UNIVERSITY CENTER BUSINESS PARTNER LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease"), made and entered into this _____ day of January, 2013, is by and between the Board of Regents of Higher Education of the Montana University System and The University of Montana, at Missoula, Montana, hereafter referred to as "Landlord"; and the U Center Bookstore, INC (d/b/a UC Market and The Bookstore at The University of Montana) of Missoula, Montana, hereafter referred to as "Tenant."

In consideration of the rents and covenants hereinafter set forth, Landlord hereby leases to Tenant and Tenant hereby rents from Landlord, the following described premises on the following terms and conditions:

1. NOTICES

1.1 <u>Notice</u>. In the event that any notice is required to be sent by Landlord to Tenant or if Landlord finds it otherwise necessary to contact Tenant, such notice will be deemed to be received by Tenant two (2) calendar days after the notice is deposited in the United States mail by certified mail by Landlord addressed to:

Manager, UC Bookstore UC Bookstore 5 Campus Drive Missoula, MT 59801

1.2 <u>Landlord Contact Information</u>. Landlord is absolved from the responsibility of ascertaining Tenant's future mailing address or contact person other than that referred to in the preceding sentence unless notified of changes in writing. In the event that Tenant is required to give notice under the terms of this Lease to Landlord, or if Tenant finds it is otherwise necessary to contact Landlord, notice is deemed to have been given to Landlord within two (2) calendar days after Tenant has deposited in the United States mail such notice by certified mail addressed to:

Director, University Center 232 University Center The University of Montana Missoula, MT 59812

1.3 <u>Tenant Contact Information</u>. Tenant is absolved from the responsibility of ascertaining the future mailing address of Landlord or future contact persons other than that referred to in the preceding sentence unless notified of any changes in writing. Landlord and Tenant shall, in writing, notify the other of any future changes in address, telephone number or the identity of future contact persons.

2. THE LET PREMISES

2.1 <u>Let Premises</u>. Attached hereto as Exhibit "A" is a general site plan of an integrated shopping area together with common areas (as are hereinafter defined) situated at the University Center,

The University of Montana, Missoula, Montana, which generally shows a number of different sites leased to retail business enterprises within the confines of the University Center.

2.2 <u>Physical Relationship</u>. Tenant acknowledges that it has been and is fully informed of the physical relationship between the premises which it hereby leases and those other business locations leased by other University Center tenants, as well as the physical relationship of the premises leased by Tenant with common areas and other areas in the University Center.

2.3 <u>Floor Plan</u>. Attached hereto as Exhibit "B" is a floor plan drawn to scale of the business premises which Tenant hereby leases center line to center line from Landlord, showing the exact floor plan size of the let premises as well as means of ingress and egress to and from the let premises and other amenities.

2.4 <u>Improvements</u>. It is expressly recognized that Landlord will be responsible to make no improvements, accomplish no construction, and do no additional work in the let premises other than that here specifically required of Landlord or otherwise mutually agreed upon in the future in writing by Landlord and Tenant.

2.5 <u>Permanently Affixed Improvements</u>. At the conclusion of Tenant's Lease, or any extension thereof, all improvements of every character permanently affixed i.e., incapable of removal without harming or materially affecting the let premises structure, or electrical or plumbing systems, to the walls, ceiling, or floor of the let premises shall be the property of Landlord and shall not be removed by Tenant; provided, however, that free standing trade fixtures or personal property of Tenant not permanently affixed to the walls, ceiling, or floor of the let premises may be removed by Tenant on the termination of this Lease or any extension thereof.

2.6 <u>Size of Let Premises</u>. Any increase or reduction in the square footage of the let premises, as defined in this section, must be negotiated and mutually agreed upon by Landlord and Tenant at least twelve (12) months in advance.

3. TENANT'S BUSINESS IN THE LET PREMISES

3.1 <u>Business Activity</u>. Absent prior written Landlord consent, which shall not be granted prior to review by the University Center Board and may be withheld at Landlord's sole discretion, Tenant will limit activities in the let premises to those associated with the operation of a university bookstore and convenience store with an integrated espresso bar; providing books, stationery, confectionary, apparel, souvenirs, and other student and faculty supplies and commodities.

