

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made and entered into as of the 20th day of March, 2002, by and between **P-M PARTNERS, LLC**, a Kentucky limited liability company, 800 Meidinger Tower, 462 South Fourth Street, Louisville, Kentucky 40202 (hereafter "Lessee"), and the **CITY OF LOUISVILLE PUBLIC PROPERTIES CORPORATION**, a Kentucky nonprofit, nonstock corporation, 601 West Jefferson Street, Louisville, Kentucky 40202 (hereafter "Lessee").

WHEREAS, pursuant to a development agreement entered into between the parties dated May 25, 2001 ("Development Agreement"), Lessor agreed to lease to Lessee the Premises (as defined below) and Lessee agreed to construct upon the Premises an office building ("Project") in accordance with the terms and conditions set forth in the Development Agreement; and

WHEREAS, the Board of Directors of the Lessor approved the lease of the Premises to the Lessee by resolution adopted July 6, 2001; and

WHEREAS, the Premises are surplus to the current needs of the Lessor.

NOW, THEREFORE, in consideration of the rents to be paid and agreements to be performed as herein provided and in the Development Agreement, Lessor leases to Lessee and Lessee leases from Lessor the Premises as described below, and the parties further agree as follows:

1. **PREMISES:** The Premises consist of the parcel located at the northwest corner of Preston and Main Streets, Louisville, Kentucky, more particularly described in Exhibit A attached hereto.

2. **CONSTRUCTION OF PROJECT:** Lessee shall construct, operate and manage the Project on the Premises in accordance with the terms and conditions set forth in the Development Agreement and this Lease. If Lessee does not exercise the option pursuant to Section 2.04 of the Development Agreement, upon expiration or termination of this Lease, all improvements to the Premises shall become the property of the Lessor, said improvements to be considered as additional rent paid by Lessee.

3. **TERM AND RENEWALS:**

A. The term of this Lease is forty (40) years beginning March 21, 2002, and ending at midnight March 20, 2042 ("Initial Term").

B. If not in default in the performance of its covenants under this Lease, Lessee is hereby granted two (2) options to renew this Lease for additional terms of twenty (20) years each on the same terms and conditions identified herein ("Renewal Term"). Lessee shall provide

**Executed
Original**

written notice to Lessor of Lessee's decision to exercise its option to renew at least 365 days prior to the expiration of the then current term.

4. **RENT:**

A. Rent for these Premises shall be as follows:

- (1) Years one through six of the Initial Term - \$100.00 per year.
- (2) Years seven through fifteen of the Initial Term - \$800.00 per month.
- (3) Year sixteen until end of Initial Term - \$5,000.00 per month.

(4) Rent for each Renewal Term shall be as agreed between Lessor and Lessee, provided that if agreement cannot be reached within 180 days prior to the commencement of the Renewal Term, the parties shall agree upon a mutually acceptable MAI certified appraiser ("Appraiser") who shall determine the rent for the Renewal Term as follows: The Appraiser shall determine the fair market value of the Premises, exclusive of the improvements which constitute the Project ("FMV"). The rent for the Renewal Term shall be equal to the product calculated by multiplying FMV by the "Prime Rate" of interest, as published in the section of The Wall Street Journal entitled "Money Rates on the 180th day prior to the commencement of the Renewal Term. All costs of the Appraiser shall be borne equally by the Lessor and the Lessee.

B. Rent shall be payable, without demand, on or before the anniversary date of the commencement of this Lease for the first six years of the Initial Term and on or before the first day of each month in all years thereafter. Rent shall be payable by check made out to the City of Louisville Public Properties Corporation and mailed or hand-delivered to the address first written above.

5. **UTILITIES:** Lessee shall be solely responsible for costs and expenses of any and all utilities used on the Premises, and for the costs and expenses of installation, use, repair and maintenance of any utility services to and on the Premises, including but not limited to gas, electricity, water, sewers, telephone, cable, fiber-optic and satellite service, during the term of this Lease.

6. **REPAIRS AND MAINTENANCE:**

A. Lessee shall, at its sole expense, keep in good order, condition and state of repair all portions of the Premises including the Project.

B. Lessee shall, at its sole expense, be responsible for garbage and trash collection and disposal from the Premises.

C. Ownership, repair, replacement and all risk of loss of any property owned by the Lessee and used, stored or otherwise involved in the Premises shall remain with the Lessee, whether such loss is the result of fire, theft, vandalism, act of God, or other known or unknown reasons.

