COMMUNICATIONS SITE LEASE

between

CITY AND COUNTY OF SAN FRANCISCO, as Landlord

and

AMERICAN MESSAGING SERVICES, LLC, as Tenant

For the lease of

a Site at San Francisco General Hospital and Trauma Center Building 25 1001 Potrero Avenue San Francisco, California

July 13, 2016

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LIST OF EXHIBITS

EXHIBIT A – Depiction of Premises

EXHIBIT B – Notice of Commencement Date

EXHIBIT C - Approved Tenant's Plans and Specifications

EXHIBIT D – First Source Hiring Agreement

EXHIBIT E - Access for Telecommunications Equipment Installation and Maintenance

COMMUNICATIONS SITE LEASE

THIS COMMUNICATIONS SITE LEASE (this "Lease") dated for reference purposes only as of July 13, 2016, is made between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City" or "Landlord"), and AMERICAN MESSAGING SERVICES, LLC, a Delaware limited liability corporation ("Tenant").

City and Tenant hereby covenant and agree as follows:

1. BASIC LEASE INFORMATION

The following is a summary of basic lease information (the "Basic Lease Information"). Each item below shall be deemed to incorporate all of the terms set forth in this Lease pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this Lease, the more specific provision shall control.

1

Lease Reference Date:

July 13, 2016

Landlord:

Tenant:

Building:

Premises (Section 3.1):

CITY AND COUNTY OF SAN FRANCISCO

AMERICAN MESSAGING SERVICES, LLC

Zuckerberg San Francisco General Hospital and Trauma Center, Building 25, located at 1001 Potrero Avenue, San Francisco, California (the "**Building**").

The portions of the Building consisting of space in the Penthouse Radio Room in which Tenant's communications facilities are to be installed (shown on Exhibit A, Sheet 1), one (1) 19" rack in the Transmitter Room in the Basement of the Building (shown on Exhibit A, Sheet 2) and located on the roof of the Building on which two (2) antennas and one (1) 1.2 meter Satellite dish are to be mounted (as shown on Exhibit A, Sheet 3). In connection with this Lease and during the term of the Lease, Tenant shall have a nonexclusive license for the placement and use of wiring and conduit as shown on the Approved Plans (as defined below). The Building is under the jurisdiction of the City's Department of Public Health.

Term (Section 4.1):

Extension Options (Section 28.1):

Base Rent (Section 5.1):

Adjustment Dates (Section 5.2):

Use (Section 6.1):

Tenant's Equipment (Exhibit C):

Utilities (Section 12.1):

Security Deposit (Section 25): Notice Address of Landlord Five (5) years

Estimated commencement date: October 1, 2016

Expiration date: September 30, 2021

Two (2) additional five (5) year Options, exercisable on the terms specified in <u>Section 28</u>

Annual Base Rent: \$60,000.00

Monthly payments: \$ 5,000.00

So long as Tenant provides services, and in consideration of, the benefit of Tenant's Master Agreement to provide paging services for City and benefit of Tenant's equipment, Tenant is exempt from payment of rent.

Annually on January 1 of each year, beginning January 1, 2018.

Tenant shall only use the Premises for the construction, maintenance and operation of the Tenant Equipment and for the transmission and reception of paging and/or radio communication signals on various frequencies with the Tenant Equipment (a "Communications Site"). Tenant shall not use the Premises for any other purposes without the written consent of Landlord.

The following equipment and improvements that Tenant has the right to install at the Building pursuant to this Lease, which installation shall be at Tenant's sole cost: Two (2) Antennae, One (1) 1.2 meter Satellite dish (roof mounted), One (1) 19" Rack (Transmitter Room), and related power cable/supply and equipment (collectively, Tenant's Equipment") as shown on Exhibit C attached hereto.

Utilities to be provided by City for a service charge of \$3,708 per annum, payable monthly in advance at \$309.00 subject to a three (3%) percent increase annually on the anniversary of each Adjustment Date. In consideration of Tenant's Master Agreement and the benefit of the service and equipment to City, Tenant is exempt from payment of utilities during term of Tenant's Master Agreement for paging services.

\$ 5,000.00 [Already paid for Permit.]

Department of Public Health

(Section 29.1):

101 Grove Street
San Francisco, CA 94102
Attn: Director of Public Health
Re: SFGH – 1001 Potrero, Building 25
American Messaging

With a copy to:

Real Estate Division City and County of San Francisco 25 Van Ness Avenue, Suite 400 San Francisco, CA 94102 Attn: Director of Property Re: San Francisco General Hospital 1001 Potrero Avenue, Building 25 American Messaging Fax No.: (415) 552-9216

and to:

Office of the City Attorney City and County of San Francisco City Hall, Room 234 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 Attn: Deputy City Attorney Re: SFGH – 1001 Potrero American Messaging Fax No.: (415) 554-4755

Max Bunuan Director of Facilities, ZSFGH <u>Max.@sfdph.org</u>

415.206.8550

Bill Kim Bill.kim@sfdph.org 415.554.2633

American Messaging Services, LLC Attn: Site Activity 1720 Lakepointe Drive, Suite 100 Lewisville, TX 75057 927-353-1809

Heather Pitzer Heather.pitzer@americanmessaging.net

soful a confit biyogyi t dat no office parts

972.353.1932

Key Contact for Landlord:

Telephone No.:

Notice Address for Tenant (Section 29.1):

Key Contact for Tenant:

Telephone No.:

Alternate Contact for Tenant

Rod Ferguson Rob.ferguson@americanmessaging.net

Telephone No.:

614.844.4859

2. CO-LOCATION OF TELECOMMUNICATIONS FACILITIES

2.1 Prohibition on Co-location Without Landlord's Consent

Co-location of facilities is prohibited except with the express written approval of landlord. A "co-located telecommunication facility" means a telecommunication or paging facility comprised of one or more antennas, dishes, or similar devices owned or used by more than one public or private entity that is not controlled by or under common control with Tenant. The meaning of "control" in the foregoing sentence shall be as set forth in <u>Section 17.6</u>.

2.2 Required Co-location

Notwithstanding the foregoing, Tenant is on notice that Landlord may require Tenant to co-locate its facilities on the premises with other facilities or providers or require Tenant to permit other facilities or providers to co-locate on Tenant's facilities.

Tenant shall cooperate and use commercially reasonable efforts to facilitate co-location of future paging and/or telecommunications facilities upon the premises; provided, however, that Tenant shall not be under any such obligation if a proposed co-location causes interference with Tenant's existing use of the premises. If no such interference would occur upon installation of a co-locator's equipment as reasonably determined by Landlord, then the proposed co-locator in each instance shall, as a condition precedent to any proposed co-location: (i) execute and deliver a co-location agreement prepared in commercially reasonable form by the proposed co-locator; (ii) pay all costs arising from or related to the co-location, including but not limited to any and all costs incurred by Tenant to accommodate such co-location; and (iii) reimburse Tenant a commercially reasonable percentage of costs and expenses (including capital expenditures) incurred by Tenant in connection with the development, use, or occupancy of the premises prior to the co-location.

3. PREMISES; AS IS LEASE

3.1 Lease Premises

Subject to the terms, covenants and conditions set forth in this Lease, City leases to Tenant and Tenant leases from City those premises specified in the Basic Lease Information and shown on the plans attached hereto as <u>Exhibit A</u> (the "Premises"). Tenant shall have access to the Premises and portions of the common areas of the Building as provided in <u>Section 22.1</u> (Tenant's Access to Premises).

As used herein, "**Property**" means the Premises, Building and real property upon which the Building is located and all other improvements and appurtenances to such land. In connection with its use of the Premises and for the Term of this Lease, City grants Tenant a nonexclusive license for the placement and use of Tenant's utility and fiber cabling, wires, and conduits reasonably necessary to connect Tenant's Equipment (collectively, the "Tenant Cables") across the areas shown on the Approved Plans (as defined in <u>Section 7.1</u> (Tenant Improvement Work). Such license shall be irrevocable, but shall terminate upon any termination of this Lease. City, in its sole discretion and at its sole cost and expense, may relocate the license area upon one hundred eighty (180) days prior written notice to Tenant. Except as otherwise expressly permitted in this Lease, all Tenant Cables that connect Tenant's Equipment located in different sites within, and on top of, the Building shall pass through existing openings in the Building's walls, floors, or ceilings unless Tenant reasonably determines that such existing openings are not usable. In such event, Tenant shall obtain Landlord's prior written consent to make any new penetrations through the Building walls, floors, or ceilings and roofs for any Tenant Cables, which consent will not be unreasonably withheld, conditioned or delayed.

To request Landlord's consent to new penetrations, Tenant shall deliver such request to Landlord in writing, together with any information reasonably requested by Landlord to analyze whether such proposed penetrations would negatively impact the Building's safety or structural integrity (a "Request Notice"). Such Landlord-requested information may include an analysis of the impact of the proposed penetrations, prepared by a California-licensed structural engineer with reasonable experience in analyzing such issues. If the cost of making any such new penetrations is more than Five Thousand Dollars (\$5,000), Tenant shall pay Landlord the administrative fee described in Section 8.1. If the cost of making any such new penetrations is Five Thousand Dollars (\$5,000) or less, at Landlord's election, Tenant shall pay Landlord a reasonable administrative review fee before Landlord is required to review such new penetration request. Such administrative review fee shall be based on Landlord's estimated costs in reviewing the proposed penetrations. Landlord shall notify Tenant in writing if Landlord will charge such an administrative review fee and the amount of such fee within thirty (30) days' of receiving Tenant's Request Notice. Tenant shall have the right to withdraw its Request Notice at any time; provided, however, that if Tenant withdraws such Request Notice after delivering the administrative review fee or a Section 8.1 administrative fee. Landlord shall have no obligation to reimburse such fee to Tenant.

3.2 As Is Lease

TENANT EXPRESSLY ACKNOWLEDGES AND AGREES THAT THE PREMISES ARE BEING LEASED AND ACCEPTED IN THEIR "AS IS, WITH ALL FAULTS" CONDITION, WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, AND SUBJECT TO ALL APPLICABLE LAWS, RULES AND ORDINANCES, INCLUDING, WITHOUT LIMITATION, ZONING ORDINANCES AND REGULATIONS GOVERNING THE USE, OCCUPANCY OR POSSESSION OF THE PREMISES OR LICENSED AREAS. TENANT REPRESENTS AND WARRANTS TO LANDLORD THAT TENANT HAS CONDUCTED A REASONABLY DILIGENT INVESTIGATION, EITHER INDEPENDENTLY OR THROUGH AGENTS OF TENANT'S CHOOSING, OF THE CONDITION OF THE PREMISES AND OF THE SUITABILITY OF THE PREMISES FOR TENANT'S INTENDED USE, AND TENANT IS RELYING SOLELY ON ITS INDEPENDENT INVESTIGATION. TENANT FURTHER REPRESENTS AND WARRANTS THAT ITS INTENDED USE OF THE PREMISES IS THE USE DESCRIBED IN THE BASIC LEASE INFORMATION. TENANT AGREES THAT NEITHER CITY NOR ANY OF ITS AGENTS HAVE MADE, AND CITY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PHYSICAL, STRUCTURAL OR ENVIRONMENTAL CONDITION OF THE PREMISES OR THE PRESENT OR FUTURE SUITABILITY OF THE PREMISES OR LICENSED AREAS FOR THE CONDUCT OF TENANT'S BUSINESS, OR ANY OTHER MATTER WHATSOEVER RELATING TO THE PREMISES, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. FOR PURPOSES OF CALIFORNIA CIVIL CODE SECTION 1938, TO THE EXTENT APPLICABLE TO THIS PERMIT, THE BUILDING HAS NOT BEEN INSPECTED BY A CERTIFIED ACCESS SPECIALIST.