3.2 <u>Compliance with Laws and Policies</u>. Tenant unconditionally agrees in connection with the conduct of all activities in the let premises to obey and comply fully with all current and future federal, state, and local government laws and regulatory rulings applicable to the operation of retail businesses in Missoula County, Montana, and to Tenant in all other respects; all rules and policies now or in the future promulgated by appropriate authorities of The University of Montana and the Board of Regents of Higher Education of the Montana University System; and

all rules and regulations now or in the future promulgated by the managers or administrators of the University Center incident to the operation of facilities in the University Center at The University of Montana. Tenant obligations shall include but not be limited to timely payment of all federal, state and local taxes, fees, insurance, and trade creditors in connection with Tenant's activities in the let premises.

3.3 <u>Changes in Rules and Regulations</u>. It is expressly recognized, agreed and understood by Tenant that from time to time responsible authorities charged with the administration of the facilities at The University of Montana at Missoula, Montana and at the University Center may, without prior notice to Tenant, effect changes in existing rules and regulations or adopt new rules and regulations which may affect Tenant's use and occupancy of the let premises, but which, barring the unreasonable, the arbitrary or the capricious, shall be fully binding on Tenant in the conduct of Tenant's activities on the let premises with the same force and effect as if the same were now in existence and fully disclosed to Tenant. The University and University Center shall provide Tenant thirty (30) days advance notice of any change or adoption of a rule or regulation that may affect Tenant's use and occupancy of the let premises.

4. TERM OF LEASE

4.1 <u>Term</u>. The term of this Lease (the primary term) shall be one-hundred twenty (120) consecutive months commencing 00:01 hours, the _____ day of ______, 2013; and expiring at 11:59 hours, the _____ day of ______, 2023. Either Tenant or Landlord may terminate this Lease for any reason with twelve (12) months notice.

4.2 <u>Lease Extension or Renewal</u>. At least three (3) months prior to the expiration of this Lease, Tenant shall give Landlord notice of Tenant's intention to extend their use and occupancy of the leased space beyond the term defined in section 4.1. Upon receipt of such notice, Landlord and Tenant shall negotiate in good faith to reach an extension or renewal of the present Lease or a new lease agreement. Any increases or decreases of rent shall be reasonable and tied to factors including, but not limited to, commercial lease rates in Missoula, Tenant's quantity of business and earnings, and the terms of this Lease. It is expressly understood that Tenant does not have a right of renewal and that any extension or renewal of the present Lease must be negotiated between the parties and set forth in a signed writing.

5. RENT

5.1 <u>Rent Payment</u>. Rent for the 32,551.129 square feet of space in the UC shall be payable in twelve (12) equal successive monthly installments commencing the 1^{st} day of ______, 2013, and due on the 1^{st} day of each month thereafter. Rent for the first twelve (12) months shall be \$371,520.10, payable in monthly rent installments of \$30,960.00. The annual rent is derived from Landlord's rate of \$11.75136199 per square foot per year, or \$382,520.10 annually (see calculation below) less \$11,000 per year for ten (10) years in consideration for the transfer from Tenant to Landlord of all right, title and interest in the montanagrizzlies.com domain name, and

all associated trademarks or domain names as described in the Assignment attached hereto as Exhibit "C".

Total Square Feet of Let Premises	32,551.129
1 st Floor (Retail, Office, and Storage):	3,659.199 square feet
Market	-
1 st and 2 nd Floor (Retail and Offices):	24,747.643 square feet
Basement (Receiving and Storage):	4,144.287 square feet
Bookstore	
Rental rate is based upon the following square for	otage:

5.2 <u>Annual Rent Adjustment</u>. On the yearly anniversary of the commencement of this Lease, and for each successive year of the lease term thereafter, the annual rent shall increase by 2% or an annual amount equal to the CPI (Consumer Price Index) as calculated for the previous calendar year, whichever is greater.

5.3 <u>Late Payment</u>. A late payment penalty fee equal to one percent (1%) of the monthly rent payment due will be charged against Tenant for any monthly rental payment that is not received by Landlord by the close of business on the tenth day (10^{th}) of the month such payment is due. A late payment interest charge equal to .5% (one-half of one percent) of the monthly rental payment past due will also be charged against Tenant for each day after the 10^{th} (tenth) day of the month that a monthly rent payment is past due. For example, a late monthly rental payment received by Landlord on the 12^{th} day of the month will incur a combined late payment penalty fee and late payment interest charge as follows:

Monthly rent past due (at inception of Lease): 30,960.00Late Payment Penalty Fee (1%): 309.60Late Payment Interest Charge (.5% daily after the 10^{th} day of month): 154.80×2 days = 309.60

Total rent due on 12th day of the month: \$31,579.20

It is expressly understood by Tenant that this section does not limit Landlord's rights to hold Tenant in default of the Lease as provided by section 9 herein, or as otherwise provided by law.

