

Hall County, Texas
Regular Commissioners' Court Meeting

FEBRUARY 13, 2023

BE IT REMEMBERED THAT THE HALL COUNTY COMMISSIONERS MET IN A REGULAR COMMISSIONERS' COURT MEETING on **FEBRUARY 13, 2023** with the following members present: Ray Powell, County Judge, presiding; Ronny Wilson, Commissioner Precinct #1; Terry Lindsey, Commissioner Precinct #2; Gary Proffitt, Commissioner Precinct #3; Troy Glover, Commissioner Precinct #4; Kaci Mills, County Clerk; Pauline Johnsey, Judge's Assistant; Tom Heck, Sheriff; and Teresa Altman, Tax A/C. Also present were Joe and Bertha Dunn.

1. OPENING PRAYER.

- a. The meeting was called to order at 10:01 A.M. by Judge Powell.
- b. The opening prayer was led by Commissioner Wilson.

2. APPROVAL OF MINUTES OF THE REGULAR MEETING OF JANUARY 9, 2023.

Motion by Commissioner Glover and second by Commissioner Lindsey.

Motion passed unanimously and It is the Order of the Court to approve the minutes of the Regular Meeting of January 9, 2023.

3. REPORTS OF:

- a. **TREASURER -**
- b. **SHERIFF/EMC** – Report by Tom Heck
- c. **ROAD & BRIDGE** – Report by Commissioner Lindsey
- d. **TAX A/C** – Report by Teresa Altman
- e. **COUNTY CLERK** – Report by Kaci Mills
- f. **J.P. REPORTS, PRECINTS 1, 2, & 3**
- g. **EXTENSION OFFICE** – No report due to stock shows
- h. **TAX APPRAISAL** – To be included in next meeting
- i. **JUDGE'S REPORT** – No report

4. APPROVE REPORTS

Motion by Commissioner Wilson and second by Commissioner Proffitt.
Motion passed unanimously and It is the Order of the Court to approve the reports.

5. APPROVE PAYMENT OF BILLS

Motion by Commissioner Lindsey and second by Commissioner Glover.
Motion passed unanimously and It is the Order of the Court to approve the payment of bills.

6. DISCUSSION AND/OR ACTION ON BURN BAN.

(Currently OFF as of 12-13-2022).

Motion by Commissioner Lindsey and second by Commissioner Wilson.
Motion passed unanimously and It is the Order of the Court to approve the burn ban will remain OFF.

7. CLOSED OR EXECUTIVE SESSION – PURSUANT TO THE AUTHORITY GRANTED UNDER GOVERNMENT CODE SECTION 550.07 – DELIBERATION REGARDING REAL PROPERTY TO DELIBERATE THE NEGOTIATIONS OF CONTRACT FOR LEASE OF BUILDING FOR STORAGE AND NEGOTIATION WITH COMPANIES TO COMPLETE MOVE TO ANNEX & STORAGE FACILITY.

8. TAKE ACTION RELATING TO ITEMS DISCUSSED IN EXECUTIVE SESSION. (EXHIBIT A)

A. Motion by Judge Powell and second by Commissioner Wilson.
Motion passed unanimously and It is the Order of the Court to approve the lease agreement from Mayo Marrs Casing Pulling, Inc., for the building located at 1500 North Boykin, Memphis, Texas, for storage purposes during the courthouse restoration project with the first month starting February 1, 2023, and to pay the February lease payment today, February

13, 2023, and to start paying the monthly payment on the first of every month thereafter in the amount of \$1,418.50 per month plus utilities. We can have the utilities billed directly to Hall County in due time.

B. Motion by Commissioner Lindsey and second by Commissioner Proffitt. Motion passed unanimously and It is the Order of the Court to approve the Contract with the moving company, A+ Movers, LLC of Amarillo, TX, but if the moving company cannot abide by our timetable, Judge Powell has the authority to select another moving company that can adapt to our timetable.

9. DISCUSS AND CONSIDER PREPARATION OF LOT WEST OF ANNEX BUILDING FOR STAFF PARKING.

Motion by Judge Powell and second by Commissioner Glover. Motion passed unanimously and It is the Order of the Court to authorize Commissioner Wilson and Commissioner Lindsey to solve the employee parking lot problems at the annex.

10. APPROVAL OF HALL COUNTY JAIL COMMISSARY ACCOUNT AUDIT BY COUNTY TREASURER.

Motion by Commissioner Lindsey and second by Commissioner Wilson. Motion passed unanimously and It is the Order of the Court to approve the audit of the Jail Commissary Account by County Treasurer.

11. TAKE ACTION ON APPROVAL FOR OBTAINING SURVEY OF COURTHOUSE PROPERTY.

Motion by Commissioner Lindsey and second by Commissioner Glover. Motion passed, unanimously and It is the Order of the Court to approve obtaining a survey of the courthouse.

12. TAKE ACTION ON MEASURES REQUIRED FOR SECURING AND AWARDING CONTRACT FOR BANK DEPOSITORY FOR TWO YEARS BEGINNING JUNE 1, 2023 THROUGH MAY 31, 2025 WITH OPTION TO EXTEND CONTRACT FOR TWO ADDITIONAL TERMS. (EXHIBIT B)

Motion by Commissioner Lindsey and second by Commissioner Proffitt. Motion passed unanimously and It is the Order of the Court to approve securing and awarding contract for bank depository for two years beginning June 1, 2023 and ending May 31, 2025 with the option to extend contract for two additional years.

13. TAKE ACTION AND RATIFY JUDGE POWELL'S APPROVAL OF AGREEMENT WITH INTEGRITY STEEL WORKS FOR MAINTENANCE AND REPAIR OF APPROXIMATELY 13 DETENTION DOORS AND PERTINENT EQUIPMENT AT THE HALL COUNTY JAIL FACILITY.

Motion by Commissioner Wilson and second by Commissioner Lindsey. Motion passed unanimously and It is the Order of the Court to ratify Judge Powell's approval of agreement with Integrity Steel Works for maintenance and repair of approximately 13 detention doors and pertinent equipment at the Hall County Jail facility.

14. DISCUSS AND CONSIDER PURCHASE OF 20' CONTAINER FOR SHERIFF'S STORAGE.

Motion by Commissioner Wilson and second by Commissioner Lindsey. Motion passed, 4 YES – 1 NO and It is the Order of the Court to allow Commissioner Lindsey to negotiate with Jones Custom Containers in Childress for 40" container up to \$6,800 to be paid by ARP (American Rescue Plan).

15. DISCUSS AND CONSIDER RESOLUTION IN SUPPORT OF SHERRIE STONE, JUSTICE OF THE PEACE PRECINCTS NO. 1, 2, & 3, TO POSITION OF RECORDS MANAGEMENT OFFICER FOR JUSTICE OF THE PEACE PRECINCTS NO. 1, 2, & 3. (EXHIBIT C)

Motion by Commissioner Lindsey and second by Commissioner Proffitt. Motion passed unanimously and It is the Order of the Court to adopt the Resolution appointing Sherrie Stone, Justice of the Peace of Hall County

Precincts No. 1, 2, & 3, as Records Management Officer for Hall County
Justice of the Peace of Hall County Precincts No. 1, 2, & 3.

**16. DISCUSS, CONSIDER, AND TAKE NECESSARY ACTION ON USE OF
EQUIPMENT, MATERIALS, PURCHASES, OTHER COUNTY
MATTERS, COUNTY WORK PROJECTS, EXTRA HELP OR HIRING OF
ROAD EMPLOYEES ON COUNTY ROADS AND BRIDGES BY
COMMISSIONS IN EACH PRECINCT.**


DISCUSSION ONLY.

17. PUBLIC COMMENTS

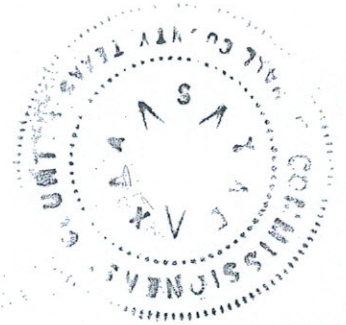
DISCUSSION ONLY.

18. ADJOURN

Motion by Commissioner Lindsey and second by Commissioner Proffitt.
Motion passed, unanimously and It is the Order of the Court to adjourn at
11:23 A.M.



Kaci Mills
Hall County Clerk



LEASE AGREEMENT

FEBRUARY 2023

THIS LEASE AGREEMENT ("Lease") is made as of the 1ST day of December, 2022, by and between MAYO MARRS CASING PULLING INC., a Texas Corporation ("Landlord") and HALL COUNTY ("Tenant"). Tenant and, together with Landlord may collectively be referred to herein as the Parties and individually as a Party.

In consideration of the rents, covenants, and agreements hereinafter set forth, the sufficiency of which is hereby acknowledged and agreed, Landlord and Tenant covenant, warrant, and agree as follows:

1. Definitions.

1.1 Defined Terms. For purposes of this Lease, the following terms shall have the following meanings:

1.1.1 "Additional Rent" means all sums other than Fixed Rent payable by Tenant to Landlord under this lease, including all Taxes, Late Fees, interest, and any and all other amounts due under this Lease, including any and all other sums that may become due by reason of any default of Tenant or failure to timely comply with the agreements, terms, covenants, and conditions of this Lease to be performed by Tenant.

1.1.2 "Affiliate" means for any entity, any parent, subsidiary, or affiliated entity which Controls, is Controlled by, or is under common Control with such entity. For purposes of this definition, "Control" means the possession of the power to direct or cause the direction of the management and policy of an entity, whether through the ownership of voting securities, by statute, or by contract.

1.1.3 "Alterations" is defined in Section 10.1.

1.1.4 "Assignment" is defined in Section 15.1.

