

COMMERCIAL LEASE

This **COMMERCIAL LEASE** (this “**Lease**”) is entered into this _____ day of _____, 2021 (“**Effective Date**”) by and between the Landlord and the Tenant hereinafter named.

ARTICLE 1. Definitions and Certain Basic Provisions.

1.1. Definitions

- (a) “**Landlord**”: LSP Coal Creek, LLC, a Texas limited liability company

Landlord’s Address: 710 Lions Head, Suite D, Vail, CO 81657

- (b) “**Tenant**”: SCISSORS AND SCOTCH COAL CREEK LLC, a Colorado limited liability company, d/b/a Scissors & Scotch

Tenant’s Address: SCISSORS AND SCOTCH COAL CREEK LLC
455 Carriage Ln Suite B
Hudson WI 54106

Copies of all notices to Tenant hereunder should be simultaneously sent to:

Spencer Fane LLP
1700 Lincoln St., Suite 2000
Denver, CO 80203
Attn: Kelly Shamel Vos

Tenant’s Trade Name: Scissors & Scotch

- (c) “**Leased Premises**”: the space containing approximately 2,000 square feet, such Leased Premises being shown and outlined on the plan attached hereto as **Exhibit A**, and being situated upon the property described on **Exhibit B** attached hereto. Upon completion of construction the floor area of the Leased Premises, it shall be remeasured by Landlord’s architect and the figure determined thereby shall be the floor area for the Leased Premises and the relevant provisions of this Lease (i.e., regarding the amount of Rent and Tenant’s proportionate share) shall be adjusted accordingly; provided, however, that in no event shall the Leased Premises vary in size by more than 5% of the square footage shown on **Exhibit A** attached hereto and approved by Tenant.
- (d) “**Center**”: The land upon which the Leased Premises is located, along with any and all other improvements situated on such land, as described on **Exhibit B** attached hereto.
- (e) “**Commencement Date**”: The earlier of (i) 90 days from the Delivery Date or (ii) the date Tenant opens for business to the public; provided, however, that irrespective of the Delivery Date (or anything to the contrary in this Lease), in no event shall the Commencement Date occur prior to January 1, 2022. Further, notwithstanding anything to the contrary in this Lease, in the event that Tenant is unable to obtain a certificate of occupancy (or its functional equivalent) for the operation of the Permitted Use in the

Leased Premises due to deficiencies in Landlord's Work or existing base building conditions (i.e., not due to non-completion of Tenant's Work), the Commencement Date shall be extended one day for each day that issuance of the certificate of occupancy (or its functional equivalent) is delayed as a result of the same.

- (f) **"Lease Term"**: The Lease Term commences upon the Commencement Date and continues for a period of ten (10) years thereafter (**"Initial Term"**), unless terminated or further extended pursuant to the terms set forth herein; provided, however, that if the Commencement Date is a day other than the first (1st) day of a calendar month, the first month of the Lease Term shall be deemed to be extended to include such partial month and the following month, so as to end on the last day of the month. The Lease Term also includes any exercised renewal or extension of this Lease. Notwithstanding the foregoing or anything to the contrary herein, in the event that (i) Landlord does not enter into a lease (herein, the **"Starbucks Lease"**) in the Center with a tenant for the operation of a prototypical "Starbucks" coffee shop (**"Starbucks"**), or (ii) the Starbucks Lease is terminated prior to the date upon which Landlord commences construction of the Center (commencement of construction being defined as the date Landlord's contractor performs any services on the land on which the Center is to be constructed), Tenant shall have the right to terminate this Lease by delivering written notice to Landlord. Further, there shall be an opening co-tenancy requirement (**"Opening Condition"**), such that until such time as Starbucks initially open for business to the public, notwithstanding anything to the contrary in this Lease, Tenant shall not be required to open and the Commencement Date shall be extended to the date which is thirty (30) days after Starbucks is open to the public (the **"Alternate Commencement Date"**). Should Tenant open before the Starbucks Opening Condition is met, Tenant shall pay to Landlord five percent (5%) of its gross sales (**"Substitute Minimum Rent"**) in lieu of Minimum Rent from the date Tenant opens for business to the Alternate Commencement Date. In the event that Tenant terminates the Lease pursuant to this Section 1.1(f), and all prepaid rent or deposits paid by Tenant shall promptly be returned to Tenant.
- (g) **"Renewal Term Option"**: Tenant shall have the option to renew the Lease Term for two (2) periods of five (5) years each (each, a **"Renewal Term"**) by providing Landlord with written notice of the exercise of such options at least one hundred and eighty (180) days (but not more than one year) prior to expiration of the Initial Term or the first Renewal Term, as applicable, and provided Tenant is not in default under the Lease on the date of the exercise of such option beyond the expiration of any applicable notice and cure period.
- (h) **"Permitted Use"**: First-class men's grooming service specializing in haircuts, shaves, trims, waxing, shoeshines and modern spa services, as well as the ancillary sale of grooming and other products reasonably related thereto, as well as the addition of full-service lounge and bar serving crafted cocktails, beer, coffee and other drinks and uses reasonably related for no other purpose whatsoever without the prior written consent of Landlord, which may be withheld at Landlord's sole discretion. Notwithstanding the foregoing, Tenant shall not use any portion of the Leased Premises for the sale of: (a) whole or ground coffee beans, (b) espresso, espresso-based drinks or coffee-based drinks, (c) tea or tea-based drinks, (d) brewed coffee, or (e) blended beverages including, without limitation, those containing any of the following: ice, coffee, espresso, tea, milk, cream,

juice and/or fruit, provided, however, that Tenant may provide to customers all or any of the foregoing items at no cost. Tenant shall be responsible for obtaining any required liquor licenses. Tenant shall not violate any future exclusive or prohibited uses within the Center; provided, however, that no use prohibited may prevent Tenant from using the Leased Premises for the Permitted Use set forth above.

- (i) **“Minimum Rent”**: The rent payable in accordance with Article 4 hereof in the amount per month and per year applicable during each **“Lease Year.”**

Period	Annual Minimum Rent	Monthly Minimum Rent
Months 1-60	\$58,000.00	\$4,833.00
Months 61-120	\$63,800.00	\$5,316.00
Renewal Option Period	Annual Minimum Rent	Monthly Minimum Rent
Months 121-180	Fair Market Lease Rate	Fair Market Lease Rate
Months 181-240	Fair Market Lease Rate	Fair Market Lease Rate

“Additional Rent”: All amounts required to be paid by Tenant under this Lease in addition to Minimum Rent, including, without limitation, Tenant’s share of Common Area Operating Costs, Real Property Taxes, and Insurance Costs (each as defined below). Landlord estimates that Tenant’s Common Area Operating Costs, Real Property Taxes, and Insurance Costs for the first calendar year of the Lease Term to be \$10.00 per square foot in the aggregate for Leased Premises.

- (j) **“Rent”**: Minimum Rent and Additional Rent.
- (k) **“Common Area”** or **“Common Areas”** means all areas, space, equipment, and special services provided by Landlord for common or joint use and benefit of the occupants of the Center, together with their employees, agents, servants, customers and invitees, including without limitation roofs, walls, canopies, parking areas, access roads, service roads, driveways, entrances, exists, sidewalks, curbs, ramps, stairs, retaining walls, landscaped and vacant areas, loading facilities, pedestrian malls, walkways, ramps, wash rooms, foundations, shelters, signs, security, lighting fixtures and equipment, cost of utility service, and the facilities appurtenant to each of the aforesaid, and any other facilities maintained for the benefit of the Center. Landlord shall have the right to modify the Common Areas from time to time as deemed reasonable by Landlord, subject to the provisions of Section 5.1.
- (l) **“Common Area Operating Costs”** means all reasonable expenses of maintaining, operating, repairing, managing, modifying, renovating and replacing the Common Areas, including, without limitation, repairs, lighting, cleaning, sweeping, trash removal, ice and snow removal, restriping, resurfacing or patching the parking areas, sidewalks and curbs,

landscape maintenance, pest extermination, repainting exterior painted areas as a result of vandalism or otherwise, the employment of independent contractors, the employment of personnel (including the allocable portion of the costs of such personnel, such as salaries, wages, payroll and social security taxes, worker's compensation and unemployment insurance, necessary tools, materials and supplies, and other benefits of such personnel) as is reasonably necessary to directly accomplish the foregoing (including financing costs, if any), an administration fee of 15% of Common Area Operating Costs, a management fee of 4% of gross rents collected, and other reasonable costs of maintaining the Common Areas and the Center in a clean and safe condition. Notwithstanding the foregoing or anything to the contrary herein, Common Area Operating Costs shall exclude any item which is not customarily considered to be a normal expense of maintenance, operation or repair, including without limitation the following: marketing or advertising costs, leasing commissions, advertising fees, brokerage fees, the cost of electricity or other utilities that serve tenants' spaces, executive or managerial salaries, consulting fees, fees paid to architects, engineers, attorneys or other professionals, market study fees, expenses for renovating or otherwise painting or redecorating leased space for any other tenant in the Center or vacant tenant space; expenses for which the Landlord will be reimbursed by another source, including, without limitation, repair or replacement of any items covered by warranty; interest, amortization, or other payments or penalties on loans to Landlord, whether secured or unsecured; depreciation of the Center or other improvements; ground rent; the cost of any repair, rebuilding or other work necessitated by condemnation, fire, windstorm or other insured casualty or hazard; Landlord's general overhead except as it directly relates to the management and operation of the Center; costs incurred in connection with the removal or cleanup of hazardous materials or substances from the Center or common areas; any costs, fines or penalties incurred due to actual or alleged violations by Landlord of any governmental rule or authority; and capital expenditures in accordance with generally accepted accounting principles, except for amortization of capital expenditures incurred: (i) to conform with applicable law; (ii) to maintain, repair or replace (as opposed to additions or new improvements) items located in the Common Areas and other facilities used in connection with the Center, or involving the exterior of the Center, including the roof and structural elements; or (iii) with the intention of promoting safety or reducing or controlling increases in Common Area Operating Costs, such as lighting retrofit and installation of energy management systems. Each such capital expenditure shall be depreciated or amortized uniformly over the useful life thereof determined in accordance with generally accepted accounting principles by Landlord, together with interest on the undepreciated or unamortized balance at the prime rate then published by Citibank, N.A., its successors or assigns, or another major financial institution selected by Landlord, plus 2%, and only such annual amortized portion shall be included in Common Area Operating Costs annually. Common Area Operating Costs shall at all times during the term (including the first year or partial year, as applicable) be calculated as if the Center was 100% occupied.

- (m) **"Insurance Costs"**: The commercially reasonable costs of all commercial general liability insurance, fire insurance, extended coverage and all other perils coverage, loss of rents coverage, plus all endorsements and other coverages deemed reasonable and necessary by Landlord, excluding any deductible paid by Landlord.

- (n) **“Real Property Taxes”**: Includes (i) all real property taxes and assessments levied or assessed upon the Leased Premises or the Center or any portion thereof during the Lease Term; (ii) any fee, license fee, license tax, business license fee, commercial rental tax, levy, charge, assessment, penalty or tax imposed by any taxing or judicial authority against the Leased Premises or the Center; (iii) any tax on Landlord’s right to receive, or the receipt of, rent or income from the Center or against Landlord’s business of leasing the Center; (iv) any tax or charge for fire protection, storm water, sewer charges, streets, sidewalks, road maintenance, refuse or other services provided to the Center by any governmental agency; (v) any tax imposed upon this transaction, or based upon a reassessment of the Center due to a change in ownership or transfer of all or part of Landlord’s interest in the Center; (vi) any charge or fee replacing any tax previously included within the definition of “Real Property Taxes”; and (vii) any business or occupation tax levied for Tenant’s business which Landlord is required to collect. Notwithstanding the foregoing or anything to the contrary herein, the term “Real Property Taxes” does not include and shall specifically exclude all interest and penalties on Real Property Taxes for late payment, income taxes, excess profit taxes, franchise taxes, capital gains taxes, or estate, succession, inheritance and transfer taxes. Special assessments, if any, shall be spread over as long a time period as permitted by the assessing authority, and Tenant shall only be required to pay its proportionate share of the amount of the special assessment that Landlord would be required to pay during the applicable calendar year. Landlord shall not enter into any agreements or arrangements with any governmental or quasi-governmental agencies or authorities or any taxing districts or other third parties that would result in any additional taxes or assessments that could be passed through or charged to Tenant hereunder without first obtaining Tenant’s written consent.
- (o) **“Security Deposit”**: An amount equal to \$4,833.00 to be paid by Tenant to Landlord upon execution of this Lease.
- (p) **“Guarantor[s]”**: means Messrs. Brian Chatwin and Thomas Datwyler. The form of the Guaranty is attached hereto as **Exhibit F**.

1.2. Each of the foregoing definitions and basic provisions shall be construed in conjunction with and limited by references thereto in other provisions of this Lease.

ARTICLE 2. Granting Clause.

2.1. In consideration of the obligation in Tenant to pay Rent and other charges as herein provided and in consideration of the other terms, covenants, and conditions hereof, Landlord hereby demises and leases to Tenant, and Tenant hereby takes from Landlord the Leased Premises, TO HAVE AND TO HOLD said Leased Premises for the Lease Term, all upon the terms and conditions set forth in this Lease.

ARTICLE 3. Construction and Acceptance of Leased Premises.

3.1. The Leased Premises shall be delivered to Tenant on the date the Leased Premises becomes “ready for turnover” as defined in **Exhibit C** attached hereto (“**Delivery Date**”) and Tenant shall begin construction and improvements together entailing Tenant’s Work (as described in **Exhibit C**).

3.2. Tenant agrees that it will provide Landlord with proposed plans and specifications in an electronic format no later than fifteen (15) days after the Delivery Date for Landlord's approval, not to be unreasonably withheld, conditioned or delayed. Landlord shall notify Tenant of its approval or reasonably requested changes to Tenant's preliminary plans no later than five (5) business days after such receipt by Landlord. Tenant also agrees, at Tenant's sole cost and expense, that it will obtain all of Tenant's permits and after the Delivery Date and upon Landlord's approval of its plans and specifications, and diligently proceed to construct the build-out of Tenant's improvements ("**Tenant's Work**") pursuant to the plans and specifications approved by Landlord and in accordance with the Work Letter attached hereto as Exhibit C. Tenant will provide and install all trade equipment, furniture, fixtures, and effects of every description necessary or appropriate for Tenant's business and all such items to be provided and constructed by Tenant shall be new and of first class quality.

3.3. Tenant hereby holds Landlord harmless from any damage to the Leased Premises resulting, directly or indirectly, from Tenant's venting, opening, sealing, waterproofing or in any other way altering the roof which is caused by the negligence or willful misconduct of Tenant, its employees, contractors or agents, unless such a certificate from Landlord's roofing contractor has been delivered to Landlord before the date of any such loss. Tenant agrees to furnish to Landlord a Certificate of Occupancy from applicable local authorities within twenty (20) days of Tenant's Work Completion Deadline (as hereinafter defined) (the "**COO Deadline**"). Notwithstanding anything to the contrary in this Section 3.3, in the event that Tenant is unable to obtain a certificate of occupancy (or its functional equivalent) for the operation of the Permitted Use in the Leased Premises prior to the expiration of the COO Deadline, such failure shall not constitute an Event of Default when such failure is due to deficiencies in Landlord's Work or existing base building conditions (i.e., not due to non-completion of Tenant's Work), the COO Deadline shall be extended one day for each day that issuance of the certificate of occupancy (or its functional equivalent) is delayed as a result of the same.

3.4. Notwithstanding anything contained in this Lease to the contrary, within the latest of: (i) one hundred eighty (180) days after the Delivery Date; (ii) January 1, 2022; and (iii) the Alternate Commencement Date ("**Tenant's Work Completion Deadline**"), Tenant shall open the Leased Premises for business for the Permitted Use and remain open and operating for the full Lease Term during Tenant's standard business hours, subject to casualty, condemnation, renovation, or force majeure and the provisions of Section 3.6 and the definition of Commencement Date in Article 1. If Tenant is not occupying the Leased Premises for the Permitted Use for ninety (90) consecutive days, subject to casualty, condemnation, renovation, or force majeure, then Landlord shall have the right to terminate this Lease upon thirty (30) days written notice to Tenant.

3.5. In the event of any dispute as to work performed or required to be performed by Landlord or Tenant, the certificate of Landlord's architect or general contractor, as applicable, shall be conclusive. By occupying the Leased Premises, Tenant shall be deemed to have accepted the same, subject to Landlord's obligations under this Lease, latent defects and any punchlist items. Tenant may occupy the Leased Premises prior to the Commencement Date only for purposes of construction and fixturing, furnishing and equipping the Leased Premises which occupancy shall be subject to all of the terms and provisions of this Lease, excepting only those requiring the payment of Rent.

