

Ord.

2010-0417

INTRODUCED BY: V.J. ST. PIERRE JR., PARISH PRESIDENT
(DEPT. OF ECONOMIC DEVELOPMENT & TOURISM)

ORDINANCE NO. 10-12-10

An ordinance to rescind Ordinance No. 10-9-4 and to approve and authorize a property Lease Agreement between Goodwill Industries of Southeastern Louisiana, Inc., and the Parish of St. Charles for a Business Incubator at 917 Third Street in Norco.

WHEREAS, the Parish of St. Charles, State of Louisiana, is authorized and empowered under the laws of the State of Louisiana, including particularly Section 4717.2 of Title 33 of the Louisiana Revised Statutes of 1950 to lease property to further its purposes of promoting and encouraging industrial and commercial development; and,

WHEREAS, the St. Charles Parish Council adopted Ordinance No. 07-9-2 on September 4, 2007 approving a property Lease Agreement between River Parishes Community Development Corporation and the Parish of St. Charles for a Business Incubator at 917 Third Street in Norco; and,

WHEREAS, River Parishes Community Development Corporation requested that the Parish of St. Charles transfer their interest in said Lease to Goodwill Industries of Southeastern Louisiana, Inc.; and,

WHEREAS, the St. Charles Parish Council adopted Ordinance No. 10-9-4 which transferred the interest of said Lease to Goodwill Industries of Southeastern Louisiana, Inc.; and,

WHEREAS, Ordinance No. 10-9-4 does not include terms Goodwill Industries of Southeastern Louisiana, Inc., and St. Charles Parish deemed necessary to fulfill project obligations; and,

WHEREAS, it is the desire of the St. Charles Parish Council to rescind Ordinance No. 10-9-4; and,

WHEREAS, pursuant to and in accordance with the provisions of the Act and a Facilities Lease by and between the Parish of St. Charles (the "Landlord") and Goodwill Industries of Southeastern Louisiana, Inc., (the "Tenant"), the Parish will rent certain property located at 917 Third Street in Norco, more fully described in the Facilities Lease, for the operation of the Tenant's business incubator program; and,

WHEREAS, it is the intent that this Facilities Lease supersedes Ordinance No. 07-9-2.

THE ST. CHARLES PARISH COUNCIL HEREBY ORDAINS:

SECTION I. That Ordinance No. 10-9-4 is hereby rescinded.

SECTION II. That the Lease Agreement between the Parish of St. Charles and Goodwill Industries of Southeastern Louisiana, Inc., for property located at 917 Third Street, Norco is hereby approved.

SECTION III. That the Parish President is hereby authorized to execute said Lease Agreement.

The foregoing ordinance having been submitted to a vote, the vote thereon was as follows:

YEAS: SCHEXNAYDRE, AUTHEMENT, RAYMOND, TASTET, BENEDETTO, HOGAN, COCHRAN, LAMBERT, NUSS

NAYS: NONE

ABSENT: NONE

And the ordinance was declared adopted this 6th day of December, 2010, to become effective five (5) days after publication in the Official Journal.

CHAIRMAN: Billy Raymond, Sr.

SECRETARY: Christina Jacob Tucker

DLVD/PARISH PRESIDENT: December 7, 2010

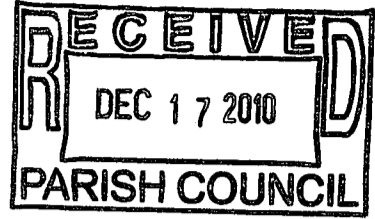
APPROVED: ✓ DISAPPROVED: _____

PARISH PRESIDENT: [Signature]

RETD/SECRETARY: December 7, 2010

AT: 3:25 pm RECD BY: [Signature]

REFERENCE
Ord. 07-9-2; Ord. 10-9-4



FACILITIES LEASE

between

PARISH OF ST. CHARLES
a political subdivision of the State of Louisiana
(Landlord)

And

GOODWILL INDUSTRIES OF SOUTHEASTERN LOUISIANA, INC.

(Tenant)

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FACILITIES LEASE

THIS LEASE ("Lease"), dated December 16, 2010 is made and entered into by and between the **PARISH OF ST. CHARLES**, a political subdivision of the State of Louisiana ("Landlord"), and **GOODWILL INDUSTRIES OF SOUTHEASTERN LOUISIANA, INC.** ("Tenant") upon the following terms and conditions:

ARTICLE I - DEFINITIONS

Unless the context otherwise specifies or requires, the following terms shall have the meanings specified herein:

1.01 **Premises.** The term "Premises" shall mean the building ("Building") and land ("Land") and all equipment located thereon, owned by St. Charles Parish located at 917 Third Street in Norco, LA, as more particularly outlined on the drawing attached hereto as Exhibit A.

1.02 **Lease Term.** The terms "Lease Term" or "Term" shall mean the period between the Commencement Date and the Expiration Date (as such terms are hereinafter defined), unless sooner terminated or renewed as otherwise provided in this Lease. However, Tenant shall be granted five (5) one (1) year options to renew this Lease, exercisable by Tenant by Thirty (30) days advance written notice to Landlord prior to the expiration of the then current Lease Term. Should such options be exercised, all terms of this Lease shall remain in full force and effect other than the increase in rent evidenced by section 1.05 hereof.

1.03 **Commencement Date.** Subject to adjustment as provided in Article 3, the term "Commencement Date" shall mean January 1, 2011.

1.04 **Expiration Date.** Subject to adjustment as provided in Article 3, the term "Expiration Date" shall mean the two year anniversary of the Commencement Date.

1.05 **Base Rent.** Subject to adjustment as provided in Article 4, the term "Base Rent" shall mean Five Hundred Forty and 00/100 Dollars (\$540) per month; and then (assuming that each applicable option to renew is exercised by Tenant) beginning on the two year anniversary of the Commencement Date and each and every month thereafter, Base Rent shall mean Six Hundred Sixty-Five and 00/100 Dollars (\$665) per month; and then beginning on the four year anniversary of the Commencement Date and each and every month thereafter, Base Rent shall mean Eight Hundred and 00/100 Dollars (\$800) per month; and then beginning on the five year anniversary of the Commencement Date and each and every month thereafter, Base Rent shall mean Nine Hundred and 00/100 Dollars (\$900) per month; and then beginning on the six year anniversary of the Commencement Date and each and every month thereafter, Base Rent shall mean One Thousand and 00/100 Dollars (\$1,000) per month.

1.06 **Security Deposit.** The term "Security Deposit" shall mean One Thousand and 00/100 Dollars (\$1,000).

1.07 **Tenant's Permitted Use.** The term "Tenant's Permitted Use" shall mean general operation of a business incubator program and no other primary use.

1.08 **Landlord's Address For Notices & Rental Payments.** The term "Landlord's Address for Notices & Rental Payments" shall mean the St. Charles Parish President's Office, Attention: Economic Development, 15012 River Road, Post Office Box 302, Hahnville, Louisiana 70057.

1.09 **Tenant's Address For Notices.** The term "Tenant's Address for Notices" shall mean Goodwill Industries of Southeastern Louisiana, Inc., 3400 Tulane Avenue, Suite 1000, New Orleans, Louisiana 70119

1.10 **Landlord Properties.** The terms "Landlord Property" or "Landlord Properties" mean, individually, collectively and interchangeably, the Building and Land.

ARTICLE II- PREMISES

2.01 **Lease of Premises.** Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, upon all of the terms, covenants and conditions contained in this Lease.

2.02 **Acceptance of Premises.** Tenant acknowledges that Landlord has not made any representation or warranty with respect to the condition of the Premises or the Building or with

respect to the suitability or fitness of either for the conduct of Tenant's Permitted Use or for any other purpose. Without limiting the foregoing, Tenant also acknowledges that Landlord has not made any representation or warranty regarding radon gas, asbestos, lead paint, indoor air quality, airborne particles, mold or any other Hazardous Substance (defined herein) in connection with the Premises or the Building, and except as concerns the contamination of or presence of Hazardous Substances which pre-exist the date of this Lease (as further set forth in Section 6.03 hereof), Tenant waives any claim against Landlord and releases Landlord from any liability in connection therewith.

ARTICLE III - TERM

3.01 Except as otherwise provided, in this Lease, the Lease Term shall be for the period commencing on the Commencement Date described in Section 1.03 of this Lease and ending on the Expiration Date described in Section 1.04 of this Lease; provided, however, that, if, for any reason, Landlord is unable to deliver possession of the Premises on the date described in Section 1.03 of this Lease, Landlord shall not be liable for any damage caused thereby, nor shall the Lease be void or voidable, but, rather, the Lease Term shall commence upon, and the Commencement Date shall be, the date that possession of the Premises is so tendered to Tenant (except for Tenant-caused delays which shall not be deemed to delay commencement of the Lease Term), and the Expiration Date described in Section 1.04 of this Lease shall be extended by an equal number of days, provided, however, that if the foregoing extension of the Expiration Date would cause the Expiration Date to occur on a date that is not the last day of the month, the Expiration Date shall be further extended to the last day of said month.

