



LEASE ASSIGNMENT AGREEMENT

An Agreement to assign Project BEE's interest in its lease with Chen Cheng Huan dba Grand Hibachi Buffet, Inc. to the City of Minot

This Assignment Agreement (Agreement), is entered into by and between the City of Minot (City/Assignee), a municipal corporation and political subdivision of the State of North Dakota, Project BEE (Project BEE/Assignor), collectively referred to herein as the Parties, to assign Project BEE's interest in the following standard commercial lease to the City of Minot:

1. Standard Commercial Lease, A gross lease agreement entered into on April 6, 2020 by and between LSS Housing, Inc., and Chen Cheng Huan dba Grand Hibachi Buffet, Inc. to lease Suite 1, located at 1901 South Broadway, ND 58701 for a term five years with two five year extensions, unless sooner terminated, for an initial monthly rental payment of \$4,000.00 per month with a 2% increase per year for the 5 year term, with rates to be negotiated at the beginning of each 5 year term. This lease agreement is attached hereto as Exhibit A, and is referred to throughout this Agreement as the "Lease Agreement."

WHEREAS, Project BEE/Assignor entered into three agreements with the City/Assignee to construct and develop the "Broadway Circle Project"; and

WHEREAS, the premises demised in the Lease Agreement is located on property that is considered a part of the Broadway Circle Project; and

WHEREAS, Project BEE/Assignor advised the City that it cannot complete its remaining obligations under its agreements with the City/Assignee; and

WHEREAS, Project BEE/Assignor wishes to assign their rights and obligations under the Lease Agreement to the City/Assignee; and

WHEREAS, City/Assignee wishes to assume Project BEE/Assignor's rights and obligations under the Lease Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and promises recorded herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. Recitals Incorporated. The recitals set forth above are true and correct, and considered a part of this Agreement.
2. Assignment of Lease Agreement. Project BEE/Assignor and the City/Assignee hereby agree that by signing this Agreement, Project BEE/Assignor assigns, and City/Assignee assumes, all of Project BEE/Assignor's rights, titles, and interests, obligations, responsibilities, and duties under the Lease Agreement unless stated otherwise in this Agreement on February 6, 2024 (Assignment Date).

3. Assignment Agreement Contingent upon Execution of Mutual Termination Agreement. Project BEE/Assignor and City/Assignee have also executed a Mutual Termination Agreement dated February 6, 2024. (Mutual Termination Agreement). The Parties acknowledge, understand, and agree that this Agreement shall be terminable at the City/Assignee's option should Project BEE/Assignor fail to comply with any of the terms and conditions of the Mutual Termination Agreement.
4. Indemnification by Project BEE/Assignor. Notwithstanding the foregoing, Project BEE/Assignor agrees to defend and indemnify City/Assignee from any and all claims, actions, judgments, liabilities, proceedings, and costs, including reasonable attorney's fees and other costs of defense and damages resulting from Project BEE/Assignor's performance before and after their assignment of the Lease Agreement to the City/Assignee.
5. Parties Responsible for Costs. The Parties shall be responsible for their own direct and indirect costs associated with this Agreement.
6. Project BEE's Representations and Warranties. Project BEE represents and warrants the following as a material inducement for the City to enter into this Agreement:
 - a. Project BEE is a non-profit organization, validly existing and in good standing under the laws of the State of North Dakota; it has the power and authority necessary to enter into this Agreement and carry out the transactions contemplated herein, and that the execution and delivery of this Agreement to the City will not violate or constitute a default under the terms and provisions of any agreement, law, or court order to which Project BEE is a party or by which Project BEE is bound.
 - b. All actions required to authorize Project BEE to enter into this Agreement have been taken, and that this Agreement is a valid and binding obligation of Project BEE, enforceable in accordance with its terms.
 - c. The person executing this Agreement on behalf of Project BEE has the full power and authority to bind Project BEE to the terms hereof.
7. Non-Litigation Covenant. The release in this Agreement may be plead as a full and complete defense to, and may be used as the basis for an injunction against any action, suit, or other proceeding which may be instituted, prosecuted, or attempted in breach of the release contained herein, and the Parties shall not in any manner challenge this Agreement. Notwithstanding the mutual releases contained in this Agreement, nothing in this Agreement is, nor shall be deemed to be, a release of the obligations, terms, and conditions of this Agreement, and nothing herein shall in any manner limit or otherwise preclude the Parties from commencing an action solely for the purpose of enforcing any obligation, term, or condition of this Agreement.
8. Binding Effect. The terms of this Agreement, including the recitals above, are considered binding and effective promises, agreements, and covenants, fully enforceable by the Parties. This Agreement shall inure to the benefit of the

Parties and any of their heirs, successors, personal representatives, officers, and assigns of each.

9. City's Representations and Warranties. The City represents and warrants the following as a material inducement for the City to enter into this Agreement:

- a. The City is a municipal corporation with a home rule charter, existing and in good standing under the laws of the State of North Dakota; that it has all the necessary power and authority to enter into this Agreement and carry out the transactions contemplated herein; and that the execution and delivery hereof and the performance by the City of its obligations hereunder will not violate or constitute a default under the terms and provisions of any agreement, law or court order to which the City is a party or by which the City is bound.
- b. All actions required to authorize the City to enter into this Agreement have been taken, and that this Agreement is a valid and binding obligation of Project BEE, enforceable in accordance with its terms.
- c. The person executing this Agreement on behalf of the City has the full power and authority to bind the City to the terms hereof.

10. Notices. Notices, statements, and other communications to be given under the terms of this Agreement shall be delivered in a timely fashion (and in any event within any time limits established elsewhere in this Agreement) and shall be in writing and delivered by hand or sent by U.S. Mail (return receipt requested), and addressed as follows:

- a. To City/Assignee: City of Minot
Attn: City Clerk
P.O. Box 5006
Minot, ND 58702-5006
- b. To Project BEE/
Assignor: Project BEE
205 3rd Ave SE
Minot, ND 58701
- c. Mattson
Construction: 4321 East Burdick Expy.
Minot, ND 58701

11. Records Maintenance. The Parties agree that this Agreement and all documents relative to this Agreement are subject to North Dakota's open records laws and shall remain accessible to the City upon written request by the City.

12. Waiver. The waiver by either Party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained. No covenant, term or condition of this Agreement shall be deemed to have been waived by either Party, unless such waiver is in writing signed by the Party against whom such waiver is asserted.

13. Successors and Assigns. All of the rights, benefits, duties, liabilities, and obligations of the Parties hereto shall inure to the benefit of and be binding upon their respective successors and assigns.
- a. Transfers and Assignments. The Parties shall not sell, convey, assign, transfer, pledge, or otherwise dispose of all or any part of its interest, if any, in this Agreement, or any of the contractual rights or obligations related to this Agreement without first obtaining the prior written consent of the City.
14. Applicable Law/Venue. This Agreement and all provisions herein shall be construed and enforced in accordance with the laws of the State of North Dakota. Venue for any action arising out of this Agreement shall be in Ward County District Court.
15. Representation by Counsel/Voluntary Nature of Agreement. The Parties acknowledge and represent that they have been, or have waived the opportunity to consult and be, represented by legal counsel in connection with the consideration and execution of this Agreement. The Parties represent and declare that in executing this Agreement, they relied solely upon their own judgment, belief, and knowledge, and after consultation with their legal counsel concerning the nature, extent, and duration of their rights and claims, and that they were not induced into executing this Agreement by any representations not expressly contained or referred to herein. By entering into this Agreement, the Parties acknowledge and expressly warrant and represent to each other that, as a part of the consideration for the promises contained herein, that before executing this Agreement they have fully and completely read its terms and that the terms of this Agreement are fully understood and voluntarily accepted by each Party, without duress or coercion of any kind.
16. Severability. If any provisions of this Agreement, the deletion of which would not adversely affect the receipt of any material benefit by any party hereunder or substantially increase the burden on any party hereto, shall be found invalid or unenforceable to any extent, the same shall be considered severed, and shall not adversely affect the validity or enforceability of the remainder of this Agreement.
17. Further Assurances. The Parties hereby agree to execute and deliver any and all instruments, agreements, documents, and take any other such action as may be necessary and appropriate to carry out the transactions described in this Agreement.
18. Titles and Captions. Titles and captions are for convenience of reference only and do not define, describe, or limit the scope or intent of this Agreement or any of its terms. Reference to section numbers are to sections in this Agreement unless expressly stated otherwise.
19. Entire Agreement. This Agreement sets forth all the covenants, promises, agreements, conditions, and understandings between the Parties, oral or written, relating to the subject matter of this Agreement. Neither Party has made any representations or promises not expressly contained herein. No subsequent alterations, amendments, changes, or additions to this Agreement

