

COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement (“**Lease**”), is executed this ____ day of _____, 2013, to be effective, however, as of February 1, 2013, and is by and between JB PRODUCTIONS, LLC, a Montana limited liability company, of 6155 Wildcat Road Missoula, MT 59802 (“**Lessor**”) and SPECTRUM (“**Lessee**”) who, in consideration of the following covenants, stipulations and payments, mutually agree as follows:

1. **Premises:** Lessor hereby leases to Lessee the premises situated at 218 East Front Street, Suite 100, Missoula, Montana 59802 in the City and County of Missoula, Montana, consisting of approximately 4,200 rentable square feet (the “**Premises**”). Please refer to Exhibit “A”

2. **Initial Term:** The initial term of this Lease will be forty-eight (48) months (the “**Initial Term**”). The Initial Term shall commence on February 1, 2013 (the “**Commencement Date**”) and shall end at midnight on the last day of the forty-eighth (48) month anniversary of the Commencement Date (the “**Expiration Date**”).

3. **Possession:** Lessee shall have exclusive possession of the Premises as of the Commencement Date.

4. **Renewal Option:** If Lessee pays all rent and otherwise fully performs its obligations, Lessee shall have an option to renew this Lease for two (2) successive periods of four (4) years each (each a “**Renewal Period**”). Lessee shall exercise this option to renew by giving written notice to Lessor not less than three (3) months prior to expiration of the Initial Term or the first Renewal Period, as the case may be. The Renewal Period shall be on the same terms, covenants and conditions as apply during the Initial Term. Lessee acknowledges and agrees that if Lessee does not exercise the option to renew this Lease at least three (3) months before the expiration of the Initial Term of this Lease or the first Renewal period, as the case may be, at that time Lessor may commence marketing the Premises as available for lease upon the expiration of the Initial Term of the Lease or the first Renewal period, as the case may be, with said marketing to include, without limitation, signage, other advertising and showing of the Premises to potential tenants.

5. **Rental:** The rent payable under this Lease shall be as follows:

Beginning on the Commencement Date and ending on the four (4) year anniversary thereof, of the Rent Beginning Date, Lessee shall pay to Lessor, or to such other person, firm or corporation as Lessor from time to time may designate in writing, the sum of EIGHT THOUSAND FIFTY DOLLARS (\$8,050) per month in advance on or before the first (1st) day of each month. Monthly rent for any Renewal Period beyond the initial term will increase based on the Cost of Living. This will be negotiated and determined by both parties. The rent due will include all triple net charges for the initial four-year period.

The minimum annual lease payment for any Renewal Period shall be adjusted and calculated upon the expiration of the then-expiring term (an “**Adjustment Date**”), as follows:

The calculation for any minimum annual lease payment adjustment will be based on the U.S. Department of Labor, Bureau of Labor Statistics National Consumer Price Index for All Urban Consumers -- All Items, Using 1982-1984=100 as the base period (the "Index"). For purposes of computing the minimum annual lease payment adjustment, the beginning Index number will be the Index number which was in effect on the beginning date of the lease period just ended prior to the Adjustment Date ("Beginning Index"). The index for the month immediately preceding the Adjustment Date in question ("Extension Index") is to be used in determining the amount of the adjustment. The minimum annual lease payment (to be paid in equal monthly installments) for the applicable subsequent lease period (until the next lease Adjustment Date) shall be determined by multiplying the minimum annual lease payment then being paid by Lessee for the then-expiring lease period by a fraction, the numerator of which is the Extension Index and the denominator of which is the Beginning Index. 3

Adjustment Example (for illustration purposes only)

Index CPI

Base Index 1982-1984 100

Beginning Index May 1, 2010 (Est.) 160

Adjustment Date May 1, 2015

Extension Index May 1, 2015 (Est.) 175

Adjustment Formula:

Extension Index 175

= = 1.094

Beginning Index 160

Adjusted Minimum Annual Lease Payment =

Previous Minimum Annual Lease Payment of \$9,900.00 x 1.094 = \$10,830.60 (\$902.55/month).