ARTICLE IV - RENTAL, ADJUSTMENTS

4.01 **Definitions.** As used herein,

(A) "Base Year" shall mean calendar year 2007.

(B) "Operating Expenses" shall mean all costs, fees, disbursements and expenses paid or incurred by or on behalf of Landlord in the operation, ownership, maintenance, insurance, management, replacement and repair of the Building, including without limitation:

(i) Salaries, wages and other amounts paid or payable for personnel including the Building manager, superintendent, operation and maintenance staff, and other employees of Landlord involved in the maintenance and operation of the Building, including contributions and premiums towards fringe benefits, unemployment, disability and worker's compensation insurance, pension plan contributions and similar premiums and contributions and the total charges of any independent contractors or property managers engaged in the operation, repair, care, maintenance and cleaning of any portion of the Building.

(ii) Cleaning expenses, including without limitation, janitorial services, and garbage and refuse removal.

(iii) Landscaping expenses, including without limitation, irrigating, trimming, mowing, fertilizing, seeding, and replacing plants.

(iv) Heating, ventilating, air conditioning and steam/utilities expenses, including fuel, gas, electricity, water, sewer, telephone, and other services.

(v) The cost of maintaining, operating, repairing and replacing components of equipment or machinery, including without limitation, heating, refrigeration, ventilation, electrical, plumbing, mechanical, elevator, escalator, sprinklers, fire/life safety, security and energy management systems, including service contracts, maintenance contracts, supplies and parts.

(vi) Other items of repair or maintenance of common elements of the Premises. (vii) The costs of policing, security and supervision of the Premises. (viii) The cost of the rental of any machinery or operation of the Premises.

(ix) Audit fees and the cost of accounting services incurred in the preparation of statements referred to in this Lease.

(x) The costs of improvements, repairs, or replacements to the Building or the equipment or machinery used in connection with the Building if the capital improvement is made after the date of this Lease and is intended to reduce Operating Expenses; provided, however, any such costs which are properly charged to a capital account shall not be included in Operating Expenses in a single year but shall instead be amortized over their useful lives, as determined by the Landlord in accordance with generally accepted accounting principles, and only the annual amortization amount shall be included in the Operating Expenses for a particular year.

(C) "Insurance Expenses" shall mean all costs, fees, disbursements and expenses paid or incurred by or on behalf of Landlord for hazard, "all risk", casualty, business income (rent loss) and liability insurance and all other insurance, obtained by Landlord in connection with or relating to the Building.

(D) "Tenant's Percentage Share" shall mean the net rentable square footage of the portion of the Building leased by Tenant divided by the total net rentable square footage of the Building.

4.02 **Base Rent.** During the Lease Term, Tenant shall pay to Landlord as rental for the Premises the Base Rent described in Section 1.05 above, subject to the following adjustments (herein collectively called the "Rent Adjustments"):

(A) During each calendar year subsequent to the Base Year and commencing on the anniversary date of the Commencement Date, the Base Rent payable by Tenant to Landlord shall be increased by Tenant's Percentage Share of the total dollar increase, if any, in Operating Expenses for such year over Operating Expenses for the Base Year (the "Operating Expense Adjustment").

(B) During each calendar year subsequent to the Base Year, the Base Rent payable by Tenant to Landlord shall be increased by Tenant's Percentage Share of the total dollar increase, if any, in Insurance, Expenses for such year over Insurance Expenses for the Base Year (the "Insurance Adjustment").

4.03 **Adjustment Procedure; Estimates.** The Operating Expense Adjustment and Insurance Adjustment specified in Sections 4.02(A) and 4.02(B) shall be determined and paid as follows:

(A) During each calendar year subsequent to the Base Year, Landlord shall give Tenant written notice of Landlord's estimate of any increased Operating Expense Adjustment and Insurance Adjustment amounts for that calendar year. On or before the first day of each calendar month during the calendar year, Tenant shall pay to Landlord one-twelfth (1/12th) of such estimated amounts; provided, however, that, not more often than quarterly, Landlord may, by written notice to Tenant, revise its estimate for such year, and subsequent payments by Tenant for such year shall be based upon such revised estimate.

(B) If the amount of the actual Insurance Adjustment or Operating Expense Adjustment is more than the estimated payments for the Insurance Adjustment or Operating Expense Adjustment for such calendar year made by Tenant, Tenant shall pay the deficiency to Landlord upon receipt of Landlord's Statement. If the amount of the actual Insurance Adjustment or Operating Expense Adjustment is less than the estimated payments for such calendar year made by Tenant, any excess shall be credited against Rent (as hereinafter defined) next payable by Tenant under this Lease or, if the Lease Term has expired, any excess thereof shall be paid to Tenant. Notwithstanding the foregoing, Tenant's right to receive any credit or payment pursuant to the preceding sentences of this Section 4.03(B) is conditioned on this Lease being in full force and effect and Tenant not being in default under this Lease on the date such credit or payment is due.

(C) If this Lease shall terminate on a day other than the end of a calendar year, the amount of the Operating Expense Adjustment and Insurance Adjustment to be paid pursuant to Sections 4.02(A) and 4.02(B) that is applicable to the calendar year in which such termination occurs shall be prorated on the basis of the number of days from January 1 of the calendar year to the termination date bears to 365. The

termination of this Lease shall not affect the obligations of Landlord and Tenant pursuant to Sections 4.03(B) and 4.03(C) to be performed after such termination.

4.04 Payment. Concurrently with the execution hereof, Tenant shall pay Landlord Base Rent for the first calendar month of the Lease Term. Thereafter the Base Rent described in Section 1.05, as adjusted in accordance with Section 4.02, shall be payable in advance on the first day of each calendar month. If the Commencement Date is other than the first day of a calendar month, the prepaid Base Rent for such partial month shall be prorated in the proportion that the number of days this Lease is in effect during such partial month bears to the total number of days in the calendar month. All Rent, and all other amounts payable to Landlord by Tenant pursuant to the provisions of this Lease, shall be paid to Landlord, without notice, demand, abatement, deduction or offset, in lawful money of the United States at the address set forth in Section 1.08 or to such other person or at such other place as Landlord may designate from time to time by written notice given to Tenant. No payment by Tenant or receipt by Landlord of a lesser amount than the correct Rent due hereunder shall be deemed to be other than a payment on account; nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed to effect or evidence an accord and satisfaction; and Landlord may accept any check or payment without prejudice to Landlord's right to recover the balance or pursue any other remedy in this Lease or at law or in equity provided.

4.06 Late Charge; Interest. Tenant acknowledges that the late payment of Base Rent or any other amounts payable by Tenant to Landlord hereunder (all of which shall constitute additional rent to the same extent as Base Rent) will cause Landlord to incur administrative costs and other damages, the exact amount of which would be impracticable or extremely difficult to ascertain. Landlord and Tenant agree that if Landlord does not receive any such payment on or before five (5) days after the date the payment is due, Tenant shall pay to Landlord, as additional rental, a late charge equal to ten percent (10%) of the overdue amount to cover such additional administrative costs.

4.07 Additional Rental. For purposes of this Lease, all amounts payable by Tenant to Landlord pursuant to this Lease, whether or not denominated as such, shall constitute additional rental hereunder. Such additional rental, together with the Base Rent and Rent Adjustments, shall sometimes be referred to in this Lease as "Rent".

ARTICLE V - SECURITY DEPOSIT

5.01 Upon the execution of this Lease, Tenant shall deposit with Landlord the Security Deposit described in Section 1.06 above. The Security Deposit is made by Tenant to secure the faithful performance of all the terms, covenants and conditions of this Lease to be performed by Tenant. The Security Deposit is not an advance rental, and Tenant shall not reduce the Rent due to Landlord by or on account of any sum held by Landlord as the Security Deposit. If Tenant shall default with respect to any covenant or provision hereof, Landlord may use, apply or retain all or any portion of the Security Deposit to cure such default or to compensate Landlord for any loss or damage which Landlord may suffer thereby. If Landlord so uses or applies all or any portion of the Security Deposit, Tenant shall immediately upon written demand deposit cash with Landlord in an amount sufficient to restore the Security Deposit to the full amount herein above stated. Landlord shall not be required to keep the Security Deposit separate from its general accounts and Tenant shall not be entitled to interest on the Security Deposit. Within thirty (30) days after the expiration of the Lease Term and the vacation of the Premises by Tenant, the Security Deposit, or such part as has not been applied to cure the default, shall be returned to Tenant.