4. TERM

Term of Lease 4.1

The Premises are leased for a term (the "Term") of five (5) years, commencing and terminating as set forth below. The Term of this Lease shall end on the Expiration Date specified in the Basic Lease Information, or such earlier date on which this Lease terminates pursuant to the terms hereof. No delay in the commencement of this Lease beyond the Estimated Commencement Date specified in the Basic Lease Information shall serve to extend the Initial Term beyond the Expiration Date. Upon delivery of a written notice to the Director of Property no less than One Hundred and Eighty Days (180) prior to the Lease Expiration Date for the Term and any Extended Terms, Tenant shall have the right to extend the Term for up to three (3) additional terms of five (5) years on the terms provided in Section 28.1 (Options to Extend Term). As used below, the "Term" shall include the initial term of five (5) years, and any of the Extended Terms if Tenant duly exercises its Extension Options with respect to such Extended Term(s) pursuant to this Lease.

4.2 **Confirmation of Commencement Date and Expiration Date**

The Term of this Lease shall commence on the full execution by the parties (which execution by City shall require the resolution specified in Section 29.35 below) (the "Commencement Date"). The Term shall terminate on the Expiration Date unless earlier terminated pursuant to the terms hereof or extended as provided in Section 28.1. Promptly following the Commencement Date, if the Commencement Date occurs on a date other than the Estimated Commencement Date specified in the Basic Lease Information, Tenant shall deliver to City a notice in substantially the form attached hereto as Exhibit B identifying the Commencement Date determined in accordance with the provisions hereof, and City shall execute and return such notice to Tenant. However, the parties' failure to execute or deliver such notice shall not affect the commencement of the Term.

RENT; ADDITIONAL CHARGES 5.

Base Rent 5.1

Beginning on the Commencement Date, Tenant shall pay to City during the Term the annual Base Rent specified in the Basic Lease Information as the same may be increased pursuant to Section 5.2 (Adjustments in Base Rent) (the "Base Rent"). The Base Rent shall be payable in equal consecutive monthly payments on or before the first day of each month, in advance, by good check to the City and County of San Francisco at the address for the Director of Property specified in the Basic Lease Information, or such other place as City may designate in writing. Tenant shall pay the Base Rent without any prior demand and without any deduction or setoff. If the Commencement Date occurs on a day other than the first day of a calendar month, or the Expiration Date occurs on a day other than the last day of a calendar month, then the Base Rent for such fractional month shall be prorated based on a thirty (30)-day month.

In consideration of the benefit and public purpose of Tenant's Paging Equipment and Services Agreement, dated June 1, 2013, ("Master Agreement"), with the City to provide a radio paging telecommunications system for City's use, including the doctors and staff at the Zuckerberg San Francisco General Hospital and Trauma Center, Tenant is exempt from payment of Base Rent until the Master Agreement expires or is terminated and so long as Tenant provides said services to City and department staff.

5.2 Adjustments in Base Rent

Subject to the exemption set forth in <u>Section 5.1</u>, on each date specified in the Basic Lease Information for the adjustment of Base Rent (an "Adjustment Date") during the Term, the Base Rent payable by Tenant under Section 5.1 (Base Rent) above shall be adjusted annually by three (3) percent.

5.3 **Additional Charges**

Subject to the exemption set forth in Section 5.1, Tenant shall promptly pay to City any and all charges, if any, required under any other provision of this Lease, as additional rent (herein called "Additional Charges"). Such Additional Charges shall be payable to City at the same place and in the same manner as the Base Rent is payable. City shall have the same remedies for a default in the payment of any Additional Charges as for a default in the payment of Base Rent. As used in this Lease, the term "Rent" shall include the Base Rent and any Additional Charges. Late Charges

5.4

Subject to the exemption set forth in Section 5.1, if Tenant fails to pay any Rent within ten (10) days after delivery of notice that the same is due and payable, such unpaid amounts will be subject to a late payment charge equal to ONE HUNDRED AND FIFTY percent (150%) of the unpaid amounts in each instance. The late payment charge has been agreed upon by City and Tenant, after negotiation, as a reasonable estimate of the additional administrative costs and detriment that will be incurred by City as a result of any such failure by Tenant, the actual costs thereof being extremely difficult if not impossible to determine. The late payment charge constitutes liquidated damages to compensate City for its damages resulting from such failure to pay and shall be paid to City together with such unpaid amounts.

5.5 Default Interest

Subject to the exemption set forth in Section 5.1, any Rent, if not paid within ten (10) days following the due date, shall bear interest from the due date until paid at the rate of six percent (6%) per year, or, if a higher rate is legally permissible, at the highest rate an individual is permitted to charge under law. However, interest shall not be payable on late charges incurred by Tenant nor on any amounts on which late charges are paid by Tenant to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest and late charges shall not excuse or cure any default by Tenant.

6. USE

6.1 Permitted Use

Tenant shall use the Premises during the Term of this Lease solely for such uses as are specified in the Basic Lease Information and the Exhibits attached hereto, and for no other use. Tenant shall not interfere with the use and operation of the Building as a hospital and trauma center.

6.2 No Illegal Uses or Nuisances

Without limiting the foregoing, Tenant shall not use or occupy any of the Premises, or permit the use or occupancy thereof, in any unlawful manner or for any illegal purpose, or permit to be carried on any offensive, immoral, noisy, or hazardous use. Tenant shall take all precautions to eliminate any nuisances or hazards in connection with its activities within the

Premises. Tenant shall not advertise in any manner in areas outside the Premises or on or about the Building; provided, however that Tenant may place one identification plate on each antenna, and base station equipment component that comprises the Tenant's Equipment, which plate shall be no larger than two (2) inches by two (2) inches and shall be reasonably approved in advance by City, in order to identify Tenant's Equipment as belonging to Tenant.

7. INSTALLATION OF TENANT IMPROVEMENTS

7.1 Tenant Improvement Work

Prior to the Commencement Date, pursuant to Tenant's Permit, dated January 5, 2016, Tenant has installed Tenant's Equipment and other improvements on the Premises in accordance with the plans and specifications set forth in <u>Exhibit A</u>, which have been approved by City (such work is called the "**Tenant Improvement Work**" or "**Tenant Improvements**" and such plans and specifications are called the "**Approved Plans**"). A copy of the Approved Plans is attached hereto as <u>Exhibit C</u>. The Approved Plans may be altered, subject to the prior written and reasonable approval of City, if required in order for Tenant to obtain any permits or approvals necessary for construction of any modifications, alterations, replacements or additions.

Tenant shall not alter, replace, modify, or add to any of Tenant's Equipment without City's prior written consent; provided, however, that Tenant may perform maintenance, repairs, like-for-like exchanges or similar replacements of Tenant's Equipment and may make modifications within the interior of any of Tenant's Equipment without prior approval of City so long as the like-for-like exchanges or similar replacements of Tenant's Equipment are substantially similar in size and weight to the previous Tenant Equipment, do not pose any greater danger to the Building than the Tenant's Equipment to be so exchanged or replaced, will comply with Section 12.3 (Floor Load), and Tenant obtains all regulatory approvals required for such exchanges, replacements, or modifications. If Tenant wishes to make any exchange or replacement of Tenant's Equipment within the Premises that requires City's prior written consent, City will not unreasonably withhold, condition or delay its approval; provided, however, subject to Section 5.1, that City shall have the right to condition its approval of such requested exchange or replacement on an increase in the Base Rent if such requested exchange or replacement results in Tenant realizing additional revenues or charging higher fees to its customers, unless such higher fees to its customers are solely used to pay for Tenant's additional cost in making such requested exchange or replacement. Tenant acknowledges that City shall have the sole discretion in deciding whether to approve to any proposed addition to the Tenant's Equipment within the Premises or any proposed exchange or replacement of Tenant's Equipment that would result in any expansion of the Premises.

Tenant shall be responsible, at its cost, for performing the Tenant Improvement Work in accordance with the Approved Plans and otherwise in compliance with the standards contained in <u>Section 8.1</u> (Tenant's Alterations). Tenant shall further be responsible, at its cost, for obtaining all permits and licenses required in connection with the Tenant Improvements and satisfy any conditions or mitigation measures approved in connection therewith. No Tenant Improvement Work shall commence until Tenant has first obtained all necessary permits and approvals for Tenant to be legally entitled to construct the Tenant Improvements.

7.2 Local Hire Requirements

Unless exempt, for any Tenant Improvement Work and Alterations, as defined in <u>Section</u> <u>8</u> (Tenant's Alterations), estimated to cost more than \$750,000, Tenant agrees to comply with the San Francisco Local Hiring Policy set forth in San Francisco Administrative Code Section 6.22(G) in the performance of the Tenant Improvement Work and Alterations. Prior to the commencement of such work, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to discuss the local hiring requirements issued by OEWD under the San Francisco Local Hiring Policy that apply to the Tenant Improvement Work, if any. Tenant shall comply with all OEWD requirements issued with respect to the San Francisco Local Hiring Policy and applicable to the Tenant Improvement Work and Alterations.

7.3 Air-conditioning and Fire Suppression

Tenant shall have the right (but not the obligation) to install and maintain at its own cost and expense a self-contained air-conditioning system and fire protection system on the Premises, as shown on the Approved Plans, if any. Installation of such systems shall be in compliance with Section 7.1 (Tenant Improvement Work) and Section 8.1 (Tenant's Alterations).

8. ALTERATIONS

8.1 Tenant's Alterations

Tenant shall not make or permit any alterations to the Building or any of the heating, ventilating, air conditioning, plumbing, electrical, fire protection, life safety, security and other mechanical, electrical, and communications systems of the Building (collectively, "Building Systems"), or Premises except with City's prior written consent in each instance which may be withheld in City's sole discretion. All Alterations shall be done at Tenant's sole expense in accordance with plans and specifications approved by City, only by duly licensed and bonded contractors or mechanics, and subject to all other conditions which City may reasonably impose. If the cost of any Alterations to the Building (excluding any shown on the Approved Plans) is in excess of Five Thousand Dollars (\$5,000), then Tenant shall pay City an administrative fee equal to ten percent (10%) of the total "hard" costs of the work. "Hard costs" shall include the cost of materials and installation, but shall exclude any costs associated with design, such as architectural fees.

8.2 Title to and Removal of Tenant's Equipment

Title to the Tenant Improvements, all permitted improvements or equipment installed at and affixed to the Premises by Tenant and all of Tenant's personal property (collectively, "Tenant's Property") shall remain the property of Tenant; provided, however, that any structural improvements to the Building made by Tenant shall become City's property and remain on the Premises. City hereby acknowledges that Tenant may grant to the vendor of the equipment to be installed at and affixed to the Premises a security interest in all equipment and fixtures owned by Tenant now or hereafter located at or on the Premises; provided no such security interest shall cover any portion of the Premises or the Building or City's property in, on or about the Building and further provided that any removal of such equipment or fixtures by the holder of any such security interest must be in compliance with the provisions of Section 26 (Surrender of Premises). Tenant may at any time, including any time it vacates the Premises (excluding the structural improvements referenced above), remove all of Tenant's Property from the Premises, subject to the provisions of Section 26 (Surrender of Premises). Notwithstanding anything to the contrary in this Lease. City can elect at any time prior to the Expiration Date or within thirty (30) days after termination of this Lease to require Tenant to remove on the Expiration Date or any earlier termination of this Lease in accordance with Section 26 (Surrender of Premises) at Tenant's sole expense, all or part of any structural improvements to the Premises or the common areas of the Building made by City or Tenant, which were made in order to provide sufficient support for Tenant's equipment, and any antenna or tower supports, foundations, or base plates.

8.3 Taxes on Tenant's Property

At least ten (10) days prior to delinquency, Tenant shall pay all taxes levied or assessed upon Tenant's Property, if any, and shall deliver satisfactory evidence of such payment to City promptly upon request.

9. CITY'S ALTERATIONS OF THE BUILDING AND BUILDING SYSTEMS

City reserves the right at any time to make alterations, additions, repairs, deletions or improvements to all or any part of the Building, the Building Systems or the common areas of the Building, for any purpose including compliance with mandatory or voluntary controls or guidelines, subject to the following terms and conditions. In performing any such work, City shall make good faith efforts to give Tenant prior notice of such work and shall make reasonable efforts not to disrupt Tenant's normal use of Tenant's Equipment in the Premises. Subject to Section 5.1, the making of any such alterations, additions, repairs, deletions or improvements shall in no event entitle Tenant to any damages, relieve Tenant of the obligation to pay the full Base Rent and Additional Charges reserved hereunder or to perform each of its other covenants hereunder or constitute or be construed as a constructive or other eviction of Tenant, provided that Tenant can still operate the Premises as a Communications Site. During the period of any such alterations by City which materially impair Tenant's use of the Premises as a Communications Site, Tenant shall have the right to bring into the Building and operate a portable generator and mobile Communications Site and telescopic antennae or tower, in a mutually acceptable location and on the other terms and conditions provided with respect to such equipment in Section 15 (Damage and Destruction).