shall be binding upon a Party unless reduced to writing and signed by a Party's authorized representative.

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed by their undersigned officials as duly authorized,

ASSIGNEE: CITY OF MINOT

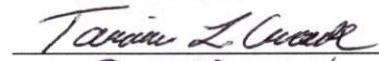


Mayor

2.6.24

Date

ASSIGNOR: PROJECT BEE




Title: Board President

Feb 6, 2024

Date

Attest:



City Clerk

2/6/2024

Date

Attest:



Title: Vice President

Feb 6 2024.

Date

Attest:



Finance Director, City of Minot

2-6-2024

Date

STANDARD COMMERCIAL LEASE

ARTICLE 1. BASIC LEASE TERMS

WJ
April 6, 2020 pp
1.1 PARTIES. This Gross Lease Agreement also known as full service lease ("Lease") is entered into this 1st day of ~~July, 2020~~ by and between **LSS Housing Inc, Inc a corporation** ("Landlord") and **Chen Cheng Huan dba Grand Hibachi Buffet, Inc or similar.** (Tenant).

1.2 DEMISED PREMISES. In consideration of the rents, terms, provisions and covenants of this Lease, Landlord hereby leases, lets and demises to Tenant the following described premises ("Premises"): approximately 4,500 sq. ft located at 1901 South Broadway in Minot ND 58107 ("Building").

Property:	Broadway Circle
Address:	1901 South Broadway in Minot ND
Area of Building:	12,000 sq. ft.
Area of Demised Premises:	4,500 sq. ft.
Space or Unit Number:	Suite 1
Permitted Use:	The operation of Chinese/Japanese Restaurant or other similar restaurant.
Common area footage:	All measurements based on BOMA standards to include common area load factor. Common area charged at base rent amount described in Section 1.4 of this Agreement.

1.3 TERM. Subject to and upon the conditions set forth herein, the term of this Lease shall commence on April 6, 2020 with a term of five (5) years with two-five year extensions unless sooner terminated as hereinafter provided.

Possession Date:	Business is in possession due to previous lease that was assumed by LSS Housing Inc.
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1.4 MONTHLY PAYMENT. Monthly rent payment for year one is \$4,000 (annualized total of \$48,000) and Common Area Maintenance charges, which for year one are fixed at \$0.00 per month (annualized total of \$0.00).

1.5 Base Rent Adjustment:	2% increase per year for the 5 year term; with option by parties to renew for two additional 5 year terms (rates negotiated at beginning of each 5 year term)
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Common Area Maintenance Charge Adjustment: Not Applicable

1.6 ADDRESSES:

Landlord's Mailing Address:	LSS Housing Inc. PO Box 2148, Fargo, ND 58107-2148
Tenant's Mailing Address:	1501 32 nd Ave SW, Minot ND 58701
Place of Payments:	LSS Housing Inc. PO Box 2148, Fargo, ND 58107-2148
Check Payable To:	LSS Property Management Group, LLC

1.7 UTILITIES:

Electricity	Included in Base Rent
Natural Gas	Included in Base Rent except for gas meter for all kitchen appliances, which will be the responsibility of the Tenant
Water/Sewer	Included in Base Rent
Garbage	Tenant responsibility

Grease Disposal
Internet/cable

Tenant responsibility
Tenant responsibility

1.8 SECURITY DEPOSIT: \$0

1.9 COMMON AREA MAINTENANCE CHARGES – (not applicable as full service lease)

1.10 PARKING:

Tenant and employee guest parking shall be provided at no additional cost to tenant.

1.10 INSURANCE:

Tenant is required to carry insurance and provide proof to landlord upon request (as per Section 7.3).

Liability for property damage	\$1,000,000
Liability for bodily injury per person	\$1,000,000
per occurrence	\$2,000,000

ARTICLE 2. RENT

2.1 BASE RENT. Tenant agrees to pay monthly as base rent during the term of this Lease the sum of money set forth in Section 1.4 of this lease, which amount shall be payable to Landlord at the address shown above. One monthly installment of rent shall be due and payable on the date of execution of this Lease by Tenant for the first month's rent prorated to date of possession, with a full monthly installment due and payable on or before the first day of each succeeding calendar month during the term of this lease. Tenant shall pay, as additional rent, all other sums due under this Lease. Notwithstanding anything in this Lease to the contrary, if Landlord, for any reason whatsoever (other than Tenant's default), cannot deliver possession of the Premises to the Tenant on the Commencement date, this Lease shall not be void or voidable, nor shall Landlord be liable to Tenant for any loss or damage resulting therefrom, nor shall the expiration of the term be extended, but all rent shall be abated until Landlord delivers possession. All base rent, additional rent and other sums payable by Tenant pursuant to this Lease are payable without demand and without any reduction, abatement, counter claims or setoff.

2.2 OPERATING EXPENSES. Landlord will pay the operating expenses for the Building other than expenses noted as tenant expenses in Section 1.7 and also for tenant's own cleaning expenses of its space, as well as its own insurance expense.

2.3 DEFINITION OF OPERATING EXPENSES. The term "operating expenses" includes expenses other than noted in Section 1.7 incurred by Landlord with respect to the maintenance and operation of the Building of which the Premises are a part, including, but not limited to, the following: maintenance, repair costs, electricity, fuel, water, sewer, gas and other common Building utility charges; security charges; security; snow removal; landscaping and pest control; supplies, repairs or other expenses for maintaining and operating the Building or project including parking and common areas; all other expenses which would generally be regarded as operating, repair, and maintenance expenses; all real property taxes and installments of special assessments, including dues and assessments by means of deed restrictions and/or owner's associations which accrue against the Building during the term of this Lease and legal fees incurred in connection with actions to reduce the same; and all insurance premiums Landlord is required to pay or deems necessary to pay, including fire and extended coverage, public liability insurance, with respect to the Building.

2.4 LATE PAYMENT CHARGE. If the monthly rental payment or any other payment due from Tenant to Landlord is not received by Landlord on or before the due date thereof, Landlord shall be entitled to exercise any remedy for nonpayment provided in this Lease and, in addition, if such payment is not received on or before ten (10) days after the due date, a late payment charge of five percent (5%) of such past due amount shall become due and payable by Tenant in addition to such amounts owed under this Lease.

2.5 INCREASE IN INSURANCE PREMIUMS. If an increase in any insurance premiums paid by Landlord for the Building is caused by Tenant's use of the Premises or if Tenant vacates the Premises and causes an increase in such premiums, then Tenant shall pay as additional rent the amount of such increase to Landlord.