6. TENANT'S POSSESSION AND USE OF THE PREMISES

6.1 <u>Use</u>. Possession and use of the premises shall be delivered by Landlord to Tenant solely for Tenant uses as are described in section 3 hereof, under the name of **The Bookstore at The University of Montana** and **UC Market** or any other future name mutually agreed upon by the parties. Tenant may operate the let premises under the terms and conditions of the concurrently executed license agreement attached hereto as Exhibit "D".

6.2 Trade Name and Prohibited Uses. Tenant shall not use or permit the premises to be used for any other purpose or purposes or under any other trade or service name whatsoever without the prior written consent of Landlord. Tenant shall not, without prior written Landlord consent, sell merchandise from vending machines, or allow any coin operated vending machine or gaming machine on the premises. Tenant further covenants and agrees it will not use or suffer or permit any person or persons to use the premises or any part thereof for conducting therein an auction, a distress fire sale or bankruptcy sale, or going out of business sale, or for any use or purpose not reasonably contemplated in the description of Tenant's activities as above set forth in section 3. 6.3 Condition of Premises. Tenant shall, at its own expense, keep the premises in a clean and wholesome condition, free of any objectionable noises, litter, odors, or nuisances. Tenant specifically recognizes that any unwholesome, unclean, or obnoxious appearance of Tenant's business or store front is inconsistent with the University Center and The University of Montana high standards of wholesomeness, cleanliness, and good taste. Landlord reserves the right to set sanitation standards more stringent than those of the Missoula County Health Department or the State of Montana. Tenant shall solely be responsible for all janitorial costs incurred in cleaning the let premises. Tenant may arrange with the University Center custodial crew to clean let premises and remove trash and be billed for these services at a rate mutually agreed upon. Landlord shall be solely responsible for such costs in the common areas of the University Center.

6.4 <u>Trash and Garbage</u>. While Landlord will pay expenses for hauling trash and garbage from the University Center building to an appropriate depository, Tenant shall be responsible in an orderly fashion, and in a manner so as not to disrupt other functions in the University Center, to cause trash and garbage to be deposited in a common University Center depository in full cooperation with the managers of the University Center. Tenant may arrange with the University Center custodial crew to remove trash from the let premises and be billed for these services at a rate mutually agreed upon.

6.5 <u>Storage</u>. Tenant shall not, by virtue of this Lease, be entitled to access to additional storage of Tenant's goods or merchandise, but may separately negotiate with Landlord for additional storage space.

6.6 <u>Tenant Use of Other Areas</u>. Tenant expressly recognizes that this Lease entitles Tenant to occupancy only of the let premises and does not entitle Tenant or Tenant's agents, employees, associates, or customers to any particular parking spaces in the parking lots adjacent to the University Center or to use or occupancy of any other particular University Center space.

a. Service and Delivery Vehicle Spaces. Tenant shall be granted a maximum of two (2) reserved service and delivery vehicle parking spaces, for the term of this Lease, in the Service and Delivery area east of the UC (a.k.a. "The Pit") for Tenant's service and delivery vehicle(s). The vehicle(s) must be registered and display the appropriate permits obtained from the UC Administration Offices at no additional charge to Tenant.

b. Common areas in the University Center such as hallways, stairways, elevators, and the like, while they may be used by Tenant or Tenant's agents, employees, associates, or customers, are nonetheless Landlord's property and used by others as permitted by Landlord; and thus Tenant has no exclusive right to the use of any amenity of the University Center or its environs other than the let premises specifically described in Exhibit "B" attached hereto.

c. In the event Landlord's public elevator is deemed inoperable, Tenant agrees to allow patrons of the University Center to use the elevator within their let premises during a mutually agreed upon time period.