10. REPAIRS AND MAINTENANCE

10.1 City's Repairs

City shall be responsible for the maintenance of the Building and City agrees (i) to correct any immediately life-threatening or hazardous condition that affects any portion of the Building necessary for Tenant's use of the Premises as a Communications Site, so long as such condition is not the result of damage or destruction discussed in Section 15 (Destruction), the acts, omissions or negligence of Tenant or its Agents, such repair is not otherwise the responsibility of Tenant under Section 10.2 (Tenant's Repairs), and such condition is not disclosed to Tenant under any provision of this Lease or would not have otherwise been discovered by Tenant through a reasonably diligent inspection of the Premises prior to the reference date hereof, and (ii) to repair any condition caused by City or its tenants of the Building other than Tenant, which condition materially affects any portion of the Building necessary for Tenant's use of the Premises as a Communications Site and is not caused by damage or destruction discussed in Section 15 (Destruction). Upon becoming aware of any such condition, Tenant shall give the City written notice of the need for any repair for which the City is responsible under the preceding sentence; provided, however, that Tenant's agreement to provide written notice shall in no event be interpreted as an assumption of liability for such lifethreatening or hazardous conditions unless Tenant would otherwise be responsible for such conditions hereunder. In the event that the costs of making the corrections or repairs described in Subsections (i) or (ii) above exceed Ten Thousand Dollars (\$10,000.00), City may elect to terminate this Lease within thirty (30) days of the condition requiring correction or repair in lieu of making such corrections or repairs, provided however, that Tenant may elect to pay the portion of such costs in excess of Ten Thousand Dollars (\$10,000.00) necessary in order to make such correction or repairs, in which case City will proceed with the correction or repair.

10.2 Tenant's Repairs

Tenant shall maintain all parts of its Premises at its sole expense, including without limitation, the floors, electrical wiring, fixtures and equipment, in good repair and working order and in a clean, safe and sanitary condition. Tenant shall make all repairs and replacements: (a) at Tenant's expense and at such time and, when required hereunder, in such manner as reasonably approved by City, (b) by duly licensed and bonded contractors or mechanics, (c) in a manner and using equipment and materials which will not interfere with or impair City's operations, use or occupation of the Building or the Building Systems, and (d) in accordance with any Building Rules and Regulations (as defined in Section 24 (Rules and Regulations)) and all applicable Laws (as defined in Section 13.1 (Compliance with Laws)).

11. LIENS

Tenant shall keep the Premises and the Building free from any liens arising out of any work performed, material furnished or obligations incurred by or for Tenant. In the event Tenant shall not, within thirty (30) days following the imposition of any such lien, cause the lien to be released of record by payment or posting of a proper bond, City shall have in addition to all other remedies provided herein and by law or equity the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including, but not limited to, payment of the claim giving rise to such lien. All such sums paid by City and all expenses incurred by it in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to City by Tenant upon demand. City shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law or that City shall deem proper for the protection of City, the Premises, and the Building, from mechanics' and material supplier's liens. Tenant shall give to City at least fifteen (15) days' prior written notice of commencement of any repair or construction on the Premises except for minor and routine repair and maintenance for which Tenant is responsible hereunder. Tenant shall not create, permit or suffer any other encumbrances affecting any portion of the Premises or the Building except as expressly permitted under this Lease or without first obtaining the written consent of City, which City may give or withhold in its sole discretion.

12. UTILITIES AND SERVICES

12.1 Utilities and Services

City shall furnish any and all utilities or services necessary or appropriate for Tenant's use and enjoyment of the Premises for a service charge of Three Thousand Seven Hundred and Eight Dollars (\$3,708.00) per annum, payable monthly in advance at Three Hundred and Nine Dollars (\$309.00) subject to a three (3%) percent increase annually on the anniversary date of each Adjustment Date. Should any governmental entity promulgate or revise any statute, ordinance or building, fire or other code or impose mandatory or voluntary controls or guidelines on City or the Building or any part thereof, relating to the use or conservation of energy or electricity, or in the event City is required or elects to make alterations to any part of the Building in order to comply with such mandatory or voluntary controls or guidelines, Tenant shall be responsible for the difference in the utility or service charge, if any, due to any such alterations. Tenant shall not: (a) connect or use any electrical equipment that exceeds the capacity of the Building electrical system; or (b) connect any apparatus, machine or device through electrical outlets except in the manner for which such outlets are designed, except for such modifications as may be shown on the Approved Plans and for any other such modifications at Tenant's sole cost as are reasonably approved in writing in advance by City.

In consideration of the benefit and public purpose of Tenant's Paging Equipment and Services Agreement, dated June 1, 2013, ("Master Agreement"), with the City to provide a radio paging telecommunications system for City's use, including the doctors and staff at the Zuckerberg San Francisco General Hospital and Trauma Center, Tenant is exempt from payment of Base Rent until the Master Agreement expires or is terminated and so long as Tenant provides said services to City and department staff.

12.2 Mandatory or Voluntary Restrictions

Subject to the exemption set forth in <u>Section 12.1</u>, in the event City provides any utilities for a service charge pursuant to <u>Section 12.1</u> (Utilities and Services), and any governmental entity promulgates or revises any statute, ordinance or building, fire or other code or imposes mandatory or voluntary controls or guidelines on City or the Building or any part thereof, relating to the use or conservation of energy or electricity, or in the event City is required or elects to make alterations to any part of the Building in order to comply with such mandatory or voluntary controls or guidelines, such compliance and the making of such alterations shall in no event entitle Tenant to any damages, relieve Tenant of the obligation to pay the full Base Rent and Additional Charges reserved hereunder or to perform each of its other covenants hereunder or constitute or be construed as a constructive or other eviction of Tenant, provided that Tenant can still operate the Premises as a Communications Site.

12.3 Floor Load

Without the prior written consent of City, which City may give or refuse in City's sole discretion, Tenant shall not place or install in the Premises any machine, equipment, structure or other improvement the weight of which shall exceed the normal loadbearing capacity of the floors or roof of the Building, except as may be shown in the Approved Plans. If City consents to the placement or installation of any such machine or equipment in the Premises, Tenant at its sole expense shall reinforce the floor or roof of the Premises in the area of such placement or installation, pursuant to plans and specifications reasonably approved by City and otherwise in compliance with <u>Section 8.1</u> (Tenant's Alterations), to the extent necessary to assure that no damage to the Premises or the Building or weakening of any structural supports will be occasioned thereby.

13. COMPLIANCE WITH LAWS AND RISK MANAGEMENT REQUIREMENTS

13.1 Compliance with Laws

Tenant, at Tenant's expense, shall promptly maintain the Premises, any Tenant Improvements and Tenant's Alterations and any other improvements and equipment permitted hereunder, and Tenant's use and operations thereon, in strict compliance with all present and future laws, orders and regulations of federal, state, county and municipal authorities (collectively, "Laws") relating to the Premises or the use or occupancy thereof, whether foreseen or unforeseen, ordinary as well as extraordinary. Such Laws shall include, without limitation, all Laws relating to health and safety and disabled accessibility including, without limitation, the Americans with Disabilities Act, 42 U.S.C. Section 12101 et seq. (insofar as such Act relates to Tenant's unique use) and Title 24 of the California Code of Regulations, all present and future Environmental Laws (as defined in Section 27.1 (Definitions)), and all present and future life safety, fire sprinkler, seismic retrofit and other building code requirements. Any work or installations made or performed by or on behalf of Tenant or any person or entity claiming through or under Tenant pursuant to the provisions of this Section shall be made in conformity with and subject to the provisions of Section 10.2 (Tenant's Repairs). In making any application to City's Planning Department for the Communications Site, Tenant agrees to act as both "Applicant" and "Project Sponsor." A copy of all conditional use permits authorizing use of the Premises shall be copied to the Director of Property and the Department of Public Health prior to any work.

The parties acknowledge and agree that Tenant's obligation to comply with all Laws as provided herein is a material part of the bargained-for consideration under this Lease. Tenant's obligation under this Section shall include, without limitation, the responsibility of Tenant to make substantial or structural repairs and alterations to the Premises (including any of the Tenant Improvements or any of Tenant's Alterations), regardless of, among other factors, the relationship of the cost of curative action to the Rent under this Lease, the length of the then remaining Term hereof, the relative benefit of the repairs to Tenant or City, the degree to which the curative action may interfere with Tenant's use or enjoyment of the Premises, the likelihood that the parties contemplated the particular Law involved, and whether the Law involved is related to Tenant's particular use of the Premises. No occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall relieve Tenant from its obligations hereunder, or shall give Tenant any right to terminate this Lease in whole or in part or to otherwise seek redress against City. Except as expressly provided herein, Tenant waives any rights now or hereafter conferred upon it by any existing or future Law to terminate this Lease, to receive any abatement, diminution, reduction or suspension of payment of Rent, or to compel City to make any repairs to comply with any such Laws, on account of any such occurrence or situation.

Tenant understands and agrees that City is entering into this Lease in its capacity as a property owner with a proprietary interest in the Premises and not as a regulatory agency with police powers. Nothing in this Lease shall limit in any way Tenant's obligation to obtain any required regulatory approvals from City departments, boards or commissions having jurisdiction over the Premises. By entering into this Lease, City is in no way modifying or limiting Tenant's obligation to cause the Premises to be used and occupied in accordance with all Laws as provided above.

13.2 Licenses and Approvals

Tenant represents and warrants that it has acquired all licenses, permits, and other approvals required under all federal, state, and local laws for the operation of Tenant's Equipment on the Premises. Tenant shall maintain all such licenses, permits or other approvals throughout the Term of this Lease.

13.3 Radiofrequency Radiation and Electromagnetic Fields

Without limiting Section 13.1 above, Tenant shall comply with all present and future laws, orders and regulations of federal, state, county and municipal authorities relating to allowable presence of or human exposure to Radiofrequency Radiation ("RFs") or Electromagnetic Fields ("EMFs") on or off the Premises, including without limitation, all applicable standards adopted by the Federal Communications Commission ("FCC"), whether such RF or EMF presence or exposure results from Tenant's equipment alone or from the cumulative effect of Tenant's equipment added to all other sources in the Building. City shall not agree to allow any third party entering into an occupancy or use agreement after the Commencement Date to cause an increase in RF or EMF levels in the Building such that the cumulative levels exceed allowable levels. If the cumulative effect of City's use of the Building taken together with Tenant's use hereunder and other tenant(s) whose use predated the Commencement Date exceeds such standards, Tenant shall have the right to terminate this Lease without penalty upon ninety (90) days' prior written notice to City. Without limiting the provisions of Tenant's indemnity contained in Section 18 (Indemnity), Tenant, on behalf of itself and its successors and assigns, shall indemnify the "Indemnified Parties," and each of them, from and against all "Claims" incurred in connection with or arising in whole or in part from the presence of or exposure to RFs or EMFs resulting from Tenant's use of the Premises.

13.4 Compliance with City's Risk Management Requirements

Tenant shall not do anything, or permit anything to be done, in or about the Premises which would create any unusual fire risk, and shall take commercially reasonable steps to protect City from any potential premises liability by reason of any business operation being conducted by Tenant in the Premises. Tenant, at Tenant's expense, shall comply with all reasonable rules, orders, regulations or requirements of City's Risk Manager.