ARTICLE VI - USE OF PREMISES

6.01 Tenant's Permitted Use. Tenant shall use the Premises only for Tenant's Permitted Use as set forth in Section 1.07 above and shall not use or permit the Premises to be used for any other purpose without the prior written consent of Landlord. Tenant shall, at its sole cost and expense, obtain all governmental licenses and permits required to allow Tenant to conduct Tenant's Permitted Use. Landlord disclaims any warranty that the Premises are suitable for Tenant's use and Tenant acknowledges that it has had a full opportunity to make its own determination in this regard.

6.02 Compliance With Laws and Other Requirements.

(A) Tenant shall cause the Premises to comply in all material respects with all laws, ordinances, regulations and directives of any governmental authority having jurisdiction including without limitation any certificate of occupancy and any law,

ordinance, regulation, covenant, condition or restriction affecting the Premises which in the future may become applicable to the Premises (collectively "Applicable Laws").

(B) Tenant shall not use the Premises, or permit the Premises to be used, in any manner which: (a) violates any Applicable Law; (b) causes or is reasonably likely to cause damage to the Premises; (c) violates a requirement or condition of any fire and extended insurance policy covering the Building and/or the Premises, or increases the cost of such policy; (d) constitutes or is reasonably likely to constitute a nuisance, annoyance or inconvenience to neighboring properties; (f) causes, incites or is reasonably likely to lead to the occurrence of undesirable activities, such as protests or vandalism, in or about the Premises.

(C) In addition to any other amounts payable by Tenant to Landlord hereunder, Tenant shall reimburse Landlord, for the cost of any improvements, capital expenditures, repairs or replacements to the Premises paid by Landlord or any equipment or machinery used in connection with the Premises, if any such item is required under any Applicable Law, as and when billed to Tenant together with all supporting invoices therefore, satisfactorily evidencing the services, improvements, expenditures, repairs etc., paid by Landlord and the cost of same.

6.03 Hazardous Materials.

(A) No Hazardous Materials shall be Handled (as defined herein) upon, about, above or beneath the Premises. Notwithstanding the foregoing, normal quantities of those materials customarily used in the conduct of general administrative office and commercial food preparation activities (e.g., copier fluids, cleaning supplies and cooking oils) may be handled at the Premises without Landlord's prior written consent. Tenant shall handle materials at all times in compliance with all applicable Environmental Laws (as defined herein).

(B) Notwithstanding the obligation of Tenant to indemnify Landlord pursuant to this Lease, Tenant shall, at its sole cost and expense, promptly take all actions required by any federal, state or local governmental agency or political subdivision, or necessary for Landlord to make full economic use of the Premises, which requirements or necessity arises from the Handling of materials by any Responsible Party upon, about, above or beneath the Premises. Such actions shall include, but not be limited to, the investigation of the environmental condition of the Premises or any portion thereof, the preparation of any feasibility studies or reports and the performance of any cleanup, remedial, removal or restoration work. Tenant shall take all actions necessary to restore the Premises to the condition existing prior to the introduction of Tenant's materials, notwithstanding any less stringent standards or remediation allowable under applicable Environmental Laws. Tenant shall nevertheless obtain Landlord's written approval prior to undertaking any actions required by this Section. Notwithstanding the foregoing, Landlord warrants and represents to Tenant that to the best of Landlord's knowledge, no Hazardous Materials are in existence at the Premises which are in violation of any Environmental Laws and agrees that Tenant shall be held harmless and not responsible for any claims, damages, costs of clean up, remedial work, restoration work, fines or penalties which may arise or result due to any environmental condition which predates this Lease.

(C) "Environmental Laws" means and includes all now and hereafter existing statutes, laws, ordinances, codes, regulations, rules, rulings, orders, decrees, directives, policies and requirements by any federal, state or local governmental authority regulating, relating to, or imposing liability or standards of conduct concerning public health and safety or the environment.

(D) "Hazardous Materials" means: (a) any material or substance: (i) which is defined or becomes defined as a "hazardous substance", "Hazardous waste," "Infectious waste," "chemical mixture or substance," or "air pollutant" under Environmental Laws; (ii) containing petroleum, crude oil or any fraction thereof; (iii) containing polychlorinated biphenyls (PCB's); (iv) containing asbestos; (v) which is radioactive; (b) any other material or substance displaying toxic, reactive, ignitable or corrosive characteristics, as all such terms are used in their broadest sense, and are defined or become defined by Environmental Laws, or (c) materials which cause a nuisance upon or waste to the Premises or any portion of the Building (d) any material or substance defined as "Hazardous" under the St. Charles Parish Zoning Ordinance of 1981.

(E) "Handle," "handle," "Handled," "handled," "Handling" or "handling" shall mean any installation, handling, generation, storage, treatment, use, disposal, discharge, release,

manufacture, refinement, presence, migration, emission, abatement, removal, transportation or any other activity of any type in connection with or involving Hazardous Materials.

(F) "Responsible Party" shall mean Tenant, its subtenants and its assignees, and their respective contractors, clients, officers, directors, employees, agents, sub-lessees and invitees, or any of them, as the case may be.

(G) Tenant agrees that Landlord shall have the right to inspect the Premises to verify the types and quantities of the materials stored therein.

(H) Tenant agrees to execute affidavits, representations and the like from time to time at Landlord's request conveying Tenant's best knowledge and belief regarding the presence of Hazardous and non-hazardous Materials in or on the Premises.

ARTICLE VII - MAINTENANCE AND REPAIRS

7.01 Landlord's Obligations.

(A) Except as provided in Section 8.02, 8.03 and 8.04 below, Landlord shall not be liable for any failure to make any repairs or to perform any maintenance. Except as otherwise expressly provided in this Lease, there shall be no abatement or reduction of Rent, nor shall there be any liability of Landlord, by reason of any damage, injury or inconvenience to, or interference with, Tenant or Tenant's business or operations arising from the making of, or failure to make, any maintenance, repairs, alteration or additions in or to any portion of the Building.

(B) Landlord shall not be liable to Tenant or its sub-lessees for damages to roof, foundation or external walls. Tenant shall, at its sole cost, pay for any damage to the roof, foundation and/or external walls caused by any act, omission, negligence or fault of Tenant or any employee, agent, sub-lessee or contractor of Tenant.

(C) Landlord shall not be liable to Tenant or its sub-lessees, except as otherwise expressly provided in this Lease, for any damage or inconvenience and Tenant shall not be entitled to any abatement or reduction of Rent.

7.02 Tenant's Obligations. During the Lease Term, Tenant shall, at its sole cost and expense, maintain the Premises in good order and repair, improve and renovate the Premises to comply with all Applicable Laws. Further, subject to Section 9.07 of this Lease, Tenant shall be responsible for, and upon demand by Landlord shall promptly reimburse Landlord for, any damage to any portion of the Building or the Premises caused by (a) Tenant's activities on the Premises; (b) the performance or existence of any alterations, additions or improvements made by Tenant in or to the Premises; (c) the installation, use, operation or movement of Tenant's property in or about the Building or the Premises; or (d) any act or omission by Tenant or its officers, partners, employees, agents, contractors, clients, invitees, and sublessees.

7.03 Except as provided in Article X of this Lease, Tenant shall, at its own cost and expense, repair or replace any damage or injury to all or any part of the Premises, caused by Tenant or Tenant's agents, employees, invitees, licensees, clients, visitors or sub-lessees; provided, however, if Tenant fails to make such repairs or replacements promptly, Landlord may, at its option, make sure repairs or replacements and Tenant shall reimburse the cost, plus a ten percent (10%) overhead charge therefore, to Landlord on demand.

7.04 Tenant shall not commit or allow any waste or damage to be committed on any portion of the Premises, and at the termination of this Lease, by lapse of time or otherwise (except if the Lease is terminated pursuant to Article X hereof), Tenant shall deliver the Premises to Landlord, broom clean with all debris removed, in as good condition as at the date of first possession of Tenant, ordinary wear and tear excepted. Tenant understands that "ordinary wear and tear" does not mean Tenant shall be relieved of performing its obligations relating to maintenance, repairs and replacements as provided for in the Lease. The cost and expense or any repairs necessary to restore the condition of the Premises shall be borne by Tenant, and if Landlord undertakes to restore the Premises, it shall have a right of reimbursement against Tenant.