The example above is for illustration purposes only and shall have no binding effect upon the parties hereto.

If the Index is changed so that the base year differs from that in effect when the period commences, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discounted or revised during the period, such other government index or computation with which is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discounted or revised. The maximum increase in Lease rate will be capped at 3%.

6. Covenants of Title and Use. Lessor represents and warrants to Lessee as follows:

- a.** (a) Lessor owns a fee simple estate in the Property, subject to no liens other than taxes and assessments for the current year and subsequent years, not yet due and payable;
- b.** Lessee will have a First Right of Refusal to expand into additional areas of the building when they become available under similar terms to this agreement. Lessor will provide Lessee information on additional space in writing. Lessee will have 30 days to determine if they wish to expand into additional space.

- c. Rent rent under the Lease shall be paid according to the following schedule:

Year	Rent/Month
Year 1 (Initial Term)	\$8050.00
Year 2 (Initial Term)	\$8050.00
Year 3 (Initial Term)	\$8050.00
Year 4 (Initial Term)	\$8050.00

- d. Lessor's acceptance of less than the full amount of any payment due from Lessee shall not be deemed an accord and satisfaction or compromise of such payment unless Lessor specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Lessor claims.
- e. If the monthly rent to be paid by Lessee is not received by Lessor by 5:00 p.m. on the 10th day of each month, Lessee shall pay Lessor in addition to the amount due for rent, an amount equal to ten percent (10%) of the delinquent amount for the cost of collecting and handling such late payment.
- f. In the event any payment, made by check, to Lessor by Lessee is returned unpaid, whether because of lack of funds, closed account, stop payment or otherwise, Lessee's payment shall not be considered made until such funds are made good. In addition, Lessee shall pay any return check fee charged to Lessor.

7. Additional Rent: This Lease is an all-inclusive lease. Triple net charges are included in the initial rent charge, therefore Lessee will incur no further charges for CAM or NNN.

8. Security Deposit. Lessor will pay the first and last rent payments upon signature of this Agreement. Lessor acknowledges the final month's rent charge will serve as a security deposit due to Lessee's prior lease of the Premises. Lessor may commingle the security deposit with its other funds. If Lessee breaches any covenant or condition of this Lease, including but not limited to the payment of rent, Lessor may apply all or any part of the security deposit to the payment of any sum in default and any damage suffered by Lessor as a result of Lessee's breach. In such event, Lessee shall, within five (5) days after written demand therefor by Lessor, deposit with Lessor the amount so applied. Any payment to Lessor from the security deposit shall not be construed as a payment of liquidated damages for any default. If Lessee complies with all of the covenants and conditions of this Lease throughout the Lease term, the security deposit shall be repaid to Lessee without interest within 30 days after the vacation of the Premises by Lessee.

9. Parking: Lessee and Lessee's employees shall be entitled to use up to four (4) parking spaces in the parking lot that is adjacent to the Premises. Lessee shall also be entitled to the use of one additional parking spot for clients of Lessee. Lessee shall not be entitled to lease these parking spaces. Lessor agrees to provide off street parking for one (1) school bus on the weekdays during the Missoula County School District Academic Calendar Year.

10. Signage: Lessor has erected a monument sign for the building identifying all lessees. All signage must comply with applicable governmental regulations and receive Lessor's advance written approval, which approval cannot be unreasonably withheld. Lessee shall be responsible to pay for its signage on the monument sign. Lessor grants Lessee the right to hang banners from the property and temporary adhesive signage within the interior windows of the lease Space at Lessee's expense. Lessor grants Lessee the right to install signage over the exterior entrance of the building after receiving Lessor's advance written approval and confirmation of compliance with all applicable governmental regulations.