ARTICLE 4. Rent.

4.1. Rent, as specified in Article 1, shall accrue hereunder on the Commencement Date, and shall be payable at the place designated for the delivery of notices to Landlord at the time of payment, without demand and without set-off or deduction, for any reason whatsoever, except as herein provided. Notwithstanding the foregoing or anything to the contrary herein, in the event the Delivery Date occurs after March 1, 2022 (the “**Outside Delivery Date**”), Tenant shall receive a rent abatement of one (1) day of Minimum Rent for each day of delay (which rent abatement shall commence after the Commencement Date and any other free rent period hereunder) until the actual Delivery Date.

4.2. Tenant shall pay to Landlord the Rent in monthly installments in the amount specified in Article 1 above. The first such monthly installment shall be due and payable on the Commencement Date, and subsequent installments shall be due and payable on or before the first day of each succeeding calendar month during the Lease Term; provided that if the Commencement Date is a date other than the first day of a calendar month, Rent for the first month of the Lease Term shall be prorated according to the number of calendar days remaining in that month, and shall be payable in advance, and Rent for any other partial month during the Lease Term shall be similarly prorated.

4.3. On or before the first (1st) day of each calendar year of this Lease, Landlord shall provide to Tenant a statement showing the estimate of Common Area Operating Costs, Insurance Costs, and Real Property Taxes for such calendar year. In the event that no estimate is provided to Tenant, the last estimate shall control until provided. Landlord will bill Tenant on a monthly basis based on one-twelfth (1/12) of the estimated annual amount for Common Area Operating Costs, Insurance Costs, and Real Property Taxes as estimated by Landlord, and Tenant shall pay said amounts of estimated Insurance Costs and Real Property Taxes along with monthly Minimum Rent. In the event Tenant does not make said payments as and when due, subject to any applicable notice and cure periods set forth herein, such failure shall be an Event of Default, as defined in Section 18 hereof. Landlord, at Landlord’s option and expense without right of reimbursement from Tenant, may obtain separate taxable status for the Leased Premises, and in such event, Tenant’s tax contribution shall be based thereon.

4.4. All delinquent Minimum Rent, Additional Rent, and other charges due under this Lease shall accrue interest at a rate of one and one-half percent (1.5%) per month from due the date of such payment, and shall constitute Additional Rent payable by Tenant under this Lease and shall be paid by Tenant to Landlord upon demand. Payment shall not be deemed received if Tenant’s payment is not actually collected (such as payment by insufficient funds check). Notwithstanding the foregoing, Tenant shall be entitled to notice and an additional five (5) business day grace period before the imposition of interest on the first late payment in any twelve (12) month period.

4.5. As soon as reasonably possible following the end of each calendar year of the Lease Term, Landlord shall determine and provide to Tenant a statement (the “**Reconciliation Statement**”) setting forth the amount of Common Area Operating Costs actually incurred and the amount of estimated Common Area Operating Costs actually paid by Tenant during such calendar year. In the event the amount of Tenant’s proportionate share of Common Area Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within 30 days following receipt of the Reconciliation Statement. In the event the sum of such installments exceeds the amount of Tenant’s proportionate share of Common Area Operating Costs actually due and owing, Landlord shall, at Landlord’s option, within thirty (30) days after providing the Reconciliation Statement to Tenant, either

(i) refund to Tenant the excess paid by Tenant or (ii) if the Term is not then expired, credit the excess paid by Tenant against accrued, unpaid rent owed by Tenant to Landlord.

4.6. Tenant may, at Tenant's sole cost and expense, within six (6) months after the receipt of a Reconciliation Statement and upon not less than five (5) business days prior written notice to Landlord (but not more often than once in any calendar year) undertake an audit of Landlord's records as are directly related to the Center and/or the Leased Premises for the calendar year on which such Reconciliation Statement is based, provided, and on condition that, (i) the audit is performed by an independent certified public accounting firm, (ii) all individuals performing the audit are certified public accountants licensed in Colorado, and (iii) such audit is commenced and completed and the results thereof delivered to Landlord within ninety (90) days following the date Landlord makes its records available to Tenant. If Tenant conducts an audit and the audit reveals an overpayment of Tenant's proportionate share of Common Area Operating Costs for a particular calendar year by more than five percent (5%), Landlord shall immediately reimburse Tenant for such overpayment and shall also pay all reasonable costs of the audit up to \$2,500.

4.7. Notwithstanding anything to the contrary in this Lease, Tenant's proportionate share of Common Area Operating Costs, determined on a per-square-foot basis, shall not increase more than 4% per calendar year, determined on a compounding and cumulative basis. However, the preceding sentence shall not apply to those charges included in Common Area Operating Costs for snow and ice removal, security, Common Area utilities and costs of compliance with laws not in effect on the Effective Date.

4.8. Tenant's proportionate share for the purpose of calculating Common Area Operating Costs, Insurance Costs, and Real Property Taxes is the fraction, the numerator of which is the gross leasable area in the Leased Premises and the denominator of which is the total gross leasable area of the Center (excluding any tenants separately taxed or charged for insurance or Common Area Operating Costs).

ARTICLE 5. Common Areas.

5.1. The Common Areas, as defined in Article 1, shall be subject to Landlord's sole management and control and shall be operated and maintained in a first-class manner. Landlord reserves the right to change from time to time the dimensions and location of the Common Areas and to construct additional buildings or additional stories on existing buildings or other improvements in the Center, so long as Tenant is not thereby deprived of the substantial benefit of the Leased Premises and such changes do not (i) materially and adversely interfere with access to or visibility of the Leased Premises, (ii) reduce the Center's existing parking ratio to less than that required by any applicable, law, rule, regulation or code, or (iii) adversely affect Tenant's use or operation in the Leased Premises in any material respect. Tenant and its employees, customers, subtenants, licensees, and concessionaires shall have the non-exclusive right and license to use the Common Areas as constituted from time to time, such use to be in common with Landlord, other tenants of the Center and other persons permitted by Landlord to use the same, and subject the Rules and Regulations, attached hereto as **Exhibit E**, which may be amended from time to time, governing use as Landlord may from time to time prescribe, including the designation of specific areas within the Center or in reasonable proximity thereto in which automobiles owned by Tenant, its employees, subtenants, licensees and concessionaires shall be parked; provided, however, that any such amendments shall be non-discriminatory in nature and that Landlord shall not amend the Rules and Regulations in a manner which would increase Tenant's operating costs or obligations under this Lease in any material respect. Tenant will furnish to Landlord upon request a complete list of license numbers of all automobiles operated by Tenant, its employees, subtenants, licensees or concessionaires. Tenant shall not solicit business or display

merchandise within the Common Areas, or distribute handbills therein, or take any action which would materially interfere with the rights of other persons to use the Common Areas without the prior written consent of the Landlord. Landlord may temporarily close any part of the Common Areas for such periods of time as may be necessary to prevent the public from obtaining prescriptive rights or to make repairs or alterations.

ARTICLE 6. Use and Care of Leased Premises and Center.

6.1. The Leased Premises may be used only for the purpose or purposes specified in Article 1 and for no other purpose or purposes without the prior written consent of Landlord. Tenant shall use in the transaction of business in the Leased Premises the trade name specified in Article 1 and no other trade name without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall in good faith continuously throughout the Lease Term conduct and carry on in the entire Leased Premises the type of business for which the Leased Premises are Leased during Tenant's normal business hours.

6.2. Tenant agrees that the Leased Premises shall from time to time be subject to certain prohibited uses, exclusive use covenants, reciprocal easement agreement(s), and/or declarations of covenants, conditions, and restrictions (each individually a "**Covenant**," and collectively, "**Covenants**") applicable to the Center. Without limiting the foregoing, Landlord may execute and record covenants affecting the Center prior to or following the transfer of the leasehold interest from Landlord to Tenant. In addition to other restrictions on the use of the Leased Premises, the Leased Premises are expressly prohibited from all uses set forth in any documents of record, or any exclusive uses granted to other tenants or occupants of the Center in any leases in place as of the date of this Lease or subsequently prohibited after the date of this Lease by Landlord; provided that no use prohibited may prevent Tenant from using the Leased Premises for the Permitted Use set forth in Article 1 above.

6.3. Tenant shall not, without Landlord's prior written consent, keep anything within the Center for any purpose which increases the insurance premium cost or invalidates any insurance policy carried on the Leased Premises or other part of the Center. Tenant shall pay as additional rental, any such increased premium cost due to Tenant's use or occupation of the Leased Premises upon demand of Landlord accompanied by evidence from the applicable insurance carrier that Tenant was the cause of such increase. All property kept, stored, or maintained within the Center by Tenant shall be at Tenant's sole risk.

6.4. Tenant shall not conduct within the Leased Premises any fire, auction or bankruptcy sales or operate with the Leased Premises a "wholesale" or "factory outlet" store, a cooperative store, a "second hand" store, a "surplus" store or a store commonly referred to as "discount house" unless landlord has given tenant written permission to do so. Tenant shall not advertise that it sells products or services at "discount," "cut-price", or "cut-rate" prices. Tenant shall not permit any objectionable or unpleasant odors to emanate from the Leased Premises, nor place or permit any radio television, loudspeaker, or amplifier on the roof or outside the Leased Premises or where the same can be seen or heard from outside the building or in the Common Areas, nor place an antenna, awning, or other projection on the exterior of the Leased Premises; nor solicit business or distribute leaflets or other advertising material in the Common Areas; nor take any other action which in the reasonable business judgment of Landlord would constitute a nuisance or would disturb or endanger other tenants of the Center or unreasonably interfere with their use of their respective Premises, nor do anything unlawful, immoral, or that which would tend to injure the reputation of the Leased Premises.

6.5. Tenant shall take good care of the Leased Premises and keep the same free from waste at all times. Tenant shall keep the Leased Premises and sidewalks, service ways and loading areas immediately adjacent to the Leased Premises neat, clean and free from dirt, rubbish, insects, and pests at all times, and shall store all trash and garbage within the Leased Premises, arranging for the regular pickup of such trash and garbage at Tenant's expense. Tenant will store all trash and garbage within the area designated by Landlord for such trash pickup and removal and only in receptacles of the size, design, and color from time to time prescribed by Landlord. Receiving and delivery of goods and merchandise and removal of garbage and trash shall be made only in the manner and areas from time to time reasonably prescribed by Landlord. Landlord may, at its sole option, arrange for collection of all trash and garbage and, should Landlord exercise such election, Tenant's proportionate share of the cost thereof will be part of its Common Areas Operating Costs. Tenant shall not operate an incinerator or burn trash or garbage within the Center. Nothing in this Section 6.5 shall prevent Tenant from constructing an outdoor seating area if Tenant obtains proper approvals for such outdoor seating area from the necessary governmental entities and the Landlord approves the designated outdoor seating area.

6.6. Tenant shall maintain all display windows in a neat, attractive condition, and shall keep all display windows exterior electric signs in front of the Leased Premises lighted from dusk until 10:00 P.M. every day, including Sundays and holidays.

6.7. Tenant shall include the address and identity of its business activities in the Leased Premises in all advertisements made by Tenant in which the address and identity of any similar local business activity of Tenant is mentioned.

6.8. Tenant shall procure, at its sole expense, any permits and licenses required for the transaction of business in the Leased Premises and otherwise comply with all applicable laws, ordinances, and governmental regulations, subject, however, to the provisions of Section 27.12.

6.9. Tenant covenants and warrants that Tenant, Tenant's Work (as described in Exhibit C), alterations, and Tenant's use of Leased Premises will at all times comply with and conform to, at Tenant's own cost and expense, all laws which relate to the transportation, storage, maintenance handling, placement handling, removal handling, treatment, discharge, generation, production or disposal (collectively, "**Treatment**") of any waste, petroleum product, waste products, radioactive waste, poly-chlorinated biphenyls, asbestos, hazardous materials of any kind, and any substance which is regulated by any laws as now in effect or as hereafter amended or enacted (all of the foregoing whether in solid form, liquid form or gaseous form hereinafter collectively "**Waste**"). Tenant further covenants and warrants that it will not engage in or permit any person or entity to engage in any Treatment of any Waste on or which affects the Leased Premises or any adjoining premises, or leaching onto the grounds or premises. Notwithstanding the foregoing, the definition of "Waste" shall not include products Tenant uses in the ordinary course of its business, all of which products shall be used by Tenant in accordance with all applicable laws. If any governmental or local agency requires an inspection for toxic or hazardous materials prior to Tenant's occupancy, or during its tenancy as a result of events that occurred prior to the Delivery Date, Landlord shall bear the cost of such inspection and associated remediation.

ARTICLE 7. Maintenance and Repair of Leased Premises and Center.

7.1. Landlord shall keep the foundation, the exterior walls, ceiling, structural portions, building slab, foundation, floors and roof of the Leased Premises, gutters, downspouts, and drains and utility lines

and connections located outside of the Leased Premises (except store fronts, HVAC equipment (except as specifically provided herein), plumbing units, pipes, electrical wiring and conduits, plate glass windows, window casements, glazing, doors, door closure devices, window and door frames, molding, locks, and hardware and painting of other treatment of interior and exterior walls) in good condition and repair, and make all repairs, replacements thereto, except that Landlord shall not be required to make any repairs occasioned by the negligence or willful misconduct of Tenant, its agents, employees, subtenants, licensees, and concessionaires, which repairs shall be made by Tenant. Tenant shall be responsible for entering into a service contract for the performance of quarterly maintenance of the HVAC equipment. In the event that the Leased Premises should become in need of repairs required to be made by Landlord hereunder, Tenant shall give immediate written notice thereof to Landlord and Landlord shall not be responsible in any way for failure to make any such repairs until a reasonable time shall have elapsed after delivery of such written notice. Landlord's obligation hereunder is limited to repairs specified in this Section 7.1 only, and Landlord shall have no liability for any damages or injury arising out of any condition or occurrence causing a need for such repairs. Landlord will provide Tenant with separately metered utilities at Landlord's sole cost and expense. For a period of twelve (12) months from the Delivery Date, Landlord warrants that Landlord's Work (as described in Exhibit C) will be in good working order, compliant with all current building codes.

7.2. Tenant shall furnish, maintain, and replace all electric light bulbs, tubes, and tube casings.

7.3. Tenant shall keep the Leased Premises in good, clean condition and shall, at its sole cost and expense, make all needed repairs and replacements (including, without limitation, the storefront, doors, window casements, plate glass, glazing, plumbing, pipes, electrical wiring and conduits, HVAC equipment serving the Leased Premises (except as hereinafter provided) and cracked or broken glass), except for repairs and replacements required to be made by Landlord under the provisions of Section 7.1 and Article 14, and shall keep all plumbing units, pipes, and connections located within the Leased Premises free from obstruction and protected against ice and freezing. Further, provided that Tenant maintains the HVAC maintenance contract as required hereunder, after the expiration of the Initial Term, Landlord shall be responsible for the cost of repairs and/or replacements of the HVAC equipment serving the Leased Premises for which Tenant would otherwise be responsible for hereunder which exceeds \$1,500.00 per 12-month period, excepting therefrom, any such repair and or replacement that is necessitated by the act or negligence of Tenant, its employees, contractors or agents (for which Tenant shall be solely responsible). If any repairs required to be made by Tenant hereunder are not made within thirty (30) days after written notice delivered to Tenant by Landlord (or, such longer period of time, if the nature of such repair or replacement is such that the same cannot reasonably be cured within such thirty (30) day period), Landlord may, at its option, make such repairs without liability to Tenant of any loss or damage which may result to its stock or business by reason of such repairs, and Tenant shall pay to Landlord immediately upon demand as additional rental hereunder and failure to do so shall constitute an Event of Default hereunder. At the expiration of this Lease, Tenant shall surrender the Leased Premises in good condition reasonable wear and tear and loss by fire or other casualty or condemnation excepted and shall surrender all keys for the Leased Premises to Landlord and shall inform Landlord of all combinations on locks, safes and vaults, if any, in the Leased Premises.

ARTICLE 8. Alterations.

