

## LEASE

THIS LEASE (this "**Agreement**") is entered into as of August \_\_, 2013 (the "**Effective Date**"), by SETON CORPORATION, a Tennessee nonprofit corporation (the "**Landlord**"), on the one hand, and, on the other, Rutherford County, Tennessee (the "**Tenant**").

### WITNESSETH:

**WHEREAS**, Landlord and Tenant desire to enter into this Agreement in order to provide the site upon which Tenant shall construct and maintain a new ambulance station and emergency management facility as further described below.

**NOW, THEREFORE**, in consideration of Ten Dollars (\$10.00) cash in hand paid, the mutual agreements and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

### ARTICLE I. Basic Terms

**1.1 Premises.** Tenant hereby leases from Landlord and Landlord hereby leases to Tenant the real property located at 611 East Lytle and 614 East Burton Street, Murfreesboro, Tennessee, as more particularly described on the attached **Exhibit A** (the demised premises as surveyed in accordance with the next sentence hereof, and as modified from time-to-time as provided in the third sentence of this Section, if applicable, being the "**Premises**"), for the Term.

**1.2 Definitions.** Initially-capitalized words and phrases in this Agreement shall have the meanings set forth in the preamble, in this Agreement and in the attached **Exhibit B**, unless otherwise required by the context in which they appear.

**1.3 Condition of Premises.** Tenant agrees that it is leasing the Premises upon its own examination and judgment and not by reason of any representation or warranty made to Tenant by or on behalf of Landlord or any representative or agent of Landlord as to its physical condition or any condition of the Premises, including the water, soil, and geology or location in a flood plain, size, present or future value, or suitability of the Premises for Tenant's intended use. Tenant accepts the Premises in an "AS IS" and "WHERE IS" condition, "**WITH ALL FAULTS**," including soil, geological, and storm drainage conditions, and the location and condition of sewer, water and utility lines. Tenant further expressly acknowledges that any information furnished by Landlord or any representative or agent of Landlord to Tenant respecting the Premises, whether oral or written, is furnished to Tenant solely as a courtesy and that Landlord has neither verified the accuracy of any statements or other information therein contained nor the qualifications of the Persons preparing such information and that neither Landlord nor any representative or agent of Landlord shall be responsible or liable therefor. Tenant expressly acknowledges that, in consideration of the agreements of Landlord herein, Landlord makes no warranty or representation, express or implied, or arising by operation of

law, including any warranty of title, condition, habitability, merchantability or fitness for a particular use or purpose, with respect to the Premises. This Agreement shall be subject to all easements, encumbrances and other matters of record with the Register's Office for Rutherford County, Tennessee, as of the Effective Date. If Tenant reasonably determines that the condition of the Premises is not sufficient to support the Required Use, Tenant may terminate this Agreement, by notice to Landlord given not more than thirty (30) days following the Effective Date. It is also hereby agreed as follows:

(a) The Parties hereby agree that they shall record or cause to be recorded an executed Memorandum of this Agreement in the form attached hereto as **Exhibit C**, within thirty (30) days after the request of either Party, at the sole cost and expense of Tenant.

(b) Tenant shall keep the Premises in a clean, neat, and orderly condition, free from accumulations of waste materials. Before completing the installation work, Tenant shall remove from the Premises any rubbish, tools, scaffolding, equipment, and materials and leave the area in a clean, neat, and orderly condition.

## ARTICLE II. Term

**2.1 Term and Termination.** The term of this Agreement shall commence on the Effective Date and shall terminate on the fiftieth (50th) anniversary of the Effective Date, unless otherwise earlier terminated pursuant to terms and provisions contained herein (the "**Term**").

## ARTICLE III. Rent

**3.1 Rent Generally.** Tenant will pay as and when due in lawful money of the United States of America the Base Rent and Additional Rent, during the Term, without deduction or offset of any kind.

