

**Qwest Corporation** 

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Mark S. Reynolds Asst. Vice President Public Policy & Regulatory Affairs

March 27, 2009

Ms. Carole Washburn, Executive Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, Washington 98504-7250

Attn: Betty Erdahl

RE: WAC 480-120-375 Affiliated Interest Agreement

Dear Ms. Washburn:

In accordance with WAC 480-120-375, Qwest Corporation is filing notification of the enclosed affiliated interest agreement between Qwest Corporation (QC) and Qwest Communications Corporation (QCC). The agreement is an Office Lease (QCC as Landlord, QC as Tenant) and Amendment 1 to Office Lease.

The Office Lease was previously filed November 4, 2002 along with several other contracts, but the docket number of 021467 was assigned to all contracts in that filing which has caused confusion. Therefore, at the request of Staff, the original Office Lease is being re-filed with this new amendment so that a new docket number can be assigned. Also enclosed is a verified statement.

Please call Joyce McDonald on 206-345-1514 if you have any questions or require any additional information.

Very truly yours,

for Mark Reynolds

**Enclosures** 

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#### VERIFIED STATEMENT OF AFFILIATED INTEREST TRANSACTION

#### **Qwest Corporation**

#### WAC 480-120-375 states:

Every public service company must file a verified copy, or a verified summary, if unwritten, of contracts or arrangements with affiliated interests before the effective date of the contract or arrangement. Verified copies of modifications or amendments to the contract or arrangements must be filed before the effective date of the modification or amendment. If the contract or arrangement is unwritten, then a public service company must file a verified summary of any amendment or modification. The Commission may institute an investigation and disapprove the contract or arrangement if the commission finds the public service company has failed to prove that it is reasonable and consistent with the public interest.

Joyce L. McDonald, Lead Finance/Business Analyst of Qwest Corporation certifies that the attached Office Lease (QCC as Landlord, QC as Tenant) and Amendment 1 to Office Lease describes the affiliate arrangement between Qwest Corporation and Qwest Communications Corporation.

Joyce L. McDonald

Dated at Seattle this 27th day of March, 2009.

#### **Back to Current Transactions**

# OFFICE LEASE (QCC as Landlord, QC as Tenant)

**THIS OFFICE LEASE** is entered into by Landlord and Tenant as described in the following basic lease information, as of the 1st day of October, 2002 ("Commencement Date"). Landlord and Tenant agree:

#### **ARTICLE 1 – BASIC LEASE INFORMATION**

- 1.1 <u>Basic Lease Information</u>. In addition to the terms that are defined elsewhere in this Lease, these terms are used in this Lease:
  - (a) LANDLORD: Qwest Communications Corporation, a Delaware corporation.

(b) LANDLORD'S ADDRESS:

1801 California, 3<sup>rd</sup> Floor

Denver, CO 80202 Attn: Director - Finance

(c) TENANT: Qwest Corporation, a Colorado corporation

(d) TENANT'S ADDRESS:

1801 California Street, 46<sup>th</sup> Floor

Denver, CO 80202

Attn: Vice President of Real Estate

- (e) BUILDING: Each building located at the addresses shown on Exhibit A attached and of which the Premises are a part.
- (f) PREMISES: The Premises occupied by Tenant and located in each Building described on Exhibit A to this Lease. The term "Premises" shall include any furniture located in the subject suite.
- (g) USE PERMITTED: Office and administrative use and purposes incidental to that use.
- (h) TERM: Month to month, with rent beginning on the Commencement Date and expiring on the date of termination hereof by one of the parties, pursuant to the laws of the applicable state or otherwise in accordance with the terms hereof (the "Expiration Date").
- (i) MONTHLY RENT: The amount per Building as set forth on Exhibit A attached, as adjusted from time to time to equal Landlord's prevailing company price for such Building, beginning on the Commencement Date and terminating on the Expiration Date.

- (j) PARKING CHARGE: The standard Building charge per parking space per month, with parking spaces only as available in a particular Building.
- (k) RENT: Monthly Rent and Additional Rent.
- 1.2 <u>Intent</u>. It is intended that this Lease is a blanket Lease covering all of the Premises described on Exhibit A.
- 1.3 <u>Master Lease</u>. If the Building or Premises are leased from another party pursuant to a master lease ("Master Lease"), this Lease as it pertains to particular Premises shall be subject and subordinate to the terms of the Master Lease and shall be considered a sublease for such Premises. The effectiveness of this Lease, as it relates to such Premises, shall be conditioned upon the consent of the landlord under the Master Lease, to the extent it is required. Tenant agrees to take all action necessary to obtain such consent, including providing financial statements and paying any and all fees associated with requesting and obtaining such consent.

#### **ARTICLE 2 – AGREEMENT AND USE**

Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, according to this Lease. The duration of this Lease will be the Term. The Term will commence on the Commencement Date and will expire on the Expiration Date. The Premises will be used only for the Use Permitted set forth in Section 1.1 and for no other purpose. Tenant will not use the Premises for any purpose prohibited by applicable law. Tenant will not commit waste and will not create any nuisance or interfere with, annoy or disturb any other Tenant of the Building.

#### **ARTICLE 3 – DELIVERY OF PREMISES**

Landlord will be deemed to have delivered to Tenant possession of the Premises "AS-IS" in its present condition on the Commencement Date. Tenant acknowledges that Tenant is not relying upon any representations or warranties as to the suitability or fitness of the Premises made by Landlord or Landlord's agents or employees for the conduct of Tenant's business or for any other purpose, nor has Landlord or its agents or employees agreed to undertake any alterations or construct any tenant improvements to the Premises. If tenant improvements to the Premises are required, Landlord shall arrange for such tenant improvements to be made and shall bill Tenant for Landlord's costs therefor.