14. SUBORDINATION

This Lease shall be subordinate to any reciprocal easement agreements, ground leases or underlying leases and the lien of any mortgage or deed of trust (collectively, "Encumbrance"), which may now exist or hereafter be executed affecting any of the Building, the real property upon which the Building is located or City's interest therein and all renewals, extensions, modifications, and replacements of such Encumbrance. Notwithstanding the foregoing, City shall have the right to subordinate any such Encumbrances to this Lease. If any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant shall attorn to the successor-ininterest to City, at the option of such successor-in-interest, provided that so long as Tenant is not in default hereunder, such successor-in-interest shall recognize this Lease and shall not disturb Tenant in its possession of the Premises for any reason other than one that would entitle City to terminate this Lease or otherwise dispossess Tenant of the Premises in accordance with the terms hereof. No further instrument shall be required to make the provisions hereof operative except that City shall give Tenant written notice of such subordination. Tenant agrees, however, to execute and deliver, upon demand by City and in the form requested by City, any additional documents evidencing the priority or subordination of this Lease provided such documents contain a non-disturbance and recognition agreement executed by the holder of such Encumbrance.

15. DAMAGE OR DESTRUCTION

The parties recognize that the Premises are a small portion of a building used as, among other things, a hospital and trauma center. In the event of damage to the Premises or the Building by any cause, City shall have no obligation to rebuild or repair. If City, in City's sole and absolute discretion, determines to repair or rebuild, City shall give Tenant written notice of its determination and its good faith estimate of the amount of time to repair or rebuild, within thirty (30) days of the date of such damage or destruction.

During the period of any repair or rebuilding provided for hereunder, Tenant shall have the right, at its sole expense, to bring onto the Building in a location mutually acceptable to Tenant and City and to operate a portable generator and mobile Communications Site and telescopic antennae or tower in order to provide for continuous service to Tenant's customers during such period. Neither the placement nor use of such generator or equipment shall interfere with City's operations or business in the Building or, if City has elected to repair or rebuild the Premises or the Building as provided above, with such repair or reconstruction.

The parties hereto understand and agree that the provisions of this Section are intended to govern fully the rights and obligations of the parties in the event of damage or destruction, and Tenant and City each hereby waives and releases the provisions of Section 1932, subdivision 2, and Section 1933, subdivision 4, of the Civil Code of California (When hirer may terminate the hiring) or under any similar law, statute or ordinance now or hereafter in effect.

16. EMINENT DOMAIN

16.1 Eminent Domain

If all or any part of the Premises shall be taken as a result of the exercise of the power of eminent domain or any transfer in lieu thereof, this Lease shall terminate as to the part so taken as of the date of taking. In the case of a partial taking, Tenant shall have the right to terminate this Lease as to the balance of the Premises by written notice to City within thirty (30) days after such date; provided, however, that a condition to the exercise by Tenant of such right to terminate shall be that the portion of the Premises taken shall be of such extent and nature as to materially impair Tenant's use of the balance of the Premises as a Communications Site. In the event of a partial taking of the Premises which does not result in a termination of this Lease, the Base Rent and Additional Charges thereafter to be paid shall be equitably reduced.

If any material part of the Building shall be taken as a result of the exercise of the power of eminent domain or any transfer in lieu thereof, City shall have the right to terminate this Lease by written notice to Tenant within thirty (30) days of the date of the taking.

In the event of any taking, City shall be entitled to any award which may be paid or made in connection therewith. Tenant shall have no claim against City for the value of any unexpired term of this Lease or otherwise except that Tenant may claim any portion of the award that is specifically allocable to Tenant's relocation expenses or the interruption of or damage to Tenant's business or loss or damage to Tenant's Property.

The parties understand and agree that the foregoing provisions of this Section are intended to govern fully the rights and obligations of the parties in the event of a taking. Tenant and City each hereby waives and releases any right to terminate this Lease in whole or in part under Sections 1265.120 and 1265.130 of the California Code of Civil Procedure (partial termination of lease and Court order terminating lease, respectively) or under any similar law, statute or ordinance now or hereafter in effect.

16.2 Temporary Takings

Notwithstanding the foregoing, if a taking occurs with respect to all or any portion of the Premises for less than ninety (90) days, this Lease shall remain unaffected thereby, and Tenant shall continue to perform all of the terms, conditions and covenants of this Lease, except that Tenant shall be entitled to an abatement in Base Rent, if any is paid, to the extent that its use of the Premises as a Communications Site is materially impaired. In the event of any such temporary taking, City shall be entitled to receive the award.

17. ASSIGNMENT AND SUBLETTING

This Lease is personal to Tenant. Tenant shall not directly or indirectly (including, without limitation, by merger, acquisition, or other transfer of any controlling interest in Tenant), voluntarily or by operation of law, sell, assign, encumber, pledge or otherwise transfer any part of its interest in or rights with respect to the Premises or its leasehold estate hereunder, or permit any portion of the Premises to be occupied by anyone other than itself, or sublet any portion of the Premises, under any circumstances. Any attempt to assign, convey or otherwise transfer this Lease shall be null and void and cause the immediate termination and revocation of this Lease.

18. DEFAULT

18.1 Events of Default

Any of the following shall constitute an event of default by Tenant hereunder:

(a) subject to <u>Section 5.1</u>, any failure to pay any Base Rent or Additional Charges as and when due, provided Tenant shall have a period of ten (10) days from the date of written notice from City within which to cure any default in the payment of Rent; provided, however, that City shall not be required to provide such notice regarding Tenant's failure to make such payments when due more than twice during any calendar year, and any such failure by Tenant after Tenant has received two such notices in any calendar year from City shall constitute a default by Tenant hereunder without any requirement on the part of City to give Tenant notice of such failure except for a three (3)-day notice to pay or quit as required by law;

(b) any failure to perform or comply with any other covenant, condition or representation made under this Lease, provided Tenant shall have a period of thirty (30) days from the date of written notice from City within which to cure such default under this Lease, or, if such default is not capable of cure within such thirty (30)-day period, Tenant shall have a reasonable period to complete such cure if Tenant promptly undertakes action to cure such default within such thirty (30)-day period and thereafter diligently prosecutes the same to completion and Tenant uses its best efforts to complete such cure within sixty (60) days after written notice of default from City;

(c) any vacation or abandonment of the Premises for more than fourteen (14) consecutive days such that the Premises are no longer being used for the purposes set forth in <u>Section 5.1</u>; City acknowledges that the Premises are to be used as an unoccupied transmission facility and, accordingly, lack of on-site personnel shall not, in and of itself, be deemed to indicate vacation or abandonment; and

(d) the appointment of a receiver due to Tenant's insolvency to take possession of all or substantially all of the assets of Tenant, or an assignment by Tenant for the benefit of creditors, or any action taken or suffered by Tenant under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted, if any such receiver, assignment or action is not released, discharged, dismissed or vacated within sixty (60) days.

18.2 Remedies

Upon the occurrence of an event of default by Tenant which is not cured by Tenant within the applicable grace period, if any, specified in <u>Section 18.1</u> (Events of Default), City shall have the following rights and remedies in addition to all other rights and remedies available to City at law or in equity:

(a) the rights and remedies provided by California Civil Code Section 1951.2 (damages on termination for breach), including, but not limited to, the right to terminate Tenant's right to possession of the Premises and to recover the worth at the time of award of the amount, if any, by which the unpaid Base Rent and Additional Charges for the balance of the Term after the time of award exceeds the amount of rental loss for the same period that Tenant proves could be reasonably avoided, as computed pursuant to subsection (b) of such Section 1951.2.

(b) the rights and remedies provided by California Civil Code Section 1951.4 (continuation of lease after breach and abandonment), which allows City to continue this Lease in effect and to enforce all of its rights and remedies under this Lease, including the right to

recover rent as it becomes due, for so long as City does not terminate Tenant's right to possession. Acts of maintenance or preservation, efforts to relet the Premises or the appointment of a receiver upon City's initiative to protect its interest under this Lease shall not constitute a termination of Tenant's right to possession. If City exercises its right under California Civil Code Section 1951.4. City may from time to time sublet the Premises or any part thereof for such term or terms (which may extend beyond the Term) and at such rent and upon such other terms as City in its sole discretion may deem advisable, with the right to make alterations and repairs to the Premises. Upon each such subletting, Tenant shall be immediately liable for payment to City of, in addition to Base Rent and Additional Charges due hereunder, the cost of such subletting and such alterations and repairs incurred by City and the amount, if any, by which the Base Rent and Additional Charges owing hereunder for the period of such subletting (to the extent such period does not exceed the Term) exceeds the amount to be paid as Base Rent and Additional Charges for the Premises for such period pursuant to such subletting. No action taken by City pursuant to this Subsection shall be deemed a waiver of any default by Tenant and, notwithstanding any such subletting without termination, City may at any time thereafter elect to terminate this Lease for such previous default.

(c) the right to have a receiver appointed for Tenant upon application by City to take possession of the Premises and to apply any rental collected from the Premises and to exercise all other rights and remedies granted to City pursuant to this Lease.

19. TENANT'S INDEMNITY

Tenant, on behalf of itself and its successors and assigns, shall indemnify, defend and hold harmless ("Indemnify") City, its Agents and Invitees, and their respective heirs, legal representatives, successors and assigns (individually and collectively, the "Indemnified Parties"), and each of them, from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including, without limitation, direct and vicarious liability of every kind (collectively, "Claims"), incurred in connection with or arising in whole or in part from: (a) injury to or death of a person, including, without limitation, employees of Tenant, or loss of or damage to property, occurring on or about the Premises or License Areas or arising in connection with the use of the Premises or License Areas under this Lease; (b) any default by Tenant in the observation or performance of any of the terms, covenants or conditions of this Lease to be observed or performed on Tenant's part; (c) the use or occupancy or manner of use or occupancy of the Premises by Tenant, its Agents or Invitees or any person or entity claiming through or under any of them; (d) the condition of the Premises or any occurrence on the Premises from any cause attributable to the events described in clauses (a), (b) or (c) of this Section; or (e) any acts, omissions or negligence of Tenant, its Agents or Invitees, in, on or about the Premises or the Building; all regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on, the Indemnified Parties, except to the extent that such Indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Lease and further except to the extent such Claim is caused by the willful misconduct or active negligence of the Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any Claim. Tenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend City and the other Indemnified Parties from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Tenant by City and continues at all times thereafter. Tenant's obligations under this Section shall survive the termination of the Lease.

20. INSURANCE

20.1 Tenant's Insurance

(a) Tenant shall procure and keep in effect at all times during the Term, at Tenant's cost, insurance in the following amounts and coverages:

(i) General Liability Insurance with limits not less than Two Million Dollars (\$2,000,000) each occurrence combined single limit for bodily injury and property damage, including contractual liability, personal injury, explosion, collapse and underground (XCU), Broadform Property Damage, Sudden and Accidental Pollution, Products Liability and Completed Operations.

(ii) Worker's Compensation Insurance with Employer's Liability Limits not less than One Million Dollars (\$1,000,000) each accident.

(iii) Automobile Liability Insurance with limit not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for bodily injury and property damage, including owned and non-owned and hired vehicles, as applicable.

(b) Commercial General Liability, Commercial Automobile Liability Insurance and Business Interruption Insurance policies shall be endorsed to provide the following:

(i) Name as additional insured the City and County of San Francisco, its officers, agents and employees.

(ii) That such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Lease, and that insurance applies separately to each insured against whom claim is made or suit is brought. Such policies shall also provide for severability of interests and that an act or omission of one of the named insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to any insured, and shall afford coverage for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period.

(c) All insurance policies required to be maintained by Tenant hereunder shall be endorsed to provide thirty (30) days' prior written notice of cancellation for any reason other than for nonpayment of a premium, which would have ten (10) days prior written notice of cancellation, to both Tenant and City. Notice to City shall be mailed to the address(es) for City set forth in the Basic Lease Information.

(d) Should any of the required insurance be provided under a claims-made form, Tenant shall maintain such coverage continuously throughout the term hereof and, without lapse, for a period of three (3) years beyond the expiration or termination of this Lease, to the effect that, should occurrences during the Term give rise to claims made after expiration or termination of this Lease, such claims shall be covered by such claims-made policies.