7.05 Landlord's Rights. Landlord and its contractors shall have the right, at all reasonable times, to enter upon the Premises to inspect the Premises and make any repairs

to the Premises or the building reasonably required or deemed reasonably necessary by Landlord and to erect such equipment, including scaffolding, as is reasonably necessary to affect such repairs. During the pendency of such repairs, Landlord shall use reasonable efforts to minimize any material interruption of Tenant's business; provided, that if such repairs by Landlord are required to remedy an emergency situation or to cure a breach or default by Tenant under this Lease, Landlord shall not be obligated to minimize such interruption.

ARTICLE VIII - ALTERATIONS, ADDITIONS AND IMPROVEMENTS

8.01 **Landlord's Consent; Conditions.** Tenant shall not make or permit to be made any alterations, additions, or improvements in or to the Premises ("Alterations") without the prior written consent of Landlord which consent shall not be unreasonably withheld or delayed. Landlord may impose as a condition to such consent such requirements as Landlord in its sole discretion deems necessary or desirable including without limitation: Tenant's submission to Landlord, for Landlord's prior written approval, of all plans and specifications relating to the Alterations; Tenant's receipt of all necessary permits and approvals from all governmental authorities having jurisdiction over the Premises prior to the construction of the Alterations; Tenant's written notice of whether the Alterations include the Handling of any Hazardous Materials, pursuant to Section 6.03; Tenant's delivery to Landlord of such bonds and insurance as Landlord shall reasonably require; and Tenant's payment to Landlord of all costs and expenses incurred by Landlord because of Tenant's Alterations.

8.02 **Performance of Alterations Work.** All work relating to the Alterations shall be performed in compliance with the plans and specifications approved by Landlord, all Applicable Laws and the requirements of all carriers of insurance on the Premises, the Board of Underwriters, Fire Rating Bureau, or similar organization. All work shall be performed in a diligent, first class manner and so as not to unreasonably interfere with neighboring properties of the Premises. All costs incurred by Landlord relating to the Alterations shall be payable to Landlord by Tenant as additional rent upon demand.

8.03 **Liens.** Tenant shall pay when due all costs for work performed and materials supplied to the Premises. Tenant shall keep Landlord and the Premises free from all liens, stop notices and violation notices relating to the Alterations or any other work performed for, materials furnished to or obligations incurred by Tenant and Tenant shall protect, indemnify, hold harmless and defend Landlord and the Premises of and from any and all loss, cost, damage, liability and expense, including attorneys' fees, arising out of or related to any such liens or notices. Further, Tenant shall give Landlord not less than seven (7) business days prior written notice before commencing any Alterations in or about the Premises to permit Landlord to post appropriate notices of non-responsibility. Tenant shall also secure, prior to commencing any Alterations, at Tenant's sole expense, a completion and lien indemnity bond satisfactory to Landlord for such work. During the progress of such work, Tenant shall, upon Landlord's request, furnish Landlord with sworn contractor's statements and lien waivers covering all work theretofore performed. Tenant shall satisfy or otherwise discharge all liens, stop notices or other claims or encumbrances within ten (10) days after Landlord notifies Tenant in writing that any such lien, stop notice, claim or encumbrance has been filed. If Tenant fails to pay and remove such lien, claim or encumbrance within such ten (10) days, Landlord, at its election, may pay and satisfy the same and in such event the sums so paid by Landlord shall be deemed to be additional rent due and payable by Tenant at once without notice or demand.

8.04 **Lease Termination.** Except as provided in this Section 8.04, but subject to Article X of this Lease, upon expiration or earlier termination of this Lease, Tenant shall surrender the Premises to Landlord in the same condition as when received, subject to reasonable wear and tear. All Alterations shall become a part of the Premises and shall become the property of Landlord without compensation to Tenant upon the expiration or earlier termination of this Lease, unless Landlord shall, by written notice given to Tenant, require Tenant to remove some or all of Tenant's Alterations, in which event Tenant shall promptly remove the designated Alterations and shall promptly repair any resulting damage, all at Tenant's sole expense. All machinery and equipment, furniture, telecommunications and computer installations, security and access or entry systems, movable partitions and items of personal property owned by Tenant or installed by Tenant at its expense in the Premises shall be and remain the property of Tenant; upon the expiration or earlier termination of this Lease, Tenant shall, at its sole expense, remove all such items and repair any damage to the Premises caused by such removal. If Tenant fails to remove any such items or repair such damage promptly after the expiration or earlier termination of the Lease, Landlord may, but need not, do so with no liability to Tenant, and Tenant shall pay Landlord the cost thereof

upon demand. All Tenant property which is not removed within thirty (30) days following the expiration or earlier termination of the Lease shall be conclusively deemed to have been abandoned by Tenant, and Landlord shall be entitled to dispose of such property at Tenant's cost, without compensation to Tenant and without thereby incurring any liability to Tenant.

ARTICLE IX - INDEMNIFICATION AND INSURANCE

9.01 **Indemnification.** Except to the extent caused by the negligence or intentional acts of Landlord, or any of Landlord's employees or agents, Tenant and Tenant's officers and directors agree to protect, indemnify, hold harmless and defend Landlord and each of their respective employees, successors and assigns, regardless of any negligence of, or imputed to Landlord as owner of the Premises involved in an injury, from and against:

(A) any and all loss, cost, damage, liability or expense as incurred (including but not limited to actual attorneys' fees and legal costs) arising out of or related to any claim, suit or judgment brought by or in favor of any person or persons for damage, loss or expense due to, but not limited to, bodily injury, including death, or property damage sustained by such person or persons which arises out of, is occasioned by or is in any way attributable to the use or occupancy of the Premises by Tenant or the acts or omissions of Tenant or its agents, employees, contractors, clients, invitees or subtenants;

(B) any and all environmental damages which arise from: (i) the Handling of any Hazardous Materials by any Responsible Party, as defined in Section 6.03 or (ii) the breach by Tenant of any of the provisions of this Lease. For the purpose of this Lease, "environmental damages" shall mean (a) all claims, judgments, damages, penalties, fines, costs, liabilities, and losses (including without limitation, diminution in the value of the Premises, damages for the loss of or restriction on the use of rentable or usable space or of any amenity of the Premises, and from any adverse impact of Landlord's marketing of space); (b) all reasonable sums paid for settlement of claims, attorneys' fees, consultants' fees and experts' fees; and (c) all costs incurred by Landlord in connection with investigation or remediation relating to the Handling of Hazardous Materials, whether or not required by Environmental Laws, necessary for Landlord to make full economic use of the Premises, or otherwise required under this Lease. To the extent that Landlord is strictly liable under any Environmental Laws, Tenant's obligation to Landlord and the other indemnities under the foregoing indemnification shall likewise be without regard to fault on Tenant's part with respect to the violation of any Environmental Law by any Responsible Party, which results in liability to the indemnitee. Tenant's obligations and liabilities pursuant to this Section 9.01 shall survive the expiration or earlier termination of this Lease; and

(C) any and all testing or investigation as may be requested by any governmental agency or lender for the purpose of investigating the presence of Tenant's Hazardous Materials that may not be in compliance with Environmental Laws.

(D) Landlord agrees to protect, indemnify, hold harmless and defend Tenant and each of its employees, successors and assigns from and against any and all environmental damages which arise from the introduction or existence of any Hazardous Substances on, in or about the Premises prior to the date of this Lease.

Notwithstanding anything to the contrary contained herein, nothing shall be interpreted or used to in any way affect, limit, reduce or abrogate any insurance coverage provided by any insurers to either Tenant or Landlord, and nothing herein shall be construed to infer or imply that Tenant is a partner, joint venturer, agent, employee, or otherwise acting by or at the direction of Landlord.

9.02 Property Insurance.

(A) At all times during the Lease Term, Tenant shall procure and maintain, at its sole expense, special form ("all-risk") property insurance, in an amount not less than one hundred percent (100%) of the replacement cost covering (a) all leasehold improvements in and to the Premises which are made at the expense of Tenant; and (b) Tenant's trade fixtures, equipment and other personal property from time to time situated in the Premises. The proceeds of such insurance shall be used for the repair or replacement of the property so insured, except that if not so applied or if this Lease is terminated following a casualty, the proceeds applicable to the leasehold improvements that are permanently attached to the Premises shall be paid to Landlord and the proceeds applicable to Tenant's personal property shall be

paid to Tenant.

(B) Landlord shall, at all times during the Lease Term, procure and maintain special form ("all-risk") property insurance in the amount not less than one hundred percent (100%) of the replacement cost covering the Premises, but not the contents thereof and containing such endorsements and exclusions as Landlord elects in its discretion.