8.1. After the completion of Tenant's Work, Tenant shall not make any alterations, additions or improvements to the Leased Premises above twenty-five thousand dollars (\$25,000.00) in any 12-month period without the prior written consent of Landlord, except for the installation of unattached, movable

trade fixtures which may be installed without drilling, cutting or otherwise defacing the Leased Premises. All alterations, additions, improvements and fixtures (other than unattached, movable trade fixtures) which may be made or installed by either party upon the Leased Premises shall remain upon and be surrendered with the Leased Premises and become the property of Landlord at the termination of this Lease, unless Landlord provides written notice to Tenant prior to installation of the same that Landlord requests their removal upon the expiration of the Lease term, in which event Tenant shall remove the same and restore the Leased Premises to their original condition at Tenant's expense (provided, however, that in no event shall Landlord require the removal of any portion of Tenant's Work). Any linoleum, carpeting or other floor covering which may be cemented or otherwise affixed to the floor of the Leased Premises is a permanent fixture and shall become the property of Landlord without credit or compensation to Tenant. In addition, Tenant may remove on or before such termination or expiration date from the Leased Premises all items and structural characteristics installed by Tenant that are indicative of Tenant's business and may otherwise "de-identify" the Leased Premises, as Tenant reasonably believes necessary or appropriate for the protection of Tenant's interest in Tenant's trademarks, trade names or copyrights. Tenant shall repair any damage to the Leased Premises or the Center caused by such removal, including patching and filling holes.

8.2. Tenant will have the right, but not the requirement to remove all FF&E, interior and exterior signage, floor and wall tile, lobby lighting, counters, millwork, soffits and proprietary/trademarked items. Tenant will repair any damage that may occur.

8.3. All construction work done by Tenant within the Leased Premises shall be performed in a good and workmanlike manner, in compliance with all governmental requirements, and the requirements of any contract or deed of trust to which the Landlord may be a party of which Tenant is provided notice and in such manner as to cause a minimum of interference with other construction in progress and with the transaction of business in the Center. Tenant agrees to indemnify Landlord and hold it harmless against any loss, liability or damage resulting from such work.

8.4. Tenant agrees that all venting, opening, sealing, waterproofing, or any altering of the roof shall be performed by Landlord's roofing contractor at competitive local rates and at Tenant's expense unless associated with Landlord's Work and that when completed Tenant shall furnish to Landlord a certificate from Landlord's roofing contractor that all such alterations approved by Landlord have been completed in accordance with the plans and specifications therefor approved by Landlord.

8.5. Tenant shall promptly pay its contractors and materialmen for all work done by Tenant, so as to prevent the assertion or imposition of liens upon or against the Leased Premises, and shall, upon request, provide Landlord with lien waivers. Should any such lien be asserted or filed, Tenant shall bond against or discharge the same within twenty (20) days after written request by Landlord. In the event Tenant fails to remove said lien within said twenty (20) days, Landlord may, at its sole option, elect to satisfy and remove the lien by paying the full amount claimed or otherwise, without investigating the validity thereof, and Tenant shall pay Landlord upon demand, as Additional Rent, the amount paid out by Landlord in Tenant's behalf, including Landlord's reasonable attorney's fees, costs and expenses with interest or Tenant shall be in default hereunder. Landlord's election to discharge liens as provided hereunder shall not be construed to be a waiver or cure of Tenant's default hereunder.

ARTICLE 9. Landlord's Right of Access; Use of Roof.

9.1. Landlord shall upon 24 hours prior notice have the right to enter upon the Leased Premises at any reasonable time for the purpose of inspecting the same, or of making repairs to the Leased Premises, or of making repairs, alterations or additions to adjacent Center, or of showing the Leased Premises to prospective purchasers, lessees or lenders. Landlord shall use best efforts to minimize interference to Tenant's business operations in the Leased Premises while accessing the same.

9.2. Use of the roof above the Leased Premises is reserved to Landlord.

ARTICLE 10. Signs; Store Fronts.

10.1. Tenant shall not, without Landlord's prior written consent (a) make any changes to or paint the store front; or (b) install any exterior lighting, decorations or paintings. All signs, decorations and advertising media affixed to the store front shall conform in all respect to the sign criteria established by Landlord for the Center from time to time in the exercise of its sole discretion, and shall be subject to the prior written approval of Landlord as to construction, method of attachment, size, shape, height, lighting, color and general appearance. Tenant shall have the right to affix advertisements related to Tenant's business at the Leased Premises to the windows within the Leased Premises. All signs shall be kept in good condition and in proper operating order at all times. Landlord reserves the right to designate a uniform type of sign for the Center to be installed and paid for by Tenant. See **Exhibit D** for Landlord's sign criteria. Tenant shall leave all sign attachments at the expiration of the Lease that are affixed to the building and the monument sign currently on the property. Landlord agrees that Tenant shall have the right to place its sign panel on both sides of the monument sign in the second position on such sign. Tenant shall submit all drawings for signage to Landlord for review and approval prior to fabrication and/or installation. If Tenant installs any sign that does not meet Landlord's sign criteria attached hereto as **Exhibit D**, Landlord, after providing notice to Tenant and if Tenant fails to correct such nonconformance within ten (10) days, shall have the authority, without liability to enter the Leased Premises, remove and store the subject sign and repair all damage caused by removal of the sign. All reasonable expenses Landlord incurs shall be immediately paid by Tenant as Additional Rent. Landlord reserves the right to remove Tenant's sign during any period when Landlord repairs, restores, constructs or renovates the Leased Premises or the building of which the Leased Premises are a part.

10.2. Tenant agrees to have erected and/or installed and fully operative on or before the Commencement Date of this Lease all signs in accordance with Landlord's sign criteria. The Tenant, upon vacation of the Leased Premises, or the removal or alteration of its sign for any reason, shall be responsible for the repair, painting, and/or replacement of the building fascia surface where signs are attached.

10.3. Notwithstanding anything to the contrary herein, if attached hereto, Landlord hereby approves the proposed Tenant signage depicted on **Exhibit G** hereto, confirms that the same complies with Landlord's signage criteria, and that Tenant may install such signage on the Leased Premises and on the monument sign in the location of the Summit Optical sign panel shown on **Exhibit G-1**, provided that the same complies with applicable law.

ARTICLE 11. Utilities.

11.1. Landlord agrees to cause to be provided, maintained, and separately metered, at Landlord's expense, the necessary mains, conduits, and other facilities necessary to supply water, electricity, telephone

service, and sewerage service to the Leased Premises, subject to any special provisions contained on **Exhibit C**.

11.2. Tenant shall establish accounts for and promptly pay all charges for electricity, water, gas, telephone service, sewerage service and other utilities furnished to the Leased Premises and shall promptly pay any maintenance charges therefor. Landlord may, if it so elects, furnish one or more utility services to Tenant, and in such event Tenant shall purchase the use of such services as are tendered by Landlord, and shall pay on demand as additional rental the rates established therefor by Landlord which shall not exceed the rates which would be charged for the same services if furnished directly by the local public utility companies. Landlord may at any time discontinue furnishing any such service without obligation to Tenant other than to connect the Leased Premises to the public utility, if any, furnishing such service.

11.3. In no event shall Landlord be liable for an interruption or failure in the supply of any such utilities or services supplied by Landlord because of necessary repairs or improvements or for any cause beyond Landlord's control; provided, however, that notwithstanding the foregoing or anything to the contrary herein, in the event of any interruption of utility services to the Leased Premises, which is caused by the negligent or intentional act of Landlord, its agents, employees or contractors and which renders the Leased Premises unusable for the normal conduct of Tenant's business for a period in excess of two (2) consecutive business days, then all Rent under this Lease shall be abated following the second (2nd) business day of such interruption until such utilities are again available to the Leased Premises.

ARTICLE 12. Indemnity, Public Liability Insurance, and Fire and Extended Coverage Insurance.

12.1. Landlord shall not be liable to Tenant or to Tenant's employees, agents or visitors, or to any other person or entity, whomsoever, for any injury to person or damage to or loss of property on or about the Leased Premises or the Common Areas caused by the negligence or misconduct of Tenant, its employees, subtenant, licensees or concessionaires, or of any other person entering the Center under the express or implied invitation of Tenant, or arising out of the use of the Leased Premises by Tenant and the conduct of its business therein, or arising out of any breach or default by Tenant in the performance of its obligations hereunder (except the negligence or willful misconduct of Landlord's, its employees, agents or contractors), and subject to the waiver of subrogation set forth in Section 12.5 below, Tenant hereby agrees to indemnify Landlord and hold it harmless from any loss, expense or claims arising out of such damage or injury.

12.2. Notwithstanding anything to the contrary contained in this Lease, but subject to the waiver of subrogation set forth in Section 12.5 below, Landlord shall indemnify and hold harmless Tenant from any and all third party claims arising from damage or injury (including death) which occurs to person or property outside the Leased Premises in the Center (except for any outdoor seating area allowed by Landlord) or arising from the gross negligence or willful misconduct of Landlord or its employees or a breach of the Lease by Landlord, except for any third party claims arising from damage caused in whole or in part by the negligence or willful misconduct of Tenant, its employees, agents or contractors.

12.3. Tenant agrees to carry and maintain: (i) public liability insurance, including bodily injury and property damage, personal injury and contractual liability with respect to all claims, demands, or actions by any person, firm or corporation, in any way arising from, related to or connected with the conduct and operation of tenant's business or use of the Leased Premises. Such policies shall be written on a

comprehensive basis, with limits of not less than One Million and no/one hundred Dollars **(\$1,000,000.00)** per incident and Two Million and no/one hundred Dollars **(\$2,000,000)** in aggregate and such higher limits as Landlord or the mortgagees of Landlord may reasonably require from time to time, and which shall show Landlord as an additional insured; (ii) fire and extended coverage insurance, including endorsements for vandalism, malicious mischief, theft, and sprinkler leakage covering all of Tenant's property, including, but not limited to, furniture, fittings, installations, alterations, additions, partitions, fixtures, merchandise, and anything in the nature of a leasehold improvement in an amount equal to the full replacement costs of such property, without deduction for depreciation; (iii) insurance coverage against loss or damage by boiler or internal explosion by boilers, if applicable, in an amount not less than One Million and no/one hundred Dollars (\$1,000,000.00) showing Landlord as an additional insured as its interest may appear; (iv) a standard form workers compensation and employees liability insurance in amounts as required by any applicable governmental agency or authority; (v) plate glass insurance in an amount not less than the full replacement costs of any such glass breakage; and (vi) a comprehensive automobile liability insurance policy insuring all owned, non-owned and hired vehicles used in the conduct of tenants business and operated upon or parked in the shopping area within limits of liability of not less than One Million and no/one hundred dollars (\$1,000,000.00) each occurrence and Five Hundred thousand and no/one hundred Dollars (\$500,000.00) each person for bodily injury and Two Hundred Fifty thousand and no/one hundred Dollars (\$250,000.00) for property damage. All of the above Tenant insurance policies shall have a "per location" endorsement. If alcoholic beverages are sold on the Leased Premises, Tenant shall provide and keep in effect a policy of so-called "dramshop" insurance or other liability insurance required in connection with the sale of alcoholic beverages containing minimum limits per occurrence of One Million and No/100 Dollars (\$1,000,000.00).

12.4. All policies shall be taken out with insurers acceptable to Landlord in a form reasonably satisfactory from time to time to Landlord. Tenant agrees that certificates of insurance shall be delivered to Landlord as soon as practicable after the placing of the required insurance, but in no event later than ten (10) days after Tenant takes possession of all or any part of the Leased Premises. All policies shall require at least thirty (30) days prior written notice be delivered to Landlord by the insurers prior to termination, cancellation or material change in such insurance.

12.5. Landlord and Tenant agree and covenant that neither shall be liable to the other for loss arising out of damage to or destruction of the Landlord's or Tenant's property, as the case may be, or the Center or Leased Premises or contents thereof arising from any risk insured against (or required to be insured against) by Landlord or Tenant hereunder; this agreement shall be binding whether or not such damage or destruction be caused by negligence of either party or their agents, employees or visitors. The parties each, on behalf of their respective insurance companies insuring the property of either Landlord or Tenant against any such loss, waive any right of subrogation that it may have against Landlord or Tenant, as the case may be. The release set forth in this Section 12.5 shall apply only to the extent that such loss or damage is covered by insurance (or would have been covered by insurance required to be carried hereunder, if a party fails to carry the required insurance). Each party shall be obtain any special endorsements required by its insurer to allow this waiver, but the waiver shall apply regardless of whether the party obtains the endorsements.

12.6. Landlord agrees to take out and maintain a policy of Special Causes of Loss (formerly called "All Risk of Physical Loss") Property Insurance on the Center. Such policy must be in effect as of the Commencement Date and must be maintained at all times during Tenant's occupancy of the Leased Premises and during the Lease Term. Such policy shall satisfy any co-insurance requirements and must

contain a replacement cost endorsement. Landlord shall prior to the commencement of Landlord's Work, and at all times during the Term, maintain commercial general liability insurance covering (i) Landlord's liability with respect to any construction that Landlord may perform in connection with the Leased Premises or the Center; (ii) Landlord's liability for ownership, maintenance and use of the Common Areas including, without limitation, liabilities arising from any act or omission of Landlord or its agents relating to the Common Areas or by other tenants in the Common Areas; and (iii) its contractual liability under this Lease. Such policy(ies) shall be written on a comprehensive basis, with limits of not less than One Million and no/one hundred Dollars **(\$1,000,000.00)** per incident and Two Million and no/one hundred Dollars **(\$2,000,000)** in aggregate.

12.7. Tenant agrees to pay its proportionate share of Landlord's cost of carrying fire and extended coverage insurance ("Insurance Costs" as defined in Article 1) on the Center. During each month of the term of this Lease, Tenant shall make a monthly escrow deposit with Landlord equal to 1/12 of its proportionate share of the Insurance on the Center which will be due and payable for that particular year, as provided in Article 4. Tenant authorizes Landlord to use the funds deposited by Tenant with Landlord under this Section 12.6 to pay cost of such Insurance. Tenant's proportionate share of the cost of Insurance on the Center shall be computed by multiplying the cost of Insurance by a fraction, the numerator of which shall be the number of square feet of floor space in the Leased Premises and the denominator of which shall be the number of square feet of all leasable square footage in the Center.

ARTICLE 13. Non-Liability for Certain Damages.

13.1. Landlord and Landlord's agents and employees shall not be liable to Tenant or any other person or entity whomsoever for any injury to person or damage to property caused by the Leased Premises or other portions of the Center arising out of repair or by defect in or failure of equipment, pipes or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the Leased Premises, nor shall Landlord be liable to Tenant or any other person or entity whomsoever for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of the Center or of any other persons or entities whomsoever, excepting therefrom, any liability which arises out of or results from the negligence or willful misconduct of Landlord, its contractors, employees and agents. With respect to latent or patent defects in the Leased Premises or in the building of which they form a part, Landlord's liability shall not extend beyond two years from the date of substantial completion of the construction of the Center, whether or not such defects are discovered within such two-year period. Tenant shall indemnify and hold Landlord harmless from any loss, cost, expense or claims arising out of such injury or damage referred to in this Section 13.1.

ARTICLE 14. Damage by Casualty.

14.1. Tenant shall give immediate written notice to Landlord of any damage caused to the Leased Premises by fire or other casualty.

14.2. In the event that the Leased Premises shall be damaged or destroyed by fire or other casualty insurable under standard fire and extended coverage insurance and neither party elects to terminate this Lease as hereinafter provided, Landlord shall proceed with reasonable diligence and at its sole cost and expense to rebuild and repair the Leased Premises. If the building in which the Leased Premises are located shall (i) be destroyed or substantially damaged by a casualty not covered by Landlord's insurance; or (ii) be destroyed or rendered untenable to an extent in excess of fifty percent (50%) of the first floor area by

a casualty covered by Landlord's insurance; or (iii) be damaged to such extent that the remaining term of this Lease is not sufficient to amortize the cost of reconstruction, then Landlord may elect either to terminate this Lease as hereinafter provided or to proceed to rebuild and repair the Leased Premises. Should Landlord elect to terminate this Lease it shall give written notice of such election to Tenant within ninety (90) days after the occurrence of such casualty. In the event that (x) the Leased Premises cannot reasonably be restored to the condition immediately preceding the casualty within one hundred eighty (180) days after the date of such casualty, or (y) the Leased Premises can reasonably be restored to the condition immediately preceding the casualty within one hundred eighty (180) days after the date of casualty, but is not actually so restored within two hundred ten (210) days after the date of casualty, or (z) the casualty occurs in the last year of the term, then Tenant may elect to terminate this Lease by delivering written notice to Landlord within ninety (90) days after the occurrence of such casualty. Upon termination of the Lease pursuant to this Section 14.2, the parties shall have no further rights, duties, or obligations under this Lease. If neither party elects to terminate this Lease, Landlord shall proceed with reasonable diligence and at its sole cost and expense to rebuild and repair the Leased Premises within 180 days of such occurrence.