7. **HOLDING OVER:** In the event Lessee remains in possession of the Premises after the expiration of the second Renewal Term and without the execution of a new lease, it shall be deemed to be occupying the Premises as a tenant from month to month, subject to all conditions, provisions and obligations of this Lease insofar as the same are applicable to a month to month tenancy.

8. **OCCUPANCY:**

A. Lessee shall use the Premises solely for purposes permitted by the Development Agreement.

B. Lessee shall use, occupy and maintain the Premises exclusively in accordance with the terms of this Lease and the Development Agreement. Moreover, at all times during the term of the Lease, Lessee shall conduct operations on the Premises in a safe, prudent, orderly, lawful and businesslike manner in full compliance with all laws, ordinances or regulations which may be applicable to the Premises or Lessee's use thereof. Further, Lessee shall not commit or suffer waste therein or allow any part thereof to become a nuisance.

C. Lessee accepts the Premises AS IS with no warranties except as provided in Section 2.03 of the Development Agreement concerning Hazardous Material (as defined therein).

D. Lessor agrees that, so long as Lessee complies with the covenants and conditions herein contained, Lessee may quietly hold and occupy the Premises during the Initial Term and the Renewal Terms, if renewed by Lessee pursuant to Section 3 of this Lease.

E. Lessee shall keep the Premises free of debris and any and all noxious materials. Further, Lessee expressly agrees that neither it nor any person or entity acting at its direction or with its consent shall (1) manufacture, treat, use, possess, process, store, dispose or otherwise handle any "Hazardous Substance" (as hereinafter defined) on the Premises, except as prescribed by law, or (2) permit the release of a hazardous substance on or from the Premises, and Lessee shall comply with all local, state, or federal laws, rules or regulations to which the Premises are subject and which pertain to environmental regulation, contamination or clean-up, including, without limitation, "CERCLA", "RCRA", applicable state lien or state superlien or applicable environmental clean-up statutes or judicial or administrative decisions or orders (the "Environmental Laws"). The term "Hazardous Substance" shall mean any waste, substance or material (a) identified in Section 101(14) of CERCLA, as the same may be amended from time to time, or (b) determined to be hazardous, toxic, a pollutant or contaminant, under any environmental laws, including, but not limited to, petroleum and petroleum products. Further, to the extent required by applicable law, Lessee shall immediately notify Lessor of any violation of

environmental law occurring on or in the Premises, the presence of any hazardous substance thereon, or the existence of any other environmental problem or liability with respect thereto of which Lessee has become aware.

9. **ASSIGNMENT AND SUBLEASING:** Lessee shall not assign this Lease or the rights or obligations hereunder either voluntarily or by operation of law, or lease or sublease, either in whole or in part, the Premises, except for tenants of the Project, without the prior, written consent of Lessor; provided, however that without the Lessor's consent Lessee may assign this Lease to a council of co-owners in connection with the creation of a condominium property regime on the Project and the Lessee may grant a leasehold mortgage on the Lessee's interest in this Lease, the Premises and the Project. Except as allowed by the preceding sentence, any attempt or attempts to accomplish the foregoing shall confer no rights upon any third party, assignees, or sublessees.

10. **DEFAULT:**

A. Lessor may terminate the Lease by giving thirty (30) days' written notice to Lessee upon the happening of any one of the following events, and the same is not remedied within the thirty (30) days after notice to Lessee:

1. the making by Lessee of an assignment for the benefit of its creditors;
2. the levying of a writ of execution or attachment on or against the Premises;
3. in the event proceedings are instituted in a court of competent jurisdiction for the reorganization, liquidation, or involuntary dissolution of Lessee, or for its adjudication as a bankrupt or insolvent, or the appointment of a receiver of the property of Lessee, and said proceedings are not dismissed and any receiver, trustee, or liquidator appointed therein discharged within thirty (30) days after the institution of said proceedings;
4. the doing, or permitting to be done by Lessee of any act which creates a mechanics' lien or claim against the Premises;
5. the abandonment or vacation by Lessee of the Premises; and,
6. the failure of Lessee to perform any material condition under this Lease or the Development Agreement.