11. Maintenance and Repairs: Lessor shall maintain the driveways, parking lot, landscaping, all underground utility services, roof, foundations, exterior walls, walkways, structural components and electrical, plumbing, heating and air conditioning systems of the Premises in good condition. Lessee shall only be responsible for maintenance and repairs as to the interior of its portion of the Premises (e.g., light bulb replacement, interior repainting, tile and carpet cleaning, and general janitorial and cleaning). Lessee shall be responsible to replace any glass that is broken on the Premises. Neither Lessor nor Lessee shall commit or allow any waste upon the Premises. At the expiration of the Lease, Lessee shall return its portion of the Premises to Lessor in the same condition as the Premises was upon entry, reasonable wear and tear and damage by the elements alone excepted.

12. Services: Lessor shall be responsible for making available to the Premises any required utilities, except television. Lessor shall pay utility expenses, including gas, electricity, garbage and water. Charges for said utilities shall be included within the Lease payment and will be paid by the Lessor.

13. Use: Lessee shall use the Premises for general office uses, or for such other uses as are reasonably comparable to such use (for example, professional offices, general commercial offices, and so forth). Lessee shall not use the Premises for any other purpose without Lessor's written consent, which consent shall not be unreasonably withheld. The spectrUM Discovery Area is an interactive science museum committed to inspiring a culture of learning and discovery for all Montanans. It provides world-class exhibit-based education to tens of thousands of Montanans annually, through an array of programming including field trips, public hours as well as afterschool and summer enrichment camps. In the Maya Building, spectrUM will house interactive exhibits, a small neuroscience lab that is designed to be an exhibit in itself, a classroom space, office space, and small merchandise area.

Lessee further agrees to the following use provisions, which Lessor represents shall be included in every lease for portions of the building where the Premises is located:

- (a) Lessee shall not use or permit the Premises to be used for any unlawful or extra-hazardous purpose. Lessee shall use the Premises in such a manner as to conform to and obey all present and future laws, ordinances, rules, regulations, requirements and orders of all governmental authorities or agencies.

- (b) Lessee shall not make or allow any unlawful, improper or offensive use of the Premises and shall not suffer any unreasonable deterioration or waste thereof. Lessee shall not permit any objectionable noise or odor to escape or be emitted from the Premises or do or permit anything to be done on or about the Premises in any way tending to create a nuisance. Lessee shall not allow or cause any obstructions on the walkway areas around the Premises nor shall Lessee sell or display any merchandise on or about the walkway areas in front of or alongside the Premises without Lessor's prior written consent. Lessee shall not sell or permit to be sold any alcoholic beverages on the Premises. Lessor grants Lessee the right to provide alcoholic beverages for sale during catered fundraising events to invitees only at said fundraising events.

14. Loss by Fire: Lessor agrees to insure the Premises against loss by fire, to be paid by Lessee as Additional rent provided in Paragraph 6, with special form coverage throughout the term of this Lease in an amount not less than ninety percent (90%) of the full insurable value as determined from time to time. If during the term of this Lease (including any Renewal Period) the buildings or improvements are damaged or destroyed by fire or other casualty for which insurance coverage is applicable, and such damage, in Lessor's reasonable opinion, exceeds one-third (1/3) of their value, then Lessee shall have the option to terminate this Lease as of the date of such damage or destruction, and both parties shall be relieved of any further obligation hereunder. Lessee may elect to continue this Lease if Lessor decides to restore or rebuild the building and improvements. However, if in Lessor's reasonable opinion the improvements are damaged to an extent of less than one-third (1/3) of their value, Lessor shall proceed with all convenient speed to restore the same. If the Premises are damaged so as to render them un-leasable, Lessee's obligation to pay rent shall be suspended until such time as repairs have restored the building to a leasable condition, provided that if only a portion of the Premises shall be in a leasable condition, Lessee shall pay a pro-rata monthly rental until repairs have been completed.