2.6 SECURITY DEPOSIT. The security deposit set forth in Section 1.8 shall be held by Landlord for the performance of Tenants covenants and obligations under this Lease, it being expressly understood that the security deposit shall not be considered an advance payment of rental or a measure of Landlord's damage in case of default by Tenant. Upon the occurrence of any event of default by Tenant or breach by Tenant of Tenant's covenants under this Lease, Landlord may, from time to time, without prejudice to any other remedy, use the security deposit to the extent necessary to make good any arrears of rent, or to repair any damage or injury, or pay any expense or liability incurred by Landlord as a result of the event of default or breach of covenant, and any remaining balance of the security deposit shall be returned by Landlord to Tenant upon termination of this Lease. If any portion of the security deposit is so used or applied, Tenant shall upon ten (10) days written notice from the Landlord, deposit with Landlord by cash or cashier's check an amount sufficient to restore the security deposit to its original amount. Security deposits will be held by the Landlord in compliance with the laws of the State of North Dakota, including interest as set forth by the laws of the State of North Dakota.

2.7 HOLDING OVER. In the event that Tenant does not vacate the Premises upon the expiration or termination of this Lease, Tenant shall be a tenant at will for the holdover period and all of the terms and provisions of this Lease shall be applicable during that period, except that Tenant shall pay Landlord as base rental for the period of such holdover an amount equal to one hundred and ten percent (110%) times the base rent which would have been payable by Tenant had the holdover period been a part of the original term of this Lease, together with all additional rent as provided in this Lease. Tenant agrees to vacate and deliver the Premises to Landlord upon Tenant's receipt of notice from Landlord to vacate. The rental payable during the holdover period shall be payable to Landlord on demand. No holding over by Tenant, whether with or without the consent of Landlord, shall operate to extend the term of this Lease.

ARTICLE 3. OCCUPANCY AND USE

3.1 USE. Tenant warrants and represents to Landlord that the Premises shall be used and occupied only for the purpose as set forth in Section 1.2. Tenant shall occupy the Premises, conduct its business and control its agents, employees, invitees and visitors in such a manner as is lawful, reputable and will not create a nuisance. Tenant shall not permit any operation which intrudes into other portions of the Building use, otherwise interfere with, annoy or disturb any other lessee in its normal business operations or Landlord in its management of the Building. Tenant shall neither permit any waste on the Premises nor allow the Premises to be used in any way which would, in the opinion of Landlord, be extra hazardous on account of fire or which would in any way increase or render void the fire insurance on the Building.

3.2 SIGNS AND WINDOW COVERINGS. No sign of any type or description shall be erected, placed or painted in or about the Premises or project except those signs submitted to Landlord in writing and approved by Landlord in writing, and which signs are in conformance with state, city or local laws. See Exhibit B for guidelines related to signage on or about the Premises. No window coverings (other than "Building Standard" window coverings) or window shadings anywhere within the Demised Premises shall be erected or maintained by the Tenant unless Tenant shall obtain the prior written approval of Landlord.

3.3 COMPLIANCE WITH LAWS, RULES AND REGULATIONS. All initial construction completed by Tenant shall comply with all applicable laws, ordinances, orders, rules and regulations of state, federal, municipal or other agencies or bodies having jurisdiction over the Premises. Subject to Landlord's obligation herein, Tenant, at Tenant's sole cost and expense, shall comply with all laws, ordinances, orders, rules and regulations of state, federal, municipal or other agencies or bodies having jurisdiction over the use, condition or occupancy of the Premises. Tenant covenants and agrees to comply fully with any and all reasonable rules and regulations, and all amendments and supplements thereto, (a) which have been promulgated or adopted by Landlord for the Building; (b) of which Tenant shall have received actual notice; and (c) which apply to the Demised Premises, the Building Common Facilities, the Building, the Property or the

Center Common Area or Tenant's use thereof. The Rules and Regulations promulgated by Landlord hereunder are solely for the benefit of Landlord and may be enforced only by Landlord. No right is created hereunder in Tenant to enforce violations of the Rules and Regulations by other tenants in the Center. Landlord shall have the right, but not the obligation, to enforce the Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any Rules and Regulations by any other tenants or occupants of the Center, provided that Landlord enforces such rules and regulations uniformly in a non-discriminatory manner. See Exhibit C for Landlord Rules and Regulations.

3.4 **WARRANTY OF POSSESSION.** Landlord warrants that it has the right and authority to execute this Lease, shall have possession of the Premises during the full term of this Lease as well as any extension or renewal thereof. Landlord shall not be responsible for the acts or omissions of any other lessee or third party that may interfere with Tenant's use and enjoyment of the Premises.

3.5 **RIGHT OF ACCESS.** Landlord or its authorized agents shall, during normal business hours, have the right to enter the Premises to inspect the same, to show the Premises to prospective purchasers or lessees, within six (6) months of the expiration of this lease, and to alter, improve or repair the Premises or any other portion of the Building. Tenant hereby waives any claim for damages for injury or inconvenience to or interference with Tenant's business, any loss of occupancy or use of the Premises, and any other loss occasioned thereby with the exception of damages resulting from the negligence of the Landlord. Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises. Tenant shall not change Landlord's lock system or in any other manner prohibit Landlord from entering the Premises. Landlord shall have the right to use any and all means that Landlord may deem proper to open any door in an emergency without liability therefore. Tenant shall permit Landlord to erect, use, maintain and repair pipes, cables, conduits, plumbing, vents and wires in, to and through the Premises as often and to the extent that Landlord may now or hereafter deem to be necessary or appropriate for the proper use, operation and maintenance of the Building. Landlord shall not interfere with Tenant's business, or use of the Premises under this provision for purposes of constructing improvements or renovating adjoining lease spaces unless appropriate accommodations and rent adjustments are made between the Landlord and Tenant for such interference.

3.6 **ACCEPTANCE.** The commencement by Tenant of any business in the Premises shall constitute an acknowledgment that the Premises are in the condition called for in this Lease and that the Landlord has performed all of the Landlord's work.

3.7 **ANNOYING LIGHTS, SOUNDS OR ODORS.** Landlord recognizes the Tenant's operation of business, which may, from time to time, emit lights, sounds and odors normally associated with the type of business. Tenant covenants and agrees that no light shall be emitted from the Demised Premises which is unreasonably bright or causes unreasonable glare; no sound shall be emitted from the Demised Premises which is unreasonably loud or annoying; and no odor shall be emitted from the Demised Premises which is or might be noxious or offensive to others in the Building on the Property or on adjacent or nearby property.

3.8 **UNSIGHTLINESS.** All unsightly equipment, objects and conditions shall be kept enclosed within the Demised Premises; no refuse, scraps, debris, garbage, trash, bulk materials or waste shall be kept, stored or allowed to accumulate, except as may be enclosed within the Demised Premises; and all pipes, wires, poles, antennas and other facilities for utilities or the transmission or reception of audio or visual signals shall be kept and maintained enclosed within the Demised Premises. Tenant shall be solely responsible for the removal of all refuse, scraps, debris, garbage, trash, bulk materials or waste from the Demised Premises and the deposit thereof in the trash containers or dumpsters located adjacent to the Building.

3.9 **STRUCTURAL, ELECTRICAL OR OTHER OVERLOADING.** Tenant covenants and agrees that nothing shall be done or kept on the Demised Premises and that no improvements, changes, alterations, additions, maintenance or repairs shall be made to the Demised Premises which might impair the structural soundness of the Building, which might result in an overload of utility lines serving the Building or the Property or which might materially interfere with electric, electronic or other equipment in the Building or on any adjacent or nearby property. In the event of violations hereof, Tenant covenants and agrees to immediately remedy the

violation at Tenant's expense and in compliance with all requirements of governmental authorities and insurance underwriters.