6.7 <u>Deliveries</u>. Tenant acknowledges that prior to the date of the execution of this Lease, Tenant has reached a separate agreement with Landlord's agents regarding the times of day and days of the week on which deliveries, loading and unloading of Tenant's goods and merchandise can most conveniently be accomplished in a manner with the least adverse effect on other University Center functions and activities. Tenant pledges its best efforts to complete such deliveries, loading and unloading of goods and merchandise to its premises during such hours and on such days of the week. Deliveries made by common carriers must, by necessity, be exempt from these restrictions (i.e., United Parcel Service, Federal Express, or United States Postal Service).

6.8 <u>Utilities</u>. Tenant agrees at its own expense to pay fully for all utilities used by Tenant on the let premises from and after the date of this agreement to the expiration hereof, including, without limitation, telephone charges and other utility charges unique to Tenant's business, as well as all let premises illumination costs; provided, however, that Landlord shall pay garbage hauling charges, heating expenses, air conditioning expenses, water, and sewer charges incident to the furnishing of those services to the let premises. In addition to the basic rent, Tenant shall pay an amount equal to the value of the utilities services actually furnished to Tenant by Landlord as metered and demonstrated by good and substantial proof of actual use. Payment of these sums for electrical services shall be made within thirty (30) days of the receipt of a bill for electrical services and substantial proof of actual use. Tenant's rent and utilities payments shall be made to the University Center. Landlord agrees to provide maintenance of all building heating, cooling, ventilation, refrigeration, and electrical systems. Tenant agrees to replace all lamps within the let premises; and Landlord agrees to dispose of expired fluorescent tubes from the let premises.

6.9 <u>Inspection</u>. At times mutually convenient to both Landlord and Tenant upon twenty-four (24) hours advance notice and during regular business hours, Tenant, through its representatives, shall allow Landlord the right to go upon and inspect the premises.

6.10 <u>Signs</u>. Tenant will install signs on or above its entrance(s). Any change to the design of the sign must be approved in advance by Landlord. To assist Landlord with approving the sign, Tenant agrees to provide Landlord a true and exact-to-scale drawing of the sign Tenant intends to display on the wall above the entrance(s), the dimensions of the sign, a detailed description of the materials to be used, and the colors of the materials. Exposed electrical raceways, conduit, or wiring are not permitted.

a. Tenant must post its business hours and days that it is open on its storefront window. Any non-illuminated signs or lettering placed on Tenant's windows must be extremely high quality and fabricated by a professional sign manufacturer. Temporary signs painted in the glass or signs taped on glass are not permitted. b. Tenant assumes all responsibility for the removal of Tenant's sign within seven (7) days of vacating the premises. Sign installation and removal shall be at Tenant's expense.

c. Unless approved by representatives of the University, Tenant shall not affix or maintain any other sign in or on the University Center building or any other property owned by The University of Montana other than on a University Center building. Directories may include Tenant information and may be furnished at the sole discretion of Landlord. Moreover, Tenant shall not display or cause to be displayed any handbills, bumper stickers, or other advertising devices on vehicles parked in the University Center parking lot or on other property owned by The University of Montana for purposes of advertising Tenant's presence at the University Center. The foregoing shall not, however, prohibit Tenant from media advertising in newspapers, radio, TV, or otherwise, on premises located off The University of Montana property. No aerial or antenna(e) shall be erected on the roof or exterior walls of the premises without the prior written consent of Landlord.

6.11 <u>Tenant's Relationship to University of Montana</u>. Tenant expressly understands and recognizes that it is neither an agent nor representative of Landlord, the Board of Regents of Higher Education of the Montana University System, The University of Montana or the State of Montana; nor does Tenant have any standing with those entities other than as herein described. Tenant expressly covenants and agrees that under no circumstances will Tenant hold out itself or Tenant's agents or employees as agents or representatives of those entities; nor will Tenant in any fashion publish any advertising message in any advertising medium which would lead any person to believe that Tenant is the agent or representative of those of the Board of Regents of Higher Education of the Montana University System, The University of Montana, or the State of Montana.

6.12 <u>Limitations on Remodeling</u>. Tenant acknowledges that prior to the date of the execution of this instrument; Tenant's lawful representatives have met with and secured from Landlord's representatives Landlord's approval of any design, materials, and workmanship in connection with Tenant's design and construction of the interior amenities of Tenant's business premises.