1.1.5 "Building" means the front portion of the building located at 1500 N. Boykin Dr., Memphis, Texas 79245 which is separated by a secured and locked door from the back portion of the building used for storage by Landlord.

1.1.6 "Building Systems" means the structural portions of the Building, the roof, the foundation, the HVAC Systems, mechanical, electrical, plumbing, security, and fire and life safety systems and equipment.

1.1.7 "Business Day" or "Business Days" means all days, excluding the following days: Saturdays, Sundays, and all days observed as legal holidays by the State of Texas or by the federal government.

- 1.1.8 “Business Hours” means, on each Business Day, the hours from 7 a.m. to 5 p.m. Central Time.
- 1.1.9 “Common Areas” means the driveways, parking areas, and landscaped areas on the Property that are designated for the non-exclusive common use of Tenant and Landlord and their invitees.
- 1.1.10 “Default Rate” is defined in Section 4.6.
- 1.1.11 “Effective Date” is defined in the Preamble.
- 1.1.12 “Embargoed Person” is defined in Section 24.18.1.
- 1.1.13 “Event of Default” is defined in Section 16.
- 1.1.14 “Executive Order” is defined in Section 24.18.1.
- 1.1.15 “Extension Conditions” is defined in Section 3.5.1.
- 1.1.16 “Extension Notice” is defined in Section 3.5.2.
- 1.1.17 “Extension Option” is defined in Section 3.5.1.
- 1.1.18 “Extension Term” is defined in Section 3.5.1.
- 1.1.19 “First Extension Term” is defined in Section 3.5.1.
- 1.1.20 “Fixed Rent” is defined in Section 4.1.
- 1.1.21 “Force Majeure Event” means any of the following events: (a) acts of God; (b) hurricanes, tornadoes, floods, fires, earthquakes, explosions, or other natural disasters; (c) war, invasions, hostilities (whether war is declared or not), terrorist threats or acts, riots or other civil unrest; (d) proclamations, orders, laws, actions, or requests made or enacted by government authority; (e) embargoes or blockades; (f) epidemics, pandemics, or other national or regional public health emergencies; (g) strikes, labor stoppages or slowdowns, or other industrial disturbances; and (h) shortages of supplies, adequate power, or transportation facilities; and (i) other similar events beyond the reasonable control of the Parties.
- 1.1.22 “Force Majeure Noticing Party” shall have the meaning set forth in Section 24.8.2 hereof.

- 1.1.23 “Ground Lease” means any future ground lease or underlying lease affecting all or any portion of the Property, including all modifications, renewals, supplements, consolidations, and replacements thereof.
- 1.1.24 “Hazardous Materials” means any chemical, compound, material, substance, or other matter that: (a) is defined as a hazardous substance, hazardous material or waste, or toxic substance under any Hazardous Materials Law; (b) is regulated, controlled, or governed by any Hazardous Materials Law or other Laws; (c) is petroleum or a petroleum product; or (d) is asbestos, formaldehyde, radioactive material, drug, bacteria, virus, or other injurious or potentially injurious material (by itself or in combination with other materials).
- 1.1.25 “Hazardous Materials Law” means any federal, State of Texas, or local law, ordinance, rule decree, order, regulation, or court decision relating to Hazardous Materials or other environmental conditions on, under, or about the Premises, the Building, or the Property, or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), the Resource Conservation and Recover Act (RCRA), the Hazardous Materials Transportation Act, any other law or legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing.
- 1.1.26 “HVAC” means heating, ventilation, and air conditioning.
- 1.1.27 “HVAC Systems” means the HVAC systems of the Building.
- 1.1.28 “Landlord Party” or “Landlord Parties” means Landlord’s direct or indirect partners, officers, shareholders, directors, members, trustees, beneficiaries, employees, principals, contractors, licensees, agents, invitees, or representatives.
- 1.1.29 “Landlord’s Address for Rent Payments” means:
- Mayo Marrs Casing Pulling, Inc.
P.O. Box 310
Memphis, Texas 79245
- 1.1.30 “Late Fees” is defined in Section 4.5.
- 1.1.31 “Lease Commencement Date” is defined in Section 3.2.
- 1.1.32 “Lease Expiration Date” is defined in Section 3.4.

- 1.1.33 “Minor Alterations” is defined in Section 10.2.
- 1.1.34 “Mortgage(s)” means any current or future mortgage or other security instrument in any amount for which all or any portion of the Property or Landlord’s interest or estate in the Property is specified as security, including all modifications, renewals, supplements, consolidations, and replacements thereof.
- 1.1.35 “Mortgagee(s)” means any mortgagee or beneficiary under any current or future Mortgage affecting the Property.
- 1.1.36 “Party” and “Parties” are defined in the Preamble.
- 1.1.37 “Patriot Act” is defined in Section 24.18.1.
- 1.1.38 “Permitted Use” means general, administrative, and executive office uses, including ancillary uses thereof, and for no other purpose whatsoever.
- 1.1.39 “Premises” means the front portion of the Building comprised of approximately five thousand (5000) rentable square feet of multi-functional space, based on Landlord’s current standards of measurement. Landlord and Tenant agree that the actual rentable square feet of the Premises may vary from that identified herein and such variation shall not be grounds for Tenant to terminate this Lease.
- 1.1.40 “Prohibited Person” is defined in Section 24.18.1.
- 1.1.41 “Property” means the real property on which the Building is located together with the Building and all appurtenant fixtures and personal property of Landlord used in the operating of the Building and/or the Property, and any other improvements now existing or hereafter constructed thereon, including the parking lot, walkways, and landscaped ground.
- 1.1.42 “Rent” means, collectively, Fixed Rent and Additional Rent.
- 1.1.43 “Restoration Estimate” is defined in Section 13.1.
- 1.1.44 “Rules and Regulations” is defined in Section 8.4.
- 1.1.45 “Second Extension Term” is defined in Section 3.5.1.

1.1.46 "Service Interruption Event" is defined in Section 6.6.

1.1.47 "Sublease" is defined in Section 15.1.

1.1.48 "Taking" is defined in Section 14.1.

1.1.49 "Target Delivery Date" is defined in Section 3.3.

1.1.50 "Tax" and "Taxes" are defined in Section 5.1.1.

1.1.51 "Tax Statement" is defined in Section 5.1.2.

1.1.52 "Tax Year" is defined in Section 5.1.3.

1.1.53 "Temporary Taking" is defined in Section 14.5.

1.1.54 "Tenant Owned Property" is defined in Section 10.4.

1.1.55 "Tenant Party" or "Tenant Parties" means Tenant, any Affiliate of Tenant, any permitted assignee, subtenant, or occupant of the Premises, and each of their respective direct or indirect partners, officers, shareholders, directors, members, trustees, beneficiaries, servants, employees, principals, contractors, licensees, agents, invitees, or representatives.

1.1.56 "Tenant's Address for Notices" means 512 West Main St, Memphis, Texas 79245 or at such other address as Tenant or its counsel shall designate by written notice to Landlord sent pursuant to Section 23 hereof.

1.1.57 "Term" is defined in Section 3.1.

1.2 Interpretation.

1.2.1 This Lease shall be construed without regard to any presumption or other rule requiring construction against the drafting Party.

1.2.2 The captions, headings, and titles in this Lease are solely for convenience of reference and shall not affect the interpretation of the provisions under such caption, heading, or title.

1.2.3 Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held in include to plural, unless the context otherwise requires.

1.2.4 As used in this Lease: (i) “and/or” when applied to one or more matters or things applies to any one or more, or all such matters or things as the circumstances warrant; (ii) “including” means “including, without limitation”; (iii) “person” means any natural person or persons, a partnership, a corporation, a limited liability company, and any other form of business or legal association or entity; and (iv) “this Lease,” “herein,” “hereof,” and “hereunder,” and words of similar import, refer to this Lease as a whole, and not to any particular section, unless expressly so stated.

1.2.5 All of the terms and provisions of each exhibit or schedule to this Lease are incorporated into and made a part of this Lease to the same extent as if they were included in the body of this Lease.

2. Lease of the Premises.

2.1 Demise. Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, the Premises for the Term, upon and subject to the terms, covenants, representations, warranties, provisions, and conditions of this Lease.

2.2 Common Areas. Tenant shall have the non-exclusive right to use the Common Areas of the Building.

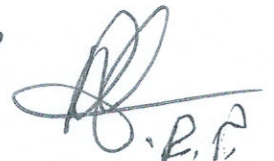
3. Lease Term; Commencement; and Expiration.

3.1 Term. This Lease shall be effective and binding on Landlord and Tenant on the Effective Date. The term of this Lease shall be three (3) years, commencing on the Lease Commencement Date and ending on the Lease Expiration Date. (“Term”). Unless otherwise provided herein, the word “Term” shall include any Extension Term properly exercised by Tenant in accordance with Section 3.5.

3.2 Lease Commencement. The “Lease Commencement Date” shall be the earlier of: (a) the date Landlord delivers the Premises to Tenant in accordance with Section 8; or (b) the date Tenant conducts any business in the Premises or any part thereof (it being understood that the mere performance by Tenant of any work, moving into the Premises, and the installation of furniture and equipment in the Premises shall not be deemed to be the conduct of business by Tenant).

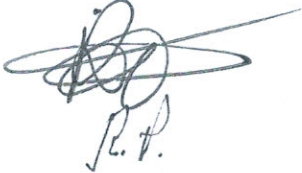
3.3 Delivery of the Premises. Landlord shall use commercially reasonable efforts to deliver the Premises on or before ~~January 1, 2023~~ (the “Target Delivery Date”), provided that if Landlord does not deliver the Premises on or before such Target Delivery Date, Landlord shall not be liable to Tenant for any loss or damage resulting therefrom, and this Lease shall not be void or voidable.