B. In the event of any breach hereunder by Lessee, Lessor may immediately, or at any time thereafter, without notice, cure such breach for the account and at the expense of Lessee. If Lessor at any time, by reason of such breach, is compelled to pay, or elects to pay, any

sum of money or do any act which will require the payment of any sum of money, or is compelled to incur any expense, including reasonable attorney's fees, in instituting or prosecuting any action or proceeding to enforce Lessor's rights hereunder, the sum or sums so paid by Lessor, with interest thereon at the rate of six percent (6%) per annum from the date of payment thereof, shall be deemed to be additional rent hereunder and shall be due from Lessee to Lessor on the first day of the month following the payment of such respective sums or expenses.

C. All rights and remedies of Lessor herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law, and said rights and remedies may be exercised and enforced concurrently and whenever and as often as occasion therefor arises. In case Lessor shall file any action or proceeding for default of Lessee hereunder, Lessor shall be entitled to recover attorney's fees, as well as all other costs and expenses allowable by law.

D. Should Lessor be in default under the terms of this Lease, Lessor shall have reasonable and adequate time in which to cure the same after written notice to Lessor by Lessee of such default.

E. The receipt of money by the Lessor from the Lessee after the Lessor has given notice to the Lessee of its intention to terminate the Lease, or after the termination thereof, shall not operate in any way to reinstate, continue, or extend the term of this Lease, or affect any notice given prior thereto, it being agreed that after service of notice, or the commencement of a suit, or after final judgment for possession of said Premises, the Lessor may recover and collect any rent due, and the payment of said rent shall not waive or affect said notice, suit, or judgment.

11. **LIENS:** Lessee shall keep the Premises free from any liens or claims of lien arising out of work performed, materials furnished or obligations incurred by, for or at the request of Lessee. In the event that any liens are filed arising out of work performed, materials furnished or obligations incurred by, for or at the request of Lessee and Lessee fails to bond, pay or otherwise extinguish such liens within thirty (30) days after Lessor notifies Lessee of the existence thereof, Lessor may, without waiver of any other rights or remedies, bond, pay or otherwise extinguish such liens, and any expenses incurred by Lessor in connection therewith shall be paid by Lessee to Lessor upon demand as additional rent.

12. **SURRENDER:** Upon expiration or cancellation of the Initial Term or the Renewal Term, Lessee shall at once surrender possession of the Premises to Lessor along with all modifications or improvements thereupon in as good condition as received, ordinary wear and tear excepted.

13. **HOLD HARMLESS:** Lessee shall indemnify and hold harmless Lessor, its agents and employees from and against all claims, damages, losses and expenses including attorneys' fees, to the extent they arise out of or result from this Lease provided that such claim, damage, loss or expense (1) is attributable to personal injury, bodily injury, sickness, disease or death, or to injury to or destruction of property, including the loss of use resulting therefrom, or

breach of contract, and (2) is not caused by the gross negligence or willful misconduct of Lessor, its employees or agents acting within the scope of their employment.

14. **INSURANCE**: Prior to occupancy of the Premises and throughout all terms of this Lease, Lessee shall obtain and keep in effect at its own cost and expense the insurance coverages set forth in Exhibit B.

15. **RIGHT OF ENTRY**: Lessor retains the full right and authority to enter, inspect and view the Premises at all reasonably anticipated hours; provided that at no time Lessor conducts such activities so as to interfere with or otherwise frustrate Lessee's use and occupancy.

16. **WAIVER OF TERMS, CONDITIONS, COVENANTS**: The parties to this Lease agree that the Lessor may waive the performance of any term, condition and covenant contained herein, provided that such waiver shall not be construed or deemed a continuing waiver of the same or any subsequent conduct which may constitute a default of any provision.

17. **NOTICE**: All notices required hereunder will be in writing and served by mail or in person to the persons named below until change of such names or addresses. Lessor shall notify Lessee and Lessee shall notify Lessor immediately, in writing, of change in name or address of the persons named below.