6.13 <u>Remodeling - Other Construction in University Center</u>. During the term hereof, Tenant shall not remodel or structurally alter the design of the interior or exterior or modify, add or delete electrical or plumbing services of the let premises without Landlord's prior written consent. Tenant expressly recognizes that during the term of its tenancy at the University Center, Landlord or others may from time to time conduct remodeling or other construction in the University Center building which may have the effect of disrupting Tenant's business operation to some presently unforeseeable degree. Tenant agrees that unless the University Center is destroyed, demolished or so substantially damaged by fire or other casualty as to make it uninhabitable or for unforeseeable reasons, physically closed, Tenant will, notwithstanding periodic construction, remodeling, or other disruption has the actual effect of diminishing Tenant's business operations. In such regard, Landlord pledges its best efforts to minimize any possible disruption of Tenant's activities. Furthermore, if Tenant can demonstrate that the disruption has

substantially and materially diminished its business, Landlord will make an adjustment in Tenant's rent for the period of disruption.

6.14 <u>Restrictions on Assignment</u>. Tenant hereby covenants and agrees that it will not assign, sell, sublet, or otherwise transfer any Tenant interest in this Lease or in any of Tenant's anticipated activities, including management rights, without Landlord's prior written consent, which Landlord may withhold even if Tenant or any third party regards such withholding to be unreasonable.

6.15 <u>Restrooms</u>. Tenant recognizes that restroom facilities are furnished to Tenant within the let premises for Tenant's agents. Restroom facilities for customers are not furnished within the let premises, but rather restroom facilities will be furnished to those persons in common with other persons using University Center facilities.

6.16 <u>Merchants Association</u>. Tenant shall become and remain a member of a University Center Business Partner Association, and shall meet with Landlord's representatives and co-tenants periodically when notified of such meetings by Landlord, to receive and share information of common interest relative to University Center activities.

6.17 <u>Access</u>. Tenant will provide Landlord's representative with access and at least one key to each entrance door to Tenant's premises for use by Landlord solely in case of emergencies or for security purposes. All Tenant's keying to let premises and entrances must be on The University of Montana key system.

7. INSURANCE

7.1 <u>Insurance</u>. Tenant agrees to maintain throughout the term of this Lease, with an insurer licensed by the Montana Commissioner of Securities and Insurance, a commercial general liability policy ("Policy") with combined single limits for bodily injury, death, personal injury, and damage to property occurring within the Premises of 1 million dollars (\$1,000,000.00) per occurrence and 2 million dollars (\$2,000,000.00) aggregate per year to cover such claims as may be caused by any act, omission, or negligence of Tenant or its officers, agents, representatives, assignees, or subcontractors and shall name Landlord as an additional insured. The Policy shall provide Landlord no less coverage than is provided to Tenant and shall contain no provision limiting Tenant's coverage to claims of vicarious or general supervisory liability. The Policy shall be primary and noncontributing with any insurance maintained by Landlord and shall include a blanket contractual liability endorsement.

7.2 <u>Coverage</u>. The Policy purchased and maintained by Tenant shall include premises and operations coverage, products and completed operations coverage, personal and advertising injury coverage, and medical payments to others coverage. Property damage coverage shall not exclude injury to or destruction of any building, structure, wires, conduits, pipes, or other property above or below the surface of the ground arising out of faulty equipment or personal property owned and operated by Tenant.

7.3 Provider and Certificates of Insurance. The Policy must issue from an insurer licensed to do business in Montana that carries a Best's Key Rating of no less than A-. Promptly after commencement of the term of this Lease, Tenant shall deliver to Landlord certificates of insurance evidencing the Policy which is required to be maintained hereunder by Tenant, and, within thirty (30) days prior to the expiration of such Policy, other certificates evidencing renewal. Tenant must provide thirty (30) days written notice to Landlord of any material change in coverage including Policy cancellation and that Landlord reserves the right to request copies of Tenant's insurance coverage at any time, provided that any such request shall be made in writing and provide at least five (5) full business days in which to provide the requested information. The State, its officers, officials, employees, and volunteers are to be covered as additional insureds for liability arising out of activities performed by or on behalf of Tenant, including the insured's general supervision of Tenant, products and completed operations and the premise owned, leased, occupied, or used. Tenant's insurance coverage shall be primary insurance as respects Landlord, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by Landlord its officers, officials, employees, or volunteers shall be excess of Tenant's insurance and shall not contribute with it.