February 1, 2023



3.4 Lease Expiration. Subject to Tenant's option to extend the Term as set forth in Section 3.5, the "Lease Expiration Date" means December 31, 2025, or such earlier date on which the Term shall sooner end pursuant to any of the terms, covenants, or conditions of this Lease or pursuant to applicable law.

3.5 Extension Options.

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3.5.1 Subject to satisfaction of all the Extension Conditions (defined below in this paragraph), Tenant shall have two (2) separate, consecutive options (each an "Extension Option") to extend the Term of this Lease for an additional period of 3 years (the "First Extension Term" and the "Second Extension Term" respectively; the First Extension Term and the Second Extension Term are herein, sometimes referred to as an "Extension Term"). In order for an Extension Term to be effective, the Extension Conditions must be fully satisfied in the Landlord's reasonable discretion both at the time the option is exercised and at the time of the commencement of the applicable Extension Term. The term "Extension Conditions" means that, as a condition to Tenant exercising each Extension Option: (i) Tenant shall have timely given Landlord an Extension Notice in accordance with Section 3.5.2; (ii) at the date the applicable Extension Option is exercised, and at the commencement of the First Extension Term or the Second Extension Term, as applicable, no Event of Default shall have occurred and be continuing; and (iii) Tenant shall not have been more than ten (10) days late in the payment of any or all Rent for all periods prior to the commencement of the applicable Extension Term.

3.5.2 Each Extension Option shall be exercisable by written notice (the "Extension Notice") to Landlord given not later than three (3) months prior to the expiration of the then current Term. Time is of the essence as to the giving of each Extension Notice. If Tenant does not timely exercise the First Extension Option in accordance with the terms hereof, all Extension Options shall automatically terminate and the Lease Term shall expire as of the expiration of the then-current Term.

3.5.3 Each Extension Term shall constitute an extension of the Term and shall be upon the same terms and conditions as the existing Term, except that: (i) Landlord shall not be required to furnish any materials or perform any work to prepare the Premises for Tenant's continued occupancy during an Extension Term (nor shall Landlord be required to reimburse Tenant for any Alterations made or to be made by Tenant during or in preparation for an Extension Term); (ii) the Fixed Rent for each Extension Term shall be payable at the rate specified in Section 4; and (iii) unless otherwise agreed to in a signed writing by Landlord and Tenant, there shall be no option to extend the Term of this Lease beyond the Second Extension Term.

4. Rent.

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4.1 Fixed Rent. Tenant shall pay to Landlord a fixed rent ("Fixed Rent") at the rate of:

Time Period	Annual Fixed Rent	Monthly Fixed Rent
Term	\$14,400.00	\$1,200.00
First Extension Term	\$18,000.00	\$1,500.00
Second Extension Term	\$21,600.00	\$1,800.00

4.2 Additional Rent. In addition to Fixed Rent, Tenant shall pay to Landlord all ad valorem taxes, school, city and/or county Taxes assessed to the Property and all other items of Additional Rent as the same shall become due and payable under this Lease, all without notice, demand, abatement, deduction, or setoff for any reason whatsoever, except as otherwise specifically provided in this Lease.

4.3 Rent Payments. Fixed Rent shall be payable commencing on the Lease Commencement Date and thereafter in equal monthly installments in advance on the first day of each and every calendar month and in no event later than the tenth (10th) day of each and every calendar month during the term of this Lease without notice, demand, abatement, deduction, or setoff for any reason whatsoever. Tenant covenants and agrees to pay Rent in lawful money on the United States, to Landlord at Landlord's Address for Rent Payments. Tenant's covenant to pay Rent is independent of every other covenant in this Lease.

4.4 Prorated Rent. Concurrently with Tenant's execution of this Lease, Tenant shall pay to Landlord an amount equal to one (1) monthly installment of Fixed Rent payable under this Lease for the first full calendar month of the Term. For any partial month during the Term, the monthly installments payable for such month, including the payments of Fixed Rent and Taxes shall be prorated on a per diem basis based on the actual number of days in such partial month.

4.5 Late Fees. Any Rent payable by Tenant to Landlord under this Lease that is not paid by the tenth (10th) day of each and every calendar month during the term of this Lease shall be subject to a late payment charge equal to the greater of: (a) Two Hundred and No/100 Dollars (\$200.00); or (b) five percent (5%) of the delinquent amount (such greater amount, the "Late Fees"). Tenant acknowledges that the Late Fees represent a fair and reasonable estimate of the costs Landlord will incur by reason of late payments made by Tenant. Neither assessment nor acceptance of Late Fees by Landlord shall constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies available to Landlord.

4.6 Default Rate of Interest on Late Payments. In addition to Late Fees, Tenant shall also pay interest on all such unpaid sums, at the Default Rate without further notice

or demand therefor by Landlord. The "Default Rate" means an annual rate equal to the lesser of: (a) three percent (3%) above the then current Prime Rate; or (b) the maximum rate permitted by applicable law. Interest shall begin accruing following the tenth (10th) day of any calendar month in which any unpaid Rent is not received and continue to accrue until all such unpaid Rent is actually paid by Tenant.

5. Taxes. Commencing on the Lease Commencement Date, for each Tax Year within the Term, Tenant shall pay to Landlord in accordance with this Section 6, as Additional Rent, all Taxes for that Tax Year.

5.1 Tax Definitions. As used in this Lease:

5.1.1 "Tax" or "Taxes" mean(s) and include(s) any form of federal, State of Texas, county, local government, or municipal taxes, fees, charges, or other impositions of every kind (whether general, special, ordinary, or extraordinary) related to the ownership, leasing, or operation of the Premises, the Building, or the Property, including the following: (i) all real estate taxes levied, payable, or imposed against the Premises, the Building, or the Property, as such property taxes may be reassessed from time to time; (ii) other taxes, charges, and assessments which are levied with respect to this Lease or to the Building and/or the Property, and any improvements, fixtures, and equipment and other personal property of Landlord located in or used in the operation of the Building and/or the Property; (iii) all assessments and fees for public improvements, services, and facilities and impacts thereon, including arising out of any community facilities district, special improvement district, or similar assessment districts, and any traffic impact mitigation assessments or fees; (iv) any tax, surcharge, or assessment which shall be levied in addition to or in lieu of real estate or personal property taxes; (v) taxes based on the receipt of rent (including gross receipts or sales taxes applicable to the receipt of rent); and (vi) all costs and expenses incurred by Landlord in appropriate proceedings to contest the amount or validity of any Tax or the assessed value of the Building.

5.1.2 "Tax Statement" means a written statement of the amount owed by Tenant for Taxes for the applicable Tax Year. A Tax Statement shall be in reasonable detail, consistent with Landlord's current practices in the Building, and shall include copies of the tax bills, if received.

5.1.3 "Tax Year" means the 12-month period commencing on January 1st of each year, or such other 12-month period as may be duly adopted as the fiscal year for real estate tax purposes by Hall County Appraisal District.

- 5.2 Monthly Statements. Before the Lease Commencement Date, and thereafter before the start of each full or partial Tax Year, Landlord shall give Tenant a Tax

Statement. For each month of the Term, on the same date that Fixed Rent is due, Tenant shall pay Landlord an amount equal to 1/12th of the Taxes owed by Tenant for the Tax Year, as shown on the Tax Statement.

- 5.3 Reconciliation. When the final tax bills for the applicable Tax Year are available, Landlord shall give Tenant an amended Tax Statement that makes any necessary adjustment to Tenant's payment of Taxes based on the actual Taxes for the applicable Tax Year. Any amount due to Tenant shall be credited against future installments of Taxes coming due for the Tax Year, and any deficiency shall be paid by Tenant together with the next monthly installment of Taxes owed by the Tenant.
6. Utilities and Services. From and after the Lease Commencement Date and thereafter throughout the Term, provided no Event of Default exists under this Lease, Landlord agrees to furnish the Premises with the utilities and services described in this Section 6.
- 6.1 Electricity. Landlord shall supply electric service reasonably sufficient for lighting and for the operation of computers, facsimile machines, scanners, and other business equipment. Electric service shall be metered and Tenant shall pay the amounts charged for electric service by the utility provider directly to the utility provider on or before the due dates. Tenant shall be responsible for all costs associated with the installation, maintenance, repair, and replacement of all meters and submeters serving the Premises.
- 6.2 Water. Landlord shall supply hot and cold, running, potable water, and sewer service to the Premises reasonably sufficient for Tenant's bathroom, cleaning, drinking, and standard office pantry purposes. Tenant shall pay the amounts charged for water and sewer service charged by the utility provider directly to the utility provider on or before the due dates. Tenant shall be responsible for all costs associated with the installation, maintenance, repair, and replacement of all meters and submeters serving the Premises.
- 6.3 Access. Subject to Landlord's reasonable maintenance requirements and applicable Laws, Tenant shall have access to the Premises and the parking areas twenty four (24) hours per day, seven (7) days per week.
- 6.4 Trash Removal. Tenant shall be responsible for removal of all of Tenant's trash and refuse from the Property. Tenant shall arrange for regular removal thereof so as to keep and maintain the Premises and the Property in neat, clean and good condition. Tenant may install one or more trash receptacles outside the Premises, subject to the prior approval of Landlord as to size and location, which approval shall not be unreasonably withheld or delayed.

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R.P.