To Lessee: P-M PARTNERS, LLC
ATTN: HENRY POTTER
800 Meidinger Tower
426 South Fourth Street
Louisville, Kentucky 40202

To Lessor: REAL ESTATE MANAGER
LOUISVILLE DEVELOPMENT AUTHORITY
600 West Main Street
Louisville, Kentucky 40202

cc: DIRECTOR OF LAW
LAW DEPARTMENT
601 West Jefferson Street
Louisville, Kentucky 40202
Attn: J. David Morris

18. **AUTHORITY**: Lessor and Lessee, by execution of this Agreement, do hereby warrant and represent to each other that they are duly organized and validly existing entities, are qualified to do business in the State of Kentucky, have full right, power and authority to enter into this Lease, and that the person signing on behalf of Lessor and Lessee is authorized to do so.

19. **SEVERABILITY:** If any provision of this Lease shall be declared invalid or unenforceable, the remainder of the Lease shall continue in full force and effect.

20. **CONDEMNATION:**

A. The terms "eminent domain," "condemnation," "taken," and the like include takings for public or quasi-public use and private purchases in place of condemnation by any authority authorized to exercise the power of eminent domain. If the entire Premises or the portions of the Premises required for reasonable access to, or the reasonable use of, the Project are taken by eminent domain, then Lessee may end this Lease on the earlier of: (i) the date when title vests; or (ii) the date Lessee is dispossessed by the condemning authority. Cancellation notice shall be given within sixty (60) days following the date title vested. This Lease shall end on the date specified in the cancellation notice, which date shall be at least thirty (30) days but not more than ninety (90) days after the date notice is given. If the Lease is canceled as provided herein, then the Rent and other charges shall be payable up to the cancellation date, and shall account for any abatement. Lessor, considering any abatement, shall promptly refund to Lessee any prepaid, unaccrued Rent less any sum then owing by Lessee to Lessor. If the Lease is not canceled as provided for herein, then Lessee at its expense shall promptly repair and restore the Project to the condition that existed immediately before the taking, except for the part taken, to render the Project a complete architectural unit, but only to the extent of the condemnation award received for the damage.

B. Lessor reserves all rights to damages paid because of any partial or entire taking of the Premises. Lessee assigns to Lessor any right Lessee may have to the damages or award. Further, Lessee shall not make claims against Lessor for damages. Notwithstanding the foregoing, Lessee may claim and recover from the condemning authority a separate award for the Project, Lessee's moving expenses, business dislocation damages, and Lessee's personal property and fixtures, the unamortized costs of leasehold improvements paid for by Lessee. Each party shall seek its own award, as limited above, at its own expense, and neither shall have any right to the award made to the other.

C. If there is a partial taking and this Lease continues, then the Lease shall end as to the part taken and the Rent shall abate in proportion to the part of the Premises taken and Lessee's Rent shall be ratably reduced.

D. If part or all of the Premises are condemned for a limited period of time (Temporary Condemnation), this Lease shall remain in effect. The Rent and Lessee's obligations for the part of the Premises taken shall not abate during the Temporary Condemnation in proportion to the part of the Premises that Lessee is unable to use in its business operations as a result of the Temporary Condemnation. Lessee shall receive the entire award for any Temporary Condemnation.

21. **PURCHASE OPTION:** Notwithstanding any provision contained in the Development Agreement to the contrary, the purchase price of the option referenced in Section 2.04 of the Development Agreement shall be reduced in proportion to the percentage reduction

in the area of the Premises resulting from the grant of that certain 9 foot wide right of way referred to in the Development Agreement.

22. **ENTIRE UNDERSTANDING:** This Lease represents the entire understanding and agreement between the parties relating to the subject matter hereof and supersedes all prior negotiations and agreements relative thereto. The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either Lessor or Lessee. This Lease may be amended only in writing and only by mutual agreement of Lessor and Lessee.

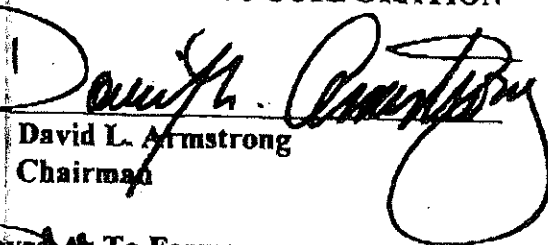
WITNESS the signatures of the authorized representatives of the Lessor and the Lessee effective as of the date first written above.