**3.2 Base Rent.** Landlord acknowledges receipt of rent in the amount of Fifty Dollars (\$50.00) as payment in full for the rent for the entire Term (the "Base Rent"). If Tenant, with Landlord's consent, remains in possession of the Premises or any part of it after the expiration of the Term, such occupancy shall be a tenancy from month-to-month subject to all provisions of this Agreement pertaining to Tenant's obligations and Landlord shall be entitled to the benefit of all laws respecting wrongful detainer and recovery of possession. Any hold over occupancy by Tenant after the expiration or termination of this Agreement, without Landlord's written consent, shall be at 150% of the then-current Fair Market Rental Rate for the Premises. Tenant shall pay the Fair Market Rental Rate to Landlord within ten (10) days after it is determined. "Fair Market Rental Rate" means the fair market rental rate for the Premises, which shall be determined by the mutual agreement of both Landlord and Tenant, if possible. If the parties are unable to agree to the Fair Market Value within thirty (30) days after the written request be either party, then the Fair Market Value shall be determined by an M.A.I. appraiser with at least six (6) years experience appraising property in the Rutherford County area appointed by Landlord, which determination shall be binding on all parties.

**3.3 Additional Rent; Rent.** In addition to the Base Rent, Tenant shall also pay and discharge when due and payable all other amounts, liabilities, and obligations which Tenant assumes or agrees to pay under this Agreement (the "**Additional Rent**"). Tenant shall pay Additional Rent at the times set forth in this Agreement. If Tenant defaults in the payment of any Additional Rent beyond the notice and cure period set forth in Section 10.1(a), Landlord shall have all the rights, powers and remedies with respect thereto as are provided herein or by applicable laws in the case of nonpayment of Base Rent. Base Rent and Additional Rent are sometimes collectively referred to herein as "**Rent**." Where no other time is stated for the payment of any item of Rent hereunder, the same shall be due and payable within thirty (30) days after Tenant's receipt of Landlord's written demand therefor or the written demand of any third Person entitled to receive the same directly.

#### **ARTICLE IV. Utilities; Taxes**

**4.1 Landlord's and Tenant's Obligations.** Tenant shall contract for any utility services that it needs or desires in its own name and shall be solely responsible for paying for such services.

**4.2 Interruption of Service.** Landlord shall not be liable to Tenant for any damages resulting from any such failure or interruption of any utility service supplied to the Premises.

**4.3 Taxes.** Tenant shall be responsible for the payment of all real property taxes, sewer assessments, and payments in lieu of ad valorem taxes associated with the Premises or the Improvements, if any.

#### **ARTICLE V. Operation and Maintenance**

**5.1 Permits.** Tenant shall, at no cost or expense to Landlord during the Term of the Agreement, solely be responsible for obtaining any and all necessary licenses, permits, or other authorizations from any and all governmental authorities in order to design, construct, install, operate, maintain, repair, replace, upgrade, or otherwise use the Improvements during the Term of this Agreement.

**5.2 No Cost to Landlord.** Tenant hereby agrees that all work incident to the design, construction, installation, operation, maintenance, repair, replacement, upgrade, or other use of the Improvements and the Premises shall be performed by or on behalf of Tenant, without cost or expense to Landlord.

**5.3 Maintenance and Repair.** The parties hereby agree that, during the Term of this Agreement, all Improvements will be owned by Tenant. Any repair or maintenance of the Improvements will be completed by and for Tenant, at its sole cost and expense, for Tenant's benefit as legal and beneficial owner of the Improvements. Tenant hereby agrees that all work performed by it, its employees, officers, directors, independent contractors, subcontractors, or other agents, including those parties charged with designing, constructing, installing, operating, maintaining, repairing, replacing, upgrading, or otherwise using the Improvements as contemplated by this Agreement or any addenda hereto shall be performed in accordance with

and shall comply in all material respects with all Legal Requirements. Tenant hereby agrees that any design, construction, installation, operation, maintenance, repair, replacement, upgrade, or other use of the Improvements shall be performed in accordance with the terms and provisions of this Agreement.

**5.4 Right to Contest.** Tenant shall have the right to contest by appropriate judicial or administrative proceedings, without cost or expense to Landlord, the validity or application of any law, ordinance, order, rule, regulation or other Legal Requirements requiring Tenant to repair, maintain, alter or replace the Improvements in whole or in part, and Tenant shall not be in default for failing to do such work until a reasonable time following final determination of Tenant's contest.