9.03 Liability Insurance. At all times during the Lease Term, Tenant shall procure and maintain, at its sole expense, commercial general liability insurance applying to the use and occupancy of the Premises and the business operated by Tenant. Such insurance shall have a minimum combined single limit of liability of at least \$500,000 per occurrence and a general aggregate limit of at least \$1,000,000. All such policies shall be written to apply to all bodily injury, property damage and personal injury losses and shall be endorsed to include Landlord and its agents, employees, and assigns. Such liability insurance shall be written as primary policies, not excess or contributing with or secondary to any other insurance as may be available to the Landlord or additional insureds.

In accordance with Section 3-4 of the St. Charles Parish Code of Ordinances, it shall be unlawful for any person to either possess any alcoholic beverage or consume any alcoholic beverage while in any publicly owned, rented or leased building within the parish unless the Parish Council has received official written notification that alcoholic beverages will be served and/or consumed on the publicly owned, rented or leased premises for an event, activity or program to be held in said facility within the parish and the official written notification is received by the Parish Council five (5) days prior to the scheduled event, activity or program. Prior to the sale, storage, use or giving away of alcoholic beverages on or from the Premises by Tenant or another person, Tenant, at its own expense, shall obtain a policy or policies of insurance issued by a responsible insurance company and in a form acceptable to Landlord saving harmless and protecting Landlord and the Premises against any and all damages, claims, liens, judgments, expenses and costs, including actual attorney's fees, arising under any present or future law, statute, or ordinance of the State of Louisiana or other governmental authority having jurisdiction of the Premises, by reason of any storage, sale, use or giving away of alcoholic beverages on or from the Premises. Such policy or policies of insurance shall have a minimum combined single limit of \$1,000,000 per occurrence and shall apply to bodily injury, fatal or nonfatal; injury to means of supports and injury to property of any person. Such policy or policies of insurance shall name the Landlord and its agents, beneficiaries, partners, employees and any mortgagee of Landlord or any ground lessor of Landlord as additional insureds.

9.04 Workers' Compensation Insurance. At all times during the Lease Term, Tenant shall procure and maintain Workers' Compensation Insurance in accordance with the laws of the State of Louisiana, and Employers' Liability insurance with a limit not less than \$1,000,000 Bodily Injury Each Accident; \$1,000,000 Bodily Injury By Disease - Each Person; and \$1,000,000 Bodily Injury by Disease - Policy Limit.

9.05 Automobile Liability Insurance. At all times during the Lease Term, Tenant shall provide and maintain, at its sole expense, commercial automobile liability insurance including owned, non-owned and hired vehicles, applying to the use of any vehicles arising out of the operations of Tenant. Such insurance shall apply to bodily injury and property damage in a combined single limit of not less than \$1,000,000 per accident.

9.06 Policy Requirements. All insurance required to be maintained by Tenant shall be issued by insurance companies authorized to do insurance business in the State of Louisiana and rated not less than A-VII in Best's Insurance Guide and a Standard and Poor's claims paying ability rating of not less than AA. A certificate of insurance (or, at Landlord's option, copies of the applicable policies) evidencing the insurance required under this Article IX shall be delivered to Landlord not less than thirty (30) days prior to the Commencement Date. No such policy shall be subject to cancellation or modification without thirty (30) days prior written notice to Landlord. Tenant shall furnish Landlord with a replacement certificate with respect to any insurance not less than thirty (30) days prior to the expiration of the current policy. Tenant shall have the right to provide the insurance required by this Article IX pursuant to blanket policies, but only if such blanket policies expressly provide coverage to the Premises and the Landlord as required by this Lease. Landlord shall have the right, exercisable by giving written notice thereof to Tenant, to require Tenant to increase the limits of any insurance that Tenant is required to maintain if, in Landlord's reasonable judgment, the amount thereof is insufficient to protect Landlord and Tenant from judgments which might result from the risks covered by the insurance.

9.07 Waiver of Claims. Provided that, and for so long as the provisions of this Section

9.07 do not result in the cancellation or invalidation of the special form ("all risk") insurance policies covering the Premises or do not constitute a defense to any claim for loss under those policies, Landlord and Tenant agree to, and each does hereby, waive all rights of recovery and causes of action against the other and against the respective officers, agents and employees of the other, and all parties claiming by, through or under either Landlord or Tenant, for any damage or destruction of any property of either Landlord or Tenant, notwithstanding that the damage or destruction results from the negligence of any or all of the parties in whose favor this agreement operates; provided, however, that the foregoing waivers shall apply only to the extent of any recovery made by the parties hereto under any policy of insurance now or hereafter issued or to the extent that a party would have recovered proceeds of insurance had it maintained the insurance required of it hereunder. Any applicable policy of insurance to be provided by Landlord or Tenant shall contain a clause allowing the foregoing waiver of claims and denying the insurer any right of subrogation against the parties in whose favor the waiver is made.

9.08 **Failure to Insure.** If Tenant fails to maintain any insurance which Tenant is required to maintain pursuant to this Article IX, Tenant shall be liable to Landlord for any loss or cost resulting from such failure to maintain. Tenant may not self-insure against any risks required to be covered by insurance without Landlord's prior written consent.

ARTICLE X - DAMAGE OR DESTRUCTION

10.01 **Total Destruction.** Except as provided in Section 10.03 below, this Lease shall automatically terminate if the Premises are totally destroyed.

10.02 **Partial Destruction of Premises.** If the Premises are damaged by any casualty and, in Landlord's opinion, the Premises (exclusive of any Alterations made to the Premises by Tenant) can be restored to its preexisting condition within one hundred eighty (180) days after the date of the damage or destruction, Landlord shall, upon written notice from Tenant to Landlord of such damage, except as provided in Section 10.03, promptly and with due diligence repair the damage to the Premises (exclusive of any Alterations to the Premises made by Tenant, which shall be promptly repaired by Tenant at its sole expense) and, until such repairs are completed, the Rent shall be abated from the date of damage or destruction in the same proportion that the rentable area of the portion of the Premises which is unusable by Tenant in the conduct of its business bears to the total rentable area of the Premises. If such repairs cannot, in Landlord's opinion, be made within said one hundred eighty (180) day period, then Landlord may, at its option, exercisable by written notice given to Tenant within thirty (30) days after the date of the damage or destruction, elect to make the repairs within a reasonable time after the damage or destruction, in which event this Lease shall remain in full force and effect but the Rent shall be abated as provided in the preceding sentence; if Landlord does not so elect to make the repairs, then either Landlord or Tenant shall have the right, by written notice given to the other within sixty (60) days after the date of the damage or destruction, to terminate this Lease as of the date of the damage or destruction.

10.03 **Exceptions to Landlord's Obligations.** Notwithstanding anything to the contrary contained in this Article X, Landlord shall have no obligation to repair the Premises if either: (a) the Premises is so damaged as to require repairs to the Premises exceeding twenty percent (20%) of the full insurable value of the Premises; or (b) the damage or destruction occurs less than two (2) years prior to the Termination Date, exclusive of option periods. Further, Tenant's Rent shall not be abated if either (i) the damage or destruction is repaired within five (5) business days after Landlord receives written notice from Tenant of the casualty, or (ii) Tenant, or any officers, partners, employees, agents or invitees of Tenant, or any assignee or subtenant of Tenant, is, in whole or in part, responsible for the damage or destruction.

10.04 **Waiver.** The provisions contained in this Lease shall supersede any contrary laws now or hereafter in effect relating to damage or destruction.

ARTICLE XI - CONDEMNATION

11.01 **Taking.** If the entire Premises or so much of the Premises as to render the balance unusable by Tenant shall be taken by condemnation, sale in lieu of condemnation or in any other manner for any public or quasi-public purpose (collectively "Condemnation"), this Lease shall terminate on the date that title or possession to the Premises is taken by the condemning authority, whichever is earlier.

11.02 **Award.** In the event of any Condemnation, the entire award for such taking shall belong to Landlord. Tenant shall have no claim against Landlord or the award for the value of any unexpired term of this Lease or otherwise. Tenant shall be entitled to independently pursue a separate award in a separate proceeding for Tenant's relocation costs directly associated with the

taking and Tenant's loss of business, provided such separate award does not diminish Landlord's award.

11.03 **Temporary Taking.** No temporary taking of the Premises shall terminate this Lease or entitle Tenant to any abatement of the Rent payable to Landlord under this Lease; provided, further, that any award for such temporary taking shall belong to Tenant to the extent that the award applies to any time period during the Lease Term and to Landlord to the extent that the award applies to any time period outside the Lease Term.