Lessee acknowledges its responsibility to insure its own personal property.

15. Indemnity: Lessee shall indemnify and hold Lessor harmless from and against any loss, damage, liability, claim, demand, suit or action for damages, and expense including attorney's fees, occasioned by or growing out of or arising or resulting from Lessee's occupancy or use of the Premises or adjoining property, or arising out of any failure on Lessee's part to perform the terms of this lease. Lessor shall indemnify and hold Lessee harmless from and against any loss, damage, liability, claim, demand, suit or action for damages, and expense, including attorney's fees, arising out of any failure on Lessor's part to perform the terms of this Lease. Lessee shall, at its own expense, secure public liability insurance public liability and property damage hazards. Evidence of such coverage and its continuation in effect shall be provided to Lessor upon commencement of the lease and from time to time as requested.

16. Lessor's Right of Entry: Lessor and its agents and representatives are authorized to enter into or upon the Premises in case of an emergency without notice or at

any reasonable time with reasonable advance notice to examine its condition or for any other lawful purpose.

17. Right of Assignment: Lessee may sublet all or a portion of the Premises and may assign this Lease in whole or in part provided that:

- (a) Lessee shall remain liable hereunder unless and until specifically released by Lessor;
- (b) If Lessee receives a greater rental from its sublessee or assignee than is being paid to Lessor hereunder, Lessee shall pay 50% of such excess to Lessor on a monthly basis throughout the term of such sublease or assignment; and
- (c) Lessor has consented, in writing, to the assignment and subletting of the Premises by Lessee.

17. Liens: Lessee shall not permit any lien of any nature to be filed against or imposed upon the Premises.

18. Ice, Snow, Debris: Lessor shall be responsible for snow removal on the driveways and parking lots adjacent to the premises.

19. Rights Upon Condemnation: If during the Initial Term or any Renewal Period of this Lease, the Premises are taken by condemnation or under threat of condemnation such that the remaining Premises are unsuitable for the purposes herein leased, this Lease shall expire on the date when the Premises are so taken, and rent shall be apportioned as of that date. If only a part of the Premises is taken, and the part remaining is such that Lessee may continue its business thereon, then this Lease shall continue, and the rent payable by Lessee shall be subject to such adjustments as may be appropriate as a result of the interference occasioned to Lessee's business by such partial taking. No part of any award resulting from any such taking shall belong to Lessee.

20. Lessor's Right to Perform Lessee's Obligations: If Lessee shall fail to perform hereunder Lessor, may, at its option, cure such default on Lessee's behalf, in which event Lessee shall reimburse Lessor for all sums paid to effect such cure, together with interest at the legal rate of 10% per annum and reasonable attorney's fees. In order to collect such reimbursement, Lessor shall have available all remedies under this Lease for a default in the payment of rent.

21. Rights Upon Default: If Lessee abandons the Premises, if proceedings are commenced against Lessee in any court under a bankruptcy act or for the appointment of a trustee or receiver of Lessee's property, if Lessee makes an assignment for the benefit of creditors, if Lessee's interest in the Premises is sold under execution or other legal process, if Lessee defaults in the payment of rent, or if Lessee defaults in the performance of any other covenant, agreement, condition, rule, or regulation herein contained or