ARTICLE 4. UTILITIES AND SERVICE

4.1 **BUILDING SERVICES.** Landlord shall pay when due, all charges for utilities furnished to or for the use or benefit of the Tenant or the Premises.

4.2 **THEFT OR BURGLARY.** Landlord shall not be liable to Tenant for losses to Tenant's property or personal injury caused by criminal acts or entry by unauthorized persons into the Premises or the Building.

ARTICLE 5. REPAIRS AND MAINTENANCE

5.1 **LANDLORD REPAIRS.** Landlord shall not be required to make any improvements, replacements or repairs of any kind or character to the Premises or the Building during the term of this Lease except as are set forth in this Section. Landlord shall be responsible for the cost of replacing the roof, foundation, parking lot, exterior walls, doors, corridors, primary heating and cooling system, and other structures serving the Premises if and only if required to maintain the structural soundness of said roof, foundation, parking lot, exterior walls, doors, corridors and other structures serving the Premises. Landlord shall not be liable to Tenant, except as expressly provided in this Lease, for any damage or Inconvenience, and Tenant shall not be entitled to any abatement or reduction of rent by reason of any repairs, alterations or additions made by Landlord under this Lease unless, the Landlord has problems of a significant nature, involving the above mentioned building components, which interferes with the Tenants use of the premises.

5.2 **TENANT DAMAGES.** Tenant shall not allow any damage to be committed on any portion of the Premises or Building or common areas, and at the termination of this Lease, by lapse of time or otherwise, Tenant shall deliver the Premises to Landlord in as good condition as existed at the Commencement Date of this Lease, ordinary wear and tear excepted. The cost and expense of any repairs necessary to restore the condition of the Premises shall be borne by Tenant.

ARTICLE 6. ALTERATIONS AND IMPROVEMENTS

6.1 **LANDLORD IMPROVEMENTS.** If construction to the Premises is to be performed by Tenant during Tenant's occupancy, Tenant will complete the construction of the improvements to the Premises in accordance with plans and specifications agreed to by Landlord and Tenant, which plans and specifications are made a part of this Lease by reference. Within seven (7) days of receipt of plans and specifications, Tenant shall execute a copy of the plans and specifications and, if applicable, change orders setting forth the amount of any costs to be borne by Tenant. In the event Tenant fails to execute the plans and specifications and change order within the seven (7) day period, Landlord may, at its sole option, declare this Lease canceled or notify Tenant that the base rent shall commence on the completion date even though the improvements to be constructed by Landlord may not be complete. Any changes or modifications to the approved plans and specifications shall be made and accepted by written change order or agreement signed by Landlord and Tenant and shall constitute an amendment to this Lease.

6.2 **TENANT IMPROVEMENTS.** Tenant shall not make or allow to be made any alterations or physical additions in or to the Premises without first obtaining consent of Landlord, which consent may not be unreasonably denied. Any alterations, physical additions or improvements to the Premises made by Tenant shall at once become the property of Landlord and shall be surrendered to Landlord upon the termination of this Lease. A summary of initial Landlord-approved Tenant Improvements is included as a reference in Exhibit E.

ARTICLE 7. CASUALTY AND INSURANCE

7.1 SUBSTANTIAL DESTRUCTION. If all or a substantial portion of the Premises or the Building should be totally destroyed by fire or other casualty, or if the Premises or the Building should be damaged so that rebuilding cannot reasonably be completed within ninety (90) working days after the date of written notification by Tenant to Landlord of the destruction, or if insurance proceeds are not made available to Landlord, or are inadequate, for restoration, this Lease shall terminate at the option of Landlord by written notice to Tenant within (60) days following the occurrence, and the rent shall be abated for the unexpired portion of the Lease, effective as of the date of the written notification.

7.2 PARTIAL DESTRUCTION. If the Premises should be partially damaged by fire or other casualty, and rebuilding or repairs can reasonably be completed within ninety (90) working days from the date of written notification by Tenant to Landlord of the destruction, and insurance proceeds are adequate and available to Landlord for restoration, this Lease shall not terminate, and Landlord shall at its sole risk and expense proceed with reasonable diligence to rebuild or repair the Building or other improvements to substantially the same condition in which they existed prior to the damage. If the Premises are to be rebuilt or repaired and are untenantable in part following the damage, and the damage or destruction was not caused or contributed to by actor negligence of Tenant, its agents, employees, invitees or those for whom Tenant was responsible, the rent payable under this Lease during the period for which the Premises are untenantable shall be adjusted so that Tenant is not obligated to pay rent for space which cannot be occupied or used by Tenant prior to the completion of any repair. In the event the premises as a whole are not useable, under the same circumstances as stated above, then the tenant shall be entitled to rent abatement. In the event that Landlord fails to complete the necessary repairs or rebuilding within ninety (90) working days from the date of written notification by Tenant to Landlord of the destruction, Tenant may at its option terminate this Lease by delivering written notice of termination to Landlord, whereupon all rights and obligations under this Lease shall cease to exist.

7.3 PROPERTY INSURANCE. Landlord shall not be obligated in any way or manner to insure any personal property (including, but not limited to, any furniture, machinery, goods or supplies) of Tenant upon or within the Premises, any fixtures installed or paid for by Tenant upon or within the Premises, or any improvements which Tenant may construct on the Premises. Tenant shall maintain property insurance on its personal property and shall also maintain plate glass insurance. Tenant shall have no right in or claim to the proceeds of any policy of insurance maintained by Landlord even if the cost of such insurance is borne by Tenant as set forth in Article 2.

7.4 WAIVER OF SUBROGATION. Anything in this Lease to the contrary notwithstanding, Landlord and Tenant hereby waive and release each other of and from any and all right of recovery, claim, action or cause of action, against each other, their agents, officers and employees, for any loss or damage that may occur to the Premises, the improvements of the Building or person property within the Building, by reason of fire or the elements, regardless of cause or origin, including negligence of Landlord or Tenant and their agents, officers and employees. Landlord and Tenant agree immediately to give their respective insurance companies which have issued policies of insurance covering all risk of direct physical loss, written notice of the terms of the mutual waivers contained in this Section.

7.5 HOLD HARMLESS. Landlord shall not be liable to Tenant's employees, agents, invitees, licensees or visitors, or to any other person, for an injury to person or damage to property on or about the Premises caused by any act or omission of Tenant, its agents, servants or employees, or of any other person entering upon the Premises under express or implied invitation by Tenant, or caused by the improvements located on the Premises being out of repair, the failure or cessation of any service provided by Landlord (including security service and devices), or caused by leakage of gas, oil, water or steam or by electricity emanating from the Premises. Tenant agrees to indemnify and hold harmless Landlord of and from any loss, attorney's fees, expenses or claims arising out of any such damage or injury but for intentional acts of Landlord.

7.6 PUBLIC LIABILITY INSURANCE. Tenant shall during the term hereof keep in full force and effect at its expense a policy or policies of public liability insurance with respect to the Premises and the business of Tenant, on terms and with companies approved in writing by Landlord, in which both Tenant and

Landlord shall be covered by being named as insured parties under reasonable limits of liability not less than \$1,000,000 or such greater coverage as Landlord may reasonably require, combined single limit coverage for injury or death. Such policy or policies shall provide that thirty (30) days' written notice must be given to Landlord prior to cancellation thereof. Tenant shall furnish evidence satisfactory to Landlord at the time this Lease is executed that such coverage is in full force and effect.