ARTICLE XII - ASSIGNMENT AND SUBLETTING

12.01 **Restriction.** Without the prior written consent of Landlord, Tenant shall not, either voluntarily or by operation of law, assign, encumber, mortgage or otherwise transfer this Lease, or any interest herein. An assignment or other action in violation of the foregoing shall be void and, at Landlord's option, shall constitute a material breach of this Lease. For purposes of this Section 12.01, an assignment shall include any transfer of any interest in this Lease or the Premises by Tenant pursuant to a merger, division, consolidation or liquidation, or pursuant to a change in ownership of Tenant involving a transfer of voting control in Tenant (whether by transfer of partnership interests, corporate stock or otherwise). Notwithstanding the foregoing, the prohibition on the assignment of this Lease as described in this Section 12.01 shall in no way prevent or prohibit Tenant from subletting a portion or portions of the Premises to temporary sublessees in connection with the operation of Tenant's business incubator program at the Premises.

12.02 **Notice to Landlord.** If Tenant desires to assign this Lease or any interest herein, or to sublet all or any part of the Premises, then at least forty-five (45) business days prior to the effective date of the proposed assignment or subletting, Tenant shall submit to Landlord:

(A) A statement containing (i) the name and address of the proposed assignee or subtenant; (ii) such financial information with respect to the proposed assignee or subtenant as Landlord shall reasonably require; (iii) the type of use proposed for the Premises; and (iv) all of the principal terms of the proposed assignment or subletting; and

(B) Two (2) originals of the assignment or sublease on a form approved by Landlord.

12.03 **Landlord's Consent; Standards.** Landlord's consent shall not be unreasonably withheld, but, in addition to any other grounds for denial, Landlord's consent shall be deemed reasonably withheld if, in Landlord's good faith judgment: (i) the business and operations of the proposed assignee or subtenant are not of comparable quality or would in any way interfere with or disrupt the neighboring properties; (ii) the proposed assignee or subtenant intends to use any part of the Premises for a purpose not permitted under this Lease or related hereto.

12.04 **Landlord's Costs.** If Tenant shall assign this Lease or shall sublet all or any part of the Premises or shall request the consent of Landlord to any assignment, subletting or other act, Tenant shall pay to Landlord as additional rent Landlord's costs related thereto, including Landlord's reasonable attorneys' fees and a minimum fee to Landlord of Five Hundred Dollars (\$500).

12.05 **Continuing Liability of Tenant.** Notwithstanding any assignment or sublease, Tenant shall remain as fully and primarily liable for the payment of Rent and for the performance of all other obligations of Tenant contained in this Lease to the same extent as if the assignment or sublease had not occurred; provided, however, that any act or omission of any assignee or subtenant, other than Landlord, that violates the terms of this Lease shall be deemed a violation of this Lease by Tenant.

12.06 **Non-Waiver.** The consent by Landlord to any assignment or subletting shall not relieve Tenant, or any person claiming through or by Tenant, of the obligation to obtain the consent of Landlord, pursuant to this Article XII, to any further assignment or subletting. In the event of an assignment or subletting, Landlord may collect rent from the assignee or the subtenant without waiving any rights hereunder and collection of the rent from a person other than Tenant shall not be deemed a waiver of any of Landlord's rights under this Article XII, an acceptance of assignee or subtenant as Tenant, or a release of Tenant from the performance of Tenant's obligations under this Lease.

12.07 **Indemnity.** If Landlord withholds its consent to any proposed assignment or sublease, Tenant shall indemnify, defend and hold harmless Landlord from and against all

loss, liability, damage, cost and expense (including reasonable attorneys' fees and disbursements) resulting from any claims that may be made or threatened against Landlord by the proposed assignee or sublessee in connection with the proposed assignment or sublease or by any brokers or other persons claiming a commission or similar compensation in connection with the proposed assignment or sublease.

12.08 **Confidentiality.** Tenant and the other parties to any proposed or approved assignment or sublease shall keep the terms and conditions of such transaction confidential.

ARTICLE XIII - DEFAULT AND REMEDIES

13.01 **Events of Default By Tenant.** The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

(A) The failure by Tenant to pay Base Rent or make any other payment required to be made by Tenant hereunder as and when due and the continuation of such failure for five (5) days after written notice thereof by Landlord to Tenant.

(B) The abandonment of the Premises by Tenant or the vacation of the Premises by Tenant for twenty-eight (28) consecutive days (with or without the payment of Rent) except if such abandonment is caused by a Force Majeure Occurrence.

(C) The making by Tenant of any assignment of this Lease or any sublease of all or part of the Premises, except as expressly permitted under Article XII of this Lease.

(D) The failure by Tenant to observe or perform any other provision of this Lease to be observed or performed by Tenant, other than those described in Sections 13.01(A), 13.01(B) or 13.01(C) above, if such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant provided, however, that if the nature of the default is such that it cannot be cured within the thirty (30) day period, no default shall be deemed to exist if Tenant commences the curing of the default promptly within such thirty (30) day period and thereafter diligently prosecutes the same to completion and achieves the same within sixty (60) days after the occurrence of such default. The thirty (30) day notice described herein shall be in lieu of, and not in addition to, any notice required under law now or hereafter in effect requiring that notice of default be given prior to the commencement of an unlawful detainer or other legal proceeding.

(E) The making by Tenant or any assignor of Tenant's rights hereunder of any general assignment for the benefit of creditors, the filing by or against Tenant of a petition under any federal or state bankruptcy or insolvency laws (unless, in the case of a petition filed against Tenant, the same is dismissed within thirty (30) days after filing); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets at the Premises or Tenant's interest in this Lease or the Premises, when possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other seizure of substantially all of Tenant's assets located at the Premises or Tenant's interest in this Lease or the Premises, if such seizure is not discharged within thirty (30) days.

(F) Evidence of the inability of Tenant to pay its debts as they come due. Such evidence shall include, but shall not be limited to either of the following: (i) an admission in writing by Tenant of its inability to pay its debts when due; or (ii) if one or more judgments are docketed against Tenant and not paid, bonded or otherwise discharged within sixty (60) days.

(G) The death of Tenant; or the commencement of steps or proceedings toward the dissolution, winding up or other termination of the existence of the Tenant, or toward the liquidation of either of their respective assets.

13.02 **Landlord's Remedies Upon Tenant Default.** In the event of any default by Tenant as provided in Section 13.01 above and at any time thereafter, at Landlord's option and without notice or demand to Tenant (Tenant hereby irrevocably waiving all notices and demands, statutory or otherwise, including without limitation, any notice to vacate and any notice otherwise required in connection with any forcible entry and detainer action), and without limiting Landlord in the exercise of any other right or remedy which Landlord may have by reason of such event of default at law, in equity or under this Lease, Landlord may exercise any or all of the following rights and remedies:

(A) Landlord may terminate this Lease and Tenant's right to possess the Premises by written notice to Tenant. The termination shall be effective as of the date specified by Landlord in

the notice of termination. Landlord may thereafter lease the Premises, or any part thereof, for such price and on such terms as may be immediately obtainable and hold Tenant liable not only for the Rent due and for other obligations incurred to the date of termination but also for the excess, if any, of the net amount that would have been realized by Landlord under this Lease after the termination over the net amount realized from the new tenant and all costs incurred by Landlord in reletting the Premises, including, but not limited to, costs and expenses of retaking or repossessing the Premises and removing person and property therefrom, brokerage commissions, attorneys' fees and related costs and the costs of any alterations, repairs, replacements or decorations in the Premises that Landlord, in its sole judgment, considers advisable or necessary for the purpose of reletting the Premises. If the Premises are relet in whole or in part, Tenant shall be entitled to a credit in the net amount of the consideration received by Landlord as a result thereof (after deducting all costs incurred by Landlord in reletting the Premises, as described above).

(B) Landlord may proceed to effect collection of the accelerated Rent together with any other obligations that may be or become due by Tenant hereunder.

(C) Landlord may proceed one or more times for past due installments of Rent without prejudicing its rights to proceed for any additional installments or to exercise any other remedy.

(D) Landlord may exercise any other right or remedy or recover any damages accorded hereunder or as a matter of law.

13.03 **Right of Landlord to Perform.** All covenants and agreements to be performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense. If Tenant shall fail to pay any sum of money, other than Rent, required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder, Landlord may, but shall not be obligated to, make any payment or perform any such other act on Tenant's part to be made or performed, without waiving or releasing Tenant of its obligations under this Lease. Any sums so paid by Landlord and all necessary incidental costs, together with interest thereon at the lesser of the maximum rate permitted by law if any or twelve percent (12%) per annum from the date of such payment shall be payable to Landlord as additional rent on demand and Landlord shall have the same rights and remedies in the event of nonpayment as in the case of default by Tenant in the payment of Rent.