~~6.5 Telecommunications. With respect to Tenant's telecommunications facilities and services, Tenant shall select the providers and make arrangements directly with all providers of Tenant's telecommunications facilities and services and pay for services provided to Tenant pursuant to a separate agreement between Tenant and the service provider. Subject to Landlord's prior written approval or after the Lease Commencement Date, Tenant and Tenant's telecommunications service provider shall have reasonable use of telephone or data closets, risers, shafts, conduits, or other facilities in and on the Building, to bring such telecommunications services to the desired portions of the Premises.~~

6.6 Service Interruptions. Landlord shall not be liable to Tenant in any respect for the inadequacy, stoppage, interruption, or discontinuance of any utility or service due to labor disputes, breakdown, accident, repair, emergency, or any other similar cause, including any Force Majeure Event ("Service Interruption Event"). Any interruption or discontinuance of service shall not be deemed an eviction or disturbance of Tenant's use and possession of the Premises, or any part thereof, nor shall it render Landlord liable to Tenant for any injury, loss, or damage, by abatement of rent or otherwise, nor shall it relieve Tenant from the performance of Tenant's obligations under this Lease.

7. Preparation for Occupancy.

7.1 As-Is. Tenant agrees that Tenant is familiar with the condition of both the Premises and the Building, and, except as otherwise expressly and specifically set forth herein, Tenant hereby accepts the Premises in its "AS IS, WHERE IS" condition. Tenant acknowledges that neither Landlord, nor any representative of Landlord, has made any representation as to the condition of the Premises or its suitability for Tenant's intended use other than as expressly set forth herein. Tenant acknowledges and agrees that Tenant has made its own inspection of the Premises and Landlord has no obligation to make any repairs, replacements, or improvements (whether structural or otherwise) of any kind or nature in connection with preparing the Premises for Tenant's occupancy.

8. Use of Premises.

8.1 Use. The Premises shall be used only for the Permitted Use and for no other purpose.

8.2 Legal and Other Restrictions of Tenant's Use. Use of the Premises is subject to all covenants, conditions, and restrictions of record. Tenant shall not use or occupy the Premises: (a) for any unlawful purpose; (b) in any way that will violate the certificate of occupancy for the Premises or the Building; (c) in a way that will constitute waste, nuisance, or unreasonable annoyance to Landlord; or (d) in a way

that may increase the cost of, or invalidate, any policy of insurance carried on the Building or the Property.

- 8.3 Compliance with Laws. Tenant, at Tenant's sole cost and expense, shall comply with (and shall cause all Tenant Parties to comply with) all Laws applicable to the Premises or the use or occupancy of the Premises, including any obligation to make Alterations in the Premises required as a condition of Tenant's occupancy. "Laws" means all present and future laws (including the Americans with Disabilities Act of 1990, as amended by the Americans with Disabilities Act Amendments Act of 2008, and the regulations promulgated thereunder), ordinances (including zoning ordinances and land use requirements), rules, and regulations of governmental and quasi-governmental authorities. If any Laws require an occupancy or use permit or license for the Premises or the operation of the business conducted therein (including a certificate of occupancy or nonresidential use permit), then Tenant shall obtain and keep current such permit or license at Tenant's sole cost and expense and shall promptly deliver a copy thereof to Landlord. Nothing in this Section 8.3, however, shall permit Tenant to make, without Landlord's prior written approval, any Alterations to the Premises which otherwise would require Landlord's approval under this Lease, and Tenant shall comply with all of the requirements of this Lease in making any such Alterations.
- 8.4 Rules and Regulations. Tenant shall comply, and shall cause all Tenant Parties to comply, with any existing building rules and regulations (the "Rules and Regulations"). Landlord may at any time adopt new Rules and Regulations or modify or eliminate existing Rules and Regulations as Landlord shall deem necessary or appropriate. In the event of any conflict or inconsistency between the provisions of this Lease and any of the Rules and Regulations, the provisions of this Lease shall control.
- 8.5 Hazardous Materials. Tenant shall not cause or permit any Hazardous Materials to be generated, used, released, stored, or disposed of in or about the Premises, the Building, or the Property. Tenant, however, may use and store reasonable quantities of cleaning and office supplies and other similar materials as may be reasonably necessary for Tenant to conduct normal business operations in the Premises. From and after the Effective Date, Tenant shall indemnify and hold Landlord and all Landlord Parties harmless from and against any damage, injury, loss, liability, charge, demand, or claim based on or arising out of the presence or removal of, or failure to remove, Hazardous Materials generated, used, released, stored, or disposed of by Tenant or any Tenant Party in or about the Premises, the Building, or the Property. The terms of this Section 9.5 shall survive the expiration or earlier termination of this Lease.

9. Maintenance and Repairs.

- 9.1 Landlord's Maintenance and Repair Obligations. Throughout the Term, Landlord shall keep the Building, the Building Systems, and the Property in good condition and repair. Notwithstanding the foregoing, Landlord shall not be required to make any repairs for the maintenance and operation of the Building, the Common Areas, the Building Systems, and/or the Property where the cost of any such repair exceeds Two Thousand and No/100 Dollars (\$2,000.00) for any one occurrence and/or where such repairs exceed Five Thousand and No/100 Dollars (\$5,000.00) in total for any calendar year of this Lease. In the event repairs to the Building, Common Areas, the Building Systems, and/or the Property exceed Two Thousand and No/100 Dollars (\$2,000.00) for any one occurrence and/or exceed Five Thousand and No/100 Dollars (\$5,000.00) in total for any calendar year of this Lease and Landlord elects to not make such repairs, Landlord shall furnish Tenant with written notice of such intent. Further, Landlord shall be under no obligation to repair damage caused to the Building, the Common Areas, the Building Systems, and the Property when such damage is caused by the negligence of Tenant, Tenant's employees, and/or invitees.
- 9.2 Tenant's Maintenance and Repair Obligations. Throughout the Term, Tenant, at Tenant's expense, shall repair, replace, and maintain in good condition all portions of the Premises, including entry ways, doors, ceilings, glass partitions, and interior walls and the Common Areas, including routine lawn care and weed remediation. Any repairs or maintenance shall be completed with materials of similar quality to the original materials. All such repairs or maintenance shall be performed by contractors approved in writing by Landlord. If Tenant fails to maintain the Premises and/or the Common Areas in accordance with this Section 9.2, Landlord may, in its sole discretion and upon thirty (30) days' prior notice to Tenant (except no advance notice shall be required in the case of emergencies), perform such maintenance. Tenant shall pay to Landlord all costs or expenses incurred by Landlord to perform such maintenance within seven (7) days after written demand. Additionally, in the event repairs to the Building, Common Areas, the Building Systems, and/or the Property exceed Two Thousand and No/100 Dollars (\$2,000.00) for any one occurrence and/or repairs exceed Five Thousand and No/100 Dollars (\$5,000.00) in total for any calendar year of this Lease, Tenant may at its option, and upon receiving Landlord's notice of its intent to not make such repairs, make such necessary repairs. All such repairs or maintenance shall be performed by contractors approved in writing by Landlord and be completed with materials of similar quality to the original materials. Tenant shall be under no obligation to make repairs to the Building, Common Areas, the Building Systems, and/or the Property that exceed Two Thousand and No/100 Dollars (\$2,000.00) for any one occurrence and/or exceed Five Thousand and No/100 Dollars (\$5,000.00) in total for any calendar year of this Lease. If Landlord and Tenant elect to not make such repairs, and such repairs are necessary for Tenant's reasonable enjoyment of

the Premises, Tenant may elect to terminate this Lease by delivering thirty (30) days written notice to Landlord of Tenant's intent to vacate the Premises and terminate this Lease.

10. Alterations.

- 10.1 Tenant Alterations. Except as permitted in Section 10.2, Tenant shall not make or allow to be made any alterations, additions, or improvements in or to the Premises (collectively, "Alterations") without the prior written consent of Landlord, which consent may be granted or denied in Landlord's reasonable discretion.
- 10.2 Minor Alterations. Notwithstanding Section 10.1, Tenant may make Minor Alterations to the Premises without Landlord's prior consent. "Minor Alterations" means decorative and other minor Alterations that: (a) do not affect the Building Systems or change the configuration of the Premises by removing or erecting interior walls; and (b) cost no more than Five Hundred Dollars (\$500.00) in any one instance.
- 10.3 Performance by Tenant. Tenant agrees that all Alterations shall be performed and completed: (a) at Tenant's sole cost and expense; (b) in accordance with plans and specifications provided to Landlord at least thirty (30) days prior to the commencement of such work (and approved by Landlord if Landlord's approval is required); and (c) in a good and workmanlike manner by contractors approved in advance by Landlord. The performance and completion of Alterations shall not impair the structural integrity of the Building or adversely affect the Building or any Building tenants. Tenant shall not permit any liens to attach to any part of the Premises, the Building, or the Property arising out of the Alterations. Tenant shall obtain, at its sole expense, all permits required for such Alterations. Tenant shall also obtain and provide to Landlord lien waivers or completion bonds to prevent liens from encumbering the Property. Throughout the performance of all Alterations, Tenant, at its expense, shall carry insurance required by Section 11.1.4.
- 10.4 Ownership of Operations. Unless Landlord elects otherwise, all Alterations made by Tenant shall become the property of Landlord and shall be surrendered to Landlord on the Lease Expiration Date. Notwithstanding the foregoing, all movable equipment, trade fixtures, personal property, furniture, or any other items that can be removed without harm to the Premises will remain Tenant's property (collectively, "Tenant Owned Property") and shall not become the property of Landlord. Landlord may, by written notice identify Alterations that Tenant shall be required to remove upon the expiration or earlier termination of this Lease. On or before the Lease Expiration Date, Tenant shall remove all Tenant Owned Property and any Alterations that Tenant is required to remove and Tenant shall repair at its sole cost and expense all damage caused to the Premises or the Building by such removal. Tenant's obligations under this Section 10.4 shall survive the expiration or earlier termination of this Lease.