ARTICLE 8. CONDEMNATION

8.1 SUBSTANTIAL TAKING. If all or a substantial part of the Premises are taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain or by purchase in lieu thereof, and the taking would prevent or materially interfere with the use of the Premises for the purpose for which it is then being used, this Lease shall terminate and the rent shall be abated during the unexpired portion of this Lease effective on the date physical possession is taken by the condemning authority. Tenant shall have no claim to the condemnation award or proceeds in lieu thereof, except that Tenant shall be entitled to a separate award for the cost of removing and moving its personal property.

8.2 PARTIAL TAKING. If a portion of the Premises shall be taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain or by purchase in lieu thereof, and this Lease is not terminated as provided in Section 8.1 above, the rent payable under this Lease during the unexpired portion of the term shall be adjusted to such an extent as may be fair and reasonable under the circumstances. Tenant shall have no claim to the condemnation award or proceeds in lieu thereof, except that Tenant shall be entitled to a separate award for the cost of removing and moving its personal property.

ARTICLE 9. ASSIGNMENT OR SUBLEASE

9.1 LANDLORD ASSIGNMENT. Landlord shall have the right to sell, transfer or assign, in whole or in part, its rights and obligations under this Lease and in the Building. Any such sale, transfer or assignment shall not operate to release Landlord from any and all liabilities under this Lease arising after the date of such sale, assignment or transfer.

9.2 TENANT ASSIGNMENT. Tenant may assign, in whole or in part, this Lease, or allow it to be assigned, in whole or in part, by operation of law or otherwise (including without limitation by transfer of a majority interest of stock, merger, or dissolution, which transfer of majority interest of stock, merger or dissolution shall be deemed an assignment) or mortgage or pledge the same or sublet the Premises, in whole or in part, with the prior written consent of Landlord, which written consent may not be unreasonably denied. In no event shall any such assignment or sublease ever release Tenant or any guarantor from any obligation or liability hereunder. No assignee or sublease of the Premises or any portion thereof may assign or sublet the Premises or any portion thereof.

9.3 CONDITIONS OF ASSIGNMENT. If Tenant desires to assign or sublet all or any part of the Premises, it shall so notify Landlord at least thirty (30) days in advance of the date on which Tenant desires to make such assignment or sublease. Tenant shall provide Landlord with a copy of the proposed assignment or sublease and such information as Landlord might request concerning the proposed sublease or assignee to allow Landlord to make informed judgments as to the financial condition, reputation, operations and general desirability of the proposed sublease or assignee. Within seven (7) days after Landlord's receipt of Tenant's proposed assignment or sublease and all required information concerning the proposed sublease or assignee, Landlord shall have the following options: (1) cancel this Lease as to the Premises or portion thereof proposed to be assigned or sublet; (2) consent to the proposed assignment or sublease, and, if the rent due and payable by any assignee or sublease under any such permitted assignment or sublease (or a combination of the rent payable under such assignment or sublease plus any bonus or any other consideration or any payment incident thereto) exceeds the rent payable under this Lease for such space, Tenant shall pay to Landlord fifty (50%) of all such excess rent and other excess consideration within ten (10) days following receipt thereof by Tenant; or (3) refuse, in its sole and absolute discretion and judgment, to consent to the proposed assignment or sublease, which refusal shall be deemed to have been exercised unless Landlord gives Tenant written notice providing otherwise. Upon the occurrence of an event of default, if all or any part of the Premises are then assigned or sublet, Landlord, in addition to any other remedies provided by this Lease or provided by law, may, at its

option, collect directly from the assignee or sublease all rents becoming due to Tenant by reason of the assignment or sublease, and Landlord shall have a security interest in all unsecured properties on the Premises to secure payment of such sums. Landlord from the assignee or sublease directly shall not construe any collection to constitute a novation or a release of Tenant or any guarantor from the further performance of its obligations under this Lease.

9.4 RIGHTS OF MORTGAGE. Tenant accepts this lease subject and subordinate to any recorded mortgage presently existing or hereafter created upon the Building and to all existing recorded restrictions, covenants, easements and agreements with respect to the Building. Landlord is hereby irrevocably vested with full power and authority to subordinate Tenant's Interest under this Lease to any first mortgage lien hereafter placed on the Premises, and Tenant agrees upon demand to execute additional instruments subordinating this Lease as Landlord may require. If the interests of Landlord under this Lease shall be transferred by reason of foreclosure or other proceedings for enforcement of any first mortgage or deed of trust on the Premises, Tenant shall be bound to the transferee (sometimes called the "Purchaser") at the option of the purchaser. Under the terms, covenants and conditions of this Lease for the balance of the term remaining, including any extensions or renewals, with the same force and effect as if the Purchaser were Landlord under this Lease, and, if requested by the Purchaser, Tenant agrees to attorn the Purchaser, including the first mortgagee under any such mortgage if it be the Purchaser, as its Landlord. Notwithstanding the foregoing, Tenant shall not be disturbed in its possession of the Premises so long as Tenant is not in default hereunder.

9.5 TENANT STATEMENT. Tenant agrees to furnish, from time to time, within ten (10) days after receipt of a request from Landlord or Landlord's mortgagee, a statement certifying, if applicable, the following: Tenant is in possession of the Premises; the Premises are acceptable; the Lease is in full force and effect; the Lease is unmodified; Tenant claims no present charge, lien, or claim of offset against rent; the rent is paid for the current month, but is not prepaid for more than one month and will not be prepaid for more than one month in advance; there is no existing default by reason of some act or omission by Landlord; and such other matters as may be reasonably required by Landlord or Landlord's mortgagee. Tenant's failure to deliver such statement, in addition to being a default under this Lease, shall be deemed to establish conclusively that this Lease is in full force and effect except as declared by Landlord, that Landlord is not in default of any of its obligations under this Lease, and that Landlord has not received more than one month's rent in advance. The Tenant hereby grants the Landlord permission to check references and other resources regarding the Tenant's credit experience including banking, loans, public records and other credit accounts.

ARTICLE 10. DEFAULT AND REMEDIES

10.1 DEFAULT BY TENANT. The following shall be deemed to be events of default ("Default") by Tenant under this Lease: (1) Tenant shall fail to pay when due any installment of rent or any other payment required pursuant to this Lease; (2) Tenant shall abandon any substantial portion of the Premises; (3) Tenant shall fail to comply with any term, provision or covenant of this Lease, other than the payment of rent, and the failure is not cured within fifteen (15) days after written notice to Tenant; (4) Tenant shall file a petition or if an involuntary petition is filed against Tenant, or becomes Insolvent, under any applicable federal or state bankruptcy or insolvency law or admit that it cannot meet its financial obligations as they become due; or a receiver or trustee shall be appointed for all or substantially all of the assets of Tenant; or Tenant shall make at transfer in fraud of creditors or shall make an assignment for the benefit of creditors; or (5) Tenant shall do or permit to be done any act which results in a lien being filed against the Premises or the Building and/or project of which the Premises are a part.