hereafter established, and Lessee shall fail to remedy such default within fifteen (15) days after a written notice identifying the nature and scope of the default is mailed by Lessor to Lessee at 218 East Front Street, Suite 205, P.O. Box 9168, Missoula, MT 59807, Lessor, at its option, shall have the right to declare this Lease null and void, and Lessor shall have the right to re-enter or repossess the Premises, and dispossess and remove Lessee, or other occupants thereof, and their effects. In such case, Lessor may, at its option, relet the Premises or any part thereof, and Lessee shall be liable to Lessor for future rent or damages based on future rent and shall pay Lessor the difference between the rent then being paid (or agreed to be paid) by Lessee for the portion of the term remaining at the time of re-entry or repossession, and the amount, if any, received or to be received under such reletting for such portion of the term. Any such re-entry or repossession shall not prejudice Lessor's rights to recover from Lessee all rents and other obligations due at the time of such entry. These remedies shall be cumulative and in addition to any other legal or equitable remedies available to Lessor. Lessor's failure to insist upon a strict performance of any term or condition of this Lease, or to avail themselves of any available remedy, shall not be deemed as a waiver, either express or implied, of any subsequent breach either of the same or difference character. At Lessee's request, Lessor agrees that this Paragraph 21 does not supersede the federal bankruptcy law or any federal, state or local law relating to Lessee's legal rights.

22. Waiver of Subrogation Rights: Lessor and Lessee, and all parties claiming under them, hereby mutually release and discharge each other from all claims and liabilities arising from or caused by any hazard covered by insurance in connection with property on or activities conducted on the leased property, regardless of the cause of the damage or loss.

23. Subordination and Nondisturbance: Lessee accepts this Lease subject and subordinate to any mortgage, deed of trust, or other lien presently existing or hereafter placed upon the leased Premises. Lessee agrees to attorn to the mortgages as long as such mortgagee executes a Subordination, Nondisturbance and Attornment Agreement that provides that as long as Lessee is not in default with respect to its payment and performance of its obligations under the Lease, Lessee shall be entitled to use and occupy the Premises in accordance with the terms of this Lease.

24. Environmental Consideration: Lessee shall hold Lessor harmless for any environmental liabilities which arise out of Lessee's occupancy of the Premises or the use of the Premises by its employees or invitees and shall be responsible for immediate removal, according to federal, state and/or local laws, rules and regulations, of any hazardous or contaminated materials arising during its occupancy and shall hold Lessor harmless for any damages, fines, penalties, removal actions, attorney's fees or other associated costs.

25. Keys. Lessee is responsible for the cost of re-keying the Premises if all keys in Lessee's possession are not returned upon Lessee vacating the Premises.

26. Future Instruments: The parties agree to execute such additional instruments as shall be reasonably necessary to carry out the terms of this Lease Agreement. Lessor and Lessee further agree, upon the request of either party, to execute and acknowledge an Abstract of Lease or Notice of Leasehold Interest for recordation with Missoula County Clerk and Recorder pursuant to M.C.A. § 70-21-101.

27. Attorney Fees and Court Costs: If litigation is instituted to enforce compliance with any of the terms, covenants or conditions of this Lease, the prevailing party shall recover costs and such further sum as the court may adjudge as reasonable attorney's fees; if any appeal is taken from any judgment or decree in such suit or action, the prevailing party on appeal shall likewise recover costs and reasonable attorney fees.

28. Holdover by Lessee: If Lessee remains in possession of the leased property after the expiration of the Initial Term of this Lease, or any Renewal Period, without the right to do so pursuant to this Lease, such possession shall be as an at-will Lessee, and may be terminated at will at any time by Lessor. During such at-will tenancy, rent shall be payable at 125% of the rate in effect during the last month of the immediately preceding term, and the other provisions of this Lease shall be applicable.

29. Entire Agreement; Modifications: This Lease contains the entire agreement between the parties, and any agreement hereafter made shall be ineffective to change, modify or discharge it in whole or in part, unless such agreement is in writing and signed by the parties.

30. Declaration of Governing Law: This Lease shall be governed by and construed and enforced in accordance with Montana law.

31. Benefit: All rights, remedies and liabilities herein given to or imposed upon either party shall extend to, inure to the benefit of, and bind, as the circumstances may require, the successors and, so far as this Lease is assignable by its terms, the assigns of such parties.

LESSOR:

JB PRODUCTIONS, LLC

By: _____
John Barrett, Authorized Member

LESSEE:

The University of Montana spectrUM Discovery Area

By: _____

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