13.04 **Default Under Other Leases.** If the term of any lease, other than this Lease, heretofore or hereafter made by Tenant or any Affiliate of Tenant for any space in any Landlord Property shall be terminated or terminable after the making of this Lease because of any default by Tenant under such other lease, such fact shall empower Landlord at Landlord's sole option, to terminate this Lease by notice to Tenant or to exercise any of the rights or remedies set forth in Section 13.02.

13.05 **Non-Waiver.** Nothing in this Article shall be deemed to affect Landlord's rights to indemnification for liability or liabilities arising prior to termination of this Lease for personal injury or property damages under the indemnification clause or clauses contained in this Lease. No acceptance by Landlord of a lesser sum than the Rent then due shall be deemed to be other than on account of the earliest installment of such Rent due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or pursue any other remedy in the Lease provided. The delivery of keys to any employee of Landlord or to Landlord's agent or any employee thereof shall not operate as a termination of this Lease or a surrender of the Premises.

13.06 **Cumulative Remedies.** The specific remedies to which Landlord may resort under the terms of the Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which it may be lawfully entitled in case of any breach or threatened breach by Tenant of any provisions of the Lease. In addition to the other remedies provided in the Lease, including the right to terminate Tenant's right of possession of the Premises as provided in Section 13.02, Landlord shall be entitled to a restraint by injunction (including a temporary restraining order, preliminary injunction and/or permanent injunction) of the violation or attempted or threatened violation of any of the covenants, conditions or provisions of the Lease or to a decree compelling specific performance of any such covenants, conditions or provisions.

ARTICLE XIV - ATTORNEYS' FEES; COSTS OF SUIT

14.01 **Attorneys' Fees.** If either Landlord or Tenant shall commence any action or

other proceeding against the other arising out of, or relating to, this Lease or the Premises, the prevailing party shall be entitled to recover from the losing party, in addition to any other relief, its actual reasonable attorneys' fees irrespective of whether or not the action or other proceeding is prosecuted to judgment and irrespective of any court schedule of reasonable attorneys' fees. In addition, Tenant shall reimburse Landlord, upon demand, for all reasonable attorneys' fees incurred in collecting Rent or otherwise seeking enforcement against Tenant, its sub-lessees and assigns, of Tenant's obligations under this Lease.

14.02 **Indemnification.** Should Landlord be made a party to any litigation instituted by Tenant against a party other than Landlord, or by a third party against Tenant, Tenant shall indemnify, hold harmless and defend Landlord from any and all loss, cost, liability, damage or expense incurred by Landlord, including attorneys' fees, in connection with the litigation.

ARTICLE XV - PARKING

15.01 Tenant, its employees, invitees and sub-lessees, are hereby granted the non-exclusive privilege to use parking spaces at the Premises. Tenant shall abide by all rules and regulations regarding the use of the parking area as may now exist or as may hereinafter be promulgated by Landlord. Landlord reserves the right to order Tenant, at its own expense, to modify, restripe and otherwise change the location of drives, parking spaces and parking area at the Premises. Landlord may, but shall have no obligation to, designate certain parking spaces for trucks, handicapped persons or designated tenants as Landlord, in its sole discretion, may deem necessary for the professional and efficient operation of the parking area and the Premises. Landlord shall have the right to reasonably restrict the number and location of tractor trailers for the overall benefit of neighboring properties, it being agreed by Tenant that it is not the intent of this Lease to provide unrestricted parking for tractor trailers. Tenant agrees not to overburden the parking facilities and agrees to cooperate with Landlord in the access points and use of parking facilities. Tenant will reimburse Landlord upon demand for any damage caused to the parking surfaces or facilities caused by Tenant's or any of its employees', agents', invitees', or sub-lessees' vehicles. At no time shall the parking of any vehicle be permitted in the fire lanes or handicapped parking areas servicing the Premises, nor shall parking be allowed in the streets. No vehicle may be repaired or serviced in the Premises parking area, and any vehicle deemed abandoned by Landlord will be towed and all costs thereof shall be borne by the Tenant.

ARTICLE XVI-ENTRY BY LANDLORD

16.01 Landlord may enter the Premises at all reasonable times to: inspect the same; exhibit the same to prospective purchasers, lenders or tenants; determine whether Tenant is complying with all of its obligations under this Lease; post notices of non-responsibility; and make repairs or improvements in or to the Building or the Premises; provided, however that all such work shall be done as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible. Tenant hereby waives any claim for damages for any injury or inconvenience to, or interference with, Tenant's business, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned by such entry. Landlord shall at all times have the right, but not the obligation, to obtain from Tenant and retain a key with which to unlock all of the doors in, on or about the Premises and Landlord shall have the right to use any and all means by which Landlord may deem proper to open such doors to obtain entry to the Premises, and any entry to the Premises obtained by Landlord by any such means, or otherwise, shall not under any circumstances be deemed or construed to be a forcible or unlawful entry into or a detainer of the Premises or an eviction, actual or constructive, of Tenant from any part of the Premises. Such entry by Landlord shall not act as a termination of this Lease. If Landlord shall be required to obtain entry by means other than a key provided by Tenant, the cost of such entry shall be payable by Tenant to Landlord as additional rent.

ARTICLE XVII - HOLDOVER TENANCY

17.01 If Tenant holds possession of the Premises after the expiration or termination of the Lease Term, by lapse of time or otherwise, Tenant shall become a tenant at sufferance upon all of the terms contained herein, except as to Lease Term and Base Rent. During such holdover period, Tenant shall pay to Landlord a monthly rental equivalent to two hundred percent (200%) of the Base Rent payable by Tenant to Landlord with respect to the last month of the Lease Term, plus the full amount of any other Rent payable hereunder. Holdover rent shall not be prorated on a per diem basis for partial months. The monthly rent payable for such holdover period shall in no event be construed as a penalty or as liquidated damages for such retention of possession. Without limiting the foregoing,

Tenant hereby agrees to indemnify, defend and hold harmless Landlord, its beneficiary, and their respective agents, contractors and employees, from and against any and all claims, liabilities, actions, losses, damages (including without limitation, direct, indirect, incidental and consequential) and expenses (including, without limitation, court costs and reasonable attorneys' fees) asserted against or sustained by any such party and arising from or by reason of such retention of possession, which obligations shall survive the expiration or termination of the Lease Term.

ARTICLE XVIII - NOTICES

18.01 All notices which Landlord or Tenant may be required, or may desire, to serve on the other may be served, as an alternative to personal service, by mailing the same by registered or certified mail, postage prepaid, or may be sent by overnight courier, addressed to the Landlord at the address for Landlord set forth in Section 1.08 above and to Tenant at the address for Tenant set forth in Section 1.09 above, or, from and after the Commencement Date, to the Tenant at the Premises whether or not Tenant has departed from, abandoned or vacated the Premises, or addressed to such other address or addresses as either Landlord or Tenant may from time to time designate to the other in writing. Any notice shall be deemed to have been given by overnight courier shall be deemed given on the first business day following the date such notice is delivered by such courier provided such courier verifies delivery thereof. Notices may be given by counsel or other designated representative of Landlord or Tenant.

ARTICLE XIX - MISCELLANEOUS

19.01 **Entire Agreement.** This Lease contains all of the agreements and understandings relating to the leasing of the Premises and the obligations of Landlord and Tenant in connection with such leasing. Landlord has not made, and Tenant is not relying upon, any warranties, or representations, promises or statements made by Landlord or any agent of Landlord, except as expressly set forth herein. This Lease supersedes any and all prior agreements and understandings between Landlord and Tenant and alone expresses the agreement of the parties.

19.02 **Amendments.** This Lease shall not be amended, changed or modified in any way unless in writing executed by Landlord and Tenant. Landlord shall not have waived or released any of its rights hereunder unless in writing and executed by the Landlord.

19.03 **Successors.** Except as expressly provided herein, this Lease and the obligations of Landlord and Tenant contained herein shall bind and benefit the successors and assigns of the parties hereto.

19.04 **Force Majeure.** Landlord and Tenant shall incur no liability to the other with respect to, and shall not be responsible for any failure to perform, any of the obligations hereunder if such failure is caused by any reason beyond the control of Landlord or Tenant including, but not limited to strike, labor trouble, act of war, terrorism, governmental action, rule, regulation, ordinance, statute or interpretation, abnormal weather conditions, fire, flood, earthquake, civil commotion, or failure or disruption of utility services (collectively, "Force Majeure Occurrences"). The amount of time for Landlord or Tenant to perform any of its obligations shall be extended by the amount of time Landlord or Tenant is delayed in performing such obligation by reason of any Force Majeure Occurrence whether similar to or different from the foregoing types of occurrences.