14.3. Landlord's obligation to rebuild and repair under this Article 14 shall in any event be limited to restoring Landlord's Work as described in Exhibit C to substantially the condition in which the same existed prior to the casualty, and Tenant agrees that promptly after completion of such work by Landlord, it will proceed with reasonable diligence and at its sole cost and expense to rebuild, repair and restore its sign, fixtures, equipment and the other items of Tenant's Work as described in Exhibit C.

14.4. In the event of a fire or casualty within the Leased Premises, all Rent shall be abated or reduced proportionately during any period in which, by reason of any such damage or destruction, there is substantial interference with the operation of the business of Tenant in the Leased Premises, having regard to the extent to which Tenant may be required to discontinue its business in the Leased Premises, and such abatement or reduction shall continue for the period commencing with such destruction or damage and ending with the substantial completion by Landlord of such work or repair and/or reconstruction as Landlord is obligated to do. In the event of termination of this Lease pursuant to this Article 14, this Lease and the Term shall cease and come to an end as of the date of such damage or destruction.

ARTICLE 15. Eminent Domain.

15.1. If any portion of the floor area of the Leased Premises should be taken for any public or quasi-public use under any governmental law, ordinance or regulation or by right of eminent domain or by private purchase in lieu thereof, 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.

15.2. If any part of the Common Areas shall be taken as aforesaid, except as specifically set forth herein, this Lease shall not terminate, nor shall the rental payable hereunder be reduced, except that either Landlord or Tenant may terminate this Lease if the area of the Common Areas remaining following such taking plus any additional parking area provided by Landlord in reasonable proximity to the Center shall be less than seventy percent (70%) of the area of the Common Areas immediately prior to the taking. In addition to and notwithstanding the foregoing, if access to or visibility of the Leased Premises or any portion of the Common Areas or parking areas are taken or reconfigured in any manner for any public or quasi-public use, so as to have a material adverse effect on Tenant's use of the Leased Premises, as determined in Landlord's reasonable business judgment, then Tenant may terminate the Lease by delivering written notice to Landlord. Any election to terminate this Lease in accordance with this provision shall be

evidenced by written notice of termination delivered to the other party within thirty (30) days after the date physical possession is taken by the condemning authority.

15.3. All compensation awarded for any taking (or the proceeds of private sale in lieu thereof) of the Leased Premises or Common Areas shall be the property of Landlord and Tenant hereby assigns its interest in any such award to Landlord; provided, however, Landlord shall have no interest in any award made to Tenant for loss of business or for the taking of Tenant's fixtures and other property if a separate award for such items is made to Tenant.

ARTICLE 16. Assignment and Subletting.

16.1. Tenant shall not assign or in any manner transfer this Lease or any estate or interest therein, or sublet the Leased Premises or any part thereof, or grant any license, concession or other right to occupy any portion of the Leased Premises without the prior written consent of Landlord. If Tenant is a corporation, the sale or transfer of more than fifty percent (50%) of the Tenant's stock shall constitute an assignment for purposes of this Lease. Tenant shall pay to Landlord an upfront fee of one thousand dollars (\$1,000.00) to compensate Landlord for the time and expense of reviewing any request and documentation regarding assignment or subletting. Consent by Landlord to one or more assignment or subtenants shall not operate as a waiver of Landlord's rights as to any subsequent assignments and sublettings. Anything in Section 16.1 or otherwise in the Lease to the contrary notwithstanding, the prior written consent of Landlord shall not be required with respect to an assignment of the Lease or sublease of the Leased Premises or any portion thereof to (i) an entity controlled by, controlling or under common control with Tenant, or (ii) an entity succeeding to substantially all of the business of Tenant, by merger or consolidation or by acquisition of assets or stock. For this purpose "control" shall mean the possession of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of a sufficient percentage of voting securities, by contract or otherwise. Notwithstanding any assignment or subletting, except as provided under Section 16.4 below, Tenant and any guarantor of Tenant's obligations under this Lease shall at all times remain fully responsible and liable for the payment of the rental herein specified and for compliance with all of its other obligations under this Lease.

16.2. Nothing in this Lease shall prevent Landlord from transferring or assigning its interest in this Lease to any third party. In the event of the transfer or assignment by Landlord of its interest in this Lease and in the building containing the Leased Premises to a person expressly assuming Landlord's obligations under this Lease, Landlord shall thereby be released from any further obligations which first arise after the date of such transfer, and Tenant agrees to look solely to such successor in interest of the Landlord for performance of such obligations. Any security given by Tenant to secure performance of Tenant's obligations hereunder may be assigned and transferred by Landlord to such successor in interest, and Landlord shall thereby be discharged of any further obligation relating thereto.

16.3. Tenant shall not mortgage, pledge, or otherwise encumber its interest in this Lease or in the Leased Premises.

16.4. If Landlord approves an assignment of this Lease by Tenant, and the assignee has a net worth (or a guarantor with a net worth) equal to or greater than \$3,000,000.00 and an unencumbered, tangible, liquid net worth of at least \$1,000,000 (each as determined by Landlord using its commercially reasonable judgment), then Tenant and Guarantors shall be released from their respective responsibilities, duties, liabilities, and obligations that first arise or accrue under the Lease after the date of such release but Tenant

and Guarantors shall remain fully responsible and liable for and shall not be released from their respective responsibilities, duties, liabilities, and obligations that arose or accrued under the Lease prior to such release.

ARTICLE 17. Property Taxes.

17.1. Tenant shall be liable for all taxes levied against personal property and trade fixtures placed by Tenant in the Leased Premises. If any such taxes are levied against Landlord or Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal property and trade fixtures placed by Tenant in the Leased Premises and Landlord elects to pay the taxes based on such increase, Tenant shall pay to Landlord upon demand that part of such taxes for which Tenant is primarily liable hereunder.

17.2. Tenant agrees to pay its proportionate share of all Real Property Taxes levied or assessed against the Center. During each month of the term of this Lease, Tenant shall make a monthly escrow deposit with Landlord equal to 1/12 of its proportionate share of the Real Property Taxes on the Center which will be due and payable for that particular year, as provided in Article 4. Tenant authorizes Landlord to use the funds deposit by it with Landlord under this Section 17.2 to pay the Real Property Taxes levied or assessed against the Center. Tenant's proportionate share of the Real Property Taxes on the Center shall be computed by multiplying the Real Property Taxes by a fraction, the numerator of which shall be the number of square feet of floor space in the Leased Premises and the denominator of which shall be the number of square feet of all the Center.

17.3. If Tenant should fail to pay any taxes, assessments, or governmental charges required to be paid by Tenant hereunder, in addition to any other remedies provided herein, Landlord may, if it so elects, pay such taxes, assessments, and governmental charges. Any sums so paid by Landlord shall be deemed to be so much additional rental owing by Tenant to Landlord and due and payable upon demand as additional rental plus interest at the rate of ten percent (10%) per annum from the date of payment by Landlord until repaid by Tenant. Notwithstanding the foregoing, Tenant shall be entitled to notice and an additional five (5) business day grace period before the imposition of interest on the first late payment of Real Property Taxes in any twelve (12) month period.

17.4. If at any time during the term of this Lease, the present method of taxation shall be changed so that in lieu of the whole or any part of any taxes, assessments, levies or charges levied, assessed or imposed on real estate and the improvements thereon, there shall be levied, assessed or imposed on Landlord a capital levy or other tax directly on the rents received therefrom and/or a franchise tax, assessment, levy or charge measured by or based, in whole or in part, upon such tenants or the present or any future building or buildings on the Center, then all such taxes, assessments, levies or charges, or the part thereof so measured or based, shall be deemed to be included within the term "Real Property Taxes" for the purposes hereof.

17.5. Tenant waives all rights pursuant to all laws to contest any taxes or other levies or protest appraised values or receive notice of reappraisal regarding the Leased Premises or the Center, irrespective of whether Landlord contests same. Notwithstanding the foregoing, upon Tenant's request, Landlord must protest the appraised value of the Property if Landlord has not protested the value in the previous three years. Any savings Landlord receives in connection with any tax protest shall be deemed a Common Area Operating Cost.

17.6. Any payment to be made pursuant to this Article 17 with respect to the real estate tax year in which this Lease commences or terminates shall bear the same ratio to the payment which would be required to be made for the full tax year as that part of such tax year covered by the term of this Lease bears to a full tax year.

ARTICLE 18. Default by Tenant and Remedies.

18.1. Each of the following events shall be deemed to be an “**Event of Default**” by Tenant under this Lease:

- (a) Tenant shall fail to pay any installment of Rent or any other expense demanded by Landlord as herein provided and such failure shall continue for a period of five (5) days (provided that an Event of Default shall not occur on the first late payment in any period of twelve (12) consecutive full calendar months unless and until Landlord provides Tenant with written notice of each such late payment, and Tenant fails to cure such late payment within five (5) days after such notice); or
- (b) Tenant shall fail to comply with any term, provision or covenant of this Lease (including the Rules and Regulations), other than the payment of Rent or expenses demanded by Landlord and shall not cure such failure within thirty (30) days after written notice thereof to Tenant; provided however, if such failure cannot reasonably be cured within thirty (30) days, and provided Tenant diligently and continuously prosecutes the curing of such failure, Tenant shall have an additional sixty (60) days to cure such default;
- (c) Tenant or any guarantor of Tenant’s obligations under this Lease shall become insolvent, or shall make a transfer in fraud of creditors, or shall make an assignment for the benefit of creditors, which is not cured within thirty (30) days thereafter;
- (d) Tenant or any guarantor of Tenant’s obligations under this Lease shall file a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof; or Tenant or any guarantor of Tenant’s obligations under this Lease shall be adjudged bankrupt or insolvent in proceedings filed against Tenant or any guarantor of Tenant’s obligations under this Lease, which is not cured within sixty (60) days;
- (e) A receiver or Trustee shall be appointed for all Leased Premises or for all or substantially all of the assets of Tenant or any guarantor of Tenant’s obligations under this Lease, which is not removed within thirty (30) days;
- (f) Tenant shall desert or vacate any substantial portion of the Leased Premises for a period greater than one hundred eighty (180) days, for reasons other than remodeling, casualty, condemnation or force majeure;
- (g) Tenant shall do or knowingly permit to be done anything which creates a lien upon the Leased Premises which is not removed or bonded over within sixty (60) days thereafter; or

- (h) Tenant shall cease to operate its business for a period greater than one hundred eighty (180) days, for reasons other than remodeling, casualty, condemnation or force majeure.

18.2. Upon the occurrence of any such Event(s) of Default, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

- (a) Terminate this Lease, in which event Tenant shall immediately surrender the Leased Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which he may have for possession or arrearages in rental, enter upon and take possession of the Leased Premises and expel or remove Tenant and any other person who may be occupying said Leased Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefor;
- (b) Enter upon and take possession of the Leased Premises and expel or remove Tenant and any other person who may be occupying said Leased Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefor with or without having terminated the Lease; and
- (c) Enter upon the Leased Premises by force if necessary without being liable for prosecution or any claim for damages therefor, and do whatever Tenant is obligated to do under the terms of this Lease, and Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, and Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant from such action.

18.3. Exercise by Landlord of any one or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance of surrender of the Leased Premises by Tenant, whether by agreement or by operation of law, it being understood that such surrender can be effected only by the written agreement of Landlord and Tenant. No removal or other exercise of dominion by Landlord over the property of Tenant or others at the Leased Premises shall be deemed unauthorized or constitute a conversion, Tenant hereby consenting, after any Event of Default, to the aforesaid exercise of dominion over Tenant's property within the Leased Premises. All claims for damages by reason of such reentry and/or repossession and/or alteration of locks or other security devices are hereby waived, as are all claims for damages by reason of any distress warrant, forcible detainer proceedings, sequestration proceedings or other legal process. Tenant agrees that any reentry by Landlord may be pursuant to judgment obtained in forcible detainer proceedings or other legal proceedings, as Landlord may elect, and Landlord shall not be liable in trespass or otherwise.

18.4. In the event Landlord elects to terminate the Lease by reason of an Event of Default, then notwithstanding such termination, Tenant shall be liable for and shall pay to Landlord, at the address specified for notice to Landlord herein the sum of all Rent and other indebtedness accrued to date of such termination, plus, as damages, an amount equal to the difference between (a) the total Minimum Rent for the remaining portion of the Lease Term (had such term not been terminated by Landlord prior to the date of expiration stated in Article 1) and (b) the then-present value of the then-fair rental value of the Leased Premises for such period.

18.5. In the event that Landlord elects to repossess the Leased Premises without terminating the Lease, then Tenant shall be liable for and shall pay to Landlord at the address specified for notice to Landlord all rental and other indebtedness accrued to the date of such repossession, plus Rent required to be paid by Tenant to Landlord during the remainder of the Lease Term until the date of expiration of the Lease Term as stated in Article 1, as and when the same becomes due, diminished by any net sums thereafter received by Landlord through reletting the Leased Premises during said period (after deducting reasonable out-of-pocket expenses incurred by Landlord as provided in Section 18.6 hereof). In no event shall Tenant be entitled to any excess of any rental obtained by reletting over and above the rental herein reserved. Actions to collect amounts due by Tenant to Landlord as provided in this Section 18.5 may be brought from time to time, on one or more occasions, without the necessity of Landlord's waiting until expiration of the Lease Term.

18.6. In case of any Event of Default or breach by Tenant, Tenant shall also be liable for and shall pay to Landlord, at the address specified for notice to Landlord herein, in addition to any sum provided to be paid above, brokers' fees incurred by Landlord in connection with reletting the whole or any part of the Leased Premises; the costs of removing and storing Tenant's or other occupant's property; the costs of repairing, altering, remodeling or otherwise putting the Leased Premises into condition for reletting to a new tenant or tenants (but excluding therefrom, any tenant improvements or fixtures applicable to a particular tenant's use), and all reasonable expenses incurred by Landlord in enforcing or defending Landlord's rights and/or remedies including reasonable attorneys' fees.

18.7. Landlord shall use reasonable efforts to mitigate damages when an Event of Default has occurred, Tenant has abandoned the Leased Premises (except as otherwise expressly permitted hereunder), vacated the Leased Premises or Tenant's right to possession has been terminated by Landlord, and Tenant agrees as follows:

- (a) Landlord shall be required to use only reasonable efforts to relet the Leased Premises on such terms and conditions as Landlord in its sole discretion may determine (including without limitation, a term different than the Term of this Lease, rental concessions, alterations and repairs of the Leased Premises, providing a tenant finish allowance, paying moving expenses or providing other tenant inducements). Landlord shall be deemed to have taken objectively reasonable efforts to mitigate if the Landlord has done the following within 60 days after Tenant no longer occupies the Leased Premises and delivers the keys to Landlord (but any acceptance by Landlord of keys will not be construed an election of Landlord to terminate this Lease or an acceptance by Landlord of a surrender of the Leased Premises): (1) place a "For Lease" sign in a window at the Leased Premises; (2) place the Leased Premises on Landlord's inventory of available space; (3) make Landlord's inventory available to area brokers who inquire; and (4) show the Leased Premises to prospective tenants who request to see it. Landlord's efforts to mitigate shall be comparable to but shall not be required to exceed such efforts as Landlord generally uses to lease other space at the Center. Landlord shall not be required to take any instruction or advice given by Tenant regarding reletting the Leased Premises, and Landlord shall not be required to accept any substitute tenant who does not lease the entire Leased Premises upon terms and conditions satisfactory to Landlord in its sole discretion (after giving consideration to all Costs of Reletting).
- (b) Landlord shall have no obligation to relet the Leased Premises to a potential substitute tenant:
 - (i) before Landlord rents other vacant space in the Center; (ii) if the potential tenant is

tendered to Landlord for its consent to a sublease or an assignment of the space by another (other) tenant(s) in the Center who is (are) not in default; (iii) intentionally omitted; (iv) if the nature of the substitute tenant's business is not consistent with the tenant mix of the Center or with any other tenant leases containing provisions against the Landlord leasing space in the Center for certain uses; or (v) if the nature of the substitute tenant's business may have an adverse and material impact on the high-grade manner in which the Center is operated or with the high reputation of the Center even though in each of the aforesaid circumstances the potential substitute tenant may have a good credit rating. In recognition that the value of the Center depends on the rental rates and terms of leases therein, Landlord's rejection of a prospective replacement tenant based on an offer of rentals below Landlord's published rates for new leases of comparable space at the Center at the time in question, or at Landlord's option, below the rates provided in this Lease, or containing terms less favorable than those contained herein, shall not give rise to claim by Tenant that Landlord failed to mitigate Landlord's damages.