In the event that an order for relief is entered in any case under Title 11, U.S.C. (the "Bankruptcy Code") in which Tenant is the debtor and: (A) Tenant as debtor-in-possession, or any trustee who may be appointed in the case (the "Trustee") seeks to assume the Lease, then Tenant, or Trustee if applicable, in addition to providing adequate assurance described in applicable provisions of the Bankruptcy Code, shall provide adequate assurance to Landlord of Tenant's future performance under the Lease by depositing with Landlord a sum equal to the lesser of twenty-five percent (25%) of the rental and other charges due for the balance of the Lease term of six (6) months' rent ("Security"), to be held (without any allowance for interest thereon) to secure Tenant's obligations under the Lease, and (B) Tenant, or Trustee if applicable, seeks to assign

the Lease after assumption of the same, then Tenant In addition to providing adequate assurance described in applicable provisions of the bankruptcy Code, shall provide adequate assurance to Landlord of the proposed assignee's future performance under the Lease by depositing with Landlord a sum equal to the Security to be held (without any allowance or Interest thereon) to secure performance under the Lease. Nothing contained herein expresses or implies, or shall be construed to express or imply, that Landlord is consenting to assumption and/or assignment of the Lease by Tenant, and Landlord expressly reserves all of its rights to object to any assumption and/or assignment of the Lease. Neither Tenant nor any Trustee shall conduct or permit the conduct of any "fire", "bankruptcy", "going out of business" or auction sale in or from the Premises.

10.2 REMEDIES FOR TENANT'S DEFAULT. Upon the occurrence of a Default as defined above Landlord may elect either (i) to cancel and terminate this Lease and this Lease shall not be treated as an asset of Tenant's bankruptcy estate, or (ii) to terminate Tenant's right to possession only, Landlord shall have the continuing right to cancel and terminate this Lease by giving three (3) days' written notice to Tenant of such further election, and shall have the right to pursue any remedy at law or in equity that may be available to Landlord.

In the event of election under (ii) to terminate Tenant's right to possession only, Landlord may, at Landlord's option, enter into the Premises and take and hold possession thereof, without such entry into possession terminating this Lease or releasing Tenant in whole or part from Tenant's obligation to pay all amounts hereunder for the full stated term. Upon such reentry, Landlord may remove all persons and property from the Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant, without becoming liable for any Toss or damage which may be occasioned thereby. Such reentry shall be conducted in the following manner; without resort to judicial process or notice of any kind if Tenant has abandoned or voluntarily surrendered possession of the Premises; and, otherwise, by resort to judicial process. Upon and after entry into possession without termination of the Lease, Landlord may, but is not obligated to, relet the Premises, or any part thereof, to any one other than the Tenant, for such time and upon such terms as Landlord, in Landlord's sole discretion, shall determine. Landlord may make alterations and repairs to the Premises to the extent deemed by Landlord necessary or desirable.

Upon such re-entry. Tenant shall be liable to Landlord as follows:

- A. For all attorneys' fees incurred by Landlord in connection with exercising any remedy hereunder;
- B. For the unpaid installments of base rent, additional rent or other unpaid sums which were due prior to such reentry, including interest and late payment fees, which sums shall be payable immediately.
- C. For the installments of base rent, additional rent, and other sums falling due pursuant to the provisions of this Lease for the period after reentry during which the Premises remain vacant, Including late payment charges and interest, which sums shall be payable as they become due hereunder.
- D. For all expenses incurred in releasing the Premises, including leasing commissions, attorneys' fees, and costs of alterations and repair, which shall be payable by Tenant as they are Incurred by Landlord; and
- E. While the Premises are subject to any new lease or leases made pursuant to this Section, for the amount by which the monthly installments payable under such new lease or leases is less than the monthly installment for all charges payable pursuant to this lease, which deficiencies shall be payable monthly.

Notwithstanding Landlord's election to terminate Tenant's right to possession only, and notwithstanding any reletting without termination, Landlord, at any time thereafter, may elect to terminate this Lease, and to recover (in lieu of the amounts which would thereafter be payable pursuant to the foregoing, but not in diminution of the amounts payable as provided above before termination), as damages for loss of bargain and not as a penalty, an aggregate sum equal to the amount by which the rental value of the portion of the term unexpired at the time of such election is less than an amount equal to the unpaid base rent, percentage rent, and

additional rent and all other charges which would have been payable by Tenant for the unexpired portion of the term of this Lease, which deficiency and all expenses incident thereto, including commissions, attorneys' fees, expenses of alterations and repairs, shall be due to Landlord as of the time Landlord exercises said election, notwithstanding that the term had not expired. If Landlord, after such reentry, leases the Premises, then the rent payable under such new lease shall be conclusive evidence of the rental value of the unexpired portion of the term of this Lease.

If this Lease shall be terminated by reason of the bankruptcy or insolvency of Tenant, Landlord shall be entitled to recover from Tenant or Tenant's estate, as liquidated damages for loss of bargain and not as a penalty, the amount determined by the immediately preceding paragraph.

10.3 LANDLORD'S RIGHT TO PERFORM FOR ACCOUNT OF TENANT. If Tenant shall be in Default under this Lease, Landlord may cure the Default at anytime for the account and at the expense of Tenant. If Landlord cures Default on the part of Tenant, Tenant shall reimburse Landlord upon demand for any amount expended by Landlord in connection with the cure, including, without limitation, attorney's fees and Interest.

10.4 INTEREST AND ATTORNEYS FEES. In the event of a Default by Tenant: (1) If a monetary default, interest shall accrue on any sum due and unpaid at the rate of the lesser of eighteen percent (18%) per annum or the highest rate permitted by law and, if Landlord places in the hands of an attorney the enforcement of all or any part of this Lease, the collection of any rent due or to become due or recovery of the possession of the Premises, Tenant agrees to pay Landlord's costs of collection, including reasonable attorney's fees for the services of the attorney, whether suit is actually filed or not.

10.5 ADDITIONAL REMEDIES, WAIVERS, ETC.

- A. The rights and remedies of Landlord set forth herein shall be in addition to any other right and remedy now and hereafter provided by law. All rights and remedies shall be cumulative and not exclusive of each other. Landlord may exercise its rights and remedies at any times, in any order, to any extent, and as often as Landlord deems advisable without regard to whether the exercise of one right or remedy precedes, concurs with or succeeds the exercise of another.
- B. A single or partial exercise of a right or remedy shall not preclude a further exercise thereof, or the exercise of another right or remedy from time to time.
- C. No delays or omission by Landlord in exercising a right or remedy shall exhaust or impair the same or constitute a waiver of, or acquiesce to, Default.
- D. No waiver of Default shall extend to or affect any other Default or impair any right or remedy with respect thereto.
- E. No action or inaction by Landlord shall constitute a waiver of Default.
- F. No waiver of Default shall be effective unless it is in writing and signed by Landlord.

ARTICLE 11. AMENDMENT AND LIMITATION OF WARRANTIES

11.1 ENTIRE AGREEMENT. It is expressly agreed by tenant. As a material consideration for the execution of this lease, that this lease, with the specific references to written extrinsic documents, is the entire agreement of the parties: that there are, and were. No verbal representations. Warranties, understanding, stipulations, agreements or promises pertaining to this lease or to the expressly mentioned written extrinsic documents not incorporated in writing in this lease.

11.2 AMENDMENT. This lease may not be altered; waived, amended or extended except by an instrument in writing signed by landlord and tenant.

ARTICLE 12. MISCELLANEOUS

12.1 ACT OF GOD. Landlord shall not be required to perform any covenant or obligation in this Lease, or be liable in damages to Tenant, so long as the performance or non-performance of the covenant or obligation is delayed, caused or prevented by an act of God, force majeure or by Tenant.

12.2 SUCCESSORS AND ASSIGNS. This lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, personal representatives, successors and assigns. It is hereby covenanted and agreed that should Landlord's interest in the Premises cease to exist for any reason during the term of this Lease, then notwithstanding the happening of such event this lease nevertheless shall remain unimpaired and in full force and effect, and Tenant hereunder agrees to attorn to the then owner of the Premises.