LESSOR:

LESSEE:


CITY OF LOUISVILLE
PUBLIC PROPERTIES CORPORATION

P-M PARTNERS, LLC

By: 
David L. Armstrong
Chairman

By: 
Henry Potter
Manager

Approved As To Form:


J. David Morris
Senior Attorney
City of Louisville

[JDM:EASTMAIN]
PM PARTNERS LEASE

EXHIBIT A**Premises****CONSOLIDATION DESCRIPTION OF TRACT 1 AND TRACT 2 - 333 East Main Street**

BEGINNING at the point formed by the intersection of the North property line of Main Street with the West property line of Preston Street; thence measure Westerly along said North property line of Main Street, a distance of 270 feet to the Southeast corner of the premises described in Deed dated November 21, 1946, from the Louisville and Jeffersonville Bridge and Railroad Company to Campbell Plaster and Supply Co., recorded in Deed Book 2204, Page 164, in the Office of the Clerk of Jefferson County, Kentucky; thence measure Northerly along the East property line of said premises described in Deed dated November 21, 1946, a distance of 128 feet to the South line of a tract conveyed to Chris-Jen-Tina Corporation of record in Deed Book 4438, Page 549, in the Office aforesaid, thence East with the South line of said last mentioned tract and with the South line of the tract conveyed to Chris-Jen-Tina Corporation, of record in Deed Book 4527, Page 439, in the Office aforesaid, 94.87 feet to the Southeast corner of said last mentioned tract; thence North with the East line of same, 76 feet to the South line of Washington Street; thence East with the South line of Washington Street, 175.13 feet to the West line of Preston Street; thence South with the West line of Preston Street, 204 feet to the beginning.

Excepting from said property so much of said property as was conveyed to Kentucky Dance Council, Inc., described as Tracts B-1 and C-1 on minor subdivision plat attached to and made a part of Deed of record in Deed Book 6465, Page 841, in the Office of the Clerk of Jefferson County, Kentucky and by Consolidation Deed dated January 28, 2002, of record in Deed Book 7811, Page 55 in the office of the aforesaid clerk.

EXHIBIT B**INSURANCE REQUIREMENTS - LEASE AGREEMENT WITH
PM PARTNERS, LLC****I. INSURANCE**

Prior to commencing work, Developer shall obtain at its own cost and expense the following types of insurance through insurance companies licensed in the State of Kentucky. Insurance written by non-admitted carriers will also be considered acceptable, in accordance with Kentucky Insurance Law (KRS 304.10-040). Workers' Compensation written through qualified group self-insurance programs in accordance with Kentucky Revised Statutes (KRS 342.350) will also be acceptable. **The Developer shall not commence work under this Contract until all insurance required under the Contract Document has been obtained and until copies of policies or certificates thereof are submitted to and approved by the City's Risk Management Division.** *The Developer shall not allow any Subcontractor to commence work until the insurance required of such Subcontractor has been obtained and copies of Certificates of Insurance retained by Developer evidencing proof of coverages.*

Without limiting Developer's indemnification requirements, it is agreed that Developer shall maintain in force at all times during the performance of this agreement the following policy or policies of insurance covering its operations, and require *Subcontractors if subcontracting is authorized, to procure and maintain these same policies* until final acceptance of the work by the City. The City may require Developer to supply proof of Subcontractor's insurance via Certificates of Insurance, or at the City's option, actual copies of policies.

A. The following clause shall be added to the Developer's (and approved Subcontractors) Commercial/Comprehensive General Liability Policies:

1. "The City of Louisville, its officers, and employees are added as an "Additional Insured" as respects operations of the Named Insured performed relative to the Lease Agreement of property located at Main and Preston Streets, and described more particularly in Exhibit A attaching to and forming part of the Development Agreement between PM Partners, LLC and the City of Louisville Public Properties Corporation."

B. The insurance to be procured and maintained and minimum Limits of Liability shall be as follows, unless different limits are specified by addendum to the contract :

1. **COMPREHENSIVE GENERAL LIABILITY OR COMMERCIAL GENERAL LIABILITY**, via the Occurrence Form, with a **\$1,000,000** Combined Single Limit for any one Occurrence for Bodily Injury, Personal Injury and Property Damage, including:

- a. Premises - Operations Coverage
- b. Products and Completed Operations
- c. Contractual Liability
- d. Broad Form Property Damage
- e. Independent Developers Protective Liability
- f. Personal Injury

2. **WORKERS' COMPENSATION** insuring the employers' obligations under Kentucky Revised Statutes Chapter 342 at Statutory Limits, and **EMPLOYERS' LIABILITY - \$100,000 Each Accident/\$500,000 Disease - Policy Limit/\$100,000 Disease - Each Employee.**

II. ACCEPTABILITY OF INSURERS

Insurance is to be placed with Insurance Companies with an A. M. Best Rating of no less than "B+ VI", unless proper financial information relating to the Company is submitted to and approved by the City's Risk Management Division.