- (c) Landlord shall not be liable, nor shall Tenant's obligations hereunder be diminished, because of Landlord's failure to relet the Leased Premises or collect rent due in respect of such reletting. Upon such reletting (if any), Tenant shall immediately be liable to Landlord, in addition to any indebtedness other than Rent due hereunder, for the Costs of Reletting (as defined below). Landlord's inability to relet the Leased Premises or failure to collect all or a portion of the rent upon reletting shall not release or reduce Tenant's liability hereunder except as to any amounts actually received by Landlord.
- (d) Any failure to mitigate as described herein with respect to any period of time shall only reduce the Rent and other amounts to which Landlord is entitled hereunder by the reasonable rental value of the Leased Premises during such period, taking into account factors including the condition of the Leased Premises, market conditions and the period of time the Leased Premises may reasonably remain vacant before Landlord is able to re-lease the same to a suitable replacement tenant, and Costs of Reletting that Landlord may incur in order to enter into a replacement lease.
- (e) The consideration received from such reletting shall be applied pursuant to the terms of the next succeeding paragraph hereof, and if such consideration, as so applied, is not sufficient to cover all Rent and damages to which Landlord may be entitled hereunder, Tenant shall pay any deficiency to Landlord as the same accrues or after the same has accrued from time to time upon demand, subject to the other provisions hereof. No reentry or repossession, repairs, changes, alterations, and additions, reletting, acceptance of keys from Tenant, or any other action or omission by Landlord shall be construed as an election of Landlord to terminate this Lease or Tenant's right to possession, or accept a surrender of the Leased Premises, nor shall the same operate to release the Tenant in whole or in part from any of the Tenant's obligations hereunder, unless express written notice of such intention is sent by Landlord or its agent to Tenant. Landlord may bring suits for amounts owed by Tenant hereunder or any portions thereof, as the same accrue or after the same have accrued, and no suit or recovery of any portion due hereunder shall be deemed a waiver of Landlord's right to collect all amounts to which Landlord is entitled hereunder, nor shall the same serve as any defense to any subsequent suit brought for any amount not theretofore reduced to judgment. Landlord may pursue one or more remedies against Tenant and need not make an

election of remedies until judgment is issued by a court of competent jurisdiction. All rent and other consideration paid by any replacement tenants shall be applied first, to the Costs of Reletting, second, to the payment of any indebtedness of Tenant to Landlord other than Rent due hereunder, third, to the payment of all costs of enforcing this Lease against Tenant or any guarantor, fourth, to the payment of all interest and service charges accruing hereunder, fifth, to the payment of Rent theretofore accrued, and the residue, if any, shall be held by Landlord and applied to the payment of other obligations of Tenant to Landlord as the same become due (with any remaining residue to be retained by Landlord). In no event shall Tenant be entitled to any excess rents received by Landlord as a result of such reletting.

- (f) “Costs of Reletting” shall include without limitation, all reasonable out-of-pocket costs and expenses incurred by Landlord for any repairs, maintenance, changes and alterations to the Leased Premises (whether to prevent damage or to prepare the Leased Premises for reletting, but excluding therefrom, any tenant improvements or fixtures applicable to a particular tenant’s use); brokerage commissions, advertising costs, reasonable attorneys’ fees and any economic incentives given to enter leases with replacement tenants (so long as such economic incentives are commercially reasonable and market at the time). The times set forth herein for the curing of violations by Tenant are of the essence of this Lease.

18.8. If Tenant should fail to make any payment or cure any default hereunder within the time herein permitted, subject to any applicable notice and cure period, Landlord, without being under any obligation to do so and without thereby waiving such default, may make such payment and/or remedy such other default for the account of Tenant (and enter the Leased Premises for such purpose), and thereupon Tenant shall be obligated to, and hereby agrees, to pay Landlord, upon demand, all costs, expenses, and disbursements (including reasonable attorneys’ fees) incurred by Landlord in taking such remedial action.

18.9. In the event of any failure to perform any of its obligations or other default by Landlord under this Lease, Tenant will give Landlord written notice specifying such default with particularity, and Landlord shall thereupon have thirty (30) days in which to cure any such default. In the event of a Landlord default, Tenant may exercise any and all rights and remedies available to Tenant for Landlord’s default whether provided hereunder, at law or in equity. In addition to the foregoing, Tenant may, at its option upon further written notice to Landlord of Tenant’s intention to exercise its self-help and after providing Landlord with an additional fifteen (15) day cure period thereafter, incur any reasonable expense necessary to perform the obligation of Landlord specified in such notice and bill Landlord for the costs thereof. Notwithstanding the foregoing, if in Tenant’s reasonable judgment, an emergency shall exist, Tenant may cure such default with only reasonable (under the circumstances) notice to Landlord being required, provided that Tenant uses best efforts to contact Landlord prior to effecting a cure. If Landlord has not reimbursed Tenant within thirty (30) days after receipt of Tenant’s bill, then Tenant may the reasonable cost of such expense from the Rent next becoming due, until reimbursed in full. Unless and until Landlord fails to so cure any default after such notice Tenant shall not have any remedy or cause of action by reason thereof. All obligations of Landlord hereunder will be construed as covenants, not conditions; and all such obligations will be binding upon Landlord only during the period of its possession of the Leased Premises and not thereafter. The term “Landlord” shall mean only the owner of the Center, and in the event of transfer by such owner of its interest in the Center, such owner shall thereupon be released and discharged from all covenants and obligations of the Landlord thereafter accruing, but such covenants and obligations shall be binding during the Lease term upon each new owner for the duration of such owner’s ownership.

18.10. Notwithstanding any other provision hereof, Landlord shall not have any personal liability hereunder. In the event of any breach or default by Landlord in any term or provision of this Lease, Tenant agrees to look solely to the equity or interest then owned by Landlord in the land and improvements which constitute the Center; however, in no event, shall any deficiency judgment or any money judgment of any kind be sought or obtained against Landlord.

18.11. Upon and during the existence of an Event of Default, Landlord shall also have the right to remove from the Leased Premises (without the necessity of obtaining a distress warrant, writ of sequestration or other legal process) all or any portion of such furniture, fixtures, equipment, and other property located thereon and place same in storage at any premises within the County in which the Leased Premises is located; and in such event, Tenant shall be liable to Landlord for costs incurred by Landlord in connection with such removal and storage and shall indemnify and hold Landlord harmless from all loss, damage, cost, expense, and liability in connection with such removal and storage. Landlord shall also have the right to relinquish possession of all or any portion of such furniture, fixtures, equipment, and other property to any person (“**Claimant**”) claiming to be entitled to possession thereof who presents to Landlord a copy of any instrument represented to Landlord by Claimant to have been executed by Tenant (or any predecessor of Tenant) granting Claimant the right under various circumstances to take possession of such furniture, fixtures, equipment, or other property, without the necessity on the part of Landlord to inquire into the authenticity of said instrument or Tenant’s or Tenant’s predecessor’s signature thereon and without the necessity of Landlord’s making any nature of investigation or inquiry as to the validity of the factual or legal basis upon which Claimant purports to act. Tenant further agrees to indemnify and hold Landlord harmless from all cost, expense, loss, damage, and liability incident to Landlord’s relinquishment of possession of all or any portion of such furniture, fixtures, equipment, or other property to Claimant. The rights of Landlord herein stated shall be in addition to any and all other rights which Landlord has or may hereafter have at law or in equity, and Tenant stipulates and agrees that the rights herein granted Landlord are commercially reasonable.

ARTICLE 19.

Intentionally Omitted

ARTICLE 20. Holding Over.

20.1. In the event Tenant remains in possession of the Leased Premises after the expiration of this Lease and without the execution of a new Lease, Tenant shall be deemed to be occupying said Leased Premises as a tenant from month-to-month at a rental rate for the first three months after expiration of the Lease equal to the Minimum Rent payable by Tenant during the last Lease Year, and thereafter at a rental equal to the Minimum Rent during the last Lease Year plus fifty percent (50%). Such holdover shall otherwise subject to all the conditions, provisions, and obligations of this Lease insofar as the same are applicable to a month-to-month tenancy.

ARTICLE 21. Subordination.

21.1. Subject to the provisions of this Section 21.1, Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust, or other lien presently existing or hereafter created upon the Leased Premises or the Center, and to any renewals and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this

Lease. Tenant agrees upon demand to execute such further instruments subordinating this Lease as Landlord may request provided that any such subordination agreement shall not increase or expand Tenant's obligations, or otherwise conflict with the rights of Tenant under the Lease and which shall provide that so long as Tenant performs all of the terms, covenants and conditions of this Lease, subject to any applicable notice and cure periods, Tenant shall not be disturbed in its possession of the Leased Premises or its rights hereunder terminated or amended by the mortgagee, any purchaser at or in lieu of foreclosure if Tenant is not in default. Notwithstanding the foregoing or anything to the contrary herein, Tenant's obligations under this Lease are contingent upon Tenant's receipt of a non-disturbance agreement from all lenders, ground landlords and other parties with an interest senior to the Lease in a form and substance reasonably acceptable to Tenant.

ARTICLE 22. Notices.

22.1. Wherever any notice is required or permitted hereunder such notice shall be in writing. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered whether actually received or not when deposited in the United States mail, postage prepaid, Certified or Registered Mail, Return Receipt Requested, overnight carrier (such as FedEx) or personal delivery, addressed to the parties hereto at the respective addresses set out in Article 1, or at such other addresses as they may have hereafter specified by written notice.

22.2. If and when included within the term "Landlord" as used in this instrument there are more than one person, firm, or corporation, all shall jointly arrange among themselves for their joint execution of such notice specifying some individual at some specific address for the receipt of notices and payments to Landlord; if and when included within the term "Tenant" as used in this instrument there are more than one person, firm or corporation, all shall jointly arrange among themselves for their joint execution of such a notice specifying some individual at some specific address for the receipt of notices and payments to Tenant. All parties included with terms "Landlord" and "Tenant" respectively, shall be bound by notices and payments given in accordance with the provisions of this Article 22 to the same effect as if each had received such notice or payment.

ARTICLE 23. Late Charges.

23.1. In the event Tenant fails to pay Landlord when due any installment of Rent or other sum to be paid to Landlord which may become due hereunder, Landlord will incur additional expenses in an amount not readily ascertainable and which has not been elsewhere provided for between Landlord and Tenant. If Tenant should fail to pay to Landlord when due any installment of Rent or other sum to be paid hereunder, Tenant will pay Landlord on demand a late charge of ten percent (10%) thereof; provided Tenant shall have no obligation to pay such late charge for the first (1st) late payment in any consecutive twelve (12) calendar month period, but upon the second (2nd) and each subsequent late payment in any consecutive twelve (12) calendar month period, such late charge shall be due and payable by Tenant pursuant to this Section 23.1. Failure to pay such late charge upon demand therefor shall be an Event of Default hereunder. Provision for such late charge shall be in addition to all other rights and remedies available to Landlord hereunder or at law or in equity and shall not be construed as liquidated damages or limiting Landlord's remedies in any manner.

ARTICLE 24. Exclusive Use.

24.1. So long as Tenant is operating in the Leased Premises for the Permitted Use and not in an event of default which remains uncured after all applicable cure periods, Landlord agrees that it shall not lease to another tenant within the Center whose primary business is the operation of a premium men's barber shop and grooming lounge. Nothing herein shall limit the Landlord from leasing space in the Center to other hair cutters/salons that are not directly targeted solely towards men. Examples of other competitor premium men's barber shops that targets solely to men are Sports Clips, Floyd's, The Boardroom and The Gents Place.

ARTICLE 25. Security Deposit.

25.1. Tenant, contemporaneously with the execution of this Lease, shall have deposited with Landlord the Security Deposit, receipt of which is hereby acknowledged, to secure the faithful performance by Tenant of all of the terms, covenants, and conditions of this Lease. The Security Deposit shall be held by Landlord without interest and may be commingled with other funds of Landlord. Tenant agrees that if Tenant shall fail to pay the Rent herein reserved promptly when due, subject to any applicable notice and cure period, the Security Deposit may, at the option of Landlord, be applied on any such sums due and unpaid; and if Tenant violates any of the other terms, covenants, and conditions of this Lease, the Security Deposit may be applied to any damages suffered or costs incurred (plus overhead and interest as otherwise provided in this Lease) as a result of Tenant's Default. Should any of the Security Deposit be used to pay sums due for any reason, and this Lease is kept in full force and effect at the option of Landlord, Tenant shall reimburse Landlord for the amount of such depletion within ten (10) days after Notice to Tenant by Landlord of such depletion. The Security Deposit is not to be considered Pre-paid Rent.

ARTICLE 26. Renewal Term Option

26.1 Subject to Section 26.3 and Section 26.4 below, Tenant may, at its option, extend the Lease Term for two (2) periods of five (5) years (collectively and each, a "**Renewal Term**") upon the same terms and conditions contained in this Lease, except that the amount of Minimum Rent payable during the applicable Renewal Term shall be determined in accordance with Section 26.2 below. Tenant shall have no additional extension options unless mutually agreed upon in writing by the parties.

26.2. Minimum Rent for each Renewal Term shall be the fair market rental rate for the Leased Premises (herein, the "**Fair Market Lease Rate**"), as hereinafter determined. The Fair Market Lease Rate shall mean (a) a Minimum Rent for each year of the applicable Renewal Term determined by written agreement of Landlord and Tenant dated within thirty (30) days after Tenant exercises its option to extend the Lease term, or, only if a written agreement is not reached by the parties within such 30-day period, (b) the average of two (2) written commercial rent rate reports of the Minimum Rent for the applicable Renewal Term performed by the Experts (hereinafter defined) employed each of the parties, which reports shall be delivered by each party to the other party no later than thirty (30) days after the Tenant's option notice, provided that the two (2) Experts' calculations of Fair Market Lease Rate are within ten percent (10%) of each other (as determined by calculating the aggregate Minimum Rent payable during the applicable Renewal Term). Notwithstanding the foregoing or anything in this Section 26.2 to the contrary, in the event that the two (2) Experts' calculations of Fair Market Lease Rate differ by an amount in excess of ten percent (10%) of each other (calculated as set forth above), then the two (2) Experts shall select a third independent Expert which shall provide a calculation of Fair Market Lease Rate for each year of the applicable Renewal Term, and the Fair Market Lease Rate for such Renewal Term shall be calculated by using the average of the three (3) Experts opinions of the Fair Market Lease Rate. The Fair Market Lease Rate for the applicable Renewal Term will become Minimum Rent for such period. The experts hired by the Parties for the

purposes of this Section 26.2 (herein, the “**Experts**”) shall be real estate brokers licensed in the State of Colorado with, at a minimum, credentials equal to credentials of commercially reasonable leasing brokers for similar space in Erie, Colorado as of the date upon which Tenant exercises its option to extend the Lease term. Notwithstanding the foregoing, in the event that Tenant does not agree with the final determination of Fair Market Lease Rate for the applicable Renewal Term, then Tenant may terminate the exercise of its option to extend the Lease term by delivering written notice to Landlord.

26.3 To exercise the Renewal Term Option, Tenant must deliver its binding notice to Landlord not less than one hundred eighty (180) days prior to the proposed commencement of the Renewal Term. If Tenant fails to give its final binding notice timely, Tenant will be deemed to have waived its option to extend.

26.4. Tenant’s option to extend the Lease Term for the Renewal Term is subject to the conditions that: on the date that Tenant delivers its binding notice exercising its option to extend, Tenant is not in default under this Lease beyond the expiration of any applicable notice and cure periods.

ARTICLE 27. Miscellaneous

27.1. Nothing contained in this Lease 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 between parties to this Lease, it being understood and agreed that neither the method of computation of Rent, nor any other provisions contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant. Whenever the singular number is used in this Lease, the same shall include the plural, and words of any gender shall include each other gender.