**5.5 Liens.** Tenant hereby agrees that it shall not directly or indirectly cause, create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics', labor or materialman's lien), charge, security interest, encumbrance or Claim of any nature (collectively referred to as "**Liens**") on or with respect to the Premises, or any of the appurtenances thereto of Landlord. Tenant also shall pay promptly before a fine or penalty may attach to the Premises any taxes, charges or fees of whatever type of any relevant governmental authority, relating to any work performed hereunder by Tenant or its independent contractors, subcontractors, or other agents on the Improvements or the Premises. If Tenant breaches its obligations under this Section 5.5, it shall promptly cause such Lien to be discharged and released of record without cost to Landlord, and pay all costs and expenses (including reasonable attorneys' fees and expenses and reasonable court costs and expenses) incurred in by Tenant or Landlord in discharging and releasing such Lien. If, within thirty (30) days after Tenant's notice of a Lien against the Premises resulting from any construction, (a) Tenant does not post a bond or other security reasonably acceptable to Landlord, (b) a final judgment has been rendered against Tenant by a court of competent jurisdiction for the foreclosure of a mechanic's or materialman's lien Claim relating to the Premises, and (c) Tenant fails to stay the execution of the judgment by lawful means or to pay the judgment, Landlord shall have the right, but not the duty, to pay or otherwise discharge, stay or prevent the execution of any such judgment or lien or both. All such payments by Landlord shall be for Tenant's account and shall be due and payable by Tenant as Additional Rent.

## **ARTICLE VI. Required Use**

**6.1 Required Use.** The building that houses the ambulances on the Premises as of the Effective Date, as opposed to the administrative office building, shall be demolished and replaced with a new building that will house the ambulance service (the "New Ambulance Building"), which New Ambulance Building shall be complete and in operation within two (2) years after the Effective Date, subject to Unavoidable Delays as provided in Section 12.14. Landlord shall have the right to approve the design of the New Ambulance Building, such approval not to be unreasonably withheld. In the event that Tenant does not obtain approval by its County Commission of the construction of the New Ambulance Building, as approved by Landlord, within ninety (90) days of the Effective Date, Landlord may give Tenant written notice terminating this Agreement, and unless Tenant obtains such approval within forty-five (45) days thereafter, this Agreement shall terminate. The Premises shall be used by Tenant in accordance

with all Legal Requirements and exclusively for constructing, installing, and continuously operating an emergency services facility containing not less than two (2) ambulances serving the community, and emergency management administrative offices (collectively, the "Required Use"), and such other uses as Landlord may approve, which approval may be granted or withheld in Landlord's sole and absolute discretion, it being agreed and understood that Tenant's continuous operation of an emergency ambulance service for the community at the Premises is in consideration for the below market Base Rent that Landlord has charged for the Premises. Tenant's obligation to continuously provide the Required Use is subject to Unavoidable Delays as provided in Section 12.14.

**6.2 Injunctive Relief.** The Required Use in this Article VI is a critical component of the consideration due Landlord for Landlord's entering into this Agreement and shall be deemed to be covenants burdening Tenant's leasehold interest in this Agreement for the benefit of the fee and Landlord's leasehold interest in the Premises. Landlord shall have the right to enforce this Article VI directly against Tenant. Any breach of this Article VI by Tenant shall be deemed to cause irreparable injury to Landlord for which Landlord has no adequate remedy at law and for which Landlord is entitled to equitable relief. Accordingly, if a violation of this Article VI occurs and is not cured within forty-five (45) calendar days after Tenant's receipt of written notice from Landlord, then Landlord (without limiting Landlord's other remedies for breach hereunder, including, without limitation the right to terminate this Agreement) shall be entitled to injunctive relief (without the necessity of posting bond or security, which requirement Tenant hereby waives) to restrain the violation of this Article VI.

**6.3 Waste; Nuisance.** Tenant shall not commit, and shall not permit any other Person to commit, any waste to the Premises. Tenant shall not cause or maintain, and shall not permit any other Person to cause or maintain, a nuisance on the Premises.

**6.4 Hazardous Materials.**

(a) Use of Hazardous Materials. Neither Tenant nor any Tenant Party shall use, generate, manufacture, refine, produce, process, store or dispose of any Hazardous Materials in, on, under or about the Premises or any other portion of the Premises or transport any Hazardous Materials to or from the Premises, except in strict compliance with all applicable Hazardous Materials Laws and all other Legal Requirements. Tenant and the Tenant Parties shall, at their own expense, procure, maintain in effect and comply with all conditions of all Legal Requirements and all permits, licenses and other governmental and regulatory approvals required for the storage, transportation or use by Tenant or any of the Tenant Parties of Hazardous Materials in, on, under or about the Premises, including discharge of appropriately treated materials or wastes into or through any sanitary sewer serving the Premises.