III. MISCELLANEOUS

- A. The Developer shall procure and maintain insurance policies as described herein and for which the City's Risk Management Division shall be furnished Certificates of Insurance upon the execution of the Contract. The Certificates shall include provisions stating that the policies may not be cancelled or materially amended without The City of Louisville having been provided at least (30) thirty days written notice. The Certificates shall identify the Contract to which they apply and shall include the name and address of the person executing the Certificate of Insurance as well as the person's signature. If policies expire before the completion of the Contract, renewal Certificates of Insurance shall be furnished to the City's Risk Management Division 30 days before the expiration date.
- B. Certificates of Insurance as required above shall be furnished, as called for:

City of Louisville
Department of Finance and Budget
Risk Management Division
611 West Jefferson Street, Room 22
Louisville, KY 40202

AND

Louisville Development Authority
600 West Main Street, Suite 300
Louisville, KY 40202

- C. Approval of the insurance by the City shall not in any way relieve or decrease the liability of the Developer hereunder. It is expressly understood that the City does not in any way represent that the specified Limits of Liability or coverage or policy forms are sufficient or adequate to protect the interest or liabilities of the Developer.

LICENSE AGREEMENT
REV -

LICENSEE: PM PARTNERS LLC
ADDRESS: c/o Potter & Cox Architects
462 S. 4th Ave, Suite 800
Louisville, Kentucky 40204

ENCROACHMENT LOCATION: PM Building
333 East Main Street
Louisville, Kentucky 40202, more
particularly illustrated on the plan
attached hereto as Exhibit A.

TERM OF LICENSE: Through term of the lease with the city dated March 20, 2002 (attached hereto as Exhibit B).

PAYMENT: \$50.00

SCOPE OF LICENSE AGREEMENT: Licensee shall be permitted to construct, maintain and use steps for ingress and egress to the building to be constructed by Licensee on Main and Preston Streets and to maintain landscaping (either in-ground or in planters) along Washington, Main and Preston Streets provided that no such encroachments shall be located outside the cross-hatched areas illustrated on Exhibit A.

This License Agreement is granted by the City, acting by and through its Department of Public Works, and is conditioned on the Licensee's compliance with the Terms and Conditions of the License Agreement attached hereto and incorporated herein by reference. It constitutes the complete agreement by and between the parties with respect to the use granted.

APPROVED:
CITY OF LOUISVILLE
David L. Armstrong
DAVID L. ARMSTRONG, MAYOR

DATE: 3/19/02

CITY OF LOUISVILLE
DEPARTMENT OF PUBLIC WORKS
BY: William E. Herron
TITLE: Director of Public Works
DATE: March 9, 2002

APPROVED AS TO FORM:
William C. Stone
WILLIAM C. STONE
DIRECTOR OF LAW

DATE: 3/7/02

PM PARTNERS LLC
a Kentucky Limited Liability Corporation
BY: Henry M. Potter
HENRY M. POTTER
TITLE: Partner
DATE: _____

Taxpayer Identification No.
(TIN) 61-1390743

Louisville/Jefferson County Revenue
Commission Account No.
Pending

Executed
Original

TERMS AND CONDITIONS

I. GENERAL TERMS

In consideration for the granting of this License, the Licensee hereby agrees to abide by the Terms and Conditions set forth herein.

A. Licensee hereby agrees and accepts the fact that a License for temporary use of public property hereunder is in no way to be construed as implying the granting of long-lasting or permanent tenure over the public property.

B. Licensee agrees that its use will not affect the rights or interest of other public or private entities which may in the past, present or future co-exist on that portion of the public property which is the subject of this Agreement.

C. Licensee agrees that any work required or performed pursuant to this Agreement is to be done in accordance with City of Louisville standards and specifications. The Licensee further agrees that any and all work to be performed on the subject property shall have the approval and authorization of the Director of the Department of Public Works of the City, as well as of the head of the agency granting this License.