11. Insurance.

11.1 Tenant Insurance. At all times during the Term of this Lease, Tenant shall maintain at its sole cost and expense, the following insurance policies in accordance with this Section 11.1:

11.1.1 “All-risk” or “special perils” property insurance covering physical loss or damage insuring the full replacement value of all present and future Alterations, leasehold improvements, and all items of Tenant Owned Property to a limit of not less than the full replacement value thereof.

11.1.2 Commercial general liability insurance in respect of the Premises and the conduct or operation of business therein with a minimum combined single limit of liability of One Million and No/100 Dollars (\$1,000,000.00). Such liability insurance shall include products and completed operations liability insurance, fire, legal liability insurance, and such other coverage as Landlord may reasonably require from time to time.

11.1.3 At all times when Alterations are in progress, Tenant, at its expense, shall maintain, or cause to be maintained, all-risk property and/or Builders Risk insurance and general liability insurance, with completed operation endorsement, for any occurrence in or about the Building. Tenant shall furnish Landlord with reasonably satisfactory evidence that such insurance is in effect at or before the commencement of Alterations and, on request, at reasonable intervals thereafter during the continuance of Alterations.

11.2 Policy Requirements.

11.2.1 Tenant’s insurance shall be issued by companies approved by Landlord in its reasonable discretion and authorized to do business in the State of Texas.

11.2.2 All insurance policies required to be carried by Tenant under this Lease shall: (i) name Landlord, and any parties designated by Landlord, as additional insureds; (ii) as to liability coverages, be written on an “occurrence” basis; and (iii) provide that Landlord shall receive thirty (30) days’ notice from the insurer before any cancellation or change in coverage.

11.2.3 Each such policy shall contain a provision that such policy and the coverage evidenced thereby shall be primary and non-contributing with respect to any policies carried by Landlord. Tenant shall deliver to Landlord evidence of insurance satisfactory to Landlord in its reasonable discretion on or before the date Tenant first enters or occupies the Premises, and thereafter at least thirty (30) days before the expiration dates of expiring policies.

11.2.4 If Tenant fails to maintain such insurance in accordance with the terms hereof,

Landlord shall have the right, but not the obligation, to procure any such insurance for the account of Tenant, immediately and without notice to Tenant, and the cost thereof shall be reimbursed by Tenant to Landlord on demand. The limits of the insurance required under this Lease shall not limit Tenant's liability. During the Term, at Landlord's request, Tenant shall increase such insurance coverage to a level that is commercially reasonably required by Landlord.

11.3 Non-Liability. Unless caused by Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for damage of any nature to any person, to the Premises, or to Tenant's personal property or equipment, including the Tenant Owned Property, caused by explosion, fire, theft, breakage, vandalism, falling plaster, Building System failure, steam, gas, electricity, water, rain, or other substances leaking, emanating from, or flowing into any part of the Premises, or from damage caused by any other tenant of the Building, it being agreed that Tenant is responsible for obtaining appropriate insurance to protect its interests.

11.4 Waiver of Subrogation. To the extent such waivers are obtainable from insurance carriers, Landlord and Tenant waive their respective right of recovery against the other for any direct or consequential damage to the property of the other by fire or other casualty to the extent such damage is insured against under a policy or policies of insurance. Each party shall cause its insurance policy to be endorsed to evidence compliance with such waiver.

12. Indemnification.

12.1 Indemnity of Landlord. **Except to the extent resulting from the gross negligence or willful misconduct of Landlord or any Landlord Party, Tenant shall indemnify, defend, and hold Landlord harmless from and against any and all claims, losses, costs, liabilities, damages, and expenses, including penalties, fines, and reasonable attorneys' fees, incurred in connection with or arising directly or indirectly from: (a) any breach or default by Tenant in the performance of any of its obligations under this Lease; (b) any injury or death to persons or damage to property occurring within or about the Premises; or (c) the use or occupancy of the Premises by Tenant, any Tenant Parties, or any person occupying the Premises through Tenant.**

12.2 Survival. The terms of this Section 12 shall survive the expiration or earlier termination of this Lease.

13. Damage and Destruction.

13.1 Restoration. Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises or the Common Areas are destroyed or damaged by fire or other casualty so that Tenant is unable to occupy the Premises for its Permitted Use, then within twenty one (21) days after that event,

Landlord shall give Tenant a notice specifying the estimated time, in Landlord's reasonable judgment, required for repair or restoration (the "Restoration Estimate"). If either: (a) the Restoration Estimate is ninety (90) days or less; or (b) the Restoration Estimate exceeds ninety (90) days and Landlord does not elect to terminate this Lease in accordance with Section 13.2 hereof, then Landlord shall proceed promptly, to the extent of available insurance proceeds, to repair and restore the Premises; provided, however, Landlord shall not be obligated to repair or restore any Tenant Alterations and/or Tenant-Owned Property. Provided this Lease is not terminated pursuant to Section 13.2, this Lease shall remain in full force, except that Fixed Rent shall abate in accordance with Section 13.3.

13.2 Termination Rights. If the Restoration Estimate exceeds ninety (90) days, then Landlord may elect to terminate this Lease by giving a termination notice to Tenant within seven (7) days following delivery of the Restoration Estimate, in which event this Lease shall cease and terminate as of the date of such termination notice. If the casualty occurs during the last three (3) months of the Term, then either Landlord or Tenant may elect to terminate this Lease, by giving a termination notice to the other within seven (7) days following delivery of the Restoration Estimate, in which event this Lease shall cease and terminate as of the date of such termination notice.

13.3 Rent Abatement. If the damage or destruction renders all or part of the Premises untenantable, Fixed Rent shall proportionately abate commencing on the date of the damage or destruction and ending on the date the Premises are delivered to Tenant with the restoration substantially completed. The extent of the abatement shall be based upon the portion of the Premises rendered untenantable.

14. Condemnation.

14.1 Total Taking. A "Taking" means any taking for any public or quasi-public use by condemnation or other eminent domain proceedings pursuant to any general or special law, or any permanent transfer in settlement of, or under threat of, any condemnation or other eminent domain proceedings. If the entire Premises is subject to a Taking, this Lease shall automatically terminate as of the date that title vests in the condemning authority.

14.2 Partial Taking. If there is a Taking of a part but not all of the Premises, this Lease shall automatically terminate as to the portion of the Premises so taken as of the date that title vests in the condemning authority. If either Landlord or Tenant reasonably determines that the Taking renders the balance of the Premises unusable by Tenant for the Permitted Use, then either Landlord or Tenant may terminate this Lease by written notice delivered to the other Party within seven (7) days after the date of the Taking. Any such election to terminate the Lease as to the remaining portion of the Premises shall be effective as of the date specified in the termination notice. In the event of a partial Taking that does not result in a termination of this Lease as to the entire Premises, then from and after the date of such partial Taking, Rent shall be equitably adjusted in relation to the portions of the Premises and the

Building taken or rendered unusable by such partial Taking.

- 14.3 Restoration. If this Lease is not terminated as a result of any Taking, Landlord shall restore the Building to an architecturally whole unit; provided, however, that Landlord shall not be obligated to expend on such restoration more than the amount of condemnation proceeds actually received by Landlord.
- 14.4 Allocation of Awards. Landlord shall be entitled to the entire award for any Taking, including any award made for the value of the leasehold estate created by this Lease. No award for any partial or total Taking shall be apportioned, and Tenant hereby assigns to Landlord its share, if any, of any award made in any Taking of the Property or the estate created by this Lease, together with any and all rights of Tenant now or hereafter arising in or to such award or any part thereof. The foregoing shall not be deemed to grant Landlord any rights or interests in or to any separate award made directly to Tenant for its relocation expenses, the Taking of Tenant Owned Property and fixtures belonging to Tenant, or the interruption of or damage to Tenant's business.
- 14.5 Temporary Taking. A "Temporary Taking" means a Taking of all or any portion of the Premises for a period not exceeding three (3) months before or during the Term. If there is a Temporary Taking, this Lease shall remain in full force and effect; provided, however, that Rent shall abate during the Temporary Taking period in proportion to the portion of the Premises subject to the Temporary Taking. Landlord shall be entitled to receive the entire award made in connection with any such Temporary Taking; provided, however, that nothing contained herein shall be deemed to give Landlord any interest in or to require Tenant to assign to Landlord any separate award made to Tenant for its relocation expenses, the Taking of Tenant Owned Property and fixtures belonging to Tenant, or the interruption of or damage to Tenant's business.

15. Assignment and Subletting.

- 15.1 Landlord Consent Required. Neither Tenant nor any sublessee or assignee of Tenant, directly or indirectly, voluntarily or by operation of law, shall enter into an Assignment of this Lease or a Sublease of the Premises without Landlord's prior written consent in each instance, which consent may be withheld or granted in Landlord's sole discretion. In addition, Tenant shall not mortgage, pledge, or otherwise encumber its interest in this Lease or in the Premises. An "Assignment" means any sale, assignment, or other transfer or hypothecation of all or any part of the Premises or Tenant's leasehold estate hereunder. A "Sublease" means any subletting of the Premises, or any portion thereof, or permitting the Premises to be occupied by any person other than Tenant. Any Assignment or Sublease that is not in compliance with this Section 16 shall be void. The acceptance of rental payments by Landlord from a proposed assignee, sublessee, or occupant of the Premises shall not constitute consent to such Assignment or Sublease by Landlord.