7.4 <u>Other Insurance</u>. Tenant shall be responsible for acquiring whatever other insurance Tenant deems necessary to safeguard Tenant's interest in Tenant's goods, merchandise, and inventory and in this regard, expressly covenants and agrees to assert no claim against Landlord or Landlord's agents or employees for the loss or damage to goods, merchandise or inventory belonging to Tenant resulting from the actions of third parties and including University Center co-tenants.

7.5 <u>Blanket Policies</u>. The Policy required to be maintained by Tenant pursuant to this section shall name as the insured parties Tenant and Landlord, as their respective interests may appear, and may be carried under blanket policies maintained by Tenant if such policies comply with the provisions of this subsection.

8. INJURY TO PERSON OR PROPERTY

Tenant agrees to protect, defend, and hold harmless the Landlord, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the Tenant's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts of omissions of the Tenant or its agents, employees, representatives, assigns, subcontractors, except the negligence of the Landlord, under this agreement.

a. Tenant hereby covenants and agrees to take whatever steps Tenant sees fit to take in protecting Tenant's person and property from loss of vandalism, malicious mischief, theft, or kindred losses; and in this regard agrees to assert no such claim against Landlord incident thereto. Unless otherwise provided, all losses suffered from Tenant resulting from the criminal activity of others shall be reported to the UM Office of Public Safety or the Police Department of the City of Missoula. Landlord assumes no responsibility for such losses. b. Tenant agrees to defend Landlord and hold Landlord harmless from any claim of any nature whatsoever asserted against Tenant by workers or persons furnishing materials to Tenant; and shall defend the Landlord and hold Landlord harmless against liability, loss, damage, cost or attorney's fees or any other expenses incurred by Tenant in connection with the assertion of the claims of lien of laborers, material people, or others for work performed or materials or supplies furnished for Tenant in the let premises.

9. DEFAULT

9.1 Default. If Tenant, at any time during the term of this Lease or any extended term hereunder, should be in default with respect to any payment of any kind or any other charges payable by Tenant hereunder, and should such default continue for a period of ten (10) days following written notice thereof by Landlord to Tenant; or should Tenant default in the prompt and full performance of any other Tenant promises, covenants, or agreements herein contained, and should such default or breach of performance continue for more than thirty (30) days after written notice thereof by Landlord to Tenant specifying the particulars of such default or performance; or should Tenant receive three (3) default notices in any twelve-month period during this Lease; or should Tenant vacate or abandon the premises, become insolvent, or make an assignment for benefit of creditors, or institute or otherwise be named as a debtor in any federal law bankruptcy proceedings, then Landlord may, at its sole discretion, treat the occurrences of any one or more of the foregoing events as a breach of this Lease. In addition to any and all other Landlord rights or remedies provided hereunder or by law, Landlord shall have the option, without further notice to Tenant or any other person, to declare the term hereof ended and to reenter the premises and take possession thereof and remove all persons therefrom, and Tenant shall have no further claim thereon or hereunder. Notwithstanding Landlord's exercise of rights under this paragraph to terminate Tenant's occupancy, such termination of Tenant's occupancy and of this Lease shall not operate to relieve Tenant of any obligation hereunder still owed to Landlord; and in the event that Tenant owes Landlord rent or any other payment, Landlord has the right to institute a civil action to recover those monies owed Landlord by Tenant and in addition to the same, to recover reasonable attorney's fees, court costs, and reasonable interest. Landlord, at its option, may specifically elect to enforce the terms of this Lease against Tenant without terminating this Lease or Tenant's right to occupancy of the let premises, in which event Landlord may prosecute a civil action specifically to enforce the terms of this Lease, to recover monies which Tenant owes Landlord, and in which event Landlord shall also be entitled to recover reasonable attorney's fees and Court costs.