(b) Remediation of Hazardous Materials. If any contamination at the Premises or any other portion of the Premises by Hazardous Materials exists or occurs at any time and such contamination is caused (whether by affirmative act or failure to act) by Tenant or any of the Tenant Parties (collectively, "**Tenant Responsible Contamination**"), then Tenant and the Tenant Parties, at their sole cost and expense, shall promptly and diligently remove such Hazardous Materials from the Premises, as applicable, or the water underlying the Premises in accordance with applicable Hazardous Materials Laws, as and to the extent required by

applicable governmental authorities. Notwithstanding the foregoing, Tenant shall not take any required remedial action in response to any Tenant Responsible Contamination in or about the Premises or enter into any settlement agreement, consent, decree or other compromise in respect to any Claims relating to any Tenant Responsible Contamination, without first notifying Landlord of Tenant's intention to do so and affording Landlord the opportunity to appear, intervene or otherwise appropriately assert and protect Landlord's interest with respect thereto. If Tenant does not promptly and diligently take all steps to prepare any remediation plan required for any Tenant Responsible Contamination, obtain promptly and diligently all necessary approvals for such remediation plan, and thereafter commence the required remediation within a reasonable period of time after Landlord has approved Tenant's remediation plan and all other necessary approvals and consents have been obtained, and thereafter continue to diligently prosecute said remediation to completion in accordance with the approved remediation plan, Landlord, in its sole and absolute discretion, may cause said remediation to be accomplished, and Tenant shall reimburse Landlord therefor within thirty (30) days of Landlord's demand for reimbursement of all reasonable amounts paid by Landlord. Tenant shall promptly deliver to Landlord copies of all hazardous waste manifests, and otherwise deliver such information to Landlord as Landlord may require, to evidence the proper disposal of all Hazardous Materials removed from the Premises or other portion of the Premises as part of Tenant's remediation of any Tenant Responsible Contamination.

(c) Disposal of Hazardous Materials. Tenant shall cause all Hazardous Materials for which Tenant or any Tenant Parties are responsible or that Tenant elects or is required to remove pursuant to this Section 6.4 to be removed and transported in strict compliance with all Hazardous Materials Laws and all other Legal Requirements and solely by duly licensed haulers to duly licensed facilities for final disposal of such Hazardous Materials.

(d) Notice of Hazardous Materials Matters. Tenant shall immediately notify Landlord in writing of (i) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated or threatened concerning the Premises pursuant to any Hazardous Materials Laws; (ii) any Claim made or threatened by any Person against Tenant or the Premises relating to damage contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials on or about the Premises; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Premises, including any complaints, notices, warnings or asserted violations in connection therewith, all on receipt by Tenant of knowledge of any of the foregoing matters. Tenant shall also supply to Landlord as promptly as possible, and in any event within ten (10) days after Tenant first receives or sends the same, copies of all Claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Premises or Tenant's use thereof. Tenant shall pay all Claims against Landlord or Tenant, actions, causes of action, liabilities, penalties, forfeitures, damages, losses or expenses (including reasonable attorneys' fees and costs incurred by Landlord in the defense thereof through litigation and all appeals) incurred by Landlord or Tenant resulting from death of or injury to any Person or damage to any property whatsoever, to the extent resulting from (i) any Tenant Responsible Contamination, (ii) Tenant's failure to comply with any Hazardous Materials Laws with respect to the Premises, or (iii) a breach of any covenant, warranty or representation of Tenant under this Section 6.4. Tenant's obligations hereunder shall include all costs of any required or necessary repair, cleanup or detoxification or decontamination of the Premises or any

other portion of the Premises necessary as the result of Tenant Responsible Contamination, and the preparation and implementation of any closure, remedial action or other required plans in connection therewith.

(e) Survival. The provisions of this Section 6.4 shall survive any termination or expiration of this Agreement.

