State of Indiana
Office Lease

This Lease is entered into by and between Leman Development, LLC, located at 10319 Dawson's Creek Blvd., Suite A, Fort Wayne, IN 46825 (hereinafter referred to as "Landlord") and the State of Indiana, acting by and through the Department of Administration, for and on behalf of the Office of the Attorney General, Medicaid Fraud Control Unit (hereinafter referred to as "Tenant"). The signatories for the Landlord and Tenant warrant and represent that they have been duly authorized to execute this Lease on behalf of the Landlord and Tenant respectively.

In consideration of the promises and obligations specified in this Lease, Landlord and Tenant agree as follows:

1. Description of Premises Leased. Tenant agrees to lease from Landlord and Landlord agrees to lease to Tenant certain office space consisting of approximately 330 square feet. The space to be leased is commonly known as 10319 Dawson's Creek Blvd. Suite B, in the City of Fort Wayne, State of Indiana (the "Leased Premises"). The Leased Premises are more fully described in floor plan attached as **Exhibit A**.

2. Term of Lease. This Lease shall commence on the June 1, 2007, and end on January 31, 2009.

3. Consideration.
The total agreed rent for the entire term of this Lease shall not exceed the sum of $9,500 payable in equal consecutive monthly installments of $475.00, which represents an annual square foot amount of $18.69. Rent shall be paid in **arrears**, within thirty-five days of receipt of invoice, in accordance with IC 5-17-5-1

If the term of this Lease does not begin on the first day of a calendar month, or if this Lease does not terminate or is not terminated on the last day of a calendar month, then the rent for any period less than a calendar month will be prorated based upon the number of days in the partial month for which the lease is effective.

4. General Uses by Tenant.

A. Tenant agrees that the Leased Premises will be used and occupied for office and clerical work to be performed by employees of Tenant. Any other use by Tenant must be approved by Landlord prior to such use.

B. Tenant shall not make any alterations, additions, repairs, or improvements to the Leased Premises unless agreed to by Landlord. Should Tenant require improvements during the term of this Lease, said improvements shall be agreed to without amending this Lease and performed by Landlord with Tenant reimbursing Landlord after completion and approval of the improvements. Improvements under this paragraph shall not exceed $1,000.00.

5. Services to be Provided by Landlord.

A. Landlord shall provide the following services to the Leased Premises at no additional cost to the Tenant:

1. Routine janitorial services and supplies, including rest room supplies, replacement of light bulbs, and customary cleaning in and about the Leased Premises.

2. Heat, air conditioning, and ventilation when required for comfortable occupancy of the Leased Premises to the following criteria:

   Summer: Cool to 75 degrees.
   Winter: Heat to 70 degrees.
   Fresh air to be provided based upon 20 cubic feet per minute of outside air per person at a density of 1 person per 200 occupied square feet, except when the outside temperature is above 90 degrees or below 15 degrees in which case the quantity of fresh air will be reasonably adjusted to provide for comfortable occupancy;

3. Gas, where applicable, and electricity;
4. Water for drinking, lavatory, and rest room purposes, including a reasonable amount of hot water;
5. Sewage services;
6. Parking; 3 spaces;
7. Snow and ice removal from the parking areas and walkways to and around the Leased Premises (Snow to be removed when it reaches 2 inches. Ice to be treated as needed);
8. Pest control when needed;
9. Trash removal (Scavenger Service);
10. Lawn maintenance, where applicable;
11. Paint walls and shampoo carpets within the Leased Premises should the Tenant exercise its option to renew the lease; and
12. Accommodation and coordination for recycling of office paper, newspaper, corrugated cardboard, and beverage containers in keeping with the State's Greening the Government recycling requirements.

B. Landlord agrees to maintain the Leased Premises in a condition of safety and habitability appropriate to the needs and uses of Tenant. All maintenance, upkeep, and repair of the Leased Premises and its systems shall be the responsibility of Landlord and shall be provided at Landlord's expense, except in the event damage is caused due to the negligence of Tenant. Upon notice from Tenant of any condition requiring repair or maintenance, Landlord shall promptly make the required repairs and perform the required maintenance.

