as Tenant under the Lease.

(e) The annual minimum rent currently payable under the Lease is \$ \_\_\_\_\_ and such rent has been paid through \_\_\_\_\_, 201\_.

(f) Additional rent [is/is not] payable under the Lease for (i) operating, maintenance or repair expenses, and (ii) property taxes. Such additional rent has been paid in accordance with Landlord's rendered bills through \_\_\_\_\_, 201\_.

(g) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession (IF APPLICABLE) [except as expressly set forth in Sections(s) of the Lease (copy attached)].

(h) Landlord currently holds a security deposit in the amount of \$ \_\_\_\_\_ which is to be applied by Landlord or returned to Tenant in accordance with Section(s) \_\_\_\_\_ of the Lease.

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified, altered or amended and is in full force and effect in the form (CHOOSE ONE) [attached as/described in] Exhibit A. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

(b) All insurance required of Tenant under the Lease has been provided by Tenant and all premiums have been paid.

(c) To the best knowledge of the undersigned, no party is in default under the Lease.

(d) The interest of the undersigned in the Lease has not been assigned or encumbered. Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease except as set forth in the Lease. No rental payments have been made more than one month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full and all of Landlord's obligations with respect to tenant improvements have been fully performed. Tenant has accepted the Premises, subject to no conditions other than those set forth in the Lease.

5. Neither Landlord, Tenant nor any guarantor of Tenant's obligations under the Lease is the subject of any bankruptcy or other voluntary or involuntary proceeding, in or out of court, for the adjustment of debtor-creditor relationships.

6. (a) As used here, "Hazardous Substance" means any substance, material or waste (including petroleum and petroleum products) which is designated, classified or regulated as being "toxic" or "hazardous" or a "pollutant" or which is similarly designated, classified or regulated, under any federal, state or local law, regulation or ordinance.

(b) The undersigned represents and warrants that it has not used, generated, released, discharged, stored or disposed of any Hazardous Substances on, under, in or about the Building or the land on which the Building is located (IF APPLICABLE) [ , other than Hazardous Substances used in the ordinary and commercially reasonable course of the undersigned's business in compliance with all applicable laws]. (IF APPLICABLE) [Except for such commercially reasonable use by the undersigned,] the undersigned has no actual knowledge that any Hazardous Substance is present, or has been used, generated, released, discharged, stored or disposed of by any party, on, under, in or about such Building or land.

JJA

7. The undersigned acknowledges that [Landlord][Tenant] intends to [discuss action to be taken vis-a-vis Relying Party]. The undersigned acknowledges the right of Relying Party and its successors and assigns to rely upon the statements and representations contained in this Certificate and further acknowledges that any action taken by such parties will be made and entered into in material reliance on this Certificate.

2

8. The undersigned hereby agrees to furnish Relying Party with such other and further estoppel as Relying Party may reasonably request.

Jim J. O'Neil  
a Presidente GCV Investments

By: [Signature]  
Name: Scott H. Dyer  
Title: CEO & President

EXHIBIT F

MOVE-OUT CONDITIONS

Except as otherwise agreed to by Landlord and Tenant, or as otherwise set forth in this Lease, Tenant shall surrender the Premises in the same condition as received, ordinary wear and tear and damage by fire or casualty excepted. The following list is designed to assist Tenant in the move-out procedures but is not intended to be all inclusive.

1. All lighting is to be placed into good working order. This includes replacement of bulbs, ballasts, and lenses as needed.
2. All truck doors and dock levelers shall be serviced and placed in good operating order. This would include the necessary replacement of any dented truck door panels and adjustment of door tension to insure proper operation. All door panels which are replaced need to be painted to match the building standard.
3. All structural steel columns in the warehouse and office shall be inspected for damage. Repairs of this nature should be pre-approved by the Landlord prior to implementation.
4. Heating/air-conditioning systems should be placed in good working order, including the necessary replacement of any parts to return the unit to a well maintained condition. This includes warehouse exhaust fans. Upon move-out, Landlord will have an exit inspection performed by a certified mechanical contractor to determine the condition.
5. All holes in the sheetrock walls should be repaired prior to move-out.
6. The carpets and tiles should be in a clean condition and should not have any holes or chips in them. Landlord will accept normal wear on these items provided they appear to be in a maintained condition.
7. Facilities should be returned in a clean condition which would include cleaning of the coffee bar, restroom areas, windows, and other portions of the Premises.
8. The warehouse should be in a clean condition with all inventory and racking removed and the warehouse floor mechanically cleaned if necessary. There should be no protrusion of anchors from the warehouse floor and all such protrusions or anchors shall be ground flush to the floor. If machinery/equipment is removed, the electrical lines should be properly terminated at the nearest junction box.
9. All exterior windows with cracks or breakage should be replaced.
10. The Tenant shall provide to Landlord the keys for all locks on the Premises, including front doors, rear doors, and interior doors.
11. Items that have been added by the Tenant and affixed to the Building will remain the property of Landlord, unless agreed otherwise. This would include but is not limited to mini-blinds, air conditioners, electrical, water heaters, cabinets, flooring, etc. Please note that if modifications have been made to the Premises, such as the addition of office areas, Landlord retains the right to have the Tenant remove any Alterations at Tenant's expense.
12. All electrical systems should be in good working order, including the water heater. Faucets and toilets should not leak.
13. All plumbing fixtures should be in a safe condition that conforms to code. Bare wires if any and dangerous installations should be corrected prior to move-out.

IJA

✓



EXHIBIT G

MINIMUM HVAC SYSTEM SERVICE CONTRACT  
REQUIREMENTS

The Service Contract must become effective within 30 days of occupancy, and service visits shall be performed on a quarterly basis. The Service Contract must cover all hot water, heating, and air conditioning systems and equipment within or exclusively serving the Premises. Landlord requires that the qualified HVAC contractor include the following items as part of such maintenance contract:

1. Adjust belt tension;
2. Lubricate all moving parts, as necessary;
3. Inspect and adjust all temperature and safety controls;
4. Check refrigeration system for leaks and operation;
5. Check refrigeration system for moisture;
6. Inspect compressor oil level and crank case heaters;
7. Check head pressure, suction pressure and oil pressure;
8. Inspect air filters and replace when necessary;
9. Check space conditions;
10. Check condensate drains and drain pans and clean, if necessary;
11. Inspect and adjust all valves;
12. Check and adjust dampers;
13. Run machine through complete cycle.

JJA

✓