- 15.2 Request for Consent. Any request by Tenant for Landlord's consent to a specific Assignment or Sublease shall include: (a) the name of the proposed assignee, sublessee, or occupant; (b) the nature of the proposed assignee's, sublessee's, or occupant's business to be carried on in the Premises; (c) a copy of the proposed Assignment or Sublease documents; and (d) financial information and such other information as Landlord may reasonably request concerning the proposed assignee, sublessee, or occupant and its business. Landlord's consent shall be at Landlord's sole discretion, and Landlord shall respond in writing to Tenant's request, including a statement of the reasons for any disapproval, within seven (7) days after receipt of all information reasonably necessary to evaluate the proposed Assignment or Sublease. If Landlord fails to timely respond, Landlord's consent to the Assignment or Sublease shall be deemed granted.
- 15.3 Effect of Consent. No consent by Landlord to any Assignment or Sublease by Tenant shall relieve Tenant of any obligation to be performed by Tenant under this Lease. The consent by Landlord to any Assignment or Sublease shall not relieve Tenant or any successor of Tenant from the obligation to obtain Landlord's express written consent to any other Assignment or Sublease. No Assignment or Sublease shall be valid or effective unless the assignee or the sublessee or Tenant shall deliver to Landlord a fully executed counterpart of the Assignment or Sublease and an instrument that contains a covenant of assumption by the assignee or an agreement of the sublessee, reasonably satisfactory in substance and form to Landlord.
- 15.4 Transfer Profits. In connection with any Assignment or Sublease, Tenant shall promptly pay to Landlord one hundred percent (100%) of the excess payable by an assignee or a sublessee over and above the Rent due and payable under this Lease. Together with such payment, Tenant shall give Landlord a detailed statement of all consideration Tenant either has or will derive from such Assignment or Sublease, and the calculation of the amounts due Landlord under this Section 15.4.
- 15.5 Landlord Costs. Tenant shall pay all Landlord's reasonable costs incurred in processing every proposed Assignment or Sublease. Landlord's costs shall include all legal review fees and expenses, and all direct and indirect expenses incurred by Landlord arising from any assignee or sublessee taking occupancy in the Building (including the costs of all additional security, janitorial, cleaning, and rubbish removal services).
- 15.6 No Encumbrances. Tenant shall not mortgage, pledge, or otherwise encumber its interest in this Lease or in the Premises.
16. Tenant's Default. Each of the following events shall be an "Event of Default" hereunder:
- 16.1 Monetary Default. Tenant fails to pay any installment of Rent within the time specified herein.

- 16.2 Nonmonetary Default. Tenant fails to perform or observe any other covenant, condition, or obligation of Tenant, and such failure continues for a period of thirty (30) days after Landlord gives Tenant written notice thereof. Notwithstanding the foregoing, if a cure cannot be effected within such thirty (30) day period and provided that Tenant promptly begins and diligently pursues the cure in good faith during the thirty (30) day period, Tenant shall have such additional time as is reasonably necessary, not to exceed thirty (30) days in the aggregate to effect such cure.
- 16.3 Abandonment. The Premises become vacant and abandoned (other than in connection with a casualty under Section 13 or a condemnation under Section 14) or Tenant fails to accept a tender of possession of the Premises or any significant portion thereof from the Lease Commencement Date.
- 16.4 Prohibited Transfers. Tenant Assigns this Lease or Subleases the Premises in violation of Section 16.
17. Landlord's Remedies. Upon the occurrence of an Event of Default, Landlord shall have all of the following rights and remedies in addition to all other rights and remedies available to Landlord at law or in equity:
- 17.1 Repossession of Premises. Landlord may: (a) terminate this Lease without further notice, and Tenant shall then surrender the Premises to Landlord, provided that, if Landlord terminates the lease following an Event of Default, Landlord shall use reasonable efforts to re-market the Premises and to mitigate its damages in accordance with Section 17.3; or (b) enter and take possession of the Premises (without being liable to indictment, prosecution, or damages therefor), in accordance with any applicable laws governing such repossession, and remove Tenant, with or without having terminated this Lease. If necessary, Landlord may proceed to recover possession of the Premises under applicable laws, or by other legal proceedings. Landlord's exercise of any of its remedies or its re-entry and acceptance of Tenant's keys shall not be considered an acceptance of a surrender of the Premises or of this Lease by Tenant. A surrender must be agreed to in a writing signed by both Parties.
- 17.2 Landlord's Damages. If Landlord terminates this Lease or terminates Tenant's right to possess the Premises because of an Event of Default, then everything in this Lease required to be done or performed by Landlord shall cease, without prejudice, however, to Tenant's liability for all Rent and other sums due hereunder. In such event, Landlord may hold Tenant liable for: (a) accelerated Rent and other indebtedness that otherwise would have been payable by Tenant to Landlord, less any amount that Landlord receives from re-letting the Premises after all of Landlord's costs and expenses reasonably incurred in such re-letting have been subtracted; (b) any amounts Landlord reasonably incurs in re-letting the Premises during the remainder of the Term; (c) other necessary expenses (including without limitation reasonable attorneys' fees) incurred by Landlord in enforcing its

remedies; and (d) notwithstanding the foregoing sentence, at Landlord's election, Tenant shall pay to Landlord, on demand, as liquidated and agreed final damages, a sum equal to the amount by which the Rent for the period which otherwise would have constituted the unexpired portion of the Term exceeds the then fair and reasonable rental value of the Premises, for the same period less the aggregate amount of any sums theretofore collected by Landlord pursuant to the provisions of this Section 17.2 for the same period. If, before presentation of proof of such liquidated damages to any court, the Premises, or any part thereof, shall have been re-let by Landlord for the period which otherwise would have constituted the unexpired portion of the Term, or any part thereof, the amount of rent reserved upon such re-letting shall be deemed prima facie, to be the fair and reasonable rental value for the part or the whole of the Premises re-let during the term of the re-letting.

- 17.3 Re-Letting the Premises. Landlord shall mitigate its damages through the use of reasonable efforts to re-let the Premises or any part thereof, alone or together with other premises, for such term(s) (which may extend beyond the date on which the Lease Term would have expired but for Tenant's default) and on such terms and conditions (which may include concessions or free rent and alterations of the Premises) as Landlord, in its sole discretion, may determine. Landlord, at Landlord's option, may make such repairs, replacements, alterations, additions, improvements, decorations, and other physical changes to the Premises as Landlord, in its sole discretion, considers advisable or necessary in connection with any such reletting or proposed reletting, without relieving Tenant of any remaining liability under this Lease or otherwise affecting any such liability. If the Premises or any part thereof, shall be relet together with other space in the Building, the rents collected or reserved under any such reletting and the expenses of any such reletting shall be equitably apportioned for the purposes of this Section 17.3. Tenant shall in no event be entitled to any rents collected or payable under any reletting, whether or not such rents shall exceed the Rent reserved in this Lease.
- 17.4 Waiver. Tenant hereby covenants and agrees, as a consideration for the granting by Landlord of this Lease that, in the event of the termination of this Lease by summary proceedings, or in the event of the entry of a judgment for the recovery of the possession of the Premises in any other action, or if Landlord enters by process of law or otherwise, the right of redemption provided or permitted by any statute, law, or decision now or hereafter in force, and the right to any second and further trial provided or permitted by any statute, law, or decision now or hereafter in force shall be and hereby is expressly waived by Tenant. Further, Tenant, on its own behalf and for its legal representatives, successors, and assigns, and on behalf of all persons or business entities claiming through or under this Lease, together with creditors of all classes, and all other persons having an interest therein, does hereby waive, surrender, and give up all right or privilege which it may or might have by reason of any present or future law or decision, to redeem the Premises or have a continuance of this Lease for any part of the term hereof after having been dispossessed or ejected therefrom by process of law or otherwise.

17.5 Cumulative Rights and Remedies. Landlord's rights and remedies set forth in this Lease are cumulative and in addition to Landlord's other rights and remedies at law or in equity, including those available as a result of any anticipatory breach of this Lease. Landlord's exercise of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. Landlord's delay or failure to exercise or enforce any of Landlord's rights or remedies or Tenant's obligations shall not constitute a waiver of any such rights, remedies, or obligations. Landlord shall not be deemed to have waived any default unless such waiver expressly is set forth in an instrument signed by Landlord. Any such waiver shall not be construed as a waiver of any covenant or condition except as to the specific circumstances described in such waiver. Neither Tenant's payment of an amount less than a sum due nor Tenant's endorsement or statement on any check or letter accompanying such payment shall be deemed an accord and satisfaction. Notwithstanding any request or designation by Tenant, Landlord may apply any payment received from Tenant to any payment then due. Landlord may accept the same without prejudice to Landlord's right to recover the balance of such sum or to pursue other remedies. Mention of any particular remedy in this Lease shall not preclude Landlord from any other remedy, at law or in equity.

18. Subordination; Estoppel Certificate.

18.1 Subordination; Estoppel Certificates. This Lease shall be subject and subordinate at all times to all current or future Ground Leases and Mortgages. The provisions of this Section 18.1 shall be self-operative and no further instrument shall be required to effect the provisions of this Section 18.1. Tenant agrees to execute, acknowledge, and deliver, within five (5) days, any and all reasonable documents or instruments which Landlord or a Mortgagee deem necessary or desirable to confirm such subordination, which documents may also contain such other terms as any Mortgagee or prospective Mortgagee may reasonably require.

18.2 Attornment. If any Ground Lease terminates for any reason or any Mortgage is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant shall attorn to and become the tenant of Landlord's successor in interest at the option of such successor in interest. If any Mortgage is foreclosed, or Landlord's interest under this Lease is conveyed or transferred in lieu of foreclosure, neither the Mortgagee, nor any person or entity acquiring title to the Property as a result of foreclosure or trustee's sale, nor any successor or assign of either of the foregoing, shall be: (a) liable for any default by Landlord; (b) bound by or liable for any payment of Rent which may have been made more than fifteen (15) days before the due date of such installment; (c) subject to any defense or offset which Tenant may have to the payment of Rent or other performance under this Lease arising from any default by Landlord; or (d) bound by any amendment or modification to this Lease made without the consent of such Mortgagee if the consent of such Mortgagee to such amendment or modification is required.