C. Landlord promises and agrees that should it fail to make repairs in a timely, proper, and satisfactory manner after notice is provided by Tenant, or after its own inspection reveals a need for repairs, Tenant may make such repairs and set off against the rent the cost of such repairs from the date of notice. The rent shall abate until the total costs of repairs incurred by Tenant shall be recovered.

D. If Tenant remains in compliance with this Lease, Tenant shall have the peaceful and quiet enjoyment of the Leased Premises except as provided in section C. above.

E. Landlord acknowledges and agrees that the Leased Premises and all facilities shall conform to applicable provisions of the Indiana State Fire and Building Codes, and applicable municipal fire and building codes.

F. Landlord further agrees to provide access and parking and meet any other requirements for persons with disabilities in conformance with local, state and federal statutes and regulations, including those current laws and regulations required by the Americans with Disabilities Act (ADA), 42 USC 101, 1990.

6. **Loss of Use by Tenant.** In the event the Leased Premises are made untenable or are partially or totally destroyed by fire, explosion, or other casualty, provided such total or partial destruction is not caused by Tenant,

A. The Leased Premises shall be repaired as speedily as possible, at Landlord's expense;

B. Either party may elect to terminate this Lease by notifying the other party in writing within thirty (30) days of the casualty, and rent shall abate and be paid only to the date of the casualty;

C. Landlord and Tenant can agree in writing to continue this Lease for the undamaged portion of the Leased Premises at a rent apportioned according to the usable office space available. If the Leased Premises are unusable during the restoration period, the rent shall abate during this period.

7. **Installation of Fixtures.** Tenant shall have the right to install, place and maintain all business fixtures, equipment and furniture necessary and required for use by Tenant, its agents, officials and employees, in the conduct of its business, and Tenant shall have the right to remove such business fixtures, equipment and furniture upon termination of this Lease, providing Tenant reasonably repairs damage caused by the removal.

8. **Assignment and Subletting.** Tenant shall not assign this Lease, sublet the Leased Premises, or any part thereof, or permit the use or occupancy of any part of the Leased Premises, by anyone other than Tenant, its officials, agents, or employees, without the prior consent of Landlord.

9. **Abandonment of Premises.** Tenant understands and agrees that if it abandons the Leased Premises during the term of this tenancy, it shall not be relieved of its duties and obligations under this Lease. Exercise of Tenant's rights under Section 19 (Conflict of Interest), or Section 25 (Cancellation) shall not constitute abandonment. Landlord, however, promises that if Tenant fails to exercise its right to perform under this Lease, Landlord shall in good faith use its best efforts to re-let the premises and set off against rents due from Tenant any rent collected from others for their use of the Leased Premises. Nothing in this clause shall prevent Landlord or Tenant from negotiating a termination of this Lease.

10. **Surrender and Holding Over.**

A. Upon expiration or termination of this Lease, Tenant shall remove all of its goods, fixtures and other movable personal property and surrender the Leased Premises to Landlord in the same condition as the Leased Premises were at the beginning of this Lease, ordinary wear and tear, and damage by the elements, excepted.

B. In the event Tenant remains in possession of the Leased Premises after this Lease has expired or been terminated, the resulting tenancy shall be construed as a tenancy from month-to-month and monthly rental shall remain the same as the rent being paid at the time the holdover occurs.

11. **Memorandum of Lease.** Upon request by Tenant, a Memorandum of Lease in recordable form shall be executed by both parties and recorded in conformance with the laws of the State of Indiana. (To be recorded in the County of the Leased Property)

12. Access to Records. The Landlord and its sublandlords, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to all costs incurred under this Lease. They shall make such materials available at their respective offices at all reasonable times during this Lease, and for three (3) years from the date of final payment under this Lease, for inspection by the State or its authorized designees. Copies shall be furnished at no cost to the State if requested.

13. Assignment; Successors. The Landlord binds its successors and assignees to all the terms and conditions of this Lease. The Landlord shall not assign or subLease the whole or any part of this Lease without the State's prior written consent. The Landlord may assign its right to receive payments to such third parties as the Landlord may desire without the prior written consent of the State, provided that the Landlord gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Lease and shall not be made to more than one party.

14. Audits. The Landlord acknowledges that it may be required to submit to an audit of funds paid through this Lease. Any such audit shall be conducted in accordance with IC 5-11-1, et. seq. and audit guidelines specified by the State.