12.3 CAPTIONS. The captions appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of any Section.

12.4 NOTICE. All rent and other payments required to be made by Tenant shall be payable to Landlord at the address set forth in Section 1.5. All payments required to be made by Landlord to Tenant shall be payable to Tenant at the address set forth in Section 1.5. All payments required to be made by Landlord to Tenant shall be payable to Tenant at the address set forth in Section 1.5, or at any other address within the United States as Tenant may specify from time to time by written notice. Any notice or document required or permitted to be delivered by the terms of this Lease shall be deemed to be delivered (whether or not actually received) when deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the parties at the respective addresses set forth in Section 1.5.

12.5 SUBMISSION OF LEASE. Submission of this Lease to Tenant for signature does not constitute a reservation of space or an option to lease. This Lease is not effective until execution by and delivery to both Landlord and Tenant.

12.6 CORPORATE AUTHORITY. If Tenant executes this Lease as a corporation, each of the persons executing this Lease on behalf of Tenant does hereby personally represent and warrant that Tenant is a duly authorized and existing corporation, that Tenant is qualified to do business in the state in which the Premises are located, that the corporation has full right and authority to enter into this Lease, and that each person signing on behalf of the corporation is authorized to do so. In the event any representation or warranty is false, all persons who execute this Lease shall be liable, individually, as Tenant.

12.7 HAZARDOUS SUBSTANCES. Tenant may not bring or permit to remain on the Premises or the Building substances defined as hazardous materials or hazardous substances under federal, state, or local law or regulation ("Hazardous Materials"). Tenant shall indemnify, hold harmless and defend Landlord from and against any claims, damages, penalties, liabilities, and costs (including reasonable attorney fees and court costs) caused by or arising out of the presence or any release of any Hazardous Materials on, under, or about the Premises or the Building during the term of the Lease in conformance with the requirements of applicable law. Tenant shall immediately give Landlord written notice of any suspected breach of this paragraph; upon learning of the presence of any release of any Hazardous Materials, and upon receiving any notices from governmental agencies pertaining to Hazardous Materials which may affect the Premises or the Building. The obligations of Tenant hereunder shall survive the expiration or earlier termination, for any reason, of this Lease.

12.8 SEVERABILITY. If any provision of this Lease or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Lease and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

12.9 BROKERAGE. Landlord and Tenant each represents and warrants to the other that there is no obligation to pay any brokerage fee, commission, finder's fee or other similar charge in connection with this Lease. Each party covenants that it will defend, indemnify and hold harmless the other party from and against any loss or liability by reason of brokerage or similar services alleged to have been rendered to, at the instance

of, or agreed upon by said indemnifying party. Notwithstanding anything herein to the contrary, Landlord and Tenant agree that there shall be no brokerage fee or commission due on expansions, options or renewals by Tenant. Any brokerage fee or commissions paid by Landlord as a result of this lease agreement shall not be deemed "operating expenses" as defined within this agreement.

12.10 FURNISHING OF FINANCIAL STATEMENTS. Prior to the execution of the Lease Agreement, and from time to time as requested by Landlord or if Tenant is in default as defined by this Agreement, then upon Landlord's written request, Tenant shall promptly furnish Landlord, with business financial statements certified by Tenant to be true and correct, reflecting Tenant's then current financial condition. At Landlord's request, such financial statements shall be audited in accordance with generally accepted accounting practices. The financial statements shall include a current balance sheet, a profit and loss statement, and other statements deemed necessary by Landlord for the most recent twelve (12) month period. Upon Landlord's request, Tenant and Landlord shall semi-annually meet to review the operating statements and balance sheet for the business entity operating in the Demised Premises. Tenant may request Landlord to sign a confidentiality statement prepared by Tenant prior to meeting. If Landlord does not sign confidentiality statement, Tenant is under no obligation to disclose any information.

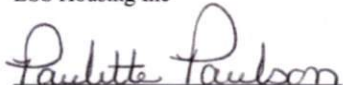
12.11 NOTIFICATION TO TENANT. Landlord hereby notifies Tenant that the corporation authorized to execute this Lease and manage the Premises is LSS Property Management Group, LLC.

12.12 EXHIBITS. Reference is made to the following Exhibits which are attached hereto and made a part hereof:

ARTICLE 13. SIGNATURES

SIGNED effective the day and year first above written:

LANDLORD
LSS Housing Inc


Paulette Paulson, Director

TENANT
Chen Cheng Huan


Chen Cheng Huan, Owner

EXHIBIT B. SIGNAGE GUIDELINES

Building Signage

1. Written request for building signage installation will include dimensions, style, color, and layout of signage as it relates to the leased space along with cross section including installation specifications and shop drawings.
2. All signage must have written approval from Lessor prior to installation.
3. Style of lettering is open to be pre-approved by Lessor.
4. Color of lettering face is open to be pre-approved by Lessor.

Monument signage

1. All signage copy requires pre-approval from Lessor.
2. Location on the monument is at the sole discretion of Lessor and its location will be directed to the sign company via the Lessor.

Glass door signage

1. All signage copy requires pre-approval from Lessor.
2. All lettering must be installed on the inside of the glass.
3. All lettering installed 48 to 66 inches from finished floor. One door section only. Text will only indicate business name, credit card acceptance and hours of operation. No other signage allowed on the business entrance door(s).

Stationary glass signage and/or banner installation

1. All signage copy and banner / advertisements require pre-approval from Lessor.
2. All lettering must be installed on the inside of the glass.
3. All lettering installed 48 to 66 inches from finished floor.
4. Banner / advertisements may not cover more than 25% of total store front glass.
5. Painted on the glass lettering is not allowed.

Exterior service door

1. All signage copy requires pre-approval from Lessor.
2. White lettering, upper case, letter height to be 2 inches.
3. First row of lettering 18 inches from top of door, 3 lines maximum.

Common corridor or service hall

1. Each door from the corridor will be labeled with business name and may include text such as, designated employee entrance, private door only, deliveries only, or similar, and this signage will be installed by Lessor and billed directly to Lessee for reimbursement.

Coming Soon banner

1. Tenant may install on the inside glass of the demised, and only after lease execution a banner indicating the arrival of Tenant to the center. Banner may include the text "coming soon" or similar language. Should the banner be installed prior to possession date, Landlord shall not be responsible for the interior glass cleaning. Banner may not cover access to the doors.

Portable/changeable copy mobile signs.

1. Vendors of mobile signs need to be approved in advance.
2. Only two colors of letters/numbers to be used, florescent pink and/or florescent yellow. They can also produce business logos.
3. Lessor must **pre approve** the copy before vendor is contacted. Request must be presented to Lessor 15 calendar days prior to planned placement of sign. A \$45.00 charge is due and payable to Landlord upon sign request.
4. Sign cannot be in place more than 30 consecutive days.
5. Each Lessee can lease a sign and place on property a maximum of 3 times in a 12-month period.
6. Can reserve a 30-day period up to 12 months in advance.
7. Cannot reserve the same 30 days, within a 24-month period, unless no other Lessee has requested those particular days in advance.
8. Only **two** signs at property at any one time.
9. All grand openings must have the words "grand opening" or similar and must be put in service within 120 days of opening doors for business to the general public. Only one grand opening is permitted.
10. Conditions listed above subject to change at Landlord's discretion.
11. Conditions listed above subject to change as required by City of Jamestown.

General Restrictions

- No flashing, moving, or audible signs, to include time and or temperature signs.
- No signs employing exposed raceways, exposed neon tubes, exposed ballast boxes, or exposed transformers.

Landlord reserves the right to entertain and approve any variances, presented by Tenant, from the above listed criteria.