- 18.3 Notices to Lender. Tenant agrees to simultaneously give to any Mortgagee or ground lessor, in accordance with the notice requirements set forth in Section 23 hereof, a copy of any notice of default served upon Landlord; provided Landlord has notified Tenant in writing of the names and addresses of such Mortgagee(s) and such Mortgagee(s) shall have the option, but not the obligation, to cure such default on behalf of Landlord.
- 18.4 Estoppel Certificates. Tenant, at any time and from time to time, shall execute and deliver to Landlord, an estoppel certificate within ten (10) days after written request from Landlord. Each estoppel certificate shall be in a form reasonably required by any Mortgagee or purchaser of the Property. Tenant shall address the certificate to Landlord and to any prospective Mortgagee or purchaser of the Property or any part of the Property as Landlord may direct. It is intended that any such certificate may be relied upon by Landlord and all those Landlord specifies as addressees. Tenant constitutes and appoints Landlord as Tenant's attorney-in-fact to execute an estoppel certificate on behalf of Tenant if Tenant does not execute and deliver such certificate to Landlord within said ten (10) days after receipt of Landlord's request.

19. End of Term; Holding Over.

- 19.1 Condition on Surrender. On the Lease Expiration Date, or upon any earlier termination of this Lease, Tenant shall vacate and surrender the Premises to Landlord. The Premises shall be surrendered to Landlord vacant, "broom-clean" and in good order, condition, and repair, normal wear and tear excepted. Tenant shall remove all of Tenant's equipment and personal property, all telecommunications equipment and wires and cables installed by or on behalf of Tenant, all Tenant Owned Property, and all Alterations that Tenant is required to remove in accordance with Section 10.4. Tenant shall repair any damage to the Premises, including any damage caused by such removal. If Tenant fails to repair any damage caused by the removal of any Alterations, Tenant shall reimburse Landlord for all costs and expenses incurred by Landlord in making any repairs and replacements to the Premises. Any property (including Tenant Owned Property) not removed by Tenant shall be deemed abandoned and, if Landlord so elects, deemed to be Landlord's property, and may be retained or removed and disposed of by Landlord in such manner as Landlord shall determine. Tenant shall reimburse Landlord for all costs and expenses incurred by Landlord in effecting such removal and disposal. The provisions of this Section 19.1 shall survive the expiration or earlier termination of this Lease.
- 19.2 Holdover. If Tenant remains in possession of the Premises after the expiration or earlier termination of this Lease, Tenant shall be deemed a holdover tenant and shall pay to Landlord, as holdover rent, the sum of One Thousand Five Hundred and No/100 Dollars (\$1,500.00) per month for the duration of the holdover period. The holdover rent shall be in addition to any other rent or charges owed by Tenant under the terms of this lease. Tenant's holdover tenancy shall be subject to all of the terms and conditions of this lease, except that Tenant shall not have the right to

renew or extend the Lease and the holdover period shall not be considered an extension of this Lease. Landlord may terminate Tenant's holdover tenancy upon written notice to Tenant in accordance with Texas law. In addition, Tenant shall indemnify, defend, and hold Landlord harmless from all losses, costs (including reasonable attorneys' fees), and liabilities resulting from Tenant's failure to vacate the Premises, including any claims made by any succeeding tenants founded upon such holdover. The acceptance by Landlord of any holdover rent shall not preclude Landlord from exercising any other rights under this Lease or at law, including Landlord's rights and remedies provided by law or this Lease.

20. Security Deposit.

20.1 Use of Deposit. Intentionally deleted.

20.2 Release on Transfer. Intentionally deleted.

21. Signs. Tenant shall be permitted to install, at its own expense, signs on the front and sides of the Building, subject to the following terms and conditions: (a) such signage shall not exceed normal size restrictions as specified by local zoning regulations and building codes; (b) Tenant shall obtain all necessary permits and approvals for the installation of the signage; (c) Tenant shall indemnify and hold Landlord harmless from any claims or damages arising from the installation or maintenance of such signage; (d) Tenant shall maintain the signage in good repair and condition; and (e) Tenant shall remove signage upon expiration or termination of this Lease. Tenant's signage design, size, and location shall be subject to the prior written approval of Landlord, not to be unreasonably withheld.

22. Parking. Landlord shall provide and maintain unreserved, self-parking, parking spaces on the paved parking area adjacent to the Building for the use of Tenant's employees and its invitees. Tenant agrees that its employees and its invitees shall not be permitted to park behind the Building in any way that obstructs access to Landlord's portion of the Building.

23. Notices. All notices or other communications required or permitted hereunder shall be in writing and shall be deemed duly given: (a) when delivered in person (with a written receipt therefor); (b) on the next Business Day after deposit with a recognized overnight delivery service; (c) on the third (3rd) Business Day after being sent by certified or registered mail, return receipt requested, postage prepaid, to Landlord's Address for Notices or to Tenant's Address for Notices, as applicable; or (d) notices transmitted by facsimile transmission, electronic mail, or similar means will be deemed delivered upon telephonic or electronic confirmation of receipt, provided a copy is also delivered via delivery or mail. If notice is received on a non-business day, it shall be deemed received on the next business day. After the Lease Commencement Date, all notices to Tenant may, at Landlord's option, be sent to the Premises. Either Party may change its address for the giving of notices by notice given in accordance with this Section 23. A Party's refusal to accept delivery of any notice or communication sent by the other Party shall not render such notice ineffective. Notwithstanding the foregoing, all bills, statements, invoices, consents, requests, or other communications from Landlord to Tenant with respect to Rent may be sent to Tenant by

regular U.S. Mail.

24. Miscellaneous Provisions.

- 24.1 Brokers. Tenant and Landlord represent and warrant that they have not used any Broker or agent in connection with this Lease. Tenant and Landlord agree to indemnify and hold each other harmless from any claims or damages arising from the actions of any Broker or agent in connection with this Lease. The provisions of this Section 24.1 shall survive the expiration or earlier termination of this Lease.
- 24.2 Governmental Immunity Waiver. Tenant hereby waives its sovereign immunity and agrees to be sued in a court of law for any breach of this Lease. Tenant further agrees to pay any damages, costs, and attorney's fees that may be awarded to the Landlord as a result of any such lawsuit.
- 24.3 Landlord Default. In the event Landlord should neglect or fail to perform or observe any of the covenants, provisions, or conditions contained in this Lease on its part to be performed or observed, and such failure continues for twenty one (21) days after written notice of default or if more than twenty one (21) days shall be required because of the nature of the default, if Landlord shall fail to commence the curing of such default within such twenty one (21) day period and proceed diligently thereafter but not to exceed an additional sixty (60) days, and such failure materially impairs Tenant's use of the Premises, then Tenant shall have the right to cure such default for and on behalf of Landlord and collect the reasonable costs of cure from Landlord and Landlord shall be responsible to Tenant for any other actual damages sustained by Tenant as a result of Landlord's default. Tenant shall have no right to terminate this Lease due to a Landlord default, except as expressly provided elsewhere in this Lease.
- 24.4 Landlord Access. Landlord, and applicable Landlord Parties, shall have the right to enter the Premises, at all reasonable hours (and at any time in the event of an emergency) to: (a) inspect the Premises; (b) supply any service to the Premises; (c) show the Premises to prospective purchasers and Mortgagees, at any time; (d) show the Premises to prospective tenants, during the final two (2) months of the Term; (e) post notices; (f) determine whether Tenant is complying with its obligations under this Lease; and (g) alter, improve, or repair the Premises, any Building Systems, or any other portion of the Building. Landlord shall not be required to provide prior notice of entry, except to show the Premises to prospective purchasers or prospective tenants, in which case Landlord shall provide Tenant with no less than twenty four (24) hours' prior notice (which may be telephonic). Except to the extent caused by Landlord's negligence or willful misconduct, Landlord shall not be liable to Tenant for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, any right to abatement of Rent, or any other loss occasioned by Landlord's exercise of any of its rights under this Section 24.4. To the extent reasonably practicable, any entry shall occur during normal Business Hours.

- 24.5 Successors and Assigns. The terms, covenants, and conditions contained in this Lease shall bind and inure to the benefit of Landlord and Tenant and, except as otherwise expressly provided herein, their respective personal representatives, successors, and assigns.
- 24.6 Transfer of Landlord's Interest. The term "Landlord" as used in this Lease, is limited to mean and include only the owner or owners of Landlord's interest in this Lease at the time in question. Upon the final sale, assignment, or completed transfer by Landlord of its interest in the Building or the Property as owner or lessee (and the giving of all required notices by Law and under this Lease), including any transfer upon or in lieu of foreclosure or by operation of law, Landlord shall be relieved from all obligations or liabilities under this Lease from and after the effective date of transfer. The transferee shall assume this Lease and all obligations hereunder shall be binding upon the transferee as of the completion date of such transfer. Any such transferee, by accepting such interest, shall be deemed to have assumed such subsequent obligations and liabilities.
- 24.7 Limitation on Landlord's Liability. If Landlord becomes obligated to pay Tenant any judgment arising out of any failure by Landlord to perform or observe any of the terms, covenants, conditions, or provisions to be performed or observed by Landlord under this Lease, Tenant shall be limited in the satisfaction of such judgment solely to Landlord's interest in the Building and the Property or any proceeds arising from the sale thereof. No other property or assets of Landlord or the individual partners, directors, officers, members, or shareholders of Landlord or its constituent partners shall be subject to levy, execution, or other enforcement procedure whatsoever for the satisfaction of any such money judgment.
- 24.8 Force Majeure.
- 24.8.1 Neither Party shall be liable or responsible to the other Party, nor be deemed to have defaulted under or breached this Lease, for any failure or delay in fulfilling or performing any obligation under this Lease (except for any obligations to make payments to the other Party hereunder), when and to the extent such failure or delay is caused by a Force Majeure Event. The failure or inability of either Party to perform its obligations in this Lease due to a Force Majeure Event shall be excused for the duration of the Force Majeure Event and extended for a period equivalent to the period of such delay, but not in excess of ninety (90) days in the aggregate. Nothing contained in this Section 24.8.1 shall excuse either Party from paying in a timely fashion any payments due under the terms of this Lease or extend the Term of this Lease.
- 24.8.2 To the extent either Party relies on a Force Majeure Event to delay performance of any obligation hereunder in accordance with subsection (a) above, such party (the "Force Majeure Noticing Party") shall give the other Party notice within five (5) days of the commencement of the Force Majeure Event, explaining the

nature or cause of the delay and stating the period of time the delay is expected to continue. The Force Majeure Noticing Party shall use commercially reasonable efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Force Majeure Noticing Party shall resume the performance of its obligations as soon as is reasonably practicable after the Force Majeure Event ends.