15. Authority to Bind Landlord. The signatory for the Landlord represents that he/she has been duly authorized to execute this Lease on behalf of the Landlord and has obtained all necessary or applicable approvals to make this Lease fully binding upon the Landlord when his/her signature is affixed, and certifies that this Lease is not subject to further acceptance by the Landlord when accepted by the State.

16. Changes in Work. The Landlord shall not commence any additional work or change the scope of the work until authorized in writing by the State. No claim for additional compensation shall be made in the absence of a prior written approval executed by all signatories hereto.

17. Compliance with Laws.

A. The Landlord shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment of any state or federal statute or the promulgation of rules or regulations thereunder after execution of this Lease shall be reviewed by the State and the Landlord to determine whether the provisions of this Lease require formal modification.

B. The Landlord and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State as set forth in IC § 4-2-6 *et seq.*, IC § 4-2-7, *et. seq.*, the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the Landlord is not familiar with these ethical requirements, the Landlord should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission website at http://www.in.gov/ethics/. If the Landlord or its agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this Lease immediately upon notice to the Landlord. In addition, the Landlord may be subject to penalties under IC §§ 4-2-6 and 4-2-7.

C. The Landlord certifies by entering into this Lease that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments to the State. The Landlord agrees that any payments currently due to the State may be withheld from payments due to the Landlord. Additionally, further work or payments may be withheld, delayed, or denied and/or this Lease suspended until the Landlord is current in its payments and has submitted proof of such payment to the State.

D. The Landlord warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the State of any such actions. During the term of such actions, the Landlord agrees that the State may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Lease.

E. If a valid dispute exists as to the Landlord's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny work to the Landlord, the Landlord may request that it be allowed to continue, or receive work, without delay. The Landlord must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties.

F. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest under IC § 5-17-5.

G. The Landlord warrants that the Landlord and its subLandlords, if any, shall obtain and maintain all required permits, licenses, registrations, and approvals, as well as comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the State. Failure to do so may be deemed a material breach of this Lease and grounds for immediate termination and denial of further work with the State.

H. The Landlord affirms that, if it is an entity described in IC Title 23, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.

I. As required by IC 5-22-3-7:

(1) the Landlord and any principals of the Landlord certify that (A) the Landlord, except for de minimis and nonsystematic violations, has not violated the terms of (i) IC 24-4.7 [Telephone Solicitation Of Consumers], (ii) IC 24-5-12 [Telephone Solicitations] , or (iii) IC 24-5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and (B) the Landlord will not violate the terms of IC 24-4.7 for the duration of the Lease, even if IC 24-4.7 is preempted by federal law.

(2) The Landlord and any principals of the Landlord certify that an affiliate or principal of the Landlord and any agent acting on behalf of the Landlord or on behalf of an affiliate or principal of the Landlord (A) except for de minimis and nonsystematic violations, has not violated the terms of IC 24-4.7 in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and (B) will not violate the terms of IC 24-4.7 for the duration of the Lease, even if IC 24-4.7 is preempted by federal law.

18. Condition of Payment. All services provided by the Landlord under this Lease must be performed to the State's reasonable satisfaction, as determined at the discretion of the undersigned State representative and in accordance with all applicable federal, state, local laws, ordinances, rules and regulations. The State shall not be required to pay for work found to be unsatisfactory, inconsistent with this Lease or performed in violation of and federal, state or local statute, ordinance, rule or regulation.

19. Conflict of Interest.

A. As used in this section:

"Immediate family" means the spouse and the unemancipated children of an individual.
"Interested party," means:

1. The individual executing this Lease;
2. An individual who has an interest of three percent (3%) or more of the Landlord, if the Landlord is not an individual; or
3. Any member of the immediate family of an individual specified under subdivision 1 or 2.

"Department" means the Indiana Department of Administration.
"Commission" means the State Ethics Commission.

B. The Department may cancel this Lease without recourse by the Landlord if any interested party is an employee of the State.