27.2. The captions used herein are for convenience only and do not limit or amplify the provisions hereof.

27.3. One or more waivers of any covenant, term, or condition of this Lease by either party shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either party shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either party to or of any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

27.4. Whenever a period of time is herein prescribed for action to be taken by either Landlord or Tenant, such party shall not be liable or responsible for and there shall be excluded from the computation of any such period of time, any delays due to Force Majeure (hereinafter defined). As used herein, “**Force Majeure**” shall mean strikes, lockouts, riots, insurrection, war, civil commotion, acts of God, shortages of labor or materials, war, government laws, regulations, or restrictions, any global, regional or locally wide spread disease, pestilence, pandemic or epidemic, or similar threats to public health, epidemics or pandemics (e.g., COVID-19), failure of power, restrictive governmental laws or regulations, delays in obtaining permits or approvals from governmental or quasi-governmental authorities (through no fault of such party), fire, flood, earthquake, or other casualty, or any other causes of any kind whatsoever which are beyond the reasonable control of such party; provided, however, except as expressly hereinafter provided in this Section 27.4, in no event shall Tenant’s obligation for the payment of Rent due under this Lease be

delayed or otherwise affected by Force Majeure. At any time when there is outstanding a mortgage, deed of trust, or similar security instrument covering Landlord's interest in the Leased Premises of which Tenant has been provided written notice and current contact information therefor, Tenant may not terminate the Lease unless and until the holder of the indebtedness secured by such mortgage, deed of trust, or similar security instrument shall have received written notice of such default and a the same cure period as provided Landlord for curing such default shall thereafter have elapsed. In the event that (i) there is an epidemic or pandemic (e.g., COVID-19), (collectively, the "Pandemic"), (ii) the State of Colorado (or local) government declares a public health emergency because of the Pandemic, and (iii) such governmental entity orders the Leased Premises to be closed for normal business operations (the "Government Closure Order"), Landlord agrees that, during the period commencing on the first day of the calendar month immediately following the Government Closure Order and ending on the date that the governmental entity lifts the Government Closure Order (the "Forbearance Period"), Landlord shall refrain and forbear from exercising and enforcing any of its rights, claims, demands, suits and privileges, at law or in equity, with respect to one hundred percent (100%) of monthly Rent without interest (collectively, the "Forborne Amount"). Tenant agrees to pay the Forborne Amount in equal monthly installments during the period commencing on the first day of the calendar month immediately after the Government Closure Order has ended and ending on the first day of the last month of the Initial Term of this Lease, in addition to all other amounts due on such days in accordance with this Lease. Landlord shall have no obligation to refrain and forbear from exercising or enforcing any of its rights, claims, demands, suits or privileges, at law or in equity or under applicable laws (i) after the expiration of the Forbearance Period, or (ii) at any time with respect to any default by Tenant under this Lease to which this subsection's forbearance does not expressly apply.

27.5. Landlord agrees that if Tenant shall perform all of the covenants and agreements as required in this Lease, subject to any applicable notice and cure period, Tenant shall, subject to the terms of this Lease, at all times during the continuance of this Lease have the peaceable and quiet enjoyment and possession of the Leased Premises.

27.6. This Lease contains the entire agreement between the parties, and no agreement shall be effective to change, modify, or terminate this Lease in whole or in part unless such agreement is in writing and duly signed by the party against whom enforcement of such change, modification, or termination is sought.

27.7. Tenant warrants that it has had no dealing with any broker or agent in connection with the negotiation or execution of this Lease, except Cresa Global Inc., which solely represents Tenant in connection with this Lease, and whose fees shall be paid by Landlord pursuant to a separate commission agreement. If either Landlord or Tenant has incurred any obligation, contingent or otherwise, for a broker's commission or finder's fee with respect to the matters provided for in this Lease, the party incurring any such obligation shall be solely responsible therefor, except as described hereinabove. Each party agrees to hold the other party harmless from and against any and all costs, expenses, claims, losses or damages, including reasonable attorneys' fees and disbursements, resulting from a violation of the agreement contained in this Article.

27.8. Tenant agrees that it will from time to time, upon request by Landlord, execute and deliver to Landlord within fifteen (15) days after demand therefor an Estoppel Certificate on a commercially reasonable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified).

27.9. The laws of the State in which the Leased Premises is located shall govern the interpretation, validity, performance and enforcement of this Lease, if any provision of this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

27.10. The terms, provisions and covenants contained in this Lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors in interest, assigns and legal representatives except as otherwise expressly provided herein.

27.11. Tenant shall not record or cause to be recorded this Lease in any property records for any jurisdiction; provided, however, that Tenant may record a short-form or memorandum of this Lease setting forth the Lease Term, the Renewal Terms, Tenant's Permitted Use and exclusive use rights and such other Lease matters reasonably requested by Tenant in the form of **Exhibit H** attached hereto.

27.12. Landlord and Tenant acknowledge that, in accordance with the provisions of the Americans with Disabilities Act (the "**ADA**"), responsibility for compliance with the terms and conditions of Title III of the ADA may be allocated as between Landlord and Tenant. Notwithstanding anything to the contrary contained in this Lease, Landlord and Tenant agree that the responsibility for compliance with the ADA shall be allocated as follows: (i) Tenant shall be responsible for compliance with the provisions of Title III of the ADA with respect to the construction by Tenant of Tenant's Work (as described in **Exhibit C**) and alterations within the Leased Premises made by Tenant or at Tenant's request, subject to Landlord's written consent, which shall not be unreasonably withheld, delayed or conditioned; provided, however, that notwithstanding the foregoing to the contrary, that Landlord (and not Tenant) shall be responsible for making any structural or exterior modifications to the Leased Premises and/or building in which the Leased Premises located which apply to the building generally, and not to Tenant's specific use of the Leased Premises; (ii) Landlord shall be responsible for compliance with the provisions of Title III of the ADA in providing all of Landlord's Work (as described in **Exhibit C**) required under this Lease, exclusive, however, of any Tenant improvements constructed by Landlord strictly in accordance with Tenant generated plans and specifications; and (iii) Landlord shall be responsible for compliance with the provisions of Title III of the ADA with respect to the building in which the Leased Premises is located, Common Areas, parking areas, sidewalks and walkways, together with all other areas not included within the Leased Premises. Landlord and Tenant each agree to indemnify and hold each other harmless from and against any claims, damages, costs, and liabilities arising out of Landlord's or Tenant's failure, or alleged failure, as the case may be, to comply with Title III of the ADA as set forth above, which indemnification obligation shall survive the expiration or termination of the Lease. Landlord and Tenant each agree that the allocation of responsibility for ADA compliance shall not require Landlord or Tenant to supervise, monitor, or otherwise review the compliance activities of the other with respect to its assumed responsibilities for ADA compliance as set forth herein. The allocation of responsibility for ADA compliance between Landlord and Tenant, and the obligations of Landlord and Tenant established by such allocations, shall supersede any other provisions of the Lease that may contradict or otherwise differ from the requirements of this **Section 27.12**.

27.13. THIS LEASE SHALL NOT BE BINDING ON ANY PARTY TO IT UNLESS AND UNTIL EXECUTED BY ALL PARTIES TO IT.

27.14. GUARANTY. The obligations of Tenant under this Lease are guaranteed by the Guarantor, jointly and severally, pursuant to Guaranty Agreement of even date herewith, the form of such Guaranty Agreement being attached hereto as **Exhibit F**.

27.15. In the event it becomes necessary for either party to employ an attorney to bring suit against the other party for breach of this Lease, then the non-prevailing party shall pay all costs and expenses, including reasonable attorneys' fees of the prevailing party. In addition, should either party employ an attorney to recover any sum due under this Lease or because of the breach of any provision of this Lease by the other party, whether or not suit is filed, the breaching party shall pay all costs and expenses incurred in such enforcement, including reasonable attorneys' fees.

27.16. This Lease may be executed in multiple counterparts, each of which shall constitute an original. Facsimile or electronic transmission of any signed original document, and the retransmission of any signed facsimile or electronic transmission, shall be the same as delivery of the original signed document. In addition, without limiting the generality of the foregoing, this Lease may be electronically signed by the parties by the use of DocuSign, which will be treated as an original copy as though ink-signed by officers or other duly authorized representatives of each party.

[Signatures appear on following page]

DATED this ____ day of _____, 2021.

LANDLORD:

LSP Coal Creek, LLC,
a Texas limited liability company

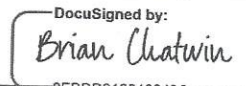
By: 

Name: STARBLES

Title: MANAGER

TENANT:

SCISSORS AND SCOTCH COAL CREEK LLC,
a Colorado limited liability company, d/b/a Scissors
& Scotch

By: 

Name: Brian Chatwin

Title: CEO

EXHIBIT A
Description and Depiction of Leased Premises
[attached hereto]

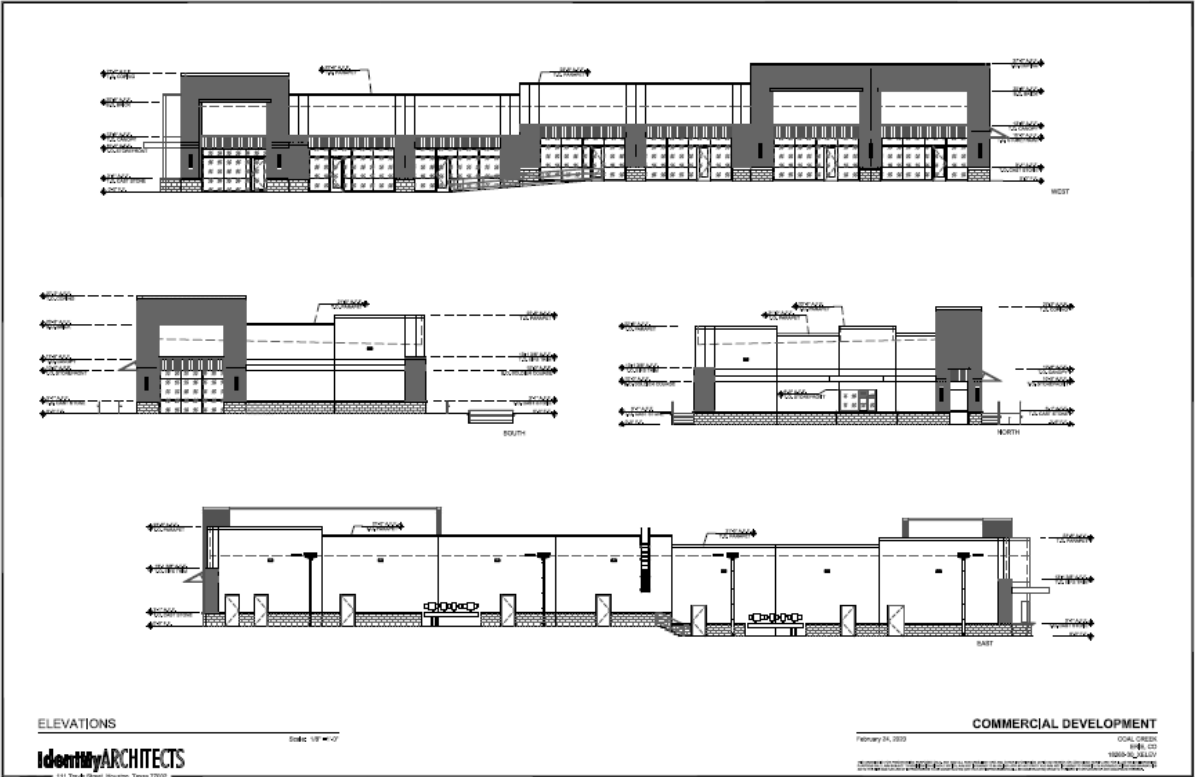


EXHIBIT C

WORK LETTER

ARTICLE 1. GENERAL

- A. Subject to the provisions below, Landlord agrees that it will proceed to construct (or, to the extent already partially constructed, will complete) a store unit upon the Leased Premises in substantial compliance with the description of Landlord's work in Article III below ("**Landlord's Work**"). The Leased Premises shall be deemed "ready for turnover" when Landlord's Work has been substantially completed, meaning complete as determined by Landlord's architect upon issuance of its certificate of completion, except for minor punchlist items, the non-completion of which would not materially interfere with the construction of Tenant's Work, which shall be completed within 30 days thereafter; provided, however, that if Landlord's Work is delayed because of a default of Tenant under this Lease (or interference by Tenant with Landlord's Work), then the Leased Premises shall also be deemed "ready for turnover" when Landlord's Work would have been substantially completed if Tenant's default or interference had not occurred. When the Leased Premises are (or are deemed) ready for turnover, Tenant agrees to accept possession thereof (although acceptance by Tenant is not required for rent and term commencement) and to proceed with due diligence to perform Tenant's Work, as described in Article IV below, and to open for business at the Leased Premises. Tenant agrees that at the request of Landlord and upon receipt of photos verifying all of the Landlord's work is complete, Tenant will, following the Commencement Date, execute and deliver a written statement acknowledging that Tenant has accepted possession and reciting the exact Commencement Date and termination date of this Lease ("**Rent Commencement Letter**"). In the event that the Commencement Date shall not have in fact occurred within two years after the Effective Date of the Lease, Tenant may terminate this Lease and thereupon this Lease shall be automatically null and void and of no force and effect, provided, however, that such termination will not nullify either party's cause of action against the other party if the failure resulted from a default by the other party.
- B. Occupancy of the Leased Premises by Tenant prior to the Commencement Date for purposes of construction only shall be subject to all of the terms and provisions of this Lease, excepting only those requiring the payment of Rent.
- C. If as of the Effective Date of this Lease the building in which the Leased Premises are to be located has not been constructed, or if the building has been constructed but has not been occupied by any tenants, then Tenant agrees to participate in a joint opening of the Center if requested to do so by Landlord.

ARTICLE II. PRE-CONSTRUCTION OBLIGATIONS

- A. Tenant shall secure Landlord's written approval of all designs, plans, specifications, materials, contractors and contracts for work to be performed by Tenant before beginning Tenant's Work (including following whatever "work letter" instructions, if any, which Landlord may deliver to Tenant in connection with the work), which approval shall not be unreasonably withheld, conditioned or delayed, and shall secure all necessary licenses and permits to be used in performing the work. Tenant's finished work shall be constructed in substantial accordance with the plans and specifications approved by Landlord. Upon receipt of notice of turnover from Landlord, Tenant shall meet with Landlord at the Leased Premises, before entering for any other purpose, on the date and time mutually agreeable to the parties that is within 3 business days of the notice of turnover, for

purposes of a joint walk-through and during such walk-through the parties shall create an agreed list of items, if any, that require minor adjustment or finishing by Landlord to cause Landlord's Work to be advanced from substantial completion to fully completed and which do not interfere with the construction of Tenant's Work (the "**Punch List Items**"), provided that no delay of such walk-through by Tenant and no Punch List Items shall ever delay the Commencement Date of this Lease. Prior to commencement of any construction in the Leased Premises by Tenant, Tenant's designated representative and the representative of Tenant's contractor will meet with Landlord's representative at a mutually agreeable date, time and place scheduled within three (3) business days of the turnover notice, for purposes of Landlord going over construction procedures, construction rules and regulations with which the contractor (and all those working under him) must comply, insurance requirements and other relevant information.

- B. The insurance and indemnity requirements under the Lease shall apply during the construction contemplated in this Exhibit, and Tenant shall provide evidence of appropriate insurance coverage prior to beginning any of Tenant's Work. In addition, and without limiting the generality of the immediately preceding sentence, at Landlord's option, Landlord may require that prior to beginning any of Tenant's Work, Tenant shall provide Landlord with evidence of insurance covering both Tenant and Tenant's contractor against damage to their personal property, as well as against third-party liability and worker's compensation claims arising out of all construction and associated activities. All policies of insurance shall be subject to Landlord's prior approval, which shall not be unreasonably withheld, and shall be endorsed showing Landlord as an additional named insured (or, if permitted by Landlord, may provide a waiver of subrogation against Landlord).

ARTICLE III. DESCRIPTION OF LANDLORD'S WORK

DESCRIPTION OF LANDLORD'S WORK:

The following is a description of the construction, and limitations of same, which will be provided by Landlord and are referred to as "Landlord's Work." Where two types of materials or structures are indicated, the option will be with Landlord.

Warranty: All new work shall have a minimum of one (1) year general warranty from the date of initial completion.

Utilities: Landlord shall provide all utility mains and building service laterals sized as required by building use for water (minimum 1 1/4" diameter domestic water line), fire protection, sanitary sewer at a low invert to accommodate waste coming from both front and rear lease lines, gas, electric adequate in size for Tenant's needs and telephone as further described below at rear of Tenant's space.

Trash Enclosures: Landlord shall provide a minimum 6'-0" high masonry-screened enclosure (with swinging metal gates) of sufficient size to hold two (2) 8-yard trash containers or equivalent alternative to be mutually agreed to by Landlord and Tenant for Café Rio use only.

Floors: (New Construction). Landlord shall provide a smooth and level concrete slab-on-grade with a 10' leave out space along the 'Rear' exterior wall. The leave out space to be exposed to earth at a grade.

Doors and Windows: Landlord will provide a front entry door allowance of \$2,500.00 and a rear exit door per Landlord's design.

Plumbing: A 1 1/4" diameter cold water line stubbed to the rear of Tenant's space with a minimum of 55 PSI pressure. Waste piping to be installed with invert low enough to provide required flow from the front and rear lease lines.