- 24.9 Partial Invalidity. If any provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall remain in effect and shall be enforceable to the full extent permitted by law.
- 24.10 Entire Agreement. All prior agreements between Landlord and Tenant are incorporated in this Lease, which (including all Exhibits) constitutes and is intended as a final expression of the Parties' agreement and may not be contradicted by evidence of any prior written or oral agreement. The Parties further intend that this Lease constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving this Lease.
- 24.11 No Representations. Neither Landlord nor Landlord's agents have made any representations or warranties with respect to the Premises, the Building, the Property, or this Lease except as expressly set forth herein.
- 24.12 Quiet Enjoyment. Upon Tenant paying the Rent and performing all of Tenant's obligations under this Lease, Tenant may peacefully and quietly enjoy the Premises during the Term as against all persons or entities claiming by, through, or under Landlord, subject, however, to any permitted exceptions to which this Lease is subject, to the provisions of this Lease, and to the priority of any mortgages or ground or underlying leases.
- 24.13 Survival. Upon the expiration or other termination of this Lease, neither Party shall have any further obligation or liability to the other, except as otherwise expressly provided in this Lease and except for such obligations as by their nature can only be performed after such expiration or other termination. Any liability for a payment which shall have accrued or relates to any period before the expiration or other termination of this Lease shall survive the expiration or earlier termination of this Lease.
- 24.14 Governing Law; Consent to Jurisdiction and Venue. The Laws of the State of Texas shall govern the validity, performance, and enforcement of this Lease. Tenant consents to personal jurisdiction and venue in the State of Texas and the judicial district in which the Building is located. The courts of the State of Texas will have exclusive jurisdiction and Tenant hereby agrees to such exclusive jurisdiction.

24.15 Amendments. This Lease may only be amended, modified, or supplemented by an agreement in writing duly executed by both Landlord and Tenant.

24.16 WAIVER OF JURY TRIAL. LANDLORD AND TENANT KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY EITHER PARTY AGAINST THE OTHER IN ANY MATTER ARISING OUT OF THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM OF INJURY OR DAMAGE.

24.17 Prevailing Party. If any Party brings an action or proceeding involving the Premises to enforce the Terms hereof or to declare rights hereunder, then such initiating party shall be entitled to reasonable attorneys' fees, if it is the Prevailing Party in any such proceeding, action, or appeal thereon. The term, "Prevailing Party" shall include, without limitation, a Party that substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, the Prevailing Party shall be entitled to attorneys' fees, costs, and expenses incurred in the preparation and service of notices of default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such default.

24.18 Patriot Act.

24.18.1 Tenant hereby represents and warrants to Landlord that Tenant: (i) is in compliance with the Office of Foreign Assets Control sanctions and regulations promulgated under the authority granted by the Trading with the Enemy Act, 12 U.S.C. § 95(a) et seq., and the International Emergency Economic Powers Act, 50 U.S.C. § 1701 et seq., as the same apply to it or its activities; (ii) is in compliance with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended from time to time (the "Patriot Act") and all rules and regulations promulgated under the Patriot Act applicable to Tenant; and (iii) (A) is not now, nor has ever been, under investigation by any governmental authority for, nor has been charged with, or convicted of a crime under, 18 U.S.C. §§ 1956 or 1957 or any predicate offense thereunder; (B) has never been assessed a civil penalty under any anti-money laundering Laws or predicate offenses thereunder; (C) has not had any of its funds seized, frozen, or forfeited in any action relating to any anti-money laundering Laws or predicate offenses thereunder; (D) has taken such steps and implemented such policies as are reasonably necessary to ensure that it is not promoting, facilitating, or otherwise furthering, intentionally or unintentionally, the transfer, deposit, or withdrawal of criminally derived property, or of money or monetary instruments which are

(or which Tenant suspects or has reason to believe are) the proceeds of any illegal activity, or which are intended to be used to promote or further any illegal activity; and (E) has taken such steps and implemented such policies as are reasonably necessary to ensure that it is in compliance with all Laws and regulations applicable to its business for the prevention of money laundering and with anti-terrorism Laws and regulations, with respect both to the source of funds from its investors and from its operations, and that such steps include the development and implementation of an anti-money laundering compliance program within the meaning of Section 352 of the Patriot Act, to the extent such a Party is required to develop such a program under the rules and regulations promulgated pursuant to Section 352 of the Patriot Act. Neither Tenant nor any other person owning a direct or indirect, legal, or beneficial interest in Tenant is in violation of the Executive Order or the Patriot Act. Neither Tenant nor any of its respective constituents, investors (direct or indirect and whether or not holding a legal or beneficial interest), or affiliates, acting or benefiting, directly or indirectly, in any capacity in connection with the Landlord and/or the Property or this Lease, is: (w) listed in the Annex to, or otherwise subject to the provisions of, that certain Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, and relating to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit or Support Terrorism (the "Executive Order"); (x) named as a "specifically designated national (SDN)" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website (<http://www.treas.gov/ofac/t11sdn.pdf>) or at any replacement website or other replacement official publication of such list or that is named on any other Governmental Authority list issued post 9/11/01; (y) acting, directly or indirectly for terrorist organizations or narcotics traffickers, including those persons that are included on any relevant lists maintained by the United Nations, North Atlantic Treaty Organization, Financial Action Task Force on Money Laundering, U.S. Office of Foreign Assets Control, U.S. Securities and Exchange Commission, U.S. Federal Bureau of Investigation, U.S. Central Intelligence Agency, U.S. Internal Revenue Service, all as may be amended or superseded from time to time; or (z) owned or controlled by, or acting for or on behalf of, any person described in clauses (w), (x) or (y) above (a "Prohibited Person"). None of the funds or other assets of Tenant constitute property of, or are beneficially owned, directly or indirectly, by any person, entity, or government subject to trade restrictions under U.S. law, including but not limited to: (1) the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq.; (2) The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq.; and (3) any Executive Orders or regulations promulgated thereunder, with the result that sale by Tenant or other persons (whether directly or indirectly), is prohibited by law (an "Embargoed Person"). No Embargoed Person has any interest of any nature whatsoever in Tenant (whether directly or indirectly); and none of the funds of Tenant have been derived from any unlawful activity with the result that an investment in Tenant (whether directly or indirectly) or sale by Tenant, is prohibited by law or that execution, delivery, and performance of

this Lease or any of the other documents contemplated hereby or thereby is in violation of law.

IN WITNESS WHEREOF, the Parties have executed this Lease as of the Effective Date.

LANDLORD:

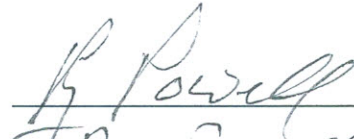
MAYO MARRS CASING PULLING INC.



By RICKEY SMITH as President of MAYO MARRS CASING PULLING INC. on behalf of said company.

TENANT:

HALL COUNTY



By: Ray Powell

Title: COUNTY JUDGE

RESOLUTION

STATE OF TEXAS §

COUNTY OF HALL §

WHEREAS, The Texas State Library Archives Commission has established mandatory minimum retention periods for records that are usually found in justice and/or municipal courts; and

WHEREAS, No local government may dispose of a record listed in this schedule prior to the expiration of its retention period; and

WHEREAS, A records control schedule of a local government may not set a retention period that is less than that established for the record in the schedule provided to Hall County Justice of the Peace Precincts No. 1, 2 & 3, Sherrie Stone; and

WHEREAS, The retention period for Justice Court records is in accordance with provisions of Local Government Code Chapters 204 and 205, as applicable, adopted by the Texas State Library and Archives Commission, subject to the policies and procedures of its records management program.

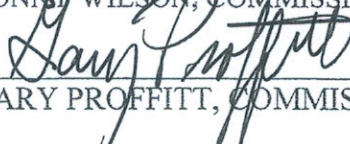
NOW, THEREFORE, the Commissioners' Court of Hall County adopts this Resolution appointing SHERRIE STONE, JUSTICE OF THE PEACE OF HALL COUNTY PRECINCTS NO. 1, 2 & 3, as Records Management Officer for Hall County Precincts No. 1, 2 & 3.

APPROVED THIS THE 13TH DAY OF FEBRUARY, 2023, BY THE HALL COUNTY COMMISSIONERS' COURT.


RAY ROWELL, HALL COUNTY JUDGE


RONNY WILSON, COMMISSIONER, PCT. 1


TERRY LINDSEY, COMMISSIONER, PCT. 2


GARY PROFFITT, COMMISSIONER, PCT. 3


TROY GLOVER, COMMISSIONER, PCT. 4