C. The Department will not exercise its right of cancellation under section B, above, if the Landlord gives the Department an opinion by the Commission indicating that the existence of this Lease and the employment by the State of the interested party does not violate any statute or rule relating to ethical conduct of State employees. The Department may take action, including cancellation of this Lease, consistent with an opinion of the Commission obtained under this section.

D. The Landlord has an affirmative obligation under this Lease to disclose to the Department when an interested party is or becomes an employee of the State. The obligation under this section extends only to those facts that the Landlord knows or reasonably could know.

20. Debarment and Suspension.
A. The Landlord certifies by entering into this Lease that neither it nor its principals nor any of its subLandlords are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Lease by any federal agency or by any department, agency or political subdivision of the State. The term "principal" for purposes of this Lease means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Landlord.

B The Landlord certifies that it has verified the state and federal suspension and debarment status for all subLandlords receiving funds under this Lease and shall be solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred subLandlord. The Landlord shall immediately notify the State if any subLandlord becomes debarred or suspended, and shall, at the State's request, take all steps required by the State to terminate its contractual relationship with the subLandlord for work to be performed under this Lease.

21. Default by State. If the State, sixty (60) days after receipt of written notice, fails to correct or cure any material breach of this Lease, the Landlord may cancel and terminate this Lease and institute the appropriate measures to collect monies due up to and including the date of termination.

22. Disputes.
A. Should any disputes arise with respect to this Lease, the Landlord and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

B. The Landlord agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this Lease that are not affected by the dispute.

Should the Landlord fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or the Landlord as a result of such failure to proceed shall be borne by the Landlord, and the Landlord shall make no claim within ten (10) working days following notification in writing by either party of the existence of a dispute, then the following procedure shall apply:

1. The parties agree to resolve such matters through submission of their dispute to the Commissioner of the Indiana Department of Administration. The Commissioner shall reduce a decision to writing and mail or otherwise furnish a copy thereof to the Landlord and the State within ten (10) working days after presentation of such dispute for action. The Commissioner's decision shall be final and conclusive unless either party mails or otherwise furnishes to the Commissioner, within ten (10) working days after receipt of the Commissioner's decision, a written appeal. Within ten (10) working days of receipt by the Commissioner of a written request for appeal, the decision may be reconsidered. If no reconsideration is provided within ten (10) working days, the parties may mutually agree to submit the dispute to arbitration or mediation for a determination, or otherwise the dispute may be submitted to an Indiana court of competent jurisdiction.

2. The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to the Landlord of one or more invoices not in dispute in accordance with the terms of this Lease will not be cause for Landlord to terminate this Lease, and the Landlord may bring suit to collect these amounts without following the disputes procedure contained herein.

23. Drug-Free Workplace Certification. The Landlord hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Landlord will give written notice to the State within ten (10) days after receiving actual notice that the Landlord or an employee of the Landlord in the State of Indiana has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of Lease payments, termination of this Lease and/or debarment of contracting opportunities with the State for up to three (3) years.

24. Force Majeure. In the event that either party is unable to perform any of its obligations under this Lease or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Lease shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Lease.

25. Funding Cancellation. When the Director of the Office of Management and Budget makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Lease, this Lease shall be canceled. A determination by the Budget Director that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

26. Governing Laws. This Lease shall be construed in accordance with and governed by the laws of the State of Indiana and suit, if any, must be brought in the State of Indiana.

27. Hazardous Materials. Landlord, to the best of its knowledge, guarantees that the Leased Premises are in environmentally sound condition at the time of the execution of this Lease. Both Landlord and Tenant agree that they shall not cause, allow, or permit any Hazardous Material to be brought upon, generated, manufactured, stored, handled, disposed of, or used at, on, about, or beneath the Leased Premises or any portion of the Leased Premises.

28. Indemnification. The Landlord agrees to indemnify, defend, and hold harmless the State, its agents, officers, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Landlord and/or its subLandlords, if any, in the performance of this Lease. The State shall **not** provide such indemnification to the Landlord.

29. Independent Landlord. Both parties hereto, in the performance of this Lease, shall act in an individual capacity and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or subLandlords of the other party.

The Landlord shall be responsible for providing all necessary unemployment and workers' compensation insurance for the Landlord's employees.