9.2 <u>Termination of Lease</u>. In the event that Landlord exercises its right to terminate this Lease and Tenant's rights thereunder at the expiration of the period of time above referred to with regard to particular Tenant defaults, and reenters the let premises and takes over possession of the same, Landlord shall incur no liability to Tenant for the care, custody or control of any of Tenant's personal property remaining in the let premises.

a. Landlord shall have the right to sell or dispose of any or all such property and to apply the proceeds in such sale or disposition to monies which Tenant owes Landlord; and only then pay Tenant the excess (if such excess exists after payment of all costs and expenses incurred by Landlord in terminating the Lease and ousting Tenant, including reasonable attorney's fees). b. The waiver by Landlord of any breach of any term, covenant, or condition herein contained shall not be deemed to be the waiver of that term, covenant, or condition or any subsequent breach of the same or any other term or covenant or condition herein contained.

c. In the event this Lease is terminated for any reason, Landlord shall appoint an inspector who shall (i) promptly inspect the premises as vacated by Tenant; (ii) prepare a written report of the condition of the premises as to cleanliness, damage or deterioration; and (iii) provide Tenant with a copy of said report. In the event that the premises are damaged or deteriorated by reason of Tenant's occupancy or are unreasonably unclean, Tenant shall have ten (10) days to repair such damage or deterioration or clean the premises to Landlord's reasonable satisfaction. In the event Tenant fails to do so, Landlord may do so and require Tenant to pay all reasonable charges incident to such repairs or cleaning and recover such charges by legal recourse as herein provided.

10. CASUALTY LOSSES

In the event the University Center is completely destroyed by fire or other casualty, or becomes so substantially damaged by fire or casualty as to make the University Center unavailable or inaccessible to persons who normally use or patronize the University Center, that fire or casualty shall by its occurrence, terminate this Lease. Similarly, in the event of unforeseen circumstances, if the University Center, while neither damaged or destroyed by fire or other casualty is nonetheless closed for a period of more than two (2) days to access by persons normally using the University Center facilities (other than holidays or periods of time during which the University Center is customarily closed), then Tenant's obligations to Landlord shall abate during the period of such closure. If such closure exceeds sixty (60) days, this Lease shall be terminated.

11. LITIGATION

In the event any aspect of this Lease is the subject of litigation, it is hereby agreed that the unsuccessful party in that litigation shall pay to the successful party the latter's reasonable attorney's fees and court costs incurred, including court costs and attorney's fees incurred in appellate proceedings.

12. MISCELLANEOUS PROVISIONS

The parties further agree to the full extent applicable that as long as this Lease remains in effect:

a. Time is declared to be the essence of this agreement and this agreement is made binding on the heirs, executors, administrators, personal representatives, and successors in interest of the parties hereto.

b. The numbering or order of the provisions of this Lease were for convenience only and are not otherwise significant.

c. In the event any clause or provision of this Lease is declared to be unlawful or unenforceable, the remaining provisions hereof shall nonetheless be deemed to have full legal force and effect. d. In the event any portion of this Lease is the subject of litigation initiated by either party, the venue of such litigation shall be the District Court of the Fourth Judicial District of the State of Montana, in and for the County of Missoula and no other forum.

e. This Lease was entered into by the parties based on the independent analysis of the merits of entering into this Lease and the independent business judgment of the parties, and not based on any representation of any person whomsoever.

f. This Lease, with attached exhibits, contains the entirety of the agreement of the parties and no verbal agreement heretofore in existence is of any force or effect. This instrument supersedes all prior written or oral agreements related to the let premises.

g. This instrument cannot be amended except by a valid writing signed by both parties.

h. Prior to entering into any discussions or negotiations to acquire additional University Center space for any purpose absent prior Landlord written consent, exclusive of space actually occupied by Tenant as of the date this instrument becomes effective, Tenant shall inform Landlord of such discussions or negotiations.

i. Tenant agrees not to engage in any form of discrimination prohibited by municipal, county, state, or federal laws, regulations or ordinances in performance of this Lease or any aspect thereof.

j. All of the terms and conditions of this Lease between the parties are contained herein, and no representations have been made other than those specifically set forth herein.

k. Each party shall fully indemnify and hold harmless from all legal liability and legal costs, including attorney fees, the other party for the indemnifying party's negligent or tortious act or omission related to this Lease.

l. To the extent required by law, Landlord and Tenant consent to provide each other reasonable access to all business and financial records related to this agreement.

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University Center Lease Agreement U Center Bookstore, Inc. / The University of Montana

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the _____ day of January, 2013.

For TENANT

For LANDLORD

Manager, U Center Bookstore, Inc.

Clayton Christian Commissioner of Higher Education Montana University System

Royce Engstrom, President The University of Montana

Rosi Keller, Associate Vice President for Administration and Finance The University of Montana

Elizabeth A. Roosa Miller, Director University Center The University of Montana