## ARTICLE VII. Assignment; Subletting

### 7.1 Assignment; Right of First Offer.

(a) Tenant shall not transfer, sale, convey, or assign this Agreement, or sublet the Premises, to any other party without the prior written approval of Landlord, which approval may be granted or withheld by Landlord in its sole and absolute discretion; provided that if Tenant ceases to provide ambulance services to the community, and the City of Murfreesboro, Tennessee (the "City"), undertakes to do so, then Tenant may assign this Agreement to the City pursuant to a written assignment and assumption agreement that is reasonably satisfactory to Landlord.

(b) If during the Term Landlord determines to sell the Premises (a "Transaction"), Landlord shall first send a written statement (the "Transaction Statement") to Tenant detailing the basis on which Landlord desires to sell the Premises.

(i) Tenant shall have thirty (30) days from and after its receipt of a Transaction Statement to notify Landlord, in writing, of whether it is interested in acquiring the Premises. In the event Tenant notifies Landlord that it is interested in acquiring the Premises within the aforementioned thirty (30) day period, Landlord and Tenant shall endeavor, in good faith and with reasonable diligence, to agree upon the terms of the purchase and sale of the Premises and the form of a written contract of sale (the "Sale Agreement"). If Tenant and Landlord do not agree upon a Sale Agreement within forty-five (45) days after the Transaction Statement therefor is delivered to Tenant, then, subject to the provisions of (ii) below, either party may terminate negotiations and Landlord shall be free to pursue the Transaction to other prospective purchasers. If Tenant does not notify Landlord, in writing, that it is interested in acquiring the Premises within thirty (30) days after Tenant's receipt of such Transaction Statement, then, subject to the provisions of (c) below, this right of first offer shall terminate with respect to such Transaction Statement and Landlord shall be free to pursue the Transaction with other prospective purchasers.

(ii) In the event that Landlord fails to enter into a purchase and sale agreement with a third party within one hundred eighty (180) days from the date of the delivery of the Transaction Statement to Tenant in substantial conformance with the description thereof set forth in the Transaction Statement, then this right of first offer shall not terminate, it being agreed that any material changes which are made to such proposed Transaction from the description in the Transaction Statement (a reduction in the proposed purchase price of more than ten percent (10%) from that set forth in the Transaction Statement being deemed to be material, but of less than ten percent (10%) shall be deemed to be immaterial) shall result in the

same being considered a new Transaction Statement and all of the provisions of this section shall again apply thereto.

**ARTICLE VIII.  
Insurance**

**8.1 Insurance Policy Form, Content, Insurer.** Subject to the self-insurance provisions of Section 8.5(b), All insurance required of Tenant on the Premises, other than that for Workmen's Compensation coverage, shall be for the protection of Landlord and Tenant against their respective risks and liabilities in connection with the design, construction, installation, operation, maintenance, repair, replacement, upgrades, or other use of the Premises. Insurance required hereunder shall be in such form, for such periods of time, and with such insurers as Landlord may approve, such approval not to be unreasonably withheld, qualified or delayed (each, an "**Insurance Policy**"). A certificate of insurance or a certified copy of each policy of insurance shall be furnished to Landlord within ten (10) days after the Effective Date. Tenant agrees that, to the extent commercially available, but in no case less than thirty (30) days prior to the expiration of any Insurance Policy required by this Agreement, it will furnish to Landlord a certificate of insurance and a certified copy of each renewal policy to cover the same risks. All Insurance Policies of Tenant shall name Landlord as an additional insured, except for the Workman's Compensation Insurance Policy. Should Tenant desire to carry all or part of the insurance coverage to be carried by Tenant pursuant to this Agreement through self-insurance and/or under a "blanket" policy or policies covering other properties of Tenant, Tenant's parent corporation, its subsidiaries, or controlling or affiliated entities, or of any assignee of this Agreement, such methods of insurance shall be deemed in compliance with Tenant's obligations under this Agreement, as to both original coverage and renewals.

**8.2 Premises "All-Risk" Insurance.** Throughout the Term, Tenant shall purchase and maintain insurance policies insuring against, but not limited to, the following risks with respect to the Premises and all Improvements located thereon:

(a) Loss or damage by fire, vandalism and malicious mischief, extended coverage perils commonly known as special form perils, sinkhole and windstorm in an amount not less than the replacement cost of the Premises and Improvements and including a building ordinance coverage endorsement and without deduction for depreciation; and

(b) Loss or damage by explosion of steam boilers, pressure vessels or similar apparatus, now or hereafter installed in the Improvements, in an amount not less than the replacement cost of all Improvements.