30. Insurance.

A. The Landlord shall secure and keep in force during the term of this Lease, the following insurance coverages, covering the Landlord for any and all claims of any nature which may in any manner arise out of or result from this Lease:

1. Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits of $700,000 per person and $5,000,000 per occurrence unless additional coverage is required by the State.

2. Automobile liability with minimum liability limits of $700,000 per person and $5,000,000 per occurrence.

3. The Landlord shall provide proof of such insurance coverage by tendering to the undersigned State representative a certificate of insurance prior to the commencement of this Lease and proof of Workers compensation coverage meeting all statutory requirements of IC 22-3-2. In addition, proof of an "all states endorsement" covering claims occurring outside the State is required if any of the services provided under this Lease involve work outside of Indiana.

B. The Landlord's insurance coverage must meet the following additional requirements:

1. The insurer must have a certificate of authority issued by the Indiana Department of Insurance.

2. Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of the Landlord.

3. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Landlord in excess of the minimum requirements set forth

above. The duty to indemnify the State under this Lease shall not be limited by the insurance required in this Lease.

4. The insurance required in this Lease, through a policy or endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the undersigned State agency.

Failure to provide insurance as required in this Lease may be deemed a material breach of Lease entitling the State to immediately terminate this Lease. The Landlord shall furnish a certificate of insurance and all endorsements to the State before the commencement of this Lease.

31. Key Person(s).

A. If both parties have designated that certain individual(s) are essential to the services offered, the parties agree that should such individual(s) leave their employment during the term of this Lease for whatever reason, the State shall have the right to terminate this Lease upon thirty (30) days prior written notice.

B. In the event that the Landlord is an individual, that individual shall be considered a key person and, as such, essential to this Lease. Substitution of another for the Landlord shall not be permitted without express written consent of the State.

C. Nothing in sections A and B, above shall be construed to prevent the Landlord from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of the key person. Examples of such ancillary tasks include secretarial, clerical, and common labor duties. The Landlord shall, at all times, remain responsible for the performance of all necessary tasks, whether performed by a key person or others.

32. Licensing Standards. The Landlord and its employees and subLandlords shall comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules or regulations governing services to be provided by the Landlord pursuant to this Lease. The State shall not be required to pay the Landlord for any services performed when the Landlord, its employees or subLandlords are not in compliance with such applicable standards, laws, rules or regulations. If licensure, certification or accreditation expires or is revoked, or if disciplinary action is taken against the applicable licensure, certification or accreditation, the Landlord shall notify the State immediately and the State, at its option, may immediately terminate this Lease.

33. Liens.

Tenant agrees that it shall not cause any liens to be filed as a result of any work done on its behalf; however, should such a lien be filed, Tenant agrees to discharge such lien within thirty five (35) days of receipt of notice of the lien.

34. Lobbying Activities.

A. Pursuant to 31 U.S.C. S 1352, and any regulations promulgated thereunder, Landlord hereby assures and certifies that no federally appropriated funds have been paid, or will be paid, by or on behalf of Landlord, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, and officer or employee of Congress, or an employee of a member of Congress, in connection with the awarding of any federal lease, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal lease, grant, loan, or cooperative agreement.

B. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of congress, or an employee of a member of Congress in connection with this agreement, Landlord shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

35. Merger & Modification. This Lease constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this Lease will be valid provisions of this Lease. This Lease may not be modified, supplemented or amended, in any manner, except by written agreement signed by all necessary parties.

36. Nondiscrimination. Pursuant to IC 22-9-1-10 and the Civil Rights Act of 1964, the Landlord and its subLandlords shall not discriminate against any employee or applicant for employment in the performance of this Lease. The Landlord shall not discriminate with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry. Breach of this covenant may be regarded as a material breach of this Lease. The Landlord's execution of this Lease also signifies compliance with applicable federal laws, regulations and executive orders prohibiting discrimination in the provision of services based on race, color, national origin, age, sex, disability or status as a veteran.