(e) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

(f) Should any of the required insurance be provided under an excess or umbrella policy that follows the form and amounts of those required in this <u>Section 20</u>, including coverage and no additional exclusions, then proof of such excess/umbrella policy and the City as an additional insured under same shall satisfy the insurance requirements and amounts set forth herein.

(g) Tenant shall deliver to City certificates of insurance and additional insured policy endorsements from insurers in a form satisfactory to City, evidencing the coverages required hereunder, on or before the Commencement Date, and Tenant shall provide City with certificates promptly upon City's request.

(h) Tenant's compliance with the provisions of this Section shall in no way relieve or decrease Tenant's liability under <u>Section 19</u> (Indemnity), or any other provision of this Lease.

(i) Notwithstanding anything to the contrary in this Lease, City may elect, in City's sole and absolute discretion, to terminate this Lease if Tenant allows any required insurance coverage to lapse by: (1) providing Tenant written notice of such lapse; and
 (2) immediately providing written notice of termination if Tenant fails to reinstate the lapsed coverage within three (3) days of City's notice of such default.

20.2 Tenant's Property

Tenant shall be responsible, at its expense, for separately insuring Tenant's Property.

20.3 City's Self Insurance

Tenant acknowledges that City self-insures against casualty, property damage and public liability risks. City agrees to maintain an adequate program of self-insurance for public liability risks during the Term and shall not be required to carry any third party insurance with respect to the Building, the Premises or otherwise.

20.4 Waiver of Subrogation

Notwithstanding anything to the contrary contained herein, City and Tenant each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Building or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is (i) covered by third party insurance such Waiving Party is required to carry under this Lease or (ii) actually covered by any other third party insurance then carried by the Waiving Party. Each Waiving Party agrees to cause its third party insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Building or the Premises; provided, the failure to obtain any such endorsement shall not affect the above waiver.

21. LIMITATION OF CITY'S LIABILITY

21.1 Limitation on City's Liability

City shall not be responsible for or liable to Tenant, and Tenant hereby waives all Claims against City and its Agents and releases City and its Agents from, all Claims for any injury, loss or damage to any person or property in or about the Premises or any License Area created under this Lease by or from any cause whatsoever (other than to the extent caused by the active negligence or willful misconduct of City and its Agents), including, without limitation, acts or omissions of persons occupying adjoining premises or any part of the Building adjacent to or connected with the Premises; theft; burst, stopped or leaking water, gas, sewer or steam pipes; or gas, fire, oil or electricity in, on or about the Premises or the Building.

21.2 Consequential Damages

Tenant expressly acknowledges and agrees that the Rent payable hereunder does not take into account any potential liability of City for any consequential or incidental damages including, but not limited to, lost profits arising from the disruption to Tenant Improvements. City would not be willing to enter into this Lease in the absence of a complete waiver of liability, to the fullest extent permitted by Law, for consequential or incidental damages due to the acts or omissions of City or its Agents, and Tenant expressly assumes the risk with respect thereto. Accordingly, without limiting any indemnification obligations of Tenant or other waivers contained in this Lease and as a material part of the consideration for this Lease, Tenant fully releases, waives and discharges forever any and all claims, demands, rights, and causes of action against City for consequential and incidental damages (including without limitation, lost profits) arising out of this Lease, including , without limitation, any interference with uses conducted by Tenant pursuant to this Lease, regardless of the cause, and whether or not due to the active or passive negligence or willful misconduct of City or its Agents, and covenants not to sue for such damages City, its departments, commissions, officers, directors and employees, and all persons acting by, through or under each of them.

21.3 No Relocation Assistance

This Lease creates no right in Tenant to receive any relocation assistance or payment for any reason under the Relocation Assistance Act (California Government Code Section 7260 et seq.), the Uniform Relocation Assistance Act (42 U.S.C. Section 4602 et seq.) as such acts may be amended or revised or under any existing or future law upon any termination of tenancy except as provided in Section 15 (Eminent Domain) hereof.

Tenant fully waives, releases and relinquishes forever any and all claims, demands, rights and causes of action that it may have against the city under any existing or future laws, for any compensation from City not otherwise provided for herein, upon any termination of tenancy hereunder.

In connection with the releases under <u>Sections 21.1</u> (Limitation on City's Liability), <u>21.2</u> (Consequential Damages), and <u>21.3</u> (No Relocation Assistance), Tenant acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Tenant acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, anticipated and unanticipated claims. Tenant realizes and acknowledges that it has agreed upon this Lease in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The releases contained herein shall survive any termination of this Lease.

22. ACCESS TO PREMISES

22.1 Tenant's Access to the Premises

City hereby grants to Tenant during the Term of this Lease and for the limited purposes and subject to the terms and conditions set forth below, a nonexclusive license in and over the following common areas of the Building to the Premises: areas providing physical access by personnel and equipment including ramps, loading docks, walkways, staircases, and ladders; the roof; transmitter room and, Penthouse on and in which Tenant's Equipment is installed as shown on <u>Exhibit A</u>. Use of such areas shall be subject to City's rights under <u>Section 9</u> (City's Alterations of Building and Building Systems). The license granted to Tenant hereunder is for the sole purpose of constructing, maintaining, restoring, replacing and operating Tenant's Equipment located within the Premises or the common areas of the Building, including any necessary electrical and telephone conduits, in accordance with the use permitted under this Lease.

Such rights shall include the right of ingress and egress through the Building during nonbusiness hours for access to or from the Premises or Tenant's Equipment, provided that Tenant shall provide City with at least forty-eight (48) hours prior written notice of any requested access, shall only access the Premises or any Tenant Cables elsewhere in the Building while accompanied by a designated City representative, and shall comply with all reasonable requirements of such designated person with respect to Tenant's requested access. In the event of an emergency, Tenant shall have the right to enter the Premises (or the Building with respect to accessing any Tenant Cables) if a designated City representative is not available to accompany Tenant at such time and following such access, Tenant promptly notify the Key Contact for Landlord designated in <u>Section 1</u> above.

22.2 City's Access to the Premises

City and its designated Agents shall the right to enter the Premises at all times with reasonable notice (except in the event of an emergency) for any of the following purposes:

(a) To determine whether the Premises are in good condition and to inspect the Premises;

(b) To determine whether Tenant is in compliance with its obligations hereunder and to cure or attempt to cure any default in accordance with the provisions of <u>Section 18.2</u> (Remedies) hereof;

(c) To serve, post or keep posted any notices required or allowed under any provisions of this Lease or required under any applicable law;

(d) To do any maintenance or repairs to the Premises that City has the right or the obligation, if any, to perform hereunder.

22.3 Emergency Access

In the event of any emergency, as determined by City, City may, at its sole option and without notice (provided that City shall make reasonable efforts to provide Tenant with notice when feasible in light of the exigent circumstances) enter the Premises and alter or remove Tenant's Property on or about the Premises. City shall have the right to use any and all means City considers appropriate to gain access to any portion of the Premises in an emergency. In such case, City shall not be responsible for any damage or injury to any such property, nor for the replacement of any such property and any such emergency entry shall not be deemed to be a

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forcible or unlawful entry onto or a detainer of, the Premises, or any eviction, actual or constructive, of Tenant from the Premises or any portion thereof.

22.4 No Liability

City shall not be liable in any manner, and Tenant hereby waives any claims, for any inconvenience, disturbance, loss of business, nuisance or other damage arising out of City's entry onto the Premises, except damage resulting directly and exclusively from the gross negligence or willful misconduct of City or its Agents and not contributed to by the acts, omissions or negligence of Tenant, its Agents or Invitees.

22.5 No Abatement

Subject to the exemption set forth in <u>Section 5.1</u>, Tenant shall not be entitled to any abatement in Rent if City exercises any rights reserved in this <u>Section 22</u>.

22.6 Minimize Disruption

City shall use its reasonable good faith efforts to conduct any activities on the Premises allowed under this <u>Section 22</u> in a manner that, to the extent practicable, will minimize any disruption to Tenant's use hereunder.

23. ESTOPPEL CERTIFICATES

Tenant, at any time and from time to time upon not less than ten (10) days' and after receipt of written notice from City, shall execute, acknowledge and deliver to City or to any party designated by City, a certificate of Tenant stating: (a) that Tenant has accepted the Premises, (b) the Commencement Date and Expiration Date of this Lease, (c) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications), (d) whether or not there are then existing any defenses against the enforcement of any of the obligations of Tenant under this Lease (and if so, specifying the same), (e) whether or not there are then existing obligations of City under this Lease (and if so specifying the same), (f) the dates, if any, to which the Base Rent and Additional Charges have been paid, and (g) any other information relating to delivery, acceptance, and condition of the Premises, and the condition of Tenant's Equipment, that may be reasonably required by any such persons.

24. RULES AND REGULATIONS

Tenant shall faithfully comply with any and all reasonable rules, regulations and instructions, written or oral which may be established or modified during the Term by City with respect to use of any part of the Building. (See, Exhibit E for a copy of the rules for "Access for Telecommunications Equipment Installation and Maintenance.")

25. SECURITY DEPOSIT

Prior to the execution of this Lease, Tenant deposited with City the sum specified as the security deposit in <u>Section 1</u> the Basic Lease Information (the "Security Deposit"), in cash, which shall be held by City to secure Tenant's faithful performance of all terms, covenants and conditions of this Lease.

Subject to the exemption set forth in <u>Section 5.1</u>, Tenant agrees that City may (but shall not be required to) apply the Security Deposit in whole or in part to remedy any damage to the Premises caused by Tenant, its Agents or Invitees, or any failure of Tenant to perform any other terms, covenants or conditions contained herein (including, but not limited to, the payment of Rent or other sum due hereunder either before or after a default), without waiving any of City's other rights and remedies hereunder or at law or in equity and without any obligation. Tenant waives the provisions of Section 1950.7 of the California Civil Code or any similar law, statute or ordinance now or hereafter in effect and agrees that Landlord may retain any portion of Security Deposit reasonably necessary to compensate Landlord for any other foreseeable or unforeseeable loss or damage caused by the acts or omissions of Tenant, its Agents or Invitees. Without limiting the foregoing, Tenant understands and agrees that Landlord may apply some or all of the Security Deposit to the payment of future Rent following a Tenant default.

Should City use any portion of the Security Deposit to cure any default by Tenant hereunder, Tenant shall immediately replenish the Security Deposit to the original amount within thirty (30) days following receipt of written notice. If the Base Rent is increased pursuant to any of the provisions of this Lease, Tenant shall increase the amount of the Security Deposit accordingly. City's obligations with respect to the Security Deposit are solely that of debtor and not trustee. City shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. The amount of the Security Deposit shall in no way limit the liabilities of Tenant under any provision of this Lease.

26. SURRENDER OF PREMISES

Upon the Expiration Date or other termination of this Lease, Tenant shall peaceably quit and surrender to City the Premises in good order and condition, normal wear and tear excepted, free of debris and hazards, after having made the last necessary repair required by Tenant under this Section (and damage caused by casualty or condemnation excepted). The Premises shall be surrendered free and clear of all liens and encumbrances other than presently existing liens and encumbrances and any other encumbrances created by City. Tenant shall, before the Expiration Date or other termination of this Lease, remove all of Tenant's Property as provided in Section 8.2 (Title to and Removal of Tenant Improvements), and repair any damage resulting from the removal; provided, however, that City shall have the right to require Tenant to leave all or a portion of the Tenant Cables in place if City notifies Tenant of its exercise of such right in writing prior to the Expiration Date or other termination of this Lease. Tenant's removal and repair work pursuant to this Section shall be performed (a) at Tenant's expense and at such time and, when required hereunder, in such manner as reasonably approved by City, (b) by duly licensed and bonded contractors or mechanics, (c) in a manner and using equipment and materials which will not interfere with or impair City's operations, use or occupation of the Building or the Building Systems, and (d) in accordance with any Building Rules and Regulations and all applicable Laws.

Tenant's obligations under this Section shall survive the Expiration Date or other termination of this Lease. Any items of Tenant's Property which shall remain in the Premises after the Expiration Date of this Lease may, at the option of City, be deemed abandoned and in such case may be disposed of by City in accordance with Civil Code Section 1980 et seq. or any other manner allowed by law.