EXHIBIT C. RULES AND REGULATIONS OF THE LANDLORD

1. No smoking shall be permitted in the Building.
2. No awning, shade, sign, advertisement, or notice shall be inscribed, painted or affixed on or to any part of the outside of the Building except by the written consent of Landlord, and except it be of such color, size and style and in such place upon or in the Building, as may be designated by Landlord.
3. No physician, surgeon or dentist shall advertise his business in any manner prohibited by the Code of Ethics of the American Medical Association.
4. Landlord shall prescribe the weight, size and position of all safes used in the Building, and such safes shall in all cases stand on wood or metal of such size as shall be designated by Landlord. All damage done to the Building by putting in, or taking out or maintaining a safe, shall be repaired at the expense of Tenant.
5. The sidewalks, halls, passages, exits, entrances, elevators and stairways of the Building shall not be obstructed by Tenant or used by it for any purpose other than for ingress to and egress from the Demised Premises. The halls, passages, exits, entrances, elevators, and stairways are not for the use of general public, and Landlord shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Landlord would be prejudicial to the safety, character, reputation and interest of the Building and its tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom Tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal activities. Tenant shall not go upon the roof of the Building.
6. The Demised Premises shall not be used for the storage of unrelated merchandise or for lodging. Cooking shall be done or permitted by Tenant on the Demised Premises, provided that such use is in accordance with all applicable federal, state and local laws, codes, ordinances, rules and regulations.
7. Landlord will furnish Tenant with two (2) keys to the Demised Premises, free of charge. No additional locking devices shall be installed in the Demised Premises by Tenant, nor shall any locking device be changed or altered in any respect without the prior written consent of Landlord. All locks installed in the Demised Premises, excluding Tenant's vaults and safes, or special security areas (which shall be designated by Tenant in a written notice to Landlord), shall be keyed to the Building master key system. Landlord may make reasonable charge for any additional lock of any bolt (including labor) installed on any door of the Demised Premises. Tenant, upon the termination of its tenancy, shall deliver to Landlord all keys to doors in the Demised Premises.
8. Tenant shall schedule with Landlord, by written notice given no less than forty-eight (48) hours in advance, its move into or out of the Building, and Tenant shall reimburse Landlord upon demand for any additional security or other charges incurred by Landlord as a consequence of such moving. The persons employed by Tenant to move equipment or other items in or out of the Building must be acceptable to Landlord. The floors, corners and walls of elevators and corridors used for the moving of equipment or other items in or out of the Building must be adequately covered, padded and protected, and Landlord may provide such padding and protection, at Tenant's expense. Landlord will not be responsible for loss of or damage to any such property from any case, and all damages done to the Building by moving or maintaining Tenant's property shall be repaired at the expense of Tenant.
9. Tenant shall not use or keep in the Demised Premises or the Building any material which is prohibited by standard local codes. Tenant shall not use, keep or permit or suffer the Demised Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, and/or vibrations, or interfere in any way with other tenants or those having business in the Building other than activity normally associated with the standard operation of the Tenants business.
10. No curtains, draperies, blinds, shutters, shades, screens or other coverings, hangings or decorations other than standard window coverings shall be attached to, hung or placed in, or used in connection with any window of the Building without the prior written consent of Landlord.

11. Tenant shall see that the doors of the Demised Premises are closed and locked and that all water faucets, water apparatus and utilities are shut off before Tenant or Tenant's employees leave the Demised Premises, so as to prevent waste or damage, and for any default or carelessness in this regard Tenant shall make good all injuries sustained by other tenants or occupants of the Building or Landlord. On multiple-tenancy floors, all tenants shall keep the doors to the Building corridor closed at all times except for ingress and egress and all tenants shall at all times comply with any rules or orders of the fire department with respect to ingress and egress.
12. The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, no foreign substance of any kind whatsoever shall be deposited therein, and any damage resulting to same from Tenant's misuse thereof shall be paid for by Tenant.
13. Except with the prior consent of Landlord, Tenant shall not sell, or permit the sale from the Demised Premises of, or use or permit the use of any sidewalk or common area adjacent to the Demised Premises for the sale of, newspapers, magazines, periodicals, theater tickets or any other goods, merchandise, or service, nor shall Tenant carry on, or permit or allow any employee or other person to carry on, business in or from the Demised Premises for the service or accommodation of occupants of any other portion of the Building, nor shall the Demised Premises be used for manufacturing of any kind, or for any business or activity other than that specifically provided for in Tenant's lease.
14. Tenant shall not install any radio or television antenna, loudspeaker, or other device on or about the roof area or exterior walls of the Building without Landlord's written permission.
15. Tenant shall not use in any space, or in the common areas of the Building, any hand trucks except those equipped with rubber tires and side guards or such other materials-handling equipment as Landlord may approve. No other vehicles of any kind shall be brought by Tenant into the Building or kept in or about the Demised Premises.
16. Tenant shall store all its trash and garbage within the Demised Premises until removal of same to such location outside the Building as may be designated from time to time by Landlord. No material shall be placed in the Building trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in the City without being in violation of any law or ordinance governing such disposal.
17. All loading, unloading and delivery of merchandise, supplies, materials, garbage and refuse shall be made on and through such entryways and elevators and at such times as Landlord shall designate. In its use of the Loading areas of the Building, Tenant shall not obstruct or permit the obstruction of said loading areas, and at no time shall Tenant park vehicles therein except for immediate loading and unloading purposes.
18. Canvassing, soliciting, peddling or distribution of handbills or any other written material outside of demised property is prohibited and Tenant shall cooperate to prevent same.
19. Landlord reserves the right to select the name of the Building and to make such changes or changes of name as it may deem appropriate from time to time, and Tenant shall not refer to the Building by any name other than: (i) the name as selected by Landlord (as same may be changed from time to time), or (ii) the postal address, approved by the United States Post Office. Tenant shall not use the name of the Building in any respect other than as an address of its operation in the Building without the prior written consent of Landlord. Landlord will compensate Tenant for reasonable replacement costs to signage, promotional material and stationery.
20. Tenant assumes all responsibility for protecting its premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry closed.
21. All incoming mail and package deliveries shall be received at the area in the Building designated by Landlord for such purposes.

22. Landlord reserves the right to exclude or expel from the Building any person who is, in the judgment of Landlord, intoxicated or under the influence of alcohol or other drug or who is in violation of any of the Rules or Regulations of the Building.
23. No animals, birds or livestock shall be permitted in the Demised Premises or the Building.
24. Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular Tenant or tenants, but no such waiver by Landlord shall be construed as a waiver of these Rules and Regulations in favor of any other tenant or tenants, nor prevent Landlord from thereafter enforcing any such Rules and Regulations against any or all of the tenants of the Building.
25. Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations, or to make such other, and further reasonable Rules and Regulations as in Landlord's judgment may from time to time be necessary for the safety, care and cleanliness of the Demised Premises, and for the preservation of good order therein.
26. Wherever the word "Tenant" occurs in these Rules and Regulations, it is understood and agreed that it shall mean Tenant's assigns, agents, clerks, employees and visitors. Wherever the word "Landlord" occurs in these Rules and Regulations, it is understood and agreed that it shall mean Landlord's assigns, agents, clerks, employees and visitors.
27. These Rules and Regulations are in addition to, and shall not be construed in any way to modify, alter or amend, in whole or part, the terms, covenants, agreements and conditions of any lease of premises in the Building.
28. Tenant shall be responsible for the observance of all of the foregoing Rules and Regulations by Tenant's employees, agents, clients, customers, invitees and guests.
29. So long as the parking shall remain on the premises of the Center, Landlord reserves the right to designate and enforce employee parking areas should it become necessary in Landlord's sole judgment to do so.