Electrical: Landlord represents that the building has a 480 volt 3 phase service to it; Landlord shall provide Tenant, from the building main electrical service, a service disconnect of a MINIMUM size of 150A, 277/480V, 3 phase connected to a 24 breaker electrical panel, and a step-down transformer feeding a 225 amp 120/208 volt, 3 phase, with a minimum of two 42 breaker panels or one 84 breaker panel located per Tenant's plans and specifications. Tenant will provide landlord the Utility Company load application (electrical) for the demised Premises.), or

Heating and Air-Conditioning Equipment: Landlord will provide an allowance of \$6.00 per square foot for heating and air conditioning which covers at a minimum, approximately 1 ton per 350 SF, or, whatever code requires based on Tenant's intended occupancy. Tenant will be responsible for all ducting within the space.

Interior Space and Ceiling: No Ceiling will be provided by Landlord.

Demising Walls: Landlord will deliver demising walls based on the floor plan of the Leased Premises attached to Exhibit A to the Lease. Landlord will provide unfinished walls to deck a minimum of code approved metal studs at 16" o.c, 5/8" sheetrock or code complaint and applied vertically with sound batt and Gypsum at the exterior walls. All exterior and demising walls will be taped and floated. All exterior and demising walls will be taped and floated.

ARTICLE IV. DESCRIPTION OF TENANT'S WORK

Landlord shall have no obligation to construct or install any improvements or alterations or pay for any such construction or installation in or on the Leased Premises, except for (i) the Landlord's Work described above or as otherwise set forth in the Lease, and (ii) Landlord shall contribute the total amount of \$60.00/psf of the Leased Premises (anticipated to be \$120,000.00 based on an expected 2,000 sf) (the "**Tenant Allowance**") to be used by the Tenant solely to complete improvements or upgrades to the Leased Premises to be performed by Tenant (the "**Tenant Work**") in accordance with this Work Letter.

A. General Requirements

1. Tenant shall deliver to Landlord, plans and specifications (including proposed storefront signage) for Tenant's work within the Leased Premises. Such plans and specifications shall include proper safety measures.

2. Tenant shall obtain written approval, from the Landlord, of all materials, equipment, fixtures, furnishings, etc., which become a permanent part of the structure. All work shall conform to all design criteria and construction guidelines established by the Landlord.

3. Tenant shall be responsible for obtaining all required construction document reviews with all governmental authorities in order to obtain all required permits, inspections, occupancy permits, operating licenses, etc., pertaining to the Tenant's Work and nature of Tenant's business.

4. Landlord shall have the right to disapprove all contractors employed by the Tenant including, but not limited to, the roofing and sprinkler subcontractors, which approval shall not be unreasonably withheld, conditioned or delayed.

5. Tenant shall not begin Tenant's Work until all herein required approvals have been granted by the Landlord.

6. All work undertaken by the Tenant shall be at Tenant's sole liability and expense.

7. Tenant's Work shall not damage or compromise the structural integrity of the building. All work shall be done in a first-class workmanlike manner in accordance with all applicable building codes, laws, regulations and ordinances. Tenant's Contractor is not permitted to perform any work relating to the roof of the Center or Leased Premises. The Tenant shall be held liable for any damage caused by the Tenant and/or Tenant's employees, vendors, and contractors.

8. All work undertaken by the Tenant shall be coordinated with and completed so as not to interfere in any material respects with the Landlord's construction schedule or any other tenant's activities. All contractors employed by the Tenant shall allow other contractors to work on the Leased Premises without interference.

9. Tenant shall be responsible for the cost and receipt of all deliveries and unloading of all materials pertaining to Tenant's Work.

11. Prior to commencing Tenant's Work in the Leased Premises, Tenant shall have:

a. Delivered to Landlord, Tenant's Contractor's insurance certificate(s) evidencing the insurance coverage as required under the Lease.

b. Delivered plans for Tenant's Work to Landlord and obtained Landlord's written approval of such plans.

c. Transferred utility services for the Leased Premises from the Landlord's account to the Tenant's account.

d. Deposited with Landlord any required security deposits required under the Lease.

e. Filed with Landlord a copy of the building permit (if applicable) for Tenant's Work.

12. During the period of Tenant's Work, Tenant shall provide and pay for connections, metering and consumption of all temporary utilities brought to such a point as determined by the Landlord.

13. Tenant shall keep the Leased Premises and Center common areas free from accumulations of debris caused by Tenant's employees, vendors and contractors. Tenant shall arrange for services to be provided for the removal of debris during the period of Tenant's Work.

14. Tenant shall clean HVAC filters clogged by dust or other debris resulting from Tenant's construction in Leased Premises.

15. Tenant shall not cause or knowingly permit any hazardous materials to be released, spilled or otherwise permeated in, on or under the Leased Premises or any portion of the Building while performing Tenant's Work.

16. Tenant shall provide to the Landlord a copy of the Certificate of Occupancy (or local equivalent) issued for the Leased Premises within seven (7) days of opening for business in the Leased Premises from Tenant's Work.

B. Exterior Work

Tenant shall not perform any work, which would in any way alter or modify the appearance or structural integrity of the Center without prior written approval from the Landlord.

C. Interior Work

Except as included within the scope of the Landlord's Work, Tenant shall provide all necessary work according to Tenant's business and local code requirements. This work shall include but not necessarily be limited to the following (except as included within the scope of Landlord's Work):

1. All interior partition walls, doors, etc.
2. Interior wall finishes including priming, painting, wall coverings, etc.
3. Floor coverings and wall base.
4. All necessary plumbing work.
5. All electrical work.
6. Fire Protection

a. Any deviation from, or modification to, the regular standard grid layout of sprinkler heads within the Leased Premises due to Tenant's design or nature of Tenant's business. The location, type and number of sprinkler heads shall be based upon local codes and the Landlord's insurance underwriter requirements. All modifications to the standard grid layout must be performed by the project sprinkler contractor at Tenant's expense.

b. Any fire, alarm system and monitoring thereof as may be required by governing codes and authorities. Tenant's system and system components shall match and be compatible with Landlord's systems and requirements.

c. Any special sprinkler heads, extinguisher systems, flame retardants, smoke/heat detectors, etc. as required by all applicable building codes, laws, regulations and ordinances due to Tenant's design or nature of Tenant's business.

8. Miscellaneous

a. All trade fixtures, shelving, furnishings, signage, merchandise, etc.

b. All curbs, lintels, flashings, pipes, ducts, vents, exhaust hoods, louvers, etc. necessary for Tenant's equipment requiring openings through roof and/or exterior walls. All cutting, patching and flashing of roof system must be performed by the Landlord's roofing contractor at Tenant's expense.

c. All required safety, emergency and handicap aid equipment within the Leased Premises as required by local, state and federal authorities.

d. Tenant shall insulate, to the extent required by the nature of Tenant's business, the demising walls and ceiling so as not to permit sound, odors, etc. to emanate outside the Leased Premises.

e. Tenant has designated Brian Schlenk (brian@scissorsscotch.com) as its representative with respect to the matters set forth in this Tenant Work schedule, who shall have full authority and responsibility to act on behalf of Tenant as required in this Tenant Work schedule.

f. Landlord has designated Jud Coward (Arrowmont Constructors) 832-250-3873, as its sole representative with respect to Landlord's responsibilities under this Tenant Work schedule who shall have full authority and responsibility to act on behalf of the Landlord as required in this Tenant Work schedule.

9. Tenant Allowance Reimbursement.

a. Provided that Tenant is not in default under any of its obligations under the Lease, Landlord shall pay to Tenant the Tenant Allowance within thirty (30) days after the receipt by Landlord of all of the following:

(i) Waivers of all liens with respect to the Tenant Work from all contractors and all subcontractors and parties actually providing or fabricating the labor, services or materials over and total cost of \$2,500 for each subcontractor or material supplier and architects retained by Tenant for the Tenant Work.

(ii) releases of all liens which may have been filed with respect to the Tenant Work.

(iii) a bills-paid affidavit from Tenant's general contractor.

(iv) Copies of all certificates, licenses and permits required for occupancy of the Leased Premises after completing the Tenant Work.

(v) A certificate signed by Tenant, and Tenant's general contractor certifying that all work (including all punch list items) under the construction contract with the general contractor has been completed and fully paid for. The certificate shall constitute Tenant representation that the materials have been physically incorporated into the Tenant improvements free of liens and encumbrances, the work conforms to applicable laws, rules and ordinances and that the Tenant Work has been constructed in a good and workmanlike manner.

b. In no event shall Tenant be entitled to offset payment of Rent against any unpaid Tenant Allowance.

EXHIBIT D

Landlord's Sign Criteria

The purpose of these instructions is to outline the criteria which have been established to control design, fabrication, and installation of tenant signs in the Center. These basic guidelines must be followed by sign companies, for two reasons: (1) to protect you, the Tenant, from purchasing a sign which does not meet good standards of material, workmanship, and appearance; and (2) to assure the tenants and landlords of an attractive Center community, unmarred by poorly designed, badly proportioned signs. Good sign design and balance is necessary to maintain an attractive and successful Center. Conformance will be strictly enforced, and any nonconforming or unapproved signs installed must be brought into conformance at the expense of the Tenant.

A. GENERAL REQUIREMENTS:

1. Each Tenant shall submit or cause to be submitted to Landlord for written approval, before fabrication, at least three (3) copies of detailed drawings indicating the location, size, layout, design, and color of the proposed signs, including all lettering and/or graphics.
2. All permits for signs and their installation shall be obtained by Tenant or its representative.
3. All signs shall be constructed, installed, and maintained at Tenant's expense.
4. Tenant shall be responsible for the fulfillment of all requirements of these criteria.

B. STIPULATIONS:

1. The primary canopy fascia: The type of sign must be internally illuminated channel letters individually surface mounted on the parapet façade within tenant designated area. Signage mounted on an exterior raceway is expressly prohibited.
2. No animated, flashing or audible signs will be permitted.
3. No exposed lamps or tubing will be permitted.
4. All signs and their installation shall comply with all local building and electrical codes.
5. All conductors, transformers, and other equipment shall be weather-proofed and either self-contained inside the individual channel letters or concealed behind fascia.
6. Electrical service to all signs shall be on Tenant's meter.
7. Painted lettering will not be permitted.
8. All attaching bolts shall be of non-corrosive metal.

C. LOCATION OF SIGNS:

1. Signs on the exterior of the building shall be permitted only for those tenants who have an exterior public entrance. Such signs shall be located within the sign area(s) designated by the Landlord, which may or may not be centered on the actual Tenant space but which sign will be centered between the stone-faced pilasters located in front of the Leased Premises.
2. No signs shall be permitted to hang perpendicular to the face of the building or store front.

D. DESIGN REQUIREMENTS:

1. All Tenant store front entrance and store identification signs shall be subject to the written approval of the Landlord.
2. Wording of signs shall not include the product sold, except as a part of the Tenant trade name or insignia.
3. Tenants are encouraged to have signs designed as an integral part of the store front design, with letter size and location appropriately scaled and proportioned to the overall store front design. The design of all signs, including style and placement of lettering size, color, materials, and method of illumination shall be subject to the approval of the Landlord.
4. Fascia Sign Band: Maximum letter height shall be 40" for the End-Cap tenants and 30" for other in-line tenants. All sizing and proportionality will be subject to Landlord review and written approval.
5. Letters are to be plastic-faced, 3/16" thick "Plexiglas" or approved equivalent. Letter channels to be aluminum or porcelain enamel. "Channelume" type of letter construction is approved. All lighting shall be 15 mm snow white neon, powered by 30 MA transformers, either single tube or more of neon, depending upon letter stroke width.
6. Signs shall be composed of individual channel or script lettering. Sign boxes, raceways and cans will not be permitted unless such cans are part of Tenant's standard logo and is otherwise approved in advance by Landlord in writing.
7. Exposed lettering or logo connectors shall be painted to match sign band.

E. CONSTRUCTION REQUIREMENTS:

1. All signs, bolts, fastenings, and clips shall be of enameling iron with porcelain enamel finish, stainless steel, aluminum, brass or bronze finish. No "black iron" materials of any type will be permitted. Notwithstanding the foregoing, all Returns must be painted Dark Bronze #313 (trim cap to match).
2. All exterior letters or signs exposed to the weather shall be mounted at least 3/4" from the building wall to permit proper dirt and water drainage.
3. All letters shall be fabricated using full-welded construction or approved equivalent.

4. Location of all openings for conduit in sign panels of building walls shall be indicated by the sign contractor on drawings submitted to the Landlord. Tenant's sign company shall be required to verify in the field whether the openings for such conduits will be above the Center's roof deck. Tenant shall be required to locate all transformers and conduit for each sign panel at the bottom of each letter in order to avoid any penetrations into the Center's roof deck. **NOTWITHSTANDING THE FOREGOING, DUE TO THE POSITION OF ITS SIGNAGE IN THE CENTER, TENANT SHALL LOCATE ALL TRANSFORMERS AND CONDUIT FOR ITS SIGN PANEL AT THE TOP OF EACH LETTER IN ORDER TO AVOID ANY PENETRATIONS INTO THE CENTER'S ROOF DECK.**
5. All penetrations of the building structure required for sign installation shall be neatly sealed in a watertight condition.
6. No labels will be permitted on the exposed surface of signs, except those required by local ordinance, which shall be applied in an inconspicuous location.
7. Sign contractor shall repair any damage caused by his work. (Installation of sign letters, raceway wiring, and required conduit shall be coordinated through Landlord's architect.)
8. Tenant shall be fully responsible for the operations of the Tenant's sign contractor.

F. MISCELLANEOUS REQUIREMENTS:

1. Each tenant will be permitted to place upon each entrance of its demised premises proportionate decal application lettering and logo, approved by Landlord, not to exceed four inches (4") in height, indicating Tenant name, hours of business, emergency telephone number, etc.
2. Each tenant who has a non-customer door for receiving merchandise may have the tenant's name and address uniformly applied on said door, in location as directed by the Landlord, using two inch (2") block letters in a color to be selected by Landlord.
3. Tenant may install on the store front, if required by the U.S. Post Office, the numbers only for the street address, in the exact location stipulated by the Landlord. Size, type, and color of numbers shall be as stipulated by the Landlord.
4. Floor signs, such as inserts in terrazzo, etc., shall be permitted within the Tenant's lease line in their store fronts, if approved by Landlord.
5. Except as provided herein, no advertising placards, banners, pennants, names, insignia, trademarks, or other descriptive material shall be affixed or maintained upon the glass panes and supports of the show windows and doors, or upon the exterior walls of the building or store front or otherwise located within 12" of the front windows of the Leased Premises.
6. The store front shall remain illuminated while the Center remains open to the public. This requires that illuminated signs, as well as store front windows, shall be tied into Tenant's time switch/switches that will be coordinated with the hours that the Center remains open to the public.

7. Trailer or mobile signs will not be permitted.

EXHIBIT E

Rules and Regulations

Section 1. The following Rules and Regulations shall be and are hereby made a part of this Lease. TENANT, its employees and agents, and any others permitted by TENANT to occupy or enter the Leased Premises, will at all times abide by these Rules and Regulations. A default in the performance and observance of these Rules and Regulations which is not cured within any applicable notice and cure period shall operate the same as any other default herein.

Section 2. The sidewalks, entries, passages, and stairways shall not be obstructed or used for any purpose other than ingress and egress to and from the Leased Premises. Furniture, equipment, or supplies shall be moved in or out of the Leased Premises only during regular business hours or at such other time as LANDLORD may permit in writing.

Section 3. Signs, notices, advertisements, or other inscriptions shall not be placed upon the transoms or upon any other part of the Leased Premises except upon the glass of the doors and windows opening from the Common Areas into the Leased Premises. The light through the transoms and glass partitions opening into the halls or sidewalks and other parts of the Leased Premises shall not be obstructed in any way by TENANT.

Section 4. Plumbing and plumbing fixtures shall not be used for any purpose other than that for which the same is intended, and any damage resulting to the same from the misuse on the part of TENANT, its agents or employees, shall be paid for by TENANT. No person shall waste water by tying back or wedging the faucets, or in any other manner.

Section 5. No animals shall be allowed in the Leased Premises or any other portion of the Leased Premises buildings unless expressly related to Tenant's business, such as a veterinary office, or unless they are certified service animals.

Section 6. Bicycles or other vehicles, other than those that may be for sale within Tenant's business, shall not be permitted in the Leased Premises buildings and must be placed on dedicated bicycle racks at all times. No obstruction of sidewalks or entrances of the Leased Premises by such be permitted.