Concurrently with the surrender of the Premises as provided above, Tenant agrees, if requested by City, to execute, acknowledge and deliver to City a quitclaim deed to the Premises and any other instrument reasonably requested by City to evidence or otherwise effect the termination of Tenant's leasehold estate hereunder and to effect such transfer or vesting of title to the Tenant Improvements or other improvements or equipment which are to remain part of the Premises as provided herein.

27. HAZARDOUS MATERIALS

27.1 Definitions

As used herein, the following terms shall have the meanings set forth below:

(a) "Environmental Laws" shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Materials, whether now in effect or hereafter adopted.

(b) "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health, welfare or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Section 9601 et seq.) or pursuant to Section 25316 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; and petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids.

(c) "Investigate and Remediate" shall mean the undertaking of any activities to determine the nature and extent of Hazardous Material that may be located in, on, under or about the Property or that has been, is being or threatens to be Released into the environment, and to clean up, remove, contain, treat, stabilize, monitor or otherwise control such Hazardous Material.

(d) "Release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside the Building, or in, on, under or about the Property or the environment.

27.2 Hazardous Materials in Premises

Tenant covenants and agrees that neither Tenant nor any of its Agents or Invitees shall cause or permit any Hazardous Material to be brought upon, kept, used, stored, generated, disposed of or Released in, on or about the Premises or any other part of the Property, or transported to or from the Property in violation of Environmental Laws, except that Tenant may use small quantities of Hazardous Materials, including backup batteries, as needed for backup power, routine cleaning and maintenance of Tenant's Equipment which are customarily used for backup power, routine cleaning and maintenance of such equipment and so long as all such materials are handled and used in compliance with Environmental Laws. Tenant shall immediately notify Landlord if and when Tenant learns or has reason to believe there has been any Release of Hazardous Material on or about the Premises or the Property.

27.3 Tenant's Environmental Indemnity

If Tenant breaches any of its obligations contained in this Section, or if any act, omission or negligence of Tenant or any of its Agents or Invitees results in any contamination of the Premises or any other part of the Property or in a Release of Hazardous Material from, on, about, in, or beneath any part of the Premises or the Property or the violation of any Environmental Law, then in any such event Tenant, on behalf of itself and its successors and assigns, shall Indemnify City, its Agents and Invitees, and their respective successors and assigns, and each of them, from and against any and all Claims (including, without limitation, damages for decrease

in value of the Premises or the Property, the loss or restriction of the use of rentable or usable space or of any amenity of the Premises or the Property and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees) arising during or after the Term of this Lease relating to such Release or violation of Environmental Laws; provided, however, Tenant shall not be liable for any Claims to the extent such Release was caused by the active negligence or willful misconduct of City or its Agents. The foregoing Indemnity includes, without limitation, costs incurred in connection with any activities required to Investigate and Remediate any Hazardous Material brought onto the Premises or the Property by Tenant or any of its Agents or Invitees and to restore the Property to its condition prior to Tenant's introduction of such Hazardous Material or the correction of any violation of Environmental Laws. Tenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend City and the other Indemnified Parties from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Tenant by City and continues at all times thereafter. Without limiting the foregoing, if Tenant or any of its Agents or Invitees cause the Release of any Hazardous Material on, about, in, or beneath the Premises or Property, then in any such event Tenant shall, immediately, at no expense to City, take any and all necessary actions to return the Premises or the Property, as applicable, to the condition existing prior to the Release of any such Hazardous Materials on the Property or otherwise abate the Release in accordance with all Environmental Laws, except to the extent such Release was caused by the active negligence of City or its Agents. Tenant shall afford City a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, or other compromise or proceeding involving Hazardous Material.

28. SPECIAL PROVISIONS

28.1 Extension Option

(a) Options to Extend Term

So long as Tenant is providing services pursuant to its Master Agreement with the City and subject to City's rights under <u>Sections 28.3</u> (City's Right to Terminate) and <u>28.4</u> (City's Protection Against Interference), City grants to Tenant three (3) options to extend the Term of this Lease (the "Extension Option"), for an additional five (5) years (the "Extended Term"). Any such notice by Tenant shall be irrevocable by Tenant except as provided in <u>Section 28.1(b)</u> (Base Rent and Other Terms). If any material event of default by Tenant is outstanding hereunder either on the date which is ninety (90) days prior to the expiration of the immediately prior term or at any time prior to the first day of the Extended Term (or if any event has occurred which with the giving of notice or the passage of time or both would constitute a material event of default and such event has not been cured prior to the earlier of expiration of any applicable cure period under this Lease or the expiration of the immediately prior term), then City may elect by notice to Tenant to reject Tenant's exercise of the Extension Option, whereupon the Extension Option (and any subsequent Extension Option) shall be null and void.

(b) Base Rent and Other Terms

If Tenant elects to exercise any of the Extension Options, then the lease for the Extended Term(s) shall cover the entire Premises and shall be upon all of the terms, covenants and conditions of this Lease, and subject to the exemption set forth in <u>Section 5.1</u>, Base Rent hereunder shall be determined as follows and adjusted in accordance with <u>Section 5.2</u> (Adjustments in Base Rent):

(i) At the commencement of the Extended Term, the Base Rent shall be adjusted to the greater of: (1) the then City's minimum monthly base rent for similar personal communication sites, including equipment and antennas, atop and within City owned assets, or (2) Base Rent prior to the start of any Option Year Term after adjusting for annual Base Rent escalations. Beginning in the first year of any Option Year, Base Rent is subject to the annual escalation of 3% and shall continue each year of the Extended Term.

28.2 Tenant's Right to Terminate

In the event City discontinues or terminates Tenant's Master Agreement (Page Equipment and Services Agreement, dated 1, 2013), or Tenant loses its permits necessary to operate the Communications Site due to reasons other than its failure to comply with the conditions of the permit and in spite of reasonable efforts by Tenant to maintain its permits, Tenant may terminate this Lease with ninety (90) days' prior written notice to City. The parties do not intend that Tenant's right to terminate be used to relocate to a better site or to reduce the total number of communications sites operated by Tenant and/or any of its affiliates for the area served by the Communications Site at the Premises.

28.3 City's Right to Terminate Due to Finding by Board of Supervisors

City shall have the right to terminate this Lease without penalty upon ninety (90) days written notice to Tenant if, after notice and public hearing and a reasonable time (not to exceed sixty (60) days) for Tenant to effect a remedy, the San Francisco Board of Supervisors determines that Tenant's continued use of the Premises will adversely affect public health and safety.

28.4 City's Protection Against Interference

So long as Tenant is not in default hereunder, after the Commencement Date City shall not grant a lease for the Building if such use would materially adversely interfere with Tenant's normal operation of the Communications Site. Any such future lease of the Building to a third party that permits the installation of communication equipment shall be conditioned upon such Tenant not causing measurable interference which materially impairs Tenant's ability to utilize the Premises for its intended purpose.

28.5 Tenant's Protection Against Interference

Tenant will not permit its equipment or use of the Premises as a Communications Site to cause interference with or impairment of City's 911 Public Communications Safety System or Citywide 800 MHz Radio System or other communication or computer equipment used by City or any of its Agents or tenants on the Property. Tenant will not use the Premises or Tenant's equipment located on the Premises in any way which interferes with any existing use of the Building prior to this Lease or any future use of the Building by City or its successors except as specifically set forth in Section 28.4 (City's Protection Against Interference) (including, without limitation, City's use of the Building as a hospital and trauma center with related radio, telephone and other communications transmission and reception), and such interference shall be deemed a material breach of this Lease by Tenant, which shall, upon notice from City, be responsible for terminating such interference. In the event any such interference does not cease promptly, the parties acknowledge that continuing interference may cause irreparable injury and, therefore, City shall have the right to bring action to enjoin such interference or to terminate this Lease immediately upon notice, at City's election. If any change in the nature of City's use of the Building during the Term results in measurable interference which materially impairs Tenant's normal operation of its equipment located on the Premises and, as a result of such interference, it is necessary to alter the Tenant Improvements or Tenant's other equipment located on the

Premises, Tenant shall notify City of such interference, which notice shall include a detailed description of the necessary Alterations and a cost estimate therefor. Upon receipt of such notice, City shall have the right to terminate this Lease upon thirty (30) days' prior written notice to Tenant. If City elects not to terminate this Lease, Tenant may, at its election, either (i) make the Alterations described in such notice, in compliance with Section 8.1 (Tenant's Alterations) of this Lease, or (ii) terminate this Lease upon thirty (30) days' prior written notice to City. If Tenant elects to make such Alterations, Tenant shall offset the actual, documented cost incurred by Tenant to complete such Alterations against Base Rent as it comes due, up to a maximum amount equal to the lesser of (a) the cost estimate contained in Tenant's notice to City described above or (b) Ten Thousand Dollars (\$10,000.00).

GENERAL PROVISIONS 29. Notices

29.1

Any notice given under this Lease shall be effective only if in writing and given by delivering the notice in person, by sending it first class mail or certified mail with a return receipt requested or overnight mail, return receipt requested, with postage prepaid, to: (a) Tenant at Tenant's address set forth in the Basic Lease Information, or at any place where Tenant or any agent, officer or employee of Tenant may be personally served if sent subsequent to Tenant's vacating, deserting, abandoning or surrendering the Premises; or (b) Landlord at City's address set forth in the Basic Lease Information; or (c) to such other address as either City or Tenant may designate as its new address for such purpose by notice given to the other in accordance with the provisions of this Section. All notices hereunder shall be deemed to have been given or received two (2) days after the date when it shall have been mailed if sent by first class, certified or overnight mail, or upon the date personal delivery is made. Neither party may give official or binding notice by facsimile.

29.2 **No Implied Waiver**

No failure by either party to insist upon the strict performance of any obligation of the other under this Lease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, shall constitute a waiver of such breach. No acceptance by any Agent of City of full or partial Base Rent or Additional Charges during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of City, shall constitute a waiver of such breach or of City's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this Lease. No express written waiver by either party of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof by either party shall not be deemed to be a waiver of a subsequent default or performance. The consent of City given in any instance under the terms of this Lease shall not relieve Tenant of any obligation to secure the consent of City in any other or future instance under the terms of this Lease.

29.3 Amendments

This Lease nor any of its term or provisions may be changed, waived, discharged or terminated orally, and no breach thereof shall be waived, altered or modified, except by a written instrument signed by both parties hereto.

29.4 Authority

If Tenant signs as a corporation or a partnership, each of the persons executing this Lease on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing entity, that Tenant is qualified to do business in California, that Tenant has full right and authority to enter into this Lease, and that each and all of the persons signing on behalf of Tenant are authorized to do so. Upon City's request, Tenant shall provide City with evidence reasonably satisfactory to City confirming the foregoing covenants and warranties.

29.5 Interpretation of Lease

The words "City" or "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. If there is more than one Tenant, the obligations and liabilities under this Lease imposed on Tenant shall be joint and several. As used herein, the term "Agents" when used with respect to either party shall include the agents, employees, officers, contractors, subcontractors and representatives of such party, and the term "Invitees" when used with respect to either party shall include the clients, customers, invitees, guests, licensees, assignees or subtenants of such party. The captions preceding the articles and sections of this Lease and in the table of contents have been inserted for convenience of reference and such captions in no way define or limit the scope or intent of any provision of this Lease. This Lease has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. Provisions in this Lease relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or City holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. All approvals, consents or other determinations permitted or required by City hereunder shall be made by or through City's Director of Property or his or her designee unless otherwise provided in this Lease, by City's Charter or City Ordinance.

29.6 Successors and Assigns

The terms, covenants and conditions contained in this Lease shall bind and inure to the benefit of City and Tenant and, except as otherwise provided herein, their personal representatives and successors; provided, however, that upon the sale, assignment or transfer by City named herein (or by any subsequent landlord) of its interest in the Building as owner or lessee, including any transfer by operation of law, City (or any subsequent landlord) shall be relieved from all subsequent obligations and liabilities arising under this Lease subsequent to such sale, assignment or transfer.