37. Notice.
All notices required to be given under this Lease will be made in writing and will be sent by registered, certified, or overnight mail to the parties, as follows:

A. Notices to Tenant shall be sent to:

Office of the Attorney General
Attn: Tony Rogers, Controller
302 West Washington Street
IGCS-5th Floor
Indianapolis, IN 46204

Copy to:

Commissioner, Department of Administration
Indiana Government Center South
402 W. Washington St., Rm. W479
Indianapolis, IN 46204

B. Notices to Landlord shall be sent to:

Leman Development, LLC
10319 Dawson's Creek Blvd., Suite A
Fort Wayne, IN 46825

38. Order of Precedence; Incorporation by Reference. Any inconsistency or ambiguity in this Lease shall be resolved by giving precedence in the following order: (1) This Lease, (2) attachments prepared by the State, (3) attachments prepared by the Landlord. All of the foregoing are incorporated fully by reference. All attachments, and all documents referred to in this paragraph are hereby incorporated fully by reference.

39. Payments. All payments shall be made in arrears in conformance with State fiscal policies and procedures and, as required by IC 4-13-2-14.8, by electronic funds transfer to the financial institution designated by the Landlord in writing unless a specific waiver has been obtained from the Indiana Auditor of State. No payments will be made in advance of receipt of the goods or services that are the subject of this Lease except as permitted by IC 4-13-2-20.

40. Penalties/Interest/Attorney's Fees. The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as permitted by Indiana law, in part, IC 5-17-5, IC 34-54-8, and IC 34-13-1.

Notwithstanding the provisions contained in IC 5-17-5, any liability resulting from the State's failure to make prompt payment shall be based solely on the amount of funding originating from the State and shall not be based on funding from federal or other sources.

41. Renewal Option. This Lease may be renewed under the same terms and conditions, subject to the approval of the Commissioner of the Department of Administration and the State Budget Director in compliance with IC 5-22-17-4. The term of the renewed Lease may not be longer than the term of the original Lease.

42 Severability. The invalidity of any section, subsection, clause or provision of this Lease shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Lease.

43. Substantial Performance. This Lease shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any written amendments or supplements.

44. Taxes. The State is exempt from most state and local taxes and many federal taxes. The State will not be responsible for any taxes levied on the Landlord as a result of this Lease.

45. Termination for Convenience. This Lease may be terminated, in whole or in part, by either party whenever, for any reason, the party determines that such termination is in its best interest. Termination of services shall be effected by delivery to the Landlord of a Termination Notice at least sixty (60) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Landlord shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after the effective date of termination. The Landlord shall be compensated for services herein provided but in no case shall total payment made to the Landlord exceed the original Lease price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date.

46. Termination for Default.
A. With the provision of thirty (30) days notice to the Landlord, the State may terminate this Lease in whole or in part if the Landlord fails to:

1. Correct or cure any breach of this Lease;
2. Deliver the supplies or perform the services within the time specified in this Lease or any extension;
3. Make progress so as to endanger performance of this Lease; or
4. Perform any of the other provisions of this Lease.

B. If the State terminates this Lease in whole or in part, it may acquire, under the terms and in the manner the State considers appropriate, supplies or services similar to those terminated, and the Landlord will be liable to the State for any excess costs for those supplies or services. However, the Landlord shall continue the work not terminated.

C. The State shall pay the Lease price for completed supplies delivered and services accepted. The Landlord and the State shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the State determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

D. The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or equity or under this Lease.

E. Tenant shall be in default for failure to perform any of its obligations under this Lease thirty (30) days after Landlord has notified Tenant in writing of specific obligations not being performed. Default by Tenant shall entitle Landlord any remedy afforded it by Indiana Law.

47. Waiver of Rights. No right conferred on either party under this Lease shall be deemed waived, and no breach of this Lease excused, unless such waiver is in writing and signed by the party claimed to have waived such right.

Non-Collusion and Acceptance

The undersigned represents and warrants that he/she has been authorized by all necessary action to execute the Lease for and in the name of the Landlord. The undersigned further represents and warrants that he/she has not, nor has any other employee, representative, agent, or officer of the Landlord, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion, or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Lease other than that which appears upon the face of this Lease.