Section 7. No person shall disturb the occupants of the Leased Premises by the use of radio or musical instruments or by the making of loud or improper noises.

Section 8. TENANT shall not allow anything to be placed on the outside window ledges of the Leased Premises, nor shall anything be thrown by TENANT, its agents or employees, out of the windows or doors, or down the courts or skylights of the Leased Premises, if any.

Section 9. No additional lock or locks shall be placed by TENANT on any door in the Leased Premises unless written consent of LANDLORD is first obtained. A reasonable number of keys to the Leased Premises will be furnished by LANDLORD, and neither TENANT nor its agents or employees shall have any duplicate keys made. At the termination of this tenancy, TENANT shall promptly return to LANDLORD all keys to the Leased Premises.

Section 10. No awnings shall be placed over the windows except by the consent of LANDLORD.

Section 11. TENANT, before closing and leaving the Leased Premises at any time, shall see that all windows are closed, in order to avoid possible damage from fire, storm, or freezing.

Section 12. TENANT shall not install or operate any steam or gas engine or boiler, or carry on any mechanical business, in the Leased Premises. The use of oil, gas or inflammable liquids for heating, lighting or any other purpose is expressly prohibited. Explosives or other articles deemed extra hazardous shall not be brought into the Leased Premises.

Section 13. TENANT shall not mark upon, paint signs upon, cut, drill into, drive nails or screw into, or in any way deface the walls ceilings, partitions or floors of the Leases Premises or of the buildings in which the same are located, except after receiving LANDLORD'S written permission. Any defacement, damage or injury caused by TENANT, its agents or employees, shall be paid for by TENANT.

Section 14. Tenant and Tenant's employees shall park their cars only in the parking areas designated for the Center, provided such designated areas are reasonably and safely accessible to the Leased Premises.

Section 15. Tenant shall keep the Leased Premises free and clear of rodents, bugs, vermin, and Tenant shall use, at its cost and at such intervals as Landlord shall reasonably require, a reputable pest extermination contractor to provide extermination services in the Leased Premises.

Section 16. The Leased Premises shall be open for business, fully stocked and fully-fixtured during Tenant's standard business hours, which shall consist of a minimum of six (6) days per week, seven (7) hours day, starting with the Commencement Date, excluding days Tenant is closed for Easter, Thanksgiving, Christmas, State of Colorado or national holidays, reasonable time for remodeling or restocking, reasonable time to complete casualty repairs, or other similar events during the minimum hours established by Landlord.

EXHIBIT F**LEASE GUARANTY**

In order to induce **LSP Coal Creek, LLC**, a Texas limited liability company ("**Landlord**"), to enter into that certain Commercial Lease dated _____ (the "**Lease**") between Landlord and **SCISSORS AND SCOTCH COAL CREEK LLC**, a Colorado limited liability company, d/b/a Scissors & Scotch ("**Tenant**"), and in consideration of the benefits inuring to each of the undersigned (collectively, "**Guarantor**") under said Lease, the receipt and sufficiency of which is represented by Guarantor to Landlord to be sufficient and adequate, Guarantor hereby unconditionally guarantees the performance of all of Tenant's obligations under the Lease, including, without limitation, performance and completion of Tenant's Work and the payment of Rent as provided therein, subject to the terms and limitations set forth in this Lease Guaranty (this "**Guaranty**"). This Guaranty shall remain in full force throughout the original Lease term and any renewals thereof, subject to the Guaranty Release provisions defined below. The obligations of Guarantor hereunder shall survive any termination of the Lease by reason of any Event of Default. This Guaranty shall be binding upon Guarantor and Guarantor's heirs, legal representatives, successors, and assigns, and shall inure to the benefit of Landlord and its successors and assigns. The liability of each undersigned Guarantor shall be joint and several. Any capitalized terms used but not defined in this Guaranty shall have the meanings ascribed to such terms in the Lease.

This Guaranty is a guaranty of payment and performance and not of collection. Guarantor hereby waives notice of acceptance of this Guaranty and all other notices in connection herewith or in connection with the liabilities, obligations, and duties guaranteed hereby, including notices to it of default by Tenant under the Lease, and hereby waives diligence, presentment, protest, and suit on the part of Landlord in the enforcement of any liability, obligation, or duty guaranteed hereby. Guarantor further agrees that Landlord shall not be first or concurrently required to enforce against Tenant or any other person, any liability, obligation, or duty guaranteed hereby before seeking enforcement thereof against Guarantor. The liability of Guarantor shall not be affected by any indulgence, compromise, settlement, or variation of terms which may be extended to Tenant by Landlord, or agreed upon by Landlord or Tenant, and shall not be affected by any assignment or sublease by Tenant of its interest in the Lease, nor shall the liability of Guarantor be affected by the insolvency, bankruptcy (voluntary or involuntary), or reorganization of Tenant, nor by the voluntary or involuntary liquidation, sale, or other disposition of all or substantially all of the assets of Tenant, or by the release of any other guarantor. Landlord and Tenant, without notice to or consent by Guarantor, may at any time or times enter into such modifications, extensions, amendments, or other covenants respecting the Lease as they may deem appropriate, and Guarantor shall not be released thereby but shall constitute to be fully liable to the performance of all obligations and duties of Tenant under the Lease as modified, extended or amended.

Guarantor does hereby absolutely and unconditionally guarantee to Landlord that in the event Tenant or Tenant's contractor fail to timely perform and complete Tenant's Work in accordance with the Lease, including the timely payment of any and all sums arising thereunder, then Guarantor shall take all such actions which may be required in order to cause (1) Tenant's Work to be completed on time and in compliance with the Lease, and (2) all sums due and arising under Tenant's Work to be paid in full.

Guarantor further agrees (1) to indemnify and hold harmless Landlord from against any claims, damages, expenses, or losses, including to the extent permitted by law, the reasonable fees of an attorney, resulting from or arising (a) out of any breach of the Lease by Tenant, or (b) by reason of Tenant's failure

to perform any and all of its obligations under the Lease, including, without limitation, the timely performance and completion of Tenant's Work and the payment of all obligations arising thereunder, and (2) to the extent permitted by law, to pay any costs or expenses, including the reasonable fees of an attorney, incurred by Landlord in enforcing this Guaranty.

Guarantor acknowledges that Landlord may assign its rights under the Lease to a third party as security for a loan to be made by such third party to Landlord, and as long as any indebtedness of Landlord shall be outstanding and such assignment of the Lease shall exist, such third party assignee shall be entitled to bring any suit, action or proceeding against the undersigned for the enforcement of any provision of this Guaranty, and it shall not be necessary in any such suit, action, or proceeding to make Landlord a party thereto. This Guaranty may not be modified or amended without the prior written consent of such assignee of Landlord's interest in the Lease, and any attempted modification or amendment without such consent shall be void.

All existing and future advances by Guarantor to Tenant and all existing and future debts of Tenant to any Guarantor shall be subordinated to all obligations owed to the Landlord under the Lease and this Guaranty. Guarantor agrees that Landlord shall have no duty to advise Guarantor of information known to it regarding the financial condition of Tenant or of other circumstances bearing upon the risk of Tenant's default. Landlord shall not be required to inquire into the powers of Tenant or the officers, employees, partners, or agents acting or purporting to act on its behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Guaranty. Each Guarantor hereby represents and warrants to Landlord that such Guarantor has received a copy of the Lease, has read or had the opportunity to read the Lease, and understands the terms of the Lease.

If any one or more of the provisions of this Guaranty shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Guaranty, and this Guaranty shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. This Guaranty shall be construed according to the laws of the state where the Leased Premises are located (the "**State**"). By execution hereof, the undersigned specifically consent to this choice of law designation and consent that all actions or proceedings arising directly, indirectly, or otherwise in connection with, out of, related to, or from this Guaranty or the Lease shall be litigated only in the courts located in the State, and the undersigned (i) consent and submit to the personam jurisdiction of any state or federal court locating within the State, (ii) waive any right to transfer or change the venue of litigation brought against the undersigned, and (iii) agree to service of process by mail, only to the extent permitted by and in accordance with applicable law.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, AND ACKNOWLEDGING THAT THE CONSEQUENCES OF SAID WAIVER ARE FULLY UNDERSTOOD, THE UNDERSIGNED HEREBY EXPRESSLY WAIVE THE RIGHT TO INTERPOSE ANY DEFENSE BASED UPON ANY CLAIM OF LACHES.

Notwithstanding anything to the contrary contained herein, Guarantor shall be released from its obligations under this Guaranty ("**Guaranty Release**") on the date ("**Release Date**") Tenant provides written notice ("**Release Notice**") to Landlord that Tenant is exercising this Guaranty Release provision and the following conditions are met (i) Tenant is not in default in any manner under this Lease at the time the Release Notice is provided and (ii) Tenant provides Landlord with an irrevocable letter of credit in the amount specified below from an institutional bank reasonably acceptable to Landlord ("**Letter of Credit**").

If the Release Date is prior to the first anniversary of the Commencement Date, then the Letter of Credit shall be in an amount equal to three (3) years of the annual Minimum Rent in effect on the Release Date plus the unamortized value of the Tenant Allowance in effect on the Release Date. If the Release Date is on or after the first anniversary of the Commencement Date, then the Letter of Credit shall be in an amount equal to two (2) years of the annual Minimum Rent plus the unamortized value of the Tenant Allowance in effect on the Release Date.

The unamortized value of Tenant Allowance shall be determined using an interest rate of six percent (6%) per annum accruing interest from the date on which it is disbursed and repayable in equal monthly installments of principal and interest commencing on the Commencement Date and continuing on the first day of each month thereafter during the Initial Term, with the final payment due on the first day of the last month of the Initial Term and the unamortized value of Tenant Allowance as of any specified date shall be then unpaid principal of such amount as of the specified date. The Letter of Credit shall be added to and become part of the Security Deposit.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

WITNESS WHEREOF, Guarantor has caused this instrument to be executed, effective as of this _____ day of _____, 2021.

By: _____
Thomas Datwyler

Address: _____

Telephone: ____-____-____

e-mail: _____

Driver's License No.: _____

STATE OF _____ §
COUNTY OF _____ § ss.
§

BEFORE ME, the undersigned authority, on this day personally appeared Thomas Datwyler known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the ____ day of _____ 2021.

Notary Public, State of Colorado

EXHIBIT G

TENANT'S APPROVED SIGNAGE

Landlord hereby approves the typical style and letter shape of the standard Scissors and Scotch sign/logo.

EXHIBIT G-1**MONUMENT SIGNAGE**



	725 MAIN ST., LONGMONT, CO 80501 • WWW.LONGMONTSIGNCO.COM • 303-651-7668																								
<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> Customer Name: _____ Address: _____ Phone: _____ email: _____ </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> NOTES </div> <div style="border: 1px solid black; padding: 5px;"> SPECIFICATIONS <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="3">DIMENSIONS:</th> </tr> <tr> <td style="width: 33%;">H</td> <td style="width: 33%;">W</td> <td style="width: 33%;">D</td> </tr> <tr> <td>SIGN TYPE</td> <td colspan="2"></td> </tr> <tr> <td>VISIBLE OPENING</td> <td colspan="2"></td> </tr> <tr> <td>COLOR</td> <td colspan="2"></td> </tr> <tr> <td>ELECTRICAL</td> <td colspan="2"></td> </tr> </table> <p style="font-size: small; margin-top: 5px;"> ★ PRIMARY ELECTRICAL ★ CONNECTIONS MUST BE MADE BY A LICENSED ELECTRICIAN </p> </div>	DIMENSIONS:			H	W	D	SIGN TYPE			VISIBLE OPENING			COLOR			ELECTRICAL			<div style="border: 1px solid black; padding: 10px; margin: 10px auto; width: 80%;"> <div style="background-color: black; color: white; padding: 5px; text-align: center; font-weight: bold; font-size: 1.2em;"> COAL CREEK CENTER </div> <div style="border: 1px solid black; padding: 5px; margin: 5px auto; width: 90%;"> <div style="background-color: white; color: black; padding: 5px; text-align: center; font-weight: bold; font-size: 1.2em;"> Starbucks Coffee </div> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 50%; padding: 5px; font-weight: bold; font-size: 1.1em;">Viet Pho</td> <td style="width: 50%; padding: 5px; font-weight: bold; font-size: 1.1em;">Summit Optical</td> </tr> <tr> <td style="padding: 5px; font-weight: bold; font-size: 1.1em;">Dentist</td> <td style="padding: 5px; font-weight: bold; font-size: 1.1em;">Nail Salon</td> </tr> <tr> <td style="padding: 5px; font-weight: bold; font-size: 1.1em;">Cleaners</td> <td style="padding: 5px;"></td> </tr> </table> </div> <div style="background-color: #d2b48c; width: 100%; height: 100px; margin-top: 10px;"></div> <div style="text-align: center; margin-top: 5px;">  </div> </div> <div style="position: absolute; right: 10px; top: 350px; transform: rotate(90deg);"> 10ft </div> <div style="position: absolute; bottom: 10px; left: 10px;"> 8ft </div>	Viet Pho	Summit Optical	Dentist	Nail Salon	Cleaners	
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VISIBLE OPENING																									
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ELECTRICAL																									
Viet Pho	Summit Optical																								
Dentist	Nail Salon																								
Cleaners																									
PERMIT COST NOT INCLUDED	SIGNATURE FOR SIGN DESIGN AND PRODUCTION APPROVAL: _____																								
	DATE: _____																								

EXHIBIT H

LEASE MEMORANDUM

SHORT FORM MEMORANDUM OF LEASE

THIS SHORT FORM MEMORANDUM OF LEASE (this “Memorandum”) is dated as of _____, 2021, and is a short form or memorandum of that certain Commercial Lease dated _____, 2021, by and between LSP COAL CREEK, LLC, a Texas limited liability company (“Landlord”), and SCISSORS AND SCOTCH COAL CREEK LLC, a Colorado limited liability company, d/b/a Scissors & Scotch (“Tenant”). Capitalized terms not defined herein shall have the meanings given them in the Lease.

WITNESSETH:

1. **Premises.** In consideration of the sum of One Dollar (\$1.00) in hand paid by Tenant to Landlord, the receipt and sufficiency of which is hereby acknowledged, and other good and valuable consideration, as more fully described and set forth in said Lease, Landlord has let and Tenant has taken and hired from Landlord according to the terms of said Lease approximately 2,000 square feet of floor space (the “Leased Premises”) located in a development known or to be known as “Coal Creek Center” situated in the City of Erie, County of _____, and State of Colorado, on land legally described on Exhibit A attached hereto and made a part hereof (the “Property”).

2. **Term of the Lease.** The Lease Term commences upon the Commencement Date and continues for a period of ten (10) years thereafter. Tenant has two (2) options to extend the Lease Term for periods of five (5) years each.

3. **Leased Permitted Use.** Tenant shall use the Leased Premises as a first-class men’s grooming service specializing in haircuts, shaves, trims, waxing, shoeshines and modern spa services, as well as the ancillary sale of grooming and other products reasonably related thereto, as well as the addition of full-service lounge and bar serving crafted cocktails, beer, coffee and other drinks and uses reasonably related for no other purpose whatsoever without the prior written consent of Landlord, which may be withheld at Landlord’s sole discretion.

4. **Exclusive Use Rights.** So long as Tenant is operating in the Leased Premises for the Permitted Use and not in an event of default which remains uncured after all applicable cure periods, Landlord agrees that it shall not lease to another tenant within the Center whose primary business is the operation of a premium men’s barber shop and grooming lounge; provided, however, that nothing in the Lease shall limit the Landlord from leasing space in the Center to other hair cutters/salons that are not directly targeted solely towards men. Examples of other competitor premium men’s barber shops that targets solely to men are Sports Clips, Floyd’s, The Boardroom and The Gents Place.

5. **Notice.** Addresses of the parties to the Lease for purposes of notice are as follows:

If to Landlord: LSP Coal Creek, LLC
710 Lions Head, Suite D
Vail, CO 81657

If to Tenant: SCISSORS AND SCOTCH COAL CREEK LLC
455 Carriage Ln Suite B
Hudson WI 54106
Attn: Brian Chatwin

With a copy to: Spencer Fane LLP
1700 Lincoln St., Suite 2000
Denver, CO 80203
Attn: Kelly Shamel Vos

6. All other terms of the said Lease are as set forth therein. This instrument may be executed in any number of counterpart copies, each of which counterpart copies shall be deemed an original for all purposes.

[Remainder of Page Left Intentionally Blank; Signature Page Follows]

Exhibit A to Short Form Memorandum of Lease

Legal Description of the Property