D. Should the City direct that this License Agreement be terminated, revoked or cancelled, as provided herein, it shall be the responsibility of the Licensee to remove within twenty-four (24) hours of notice of such termination, revocation or cancellation, all improvements or installations placed on the property and to restore the property to its condition just prior to the Licensee's use at the Licensee's sole expense, if the City so directs.

E. Licensee agrees that any construction, installation or maintenance work it does on the subject property under this Agreement shall be done in such a manner as to promote and preserve public safety and welfare and with a minimum of disruption and interference with the free flow of vehicular and/or pedestrian traffic over the subject property.

F. Licensee agrees to comply with all federal, state and local statutes, ordinances, rules and regulations which may apply to its use of the subject property for the duration of this Agreement.

G. Licensee agrees that under no circumstances shall any public right-of-way or lands be used for commercial advertising.

II. PAYMENT UNDER LICENSE AGREEMENT

Licensee agrees that the consideration under this Agreement shall be the sum identified on the cover page of this agreement, payable at the direction of the City. Payment shall be made to the City of Louisville.

III. LIABILITY AND INDEMNITY

A. Licensee shall indemnify and hold harmless the City and any of its employees from and against all claims, damages, losses and expense, including attorney's fees for bodily injury, sickness, disease or death, or injury or destruction of tangible property, including the loss of the use thereof, arising out of or resulting from any negligent act or omission of Licensee or its contractor, subcontractor, or anyone directly or indirectly employed by any of them in connection with this License Agreement. Licensee shall not be responsible for negligent acts or omissions of the City or its employees.

B. Licensee shall purchase and maintain commercial general liability insurance in an amount of not less than One Million Dollars (\$1,000,000.00) with an insurance company approved by the Kentucky Department of Insurance to transact business in Kentucky. Licensee shall furnish proof of insurance prior to the City's approving this License Agreement, and at each renewal period. Licensee shall also name the City of Louisville and the Louisville Division of Fire as additional insureds.

C. Licensee shall furnish a license bond or a letter of credit in the amount of a minimum of \$ N/A as indemnity for any costs incurred by the City upon termination or cancellation of this License Agreement, and this bond requirement shall remain in effect for the duration of this License Agreement, together with any subsequent renewals.

IV. TERMINATION

A. For Cause. If, through any cause, Licensee shall fail to fulfill its obligations under this License Agreement, or, if it shall violate any of the covenants, terms or conditions herein, and if such failure or violations should continue for a period of thirty (30) days after written notice of such is given by the City to Licensee, the City shall thereupon have the right to terminate this License and specify the effective date thereof. Upon such termination, Licensee shall not be entitled to any compensation from the City in any manner, including but not limited to replacement value or fair market value of any improvements placed on the property. If, after termination for cause, it is determined that Licensee has not failed to fulfill its obligations under this License Agreement, the termination shall be deemed to have been effected for the convenience of the City of Louisville.

B. At Will. Notwithstanding any other provisions of the License Agreement, the City expressly reserves the right to terminate, cancel or revoke this License at will. In the event such a determination is made, City shall forward written notice to Licensee, whereupon Licensee shall commence restoration as soon as practicable.

C. It is expressly recognized by Licensee that notwithstanding its expense for improvements and alterations to public right-of-way or land, the City shall have the express right to terminate this License Agreement, be it for cause or at will, without compensating Licensee in any manner, including, but not limited to, replacement value or fair market value of any improvement placed on this property, including losses or damages that may be suffered by

Licensee as a result of noncompliance with the Louisville and Jefferson County Zoning District Regulations.

D. Licensee shall have the right to terminate this License Agreement at any time for cause or at will by giving notice in writing to the City at least sixty (60) days prior to the termination date.

VI. ASSIGNABILITY

This License Agreement does not convey a permanent interest in public property or lands and does not run with the land. Accordingly, the Licensee shall not transfer or assign any right or interest in the Agreement. Any attempt to assign or transfer the Agreement shall be considered a substantial breach and shall render the Agreement a nullity.

VII. RENEWAL/END

This License Agreement is for the period set out on the vendor license agreement cover page. No later than sixty (60) days prior to its expiration, the parties may agree to renew the Agreement for a like term, renegotiating the payment required. If the Agreement is not renewed, Licensee shall remove its improvements from the public property, if requested by the City.