IN WITNESS to their agreement, the persons signing this lease execute it for the Landlord and Tenant:

For Landlord:
Leman Development, LLC

JONATHAN LEMAN

Date: 06/01/07

For Tenant:
Office of the Attorney General

By: _____ (for)
Steve Carter, Attorney General

Date: 6/05/07

Department of Administration

_____ (for)
Carrie Henderson, Commissioner

Date: 6-19-07

Office of Management and Budget

_____ (for)
Charles E. Schalliol, Director

Date: 6-22-07

APPROVED as to Form and Legality:
Office of the Attorney General

_____ (for)
Stephen Carter, Attorney General

Date: 6-22-07

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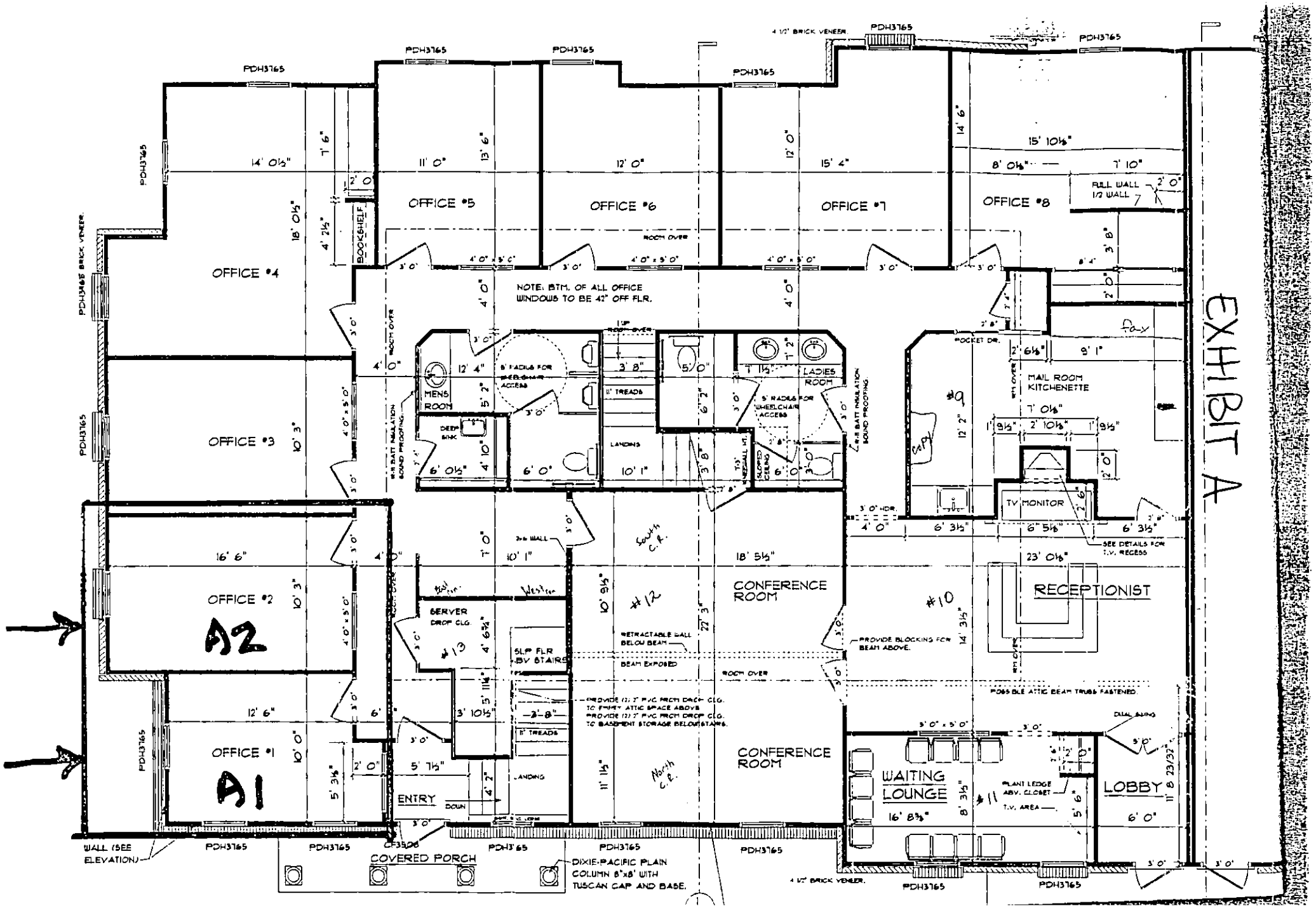
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