**8.3 Other Coverage.** Throughout the Term, Tenant shall purchase and maintain, comprehensive general liability insurance, Automotive Liability insurance covering owned, non-owned and hired automotive, Comprehensive Umbrella/Excess Liability insurance and Workman's Compensation insurance in the following amounts:

TYPE OF INSURANCE	MINIMUM COVERAGE		
	Per Person	Per Accident	Premises
1. Comprehensive General Liability	\$2,000,000	\$2,000,000	\$1,000,000
2. Automobile Liability	\$500,000	\$500,000	\$100,000

3. Umbrella Liability	\$5,000,000
4. Workman's Compensation	As required by Tennessee law

Landlord may periodically require that the foregoing amounts be increased based upon inflation based upon the change in the Consumer Price Index or another recognized index reasonably acceptable to the Parties.

**8.4 Proceeds.** Except as otherwise provided for herein, all insurance proceeds from the property insurance shall be paid to Tenant and shall be applied by Tenant for the repair, restoration or reconstruction of any Improvements damaged or destroyed by the casualty.

**8.5 Failure to Maintain Insurance; Self Insurance.**

(a) If Tenant fails to procure or maintain any insurance required hereunder, Landlord shall have the right, but in no event shall be obligated, at Landlord's election and without any notice to Tenant, to procure and maintain such insurance on Tenant's account. Landlord shall give Tenant prompt written notice of the payment of any insurance premiums by Landlord, stating the amounts paid and the names of the insurer or insurers under such insurance policies. Any sums paid by Landlord hereunder shall be immediately due and payable as Additional Rent.

(b) Notwithstanding anything to the contrary, Tenant shall have the right to self-insure, in lieu of maintaining all or any portion of the insurance required under this Section 8, so long as Tenant provides Landlord, upon Landlord's request, with a certification letter or other evidence reasonably satisfactory to Landlord confirming that Tenant is covered under such self insurance program. If Tenant elects to self-insure instead of maintaining any insurance required under this Section 8, Tenant shall pay, and shall pay Landlord's reasonable attorneys' fees incurred in defense of, all costs, expenses, damages, Claims, losses and liabilities that would have been covered by such insurance had it been issued by a third party insurance company in accordance with the requirements of this section.

**8.6 Claims.** Tenant shall pay all Claims, actions, causes of action, liabilities, penalties, forfeitures, damages, losses or expenses (including reasonable attorneys' fees and costs incurred by Landlord in the defense thereof through litigation and all appeals) resulting from death of or injury to any Person or damage to any property whatsoever, to the extent resulting from or in connection with Tenant's use or enjoyment of the Premises hereunder; or any breach by Tenant of any of its warranties and representations under this Agreement or any breach or default on the part of Tenant in the performance of any covenant contained in this Agreement.

**ARTICLE IX.  
Reconstruction**

**9.1 Damage or Destruction.** If any of the Improvements shall be damaged by fire or other casualty during the Term, Tenant shall, at its own cost and expense, promptly and diligently repair, restore and replace the same substantially in compliance with the original plans therefor or in compliance with such modified plans as shall be approved in writing by Landlord,

which approval shall not be unreasonably withheld, delayed, or conditioned, provided that if fewer than five (5) years remains in the Term, then Tenant shall have the right to terminate this Agreement by written notice to Landlord given within thirty (30) days after the date that such damage or loss occurred, provided that Tenant removes all debris and such Improvements as Landlord may designate. Tenant shall commence such work of repair, restoration or replacement to the Improvements within thirty (30) days after the earlier to occur of the date that Tenant settles the insurance Claim in connection with such casualty, or one hundred eighty (180) days after the date that such damage or loss occurred, and shall pursue the completion of such work with commercially reasonable diligence, subject to Unavoidable Delays. All insurance proceeds collected for such damage or destruction shall be applied to the cost of such repairs, restoration and replacement to the extent necessary, any excess insurance proceeds over and above the restoration or replacement cost belong to Tenant, and if there are no insurance proceeds or the available insurance proceeds shall be insufficient for said purpose, Tenant shall make up the deficiency out of its own funds.

**9.2 No Abatement.** No deprivation, impairment or limitation of use resulting from any casualty to the Premises or any construction work with respect to the Premises contemplated by this Article IX shall entitle Tenant to any offset, abatement or reduction in Rent or to any termination or extension of the Term, except as expressly provided in this Agreement.