19.05 **Survival of Obligations.** Any obligations of Tenant accruing prior to the expiration of the Lease shall survive the expiration or earlier termination of the Lease and Tenant shall promptly perform all such obligations whether or not this Lease has expired.

19.06 **Light and Air.** No diminution or shutting off of any light, air or view by any structure now or hereafter erected shall in any manner affect this Lease or the obligations of Tenant hereunder, or increase any of the obligations of Landlord hereunder.

19.07 **Governing Law.** This Lease shall be governed by, and construed in accordance with, the laws of the State of Louisiana.

19.08 **Severability.** In the event any provision of this Lease is found to be unenforceable, the remainder of this Lease shall not be affected, and any provision found to be invalid shall be enforceable to the extent permitted by law. The parties agree that in the event two different interpretations may be given to any provision hereunder, one of which will

render the provision unenforceable, and one of which will render the provision enforceable, the interpretation rendering the provision enforceable shall be adopted.

19.09 **Captions.** All captions, headings, titles, numerical references and computer highlighting are for convenience only and shall have no effect on the interpretation of this Lease.

19.10 **Interpretation.** Tenant acknowledges that it has read and reviewed this Lease and that it has had the opportunity to confer with counsel in the negotiation of this Lease. Accordingly, this Lease shall be construed neither for nor against Landlord or Tenant, but shall be given a fair and reasonable interpretation in accordance with the meaning of its terms and the intent of the parties.

19.11 **Independent Covenants.** Each covenant, agreement, obligation or other provision of this Lease to be performed by Tenant are separate and independent covenants of Tenant, and not dependent on any other provision of the Lease.

19.12 **Number and Gender.** All terms and words used in this Lease, regardless of the number or gender in which they are used, shall be deemed to include the appropriate number and gender, as the context may require.

19.13 **Time is of the Essence.** Time is of the essence of this Lease and the performance of all obligations hereunder.

19.14 **Joint and Several Liability.** If Tenant comprises more than one person or entity, or if this Lease is guaranteed by any party, all such persons shall be jointly and severally liable for payment of rents and the performance of Tenant's obligations hereunder.

19.15 **Exhibits and Schedules.** Exhibit A (Outline of Premises) is incorporated into this Lease by reference and made a part hereof.

19.16 **Offer to Lease.** The submission of this Lease to Tenant does not constitute an offer to Tenant to lease the Premises. This Lease shall have no force and effect until (a) it is executed and delivered by Tenant to Landlord and (b) it is fully reviewed and executed by Landlord; provided, however, that, upon execution of this Lease by Tenant and delivery to Landlord, such execution and delivery by Tenant shall, in consideration of the time and expense incurred by Landlord in reviewing the Lease and Tenant's credit, constitute an offer by Tenant to Lease the Premises upon the terms and conditions set forth herein (which offer to Lease shall be irrevocable for twenty (20) business days following the date of delivery).

19.17 **Waiver; No Counterclaim; Choice of Laws; Venue & Jurisdiction.** To the extent permitted by applicable law, Tenant hereby waives the right to a jury trial in any action or proceeding regarding this Lease and the tenancy created by this Lease. In addition, Tenant hereby submits to local jurisdiction in the State of Louisiana and agrees that any action by Tenant against Landlord shall be instituted in the State of Louisiana and that Landlord shall have personal jurisdiction over Tenant for any action brought by Landlord against Tenant in the State of Louisiana. Tenant agrees that all legal proceedings shall be filed in the 29th Judicial District for St. Charles Parish.

19.18 **Rights Reserved by Landlord.** Landlord reserves the following rights exercisable without notice (except as otherwise expressly provided to the contrary in this Lease) and without being deemed an eviction or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for set-off or abatement of Rent: (i) to change the name or street address of the Building; (ii) to install, affix and maintain all signs on the exterior and/or interior of the Building; provided however, the Tenant shall at all time have the right to install, affix and maintain a sign(s) on the exterior of the Building and/or on the Premises provided such sign(s) complies with all Applicable Laws; (iii) to designate and/or approve (which approval shall not be unreasonably withheld or delayed) prior to installation, all types of signs, awnings or other similar items, and all internal lighting that may be visible from the exterior of the Premises; (iv) to display the Premises to prospective purchasers and ground lessors at reasonable hours upon reasonable advance notice to Tenant; (v) to change the arrangement of entrances and doors in the Building, provided no such change shall materially adversely affect access to the Premises; (vi) to prohibit the placement of video or other electronic games in the Premises; (vii) to utilize images and information pertaining to the Tenant, sub-lessees and the Permitted Use of the Premises in promotional and marketing efforts of the Landlord; (viii) to close the Building after normal business hours, except that Tenant and its employees and invitees shall be entitled to admission at all times under such rules and regulations as Landlord prescribes for security purposes; (ix) to install, operate and maintain security systems which monitor, by close circuit television or otherwise, all persons entering or

leaving the Premises; (x) to install and maintain pipes, ducts, conduits, wires and structural elements located in the Premises which serve other parts or other tenants of the Building; (xi) to retain at all times master keys or pass keys to the Premises; and (xii) to have or grant access to the Premises during the last two (2) months of the Term to prepare the Premises for any future tenant if Tenant shall have removed all or substantially all of Tenant's property from the Premises.

19.19 **Outside Equipment.** Tenant shall not install any antenna or aerial wires, radio or television equipment, satellite dishes, or any other equipment on the exterior of the Building or in any other portion of the Building that is outside of the Premises without Landlord's prior approval in writing, and upon such terms and conditions, which may include the payment of additional rent, as may be specified by Landlord in each and every instance.

ARTICLE XX - FLOOR LOAD LIMITS

20.01 **Floor Load Limits.** Tenant shall not place a load upon any floor of the Premises exceeding the floor load per square foot area which it was designed to carry and which is allowed by law. Landlord reserves the right to prescribe the weight and position of all safes, business machines and mechanical equipment in the Building. Such installations shall be placed and maintained by Tenant, at Tenant's expense, in settings sufficient, in Landlord's judgment, to absorb and prevent vibration, noise and annoyance to occupants of the complex of adjacent property.

ARTICLE XXI - FINANCIAL STATEMENTS

21.01 **Financial Statements and Annual Reports.** During the Term, Tenant shall provide to Landlord on an annual basis, within one hundred eighty (180) days following the end of Tenant's fiscal year, a copy of Tenant's most recent financial statements prepared as of the end of the Tenant's fiscal year. The Tenant shall provide to Landlord on an annual basis, within one hundred eighty (180) days an Annual Report detailing the activities of the incubator program and its participants. Such financial statements and annual reports shall be signed by an authorized officer of Tenant, who shall attest to the truth and accuracy of the information set forth in such statements. All financial statements and annual reports provided by Tenant to Landlord hereunder shall be prepared in conformity with generally accepted accounting principles, consistently applied.

ARTICLE XXII - COUNTERPARTS; FACSIMILE SIGNATURES

22.01 **Counterparts; Facsimile Signatures.** This Agreement may be executed in multiple counterparts, which together shall have the full force and effect of an original. Signature pages transmitted by facsimile machine shall have equal force as signature pages bearing original signatures.


ARTICLE XXIII - LEASE EXTENSION OPTION

23.01 Tenant shall have the option to extend the term of the Lease for two (2) additional five (5) year terms. Tenant may exercise the option by providing Landlord written notice at least six (6) months prior to the last day of the term then in effect. The lease of the Premises during the extension terms will upon the same terms and conditions as the initial term except for the Base Rent which will be an amount mutually agreed upon by the parties or if no agreement can be reached, at an amount which is the average of the fair market rental rate for the Premises as determined by two certified and licensed appraisers one to be chosen by Landlord and the other by the Tenant.

IN WITNESS WHEREOF, the parties hereto have executed this lease as of the date first above written.


TENANT:

**GOODWILL INDUSTRIES OF
SOUTHEASTERN LOUISIANA, INC.**

By: 
Print Name: W. J. St. Pierre, Jr.
Its: President

LANDLORD:

ST. CHARLES PARISH

By: 
Print Name: W. J. St. Pierre, Jr.
Its: ST. CHARLES PARISH

WITNESSES:

Donna Morgan
Print Name: Donna Morgan

Susan Atkins
Print Name: Susan ATKINS

WITNESSES:

Barbara Jacob Tucker
Print Name: Barbara Jacob Tucker

Valarie Berthelot
Print Name: Valarie Berthelot