29.7 Brokers

Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the lease contemplated herein except as identified in the Basic Lease Information, whose commission, if any is due, shall be paid pursuant to a separate written agreement between such broker and the party through which such broker contracted. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes his claim shall be responsible for such commission or fee and shall indemnify and hold harmless the other party from all claims, costs, and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this Lease.

29.8 Severability

If any provision of this Lease or the application thereof to any person, entity or circumstance shall be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and to each provision of this Lease shall be valid and be enforced to the full extent permitted by law, except to the extent that enforcement of this Lease without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Lease.

29.9 Governing Law

This Lease shall be construed and enforced in accordance with the laws of the State of California and City's Charter.

29.10 Entire Agreement

This instrument, including the exhibits hereto, which are made a part of this Lease, contains the entire agreement between the parties and all prior written or oral negotiations, understandings and agreements are merged herein. The parties further intend that this Lease shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts hereof and changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Lease. Tenant hereby acknowledges that neither City nor City's Agents have made any representations or warranties with respect to the Premises, the Building or this Lease except as expressly set forth herein, and no rights, easements or licenses are or shall be acquired by Tenant by implication or otherwise unless expressly set forth herein.

29.11 Attorneys' Fee

In the event that either City or Tenant fails to perform any of its obligations under this Lease or in the event a dispute arises concerning the meaning or interpretation of any provision of this Lease, the defaulting party or the non-prevailing party in such dispute, as the case may be, shall pay the prevailing party reasonable attorneys' and experts' fees and costs, and all court costs and other costs of action incurred by the prevailing party in connection with the prosecution or defense of such action and enforcing or establishing its rights hereunder (whether or not such action is prosecuted to a judgment). For purposes of this Lease, reasonable attorneys' fees of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. The term "attorneys' fees" shall also include, without limitation, all such fees incurred with respect to appeals, mediations, arbitrations, and bankruptcy proceedings, and whether or not any action is brought with respect to the matter for which such fees were incurred. The term "costs" shall mean the costs and expenses of counsel to the parties, which may include printing, duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, and others not admitted to the bar but performing services under the supervision of an attorney.

29.12 Holding Over

Subject to the exemption set forth in <u>Section 5.1</u>, any holding over after the expiration of the Term with the express consent of City shall be construed to automatically extend the Term of this Lease for a period of one (1) year at a Base Rent equal to one hundred fifty percent (150%)

of the latest Base Rent payable by Tenant hereunder prior to such expiration, and shall otherwise be on the terms and conditions herein specified so far as applicable (except for those pertaining to the Term and any Extension Options). Any holding over without City's consent shall constitute a default by Tenant and entitle City to exercise any or all of its remedies as provided herein, notwithstanding that City may elect to accept one or more payments of Base Rent and Additional Charges from Tenant.

29.13 Time of Essence

Time is of the essence with respect to all provisions of this Lease in which a definite time for performance is specified.

29.14 Cumulative Remedies

All rights and remedies of either party hereto set forth in this Lease shall be cumulative, except as may otherwise be provided herein.

29.15 Survival of Indemnities

Termination of this Lease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Lease, nor shall it affect any provision of this Lease that expressly states it shall survive termination hereof.

29.16 Signs

Tenant agrees that it will not erect or maintain, or permit to be erected or maintained, any signs, notices or graphics upon or about the Premises which are visible in or from public corridors or other portions of any common areas of the Building or from the exterior of the Premises, without obtaining the prior written consent and approval of City, which City may withhold or grant in its sole discretion.

29.17 Light and Air

Tenant covenants and agrees that no diminution of light, air or view by any structure that may hereafter be erected (whether or not by City) shall entitle Tenant to any reduction of the Base Rent or Additional Charges under this Lease, result in any liability of City to Tenant, or in any other way affect this Lease or Tenant's obligations hereunder, except as described in <u>Section 28.4</u> (City's Protection Against Interference).

29.18 Recording

Tenant agrees that it shall not record this Lease nor any memorandum or short form hereof in the Official Records of the City and County of San Francisco.

29.19 Taxes, Assessments, Licenses, Permit Fees and Liens

(a) Tenant recognizes and understands that this Lease may create a possessory interest subject to property taxation and that Tenant may be subject to the payment of property taxes levied on such interest. Tenant further recognizes and understands that any sublease or assignment permitted under this Lease and any exercise of any option to renew or extend this Lease may constitute a change in ownership for purposes of property taxation and therefore may result in a revaluation of any possessory interest created hereunder.
(b) Tenant agrees to pay taxes of any kind, including possessory interest taxes, that may be lawfully assessed on the leasehold interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on Tenant's usage of the Premises that may be imposed upon Tenant by law, all of which shall be paid when the same become due and payable and before delinquency. Tenant agrees not to allow or suffer a lien for any such taxes to be imposed upon the Premises or upon any equipment or property located thereon without promptly discharging the same, provided that Tenant, if so desiring, may have reasonable opportunity to contest the validity of the same.

(c) San Francisco Administrative Code Sections 23.6-1 and 23.6-2 require that the City and County of San Francisco report certain information relating to this Lease, and any renewals thereof, to the County Assessor within sixty (60) days after any such transaction; and that Tenant report certain information relating to any assignment of or sublease under this lease to the County Assessor within sixty (60) days after such assignment or sublease transaction. Tenant agrees to provide such information as may be requested by the City to enable the City to comply with this requirement.

29.20 Non-Liability of City Officials, Employees and Agents

No elective or appointive board, commission, member, officer, employee or agent of City shall be personally liable to Tenant, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Tenant, its successors and assigns, or for any obligation of City under this Agreement.

29.21 Wages and Working Conditions

Tenant agrees that any person performing labor for Tenant on any public work at the Premises, which includes the Tenant Improvements, Alterations, demolition, installation, maintenance and repair work to the extent such activities are paid for in whole or part out of public funds, shall be paid not less than the highest prevailing rate of wages consistent with the requirements of Section 6.22(E) of the San Francisco Administrative Code, and shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco County. The terms "public work" and "paid for in whole or part out of public funds" as used in this Section are defined in California Labor Code Section 1720 et seq., as amended. Tenant shall include in any contract for such labor a requirement that all persons performing labor under such contract shall be paid not less than the highest prevailing rate of wages for the labor so performed. Tenant shall require any contractor to provide, and shall deliver to City upon request, certified payroll reports with respect to all persons performing such labor at the Premises.

29.22 Non-Discrimination in City Contracts and Benefits Ordinance

(a) Covenant Not to Discriminate

1

In the performance of this Lease, Tenant agrees not to discriminate against any employee of, any City employee working with Tenant, or applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

31

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

Tenant further acknowledges that the Americans with Disabilities Act requires that programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Subject to <u>Section 13.1</u> (Compliance with Laws) hereof, Tenant acknowledges its obligation to comply with such Act and any other federal, state or local disability rights legislation. Tenant warrants that it will fulfill that obligation. Tenant also warrants that it will not discriminate against disabled persons in the provision of services, benefits or activities.

(b) Subcontracts

Tenant shall include in all subcontracts relating to the Premises a nondiscrimination clause applicable to such subcontractor in substantially the form of <u>Subsection (a)</u> above. In addition, Tenant shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this Subsection shall constitute a material breach of this Lease.

(c) Non-Discrimination in Benefits

Tenant does not as of the date of this Lease and will not during the term of this Lease, in any of its operations in San Francisco, on real property owned by City, or where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) HRC Form

As a condition to this Lease, Tenant shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission. Tenant hereby represents that prior to execution of this Lease, (i) Tenant executed and submitted to the HRC Form HRC-12B-101 with supporting documentation, and (ii) the HRC approved such form.

(e) Incorporation of Administrative Code Provisions by Reference

The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of Fifty Dollars (\$50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

29.23 Requiring Health Benefits for Covered Employees

Unless exempt, Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Lease as though fully set forth. The text of the HCAO is available on the web at <u>http://www.sfgov.org/olse/hcao</u>. Capitalized terms used in this Section and not defined in this Lease shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with <u>Subsection (a)</u> above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this Lease. City shall notify Tenant if such a breach has occurred. If, within thirty (30) days after receiving City's written notice of a breach of this Lease for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in Section 12Q.5(f)(1-5). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Purchasing Department when it enters into such a Subcontract and shall certify to the Purchasing Department that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's compliance or anticipated compliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

HCAO.

(g)

Tenant shall keep itself informed of the current requirements of the

(h) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(i) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least five (5) business days to respond.

(j) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(k) If Tenant is exempt from the HCAO when this Lease is executed because its amount is less than Twenty-Five Thousand Dollars (\$25,000), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach Seventy-Five Thousand Dollars (\$75,000), all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the Contracting Department to be equal to or greater than Seventy-Five Thousand Dollars (\$75,000) in the fiscal year.

29.24 First Source Hiring Agreement

Tenant and City are parties to the First Source Agreement attached to this Lease as <u>Exhibit DE</u> pursuant to_San Francisco Administrative Code, Chapter 83 (the "First Source Agreement"). Any default by Tenant under the First Source Agreement shall be a default under this Lease.

29.25 Criminal History in Hiring and Employment Decisions

(a) Unless exempt, Tenant agrees to comply with and be bound by all of the provisions of San Francisco Administrative Code Chapter 12T (Criminal History in Hiring and Employment Decisions; "Chapter 12 T"), which are hereby incorporated as may be amended from time to time, with respect to applicants and employees of Tenant who would be or are performing work at the Premises.

(b) Tenant shall incorporate by reference the provisions of Chapter 12T in all subleases of some or all of the Premises, and shall require all subtenants to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant and subtenants shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

(d) Tenant and subtenants shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection (c) above. Tenant and subtenants shall not require such disclosure or make such

inquiry until either after the first live interview with the person, or after a conditional offer of employment.

(e) Tenant and subtenants shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment with Tenant or subtenant at the Premises, that the Tenant or subtenant will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

(f) Tenant and subtenants shall post the notice prepared by the Office of Labor Standards Enforcement ("OLSE"), available on OLSE's website, in a conspicuous place at the Premises and at other workplaces within San Francisco where interviews for job opportunities at the Premises occur. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the Premises or other workplace at which it is posted.

(g) Tenant and subtenants understand and agree that upon any failure to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T or this Lease, including but not limited to a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Lease.

(h) If Tenant has any questions about the applicability of Chapter 12T, it may contact the City's Real Estate Division for additional information. City's Real Estate Division may consult with the Director of the City's Office of Contract Administration who may also grant a waiver, as set forth in Section 12T.8.

29.26 MacBride Principles - Northern Ireland

The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Tenant acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

29.27 Drug-Free Workplace

Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Tenant agrees that any violation of this prohibition by Tenant, its employees, agents or assigns shall be deemed a material breach of this Lease.

29.28 Tropical Hardwood and Virgin Redwood Ban

The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood or tropical hardwood wood product, virgin redwood or virgin redwood wood product except as expressly provided by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code.

29.29 Pesticide Prohibition

Tenant shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "Pesticide Ordinance") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (iii) require Tenant to submit to Department of Public Health, San Francisco General Hospital and Trauma Center an integrated pest management ("IPM") plan that (a) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the terms of this Lease, (b) describes the steps Tenant will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance and (c) identifies, by name, title, address and telephone number, an individual to act as the Tenant's primary IPM contact person with the City. In addition, Tenant shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.

Nothing herein shall prevent Tenant, through City's Department of Public Health, from seeking a determination from the Commission on the Environment that it is exempt from complying with certain portions of the Pesticide Ordinance as provided in Section 307 thereof.

29.30 Prohibition of Tobacco Sales and Advertising

Tenant acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on the Premises. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of cigarettes and tobacco products, or (ii) encourage people not to smoke or to stop smoking.

29.31 Prohibition of Alcoholic Beverage Advertising

Tenant acknowledges and agrees that no advertising of alcoholic beverages is allowed on the Premises. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking. This advertising prohibition includes the placement of the name of a company producing, selling or distributing alcoholic beverages or the name of any alcoholic beverage in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of alcoholic beverages, (ii) encourage people not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services.