**9.3 Landlord's Right to Terminate.** Notwithstanding any other right or remedy available to Landlord as provided for in this Agreement, if Tenant does not begin to repair, restore, or replace the Improvements within thirty (30) days after the earlier to occur of the date that Tenant settles the insurance Claim in connection with such casualty, or one hundred eighty (180) days after the date that such damage or loss occurred, subject to Unavoidable Delays, Landlord shall have the right to terminate this Agreement upon thirty (30) days written notice to Tenant; provided, however, that Landlord's notice shall be without effect if, during such thirty (30) days, Tenant commences (and thereafter diligently pursues to completion) the repair, restoration, or replacement of the Improvements.

## **ARTICLE X. Default; Remedies**

**10.1 Default.** Each of the following shall be deemed a default by Tenant:

(a) Failure to pay any sums payable to Landlord by Tenant hereunder as and when due and such default shall continue for a period of ten (10) calendar days after written notice is delivered to Tenant;

(b) Failure to perform any act to be performed by Tenant hereunder and to comply with any provision, condition, or covenant contained herein with such failure continuing for more than forty-five (45) calendar days after written notice of such failure is delivered to Tenant, provided that in the event of a default which cannot with due diligence be cured within forty-five (45) calendar days from the delivery of notice of said default, such failure shall only be a default if Tenant fails to begin attempting to cure such default within forty-five (45) calendar days from the delivery of notice of said default, fails to pursue such cure with reasonable diligence and fails to complete the cure of said default within a reasonable time thereafter; and

(c) The filing by or against Tenant of a petition under the Bankruptcy Code, as amended, or under any similar law or statute of the United States or any State thereof (unless such petition is dismissed within sixty (60) days of the filing thereof); Tenant being adjudged bankrupt or insolvent in proceedings filed against Tenant thereunder; the making by Tenant of a general assignment for the benefit of creditors; Tenant's taking the benefit of any insolvency action or law; the appointment of a permanent receiver or trustee in bankruptcy for Tenant or its assets; or the appointment of a temporary receiver for Tenant or its assets if such temporary receivership has not been vacated or set aside within forty-five (45) calendar days from the date of such appointment; or the initiation of an arrangement or similar proceedings for the benefit of creditors by or against Tenant.

**10.2 Remedies.** If any default by Tenant shall continue uncured after notice of default and beyond the cure period permitted by this Agreement, Landlord shall have the following remedies, in addition to all other rights and remedies provided hereunder (including, without limitation, under Section 6.2), by law or in equity, to which Landlord may resort cumulatively or in the alternative:

(i) Landlord may, in its sole and absolute discretion, enter upon the Premises and do whatever Tenant is obligated to do under the terms of this Agreement, and Tenant agrees to reimburse Landlord for all reasonable costs and expenses that Landlord incurs in effecting compliance with Tenant's obligations under this Agreement as Additional Rent.

(ii) Landlord may, in its sole and absolute discretion, take whatever action at law or in equity may appear necessary or desirable to collect any amounts then due and thereafter to become due hereunder, or to enforce performance and observance of any obligation, agreement or covenant of Tenant.

(iii) Landlord may, in its sole and absolute discretion, terminate this Agreement upon written notice to Tenant, in which event Tenant shall immediately cease Tenant's normal business operations at the Premises.

**10.3 No Accord and Satisfaction.** Neither the acceptance by the non-defaulting party of a lesser amount than due hereunder, nor any endorsement or statement on a check or an instrument accompanying any payment shall be deemed an accord and satisfaction, and the non-defaulting party may accept any such check or payment without prejudicing its right to recover all outstanding amounts due under this Agreement and to pursue all remedies available to it at law or in equity.

**10.4 Performance.** The failure of a party hereto to insist in any one or more instances upon strict performance of any of the terms, covenants or conditions of this Agreement shall not be construed as a waiver or relinquishment of the party's right to the future performance of any such terms, covenants, or conditions and all obligations with respect to such future performance shall continue in full force and effect. No agreement, term, covenant or condition hereof to be performed or complied with by a Party, and no breach thereof, shall be waived, altered or modified except as by a written instrument executed by the Party against whom enforcement is sought. No waiver of any breach shall affect or alter this Agreement, but each and every