

with or incident to the use or occupancy of the demised premises or improvements thereon or appurtenances thereto, and Lessee shall at Lessee's expense, defend any and all actions based thereon and shall pay all judgments and decrees and charges of attorneys, including but not limited to attorneys employed by Lessor, and all other costs and expenses arising therefrom.

TAXES AND ASSESSMENTS

11. Lessee shall timely assess in Lessor's name, while this lease is in effect, the demised premises for ad valorem taxes. Lessee shall also timely assess in Lessee's name, while this lease is in effect, all buildings and other improvements on the demised premises for ad valorem taxes. Lessee shall pay when due and before any costs, interest, expense or penalties are imposed or accrue by reason of nonpayment, all taxes, charges and assessments, general, special, ordinary and extraordinary, of every nature and kind whatsoever which are assessed or levied or which may become due and payable from and after the date hereof, and during the continuance of this lease upon the demised premises and buildings and improvements thereon, whether such tax, charge, or assessment shall be imposed by city, town, school district, county, state, federal or other duly constituted taxing authority. Lessee shall provide Lessor with photocopies or other proof of receipted tax bills evidencing payment of all such taxes. In event of default in payment of any such taxes and which said default shall constitute a lien against Lessor's interest in the demised premises and buildings and if such tax shall remain unpaid for twenty (20) days after the same shall have become due and payable, Lessor may, upon ten (10) days' written notice to Lessee, make payments of the same, and in such event, the payments made by Lessor shall be deemed additional rent for default purposes only and shall be paid to Lessor by Lessee on demand.

If an income tax shall be levied, assessed, or imposed by the city, town, school district, county, state, federal or other duly constituted taxing authority upon the income arising from the rents payable hereunder in lieu of or as a substitute for ad valorem taxes on the demised premises, Lessee, and not Lessor, shall pay the same; but in no event shall Lessee be obligated to pay in any year any greater amount by way of such substituted income tax than would have been payable by Lessor by way of such substituted income tax had the rental upon which such tax was imposed been the sole taxable income of Lessor for the year in question.

RIGHT TO CONTEST

12. Lessee, at its own cost and expense, shall have the right in good faith to contest or review by legal proceedings or in such other manner as it deems suitable, such tax, charge, levy or assessment, general, special, ordinary or extraordinary, laid, levied, assessed or imposed upon the demised premises and buildings and improvements thereon, or any part thereof, provided Lessee shall have deposited with Lessor the amount of such tax or levy or delivered a surety bond in equivalent amount or in lieu of making such deposit or delivery of bond, Lessee may pay the amount to the appropriate public authority under protest.

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