29.32 Preservative-Treated Wood Containing Arsenic

Tenant may not purchase preservative-treated wood products containing arsenic in the performance of this Lease unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Tenant may purchase preservative-treated wood products on the list of environmentally preferable

alternatives prepared and adopted by the Department of Environment. This provision does not preclude Tenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

29.33 Conflicts of Interest

Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provisions, and agrees that if Tenant becomes aware of any such fact during the term of this Lease, Tenant shall immediately notify the City.

29.34 Notification of Limitations on Contributions

Through its execution of this Lease, Tenant acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from the City whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Tenant acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Tenant further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Tenant's board of directors, chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Tenant; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Tenant. Additionally, Tenant acknowledges that Tenant must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Tenant further agrees to provide to City the names of each person, entity or committee described above.

29.35 Sunshine Ordinance

In accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between City and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made available to the public upon request.

29.36 Counterparts

This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

29.37 Effective Date

This Lease shall become effective on the date upon which the Board of Supervisors and the Mayor have adopted a resolution approving this Lease and the parties hereto have duly executed this Lease.

29.38 Sugar-Sweetened Beverage Prohibition

Tenant agrees that it will not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement. Cooperative Drafting

29.39

This Lease has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Lease reviewed and revised by legal counsel. No party shall be considered the drafter of this Lease, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Lease.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE, THE PARTIES ACKNOWLEDGE THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS LEASE UNLESS AND UNTIL A RESOLUTION OF CITY SHALL HAVE BEEN DULY ADOPTED APPROVING THIS LEASE, AND AUTHORIZING APPROPRIATE CITY OFFICERS TO CARRY OUT THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON, AND SUBJECT TO, DUE ADOPTION OF SUCH A RESOLUTION, AND THIS LEASE SHALL BE NULL AND VOID IF SUCH RESOLUTION IS NOT ADOPTED BY THE BOARD OF SUPERVISORS AND APPROVED BY THE MAYOR, IN THEIR RESPECTIVE SOLE AND ABSOLUTE DISCRETION, AND IN ACCORDANCE WITH CITY'S CHARTER AND ALL OTHER APPLICABLE LAWS. APPROVAL OF THE TRANSACTIONS CONTEMPLATED BY THIS LEASE BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH RESOLUTION WILL BE ADOPTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

City and Tenant have executed this Lease as of the date first written above.

TENANT:

AMERICAN MESSAGING SERVICES, LLC

idersen By: DAVE ANDERSEN

Its: President and COO

CITY:

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

By:

JOHN UPDIKE Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA City Attorney

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Virginia Dario Elizondo Deputy City Attorney A second Distant from which we had not been and the second s second sec second sec

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AMERICAN MESSAGING SERVICES, LLC

By: DAVE ANDERSEN Its: President and COO

CITY:

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

By:

JOHN UPDIKE Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA City Attorney

Elitens By:

Virginia Dario Elizondo Deputy City Attorney

EXHIBIT A

DEPICTION OF PREMISES





EXHIBIT B

NOTICE OF COMMENCEMENT DATE

[Date]

Mr. John Updike Director of Property Real Estate Division City and County of San Francisco 25 Van Ness Avenue, Suite 400 San Francisco, CA 94102

RE: Acknowledgment of Commencement Date and Expiration Date, Lease Between AMERICAN MESSAGING SERVICES, LLC, (Tenant), and the CITY AND COUNTY OF SAN FRANCISCO (Landlord), for Communications Site premises located at 1001 Potrero Avenue, Building 25, San Francisco

Dear Mr. Updike:

This letter will confirm that for all purposes of the Lease, the Commencement Date (as defined in Section 4.2 of the Lease) is ______, 2016.

Please acknowledge your acceptance of this letter by signing and returning a copy of this letter.

Very truly yours,

Ву: _____

Title:

Accepted and Agreed:

By:

JOHN UPDIKE Director of Property

Dated:

EXHIBIT C

APPROVED TENANT'S PLANS AND SPECIFICATIONS

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AMS Equipment



Location in Building 25: American Messaging Penthouse Room Location.



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The following equipment:

count	Equipment	Power	Rack	
1	SFGH Rack (19" 4 post OSFPD approved)	(6X 120V20a) one for each server/transmitter/power supply		Notes: 55U required ====================================
1	GL3000 ES Paging Terminal		7RU Rack	
1	Power Supply		1RU Rack	
1	Peripherals		3 RU Rack	
	Primary Pagegate Server		1RU Rack	
1	Secondary Pagegate Server		1RU Rack	
1	Primary Paging Transmitter		14RU Rack	
1	Secondary Paging Transmitter		14RU Rack	AMS has requested that DPH host virtual servers for their paging application and the web services for the client access to the Pagegate application
1	Code Paging Transmitter		14RU Rack	
1	Transmit Antennae DB583		Roof mount	
1	Receive Antennae DB583		Roof mount	
1	1.2 Meter Sat Dish		Roof mount	
			55U total	

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SFGH has requested AMS consolidate all BOM gear into one(1) rack

Staging/Installation/Antenna Placement:

American Messaging Engineering must be on-site for all Installation of electronic equipment. American Messaging Engineering is considered owner of all American Messaging provided electronics. All owner equipment must be approved and inspected prior to installation by SFGH Prime contractor and subs involved in deployment of the DAS and paging systems. An installation plan must be provided to the SFGH Prime Contractor Project Manager. Prior to energizing any RF device, a Safety inspection must be conducted by a designated RF Engineering team. Rooftop mounting include TX/RX and satellite antennas, mounted to either the North or South Tower.

Representative antennas for American Messaging



Roof Layout B-25 Tower Mounting (South reserved) (North tower shown)



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EXHIBIT D

FIRST SOURCE HIRING AGREEMENT

City and County of San Francisco

Edwin M. Lee, Mayor

First Source Hiring Program

Office of Economic and Workforce Development Workforce Development Division



First Source Hiring Agreement For Permittee of City Property

This First Source Hiring Agreement (this "Agreement"), is made as of July 13, 2016, by and between American Messaging Services, LLC (the "Lessee"), in favor of the First Source Hiring Administration (the "FSHA"), collectively the "Parties".

RECITALS

WHEREAS, Lessee plans to occupy the property owned by the City and County of San Francisco ("City") at 1001 Potrero, Building 25, San Francisco ("Premises") pursuant to a Permit between Lessee and the City dated July 13, 2016 ("Lease"), which requires a First Source Hiring Agreement between Lessee and FSHA; and,

WHEREAS, as a material part of the consideration given by Lessee under the Lease, Lessee has agreed to execute this Agreement and the First Source Employer's Projection of Entry-Level Positions form attached to this Agreement as *Exhibit A* (the "Projection Form") and participate in the Workforce System managed by the Office of Economic and Workforce Development ("OEWD") as established by the City and County of San Francisco pursuant to Chapter 83 of the San Francisco Administrative Code;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Parties covenant and agree as follows:

1. DEFINITIONS

For purposes of this Agreement, initially capitalized terms shall be defined as follows:

- a. Entry Level Position: Any non-managerial position that requires no education above a high school diploma or certified equivalency, and less than two (2) years training or specific preparation, and shall include temporary, permanent, trainee and intern positions.
 - b. Workforce System: The First Source Hiring Administrator established by the City and managed by OEWD.
 - c. Referral: A member of the Workforce System who has been identified by OEWD as having the appropriate training, background and skill sets for a Lessee specified Entry Level Position.

2. OEWD WORKFORCE SYSTEM PARTICIPATION

a. Lessee shall notify OEWD's Business Team of every available Entry Level Position at the Premises (as defined in the Lease) and provide OEWD 10 business days to recruit and refer qualified candidates prior to advertising such position to the general public. Lessee shall provide feedback including but not limited to job seekers interviewed, including name, position title, starting salary and employment start date of those individuals hired by the Lessee no later than 10 business days after date of interview or hire. Lessee will also provide feedback on reasons as to why referrals

1

were not hired. Lessee shall have the sole discretion to interview any Referral by OEWD and will inform OEWD's Business Team why specific persons referred were not interviewed. Hiring decisions shall be entirely at the discretion of Lessee.

- b. This Agreement shall be in full force and effect throughout the term of the Lease.
- GOOD FAITH EFFORT TO COMPLY WITH ITS OBLIGATIONS HEREUNDER Lessee will make good faith efforts to comply with its obligations under this Agreement. Determination of good faith efforts shall be based on all of the following during the term of the Lease:
 - a. Lessee will execute and deliver this Agreement and the Projection Form to OEWD upon entering into the Lease. Lessee will also accurately complete and submit the Projection Form annually to reflect employment conditions.
 - b. Lessee agrees to register with OEWD's Referral Tracking System, upon execution of this Agreement.
 - c. Lessee shall notify OEWD's Business Services Team of all available Entry Level Positions at the Premises 10 business days prior to posting with the general public. The Lessee must identify a single point of contact responsible for communicating Entry-Level Positions and take active steps to ensure continuous communication with OEWD's Business Services Team.
 - d. If Lessee's operations creates Entry Level Positions at the Premises, Lessee will use good faith efforts to meet the hiring goals established by the FSHA for filling open Entry Level Positions with First Source referrals. Specific hiring decisions shall be the sole discretion of the Lessee.
 - e. Nothing in this Agreement shall be interpreted to prohibit the continuation of existing workforce training agreements or to interfere with consent decrees, collective bargaining agreements, or existing employment contracts. In the event of a conflict between this Agreement and an existing agreement, the terms of the existing agreement shall supersede this Agreement.

Lessee's failure to meet the criteria set forth in this Section does not impute "bad faith" and shall trigger a review of the referral process and compliance with this Agreement. Failure and noncompliance with this Agreement will result in penalties as defined in SF Administrative Code Chapter 83. Lessee agrees to review SF Administrative Code Chapter 83, and execution of this Agreement denotes that Lessee agrees to its terms and conditions.

4. NOTICE

All notices to be given under this Agreement shall be in writing and sent via mail or email as follows:

ATTN: Business Services, Office of Economic and Workforce Development 1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103 Email: <u>Business.Services@sfgov.org</u>

5. MISCELLANEOUS

This Agreement contains the entire agreement between the parties as to the subject matter hereof and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors. If any term or provision of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected. If Agreement is executed in one or more counterparts, each shall be deemed an original and all, taken together, shall constitute one and the same instrument. Agreement shall inure to the benefit of and shall be binding upon the parties to this Agreement and their respective heirs, successors and assigns. If there is more than one person comprising Seller, their obligations shall be joint and several. Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions. This Agreement shall be governed and construed by laws of the State of California.

IN WITNESS WHEREOF, the following have executed this Agreement as of the date set forth above.

Date: 8/5/16

Signature:: Name of Authorized Signer: Company: Address: Phone: Email: Signature:: Dave Andersen President & COO Dave Andersen Phone: Email: Signature:: President & COO Signer: President & COO Dave Andersen Phone: Signature: Signature: President & COO Signer: President & COO Dave Andersen Signer: President & COO Signer: Phone: Signer: Signer: Signer: Signer: Phone: Signer: Signer

EXHIBIT E

ACCESS FOR TELECOMMUNICATIONS EQUIPMENT, INSTALLATION AND MAINTENANCE

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Zuckerberg San Francisco General Hospital and Trauma Center

Access for Telecommunications Equipment Installation and Maintenance

- 1. Telecommunication company staff (Vendor) access to ZSFG buildings requires check in at the power plant located off of 22nd St., east of Potrero Ave.
- 2. No equipment can be added without prior approval from both ZSFG IT and Facilities departments.
- 3. Vendors must notify Chief Engineer of any known safety concerns prior to obtaining approval of equipment (i.e., transmitting signal hazards).
- 4. <u>Notice:</u> 48 hour minimum notice to ZSFG Facilities Department is required prior to vendor/consultant/subcontractor access to any ZSFG campus building.
- 5. ZSFG reserves the right to secure power to any equipment if deemed necessary.
- 6. Vendors must carry an official company ID to identify themselves and wear a ZSFG Facilities ID badge to gain access to the building.
- 7. Vendors will be required to sign a ZSFG campus orientation sheet which informs them of safety protocols.
- 8. No free parking is provided.

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