#### ARTICLE 4 – RENT

Tenant will pay Monthly Rent to Landlord as rent for the Premises. Monthly Rent will be paid in advance, at Landlord's address set forth in Section 1.1, on or before the first day of each calendar month of the Term, without written notice or demand, and without deduction or offset. If the Term commences on a day other than the first day of a calendar month or ends on a day other than the last day of a calendar month, then Monthly Rent will be appropriately prorated based upon the actual number of calendar days in such month. Any amounts that this Lease requires Tenant to pay in addition to Monthly Rent will be "Additional Rent".

#### ARTICLE 5 - INSURANCE AND WAIVER

#### 5.1 Tenant's Insurance.

- (a) At all times during the Term, Tenant, at its own expense, shall maintain:
- (1) Commercial General Liability insurance with an occurrence limit of not less than \$2,000,000 and an aggregate of \$4,000,000;
- (2) "All Risk" Property insurance covering Lessee's fixtures, equipment and other personal property in an amount not less than full replacement cost;
- (3) Employer's Liability insurance with a limit of \$1,000,000 and statutory workers' compensation insurance pursuant to the workers' compensation laws of the state where the Building is located.
- (b) Each such policy, except workers' compensation and Employer's Liability, shall name Landlord as an additional insured and shall provide that it will not be terminated or substantially amended during the Term to affect the coverage required.
- (c) Tenant shall, prior to Tenant's occupancy of the Premises and annually thereafter within ten days following renewal of each such policy, furnish to Landlord certificates of insurance evidencing Landlord as an additional insured.
- (d) All such insurance shall be placed with insurers having a rating of not less than "Best's" rating of A- VII.
- 5.2 <u>Landlord's Insurance</u>. At all times during the Term, Landlord will carry and maintain fire and extended coverage covering the Building, its equipment and the Common Area furnishings in amounts determined by Landlord in its reasonable discretion. Landlord may satisfy its obligations hereunder through a program of self-insurance.
- 5.3 <u>Waiver</u>. Landlord and Tenant each waives any and all rights to recover against the other or against any other tenant or occupant of the Building, or against the officers, directors, shareholders, partners, joint venturers, employees, agents, customers, invitees or business visitors of such other party or of such other tenant or occupant of the Building, for any loss or damage to such waiving party arising from any cause covered by any property insurance required to be carried pursuant to this section or any other property insurance actually carried by such party. Landlord and Tenant, from time to time, will cause their respective insurers to issue appropriate waiver of subrogation rights endorsements to all property insurance policies carried in connection with the Building or the Premises or the contents of either.
- 5.4 <u>Indemnity</u>; <u>Damages</u>. Except as released and waived in Section 5.3 above, Tenant agrees to indemnify, defend and hold Landlord and its officers, directors, partners, employees, and agents entirely harmless from and against all liabilities, losses, demands actions, expenses, or claims, including reasonable attorneys' fees and court costs, for injury to or death of any person or for damages to any property arising out of or in any manner connected with (a) the

use, occupancy, or enjoyment of the Premises by Tenant or its agents, employees, or contractors, or any maintenance, repair, work, activity, or other things allowed or permitted by Tenant to be done or left undone in or about the premises; (b) any breach or default in the performance of any obligation of Tenant under this Lease; and (c) any negligent or willful act or failure to act. Notwithstanding the foregoing, Tenant shall not be liable to the extent that damage or injury is ultimately determined to be caused by the gross negligence or willful misconduct of Landlord. In no event shall either party be liable for incidental, consequential, indirect or special damages of any kind, including but not limited to any loss of use, loss of business, or loss of profit. Tenant's obligations under this section shall survive the expiration or earlier termination of this Lease.

#### ARTICLE 6 - REQUIREMENTS OF LAW

Compliance with Laws. At Tenant's sole cost and expense, Tenant will promptly 6.1 comply with all local, state, and federal laws including but not limited to the Americans with Disabilities Act and Regulations promulgated there under, as they relate to (a) Tenant's use, occupancy, or alteration of the Premises; (b) the conditions of the Premises resulting from Tenant's use, occupancy, or alteration of the Premises; (c) alterations to the Premises; or (d) However, Tenant shall not be responsible for Tenant's status under applicable laws. requirements of structural changes to the Premises or the Building unless required by, or related to, Tenant's use or occupancy of the Premises. Tenant will pay, as Additional Rent, Tenant's Pro Rata Share (as defined below) of the cost of the capital improvements Landlord makes to the Building because such capital improvements are required by any governmental law or regulation. The cost of such capital improvements will be amortized over such period as Landlord will reasonably determine and will include interest at Landlord's borrowing rate for such capital As used in this Section, "Tenant's Pro Rata Share" means the improvements plus 2%. percentage determined by dividing the rentable area of Tenant's Premises by the rentable area of the Building and multiplying the resulting quotient by 100 and rounding to the second decimal place.

#### 6.2 <u>Environmental Matters</u>.

- (a) Tenant will not cause or permit the storage, treatment or disposal of any Hazardous Waste in, on, or about the Premises or any part of the Building by Tenant, its agents, employees or contractors. Tenant will not permit the Building to be used or operated in a manner that may cause the Building or any part of the Building to be contaminated by any Hazardous Materials in violation of any Environmental Laws.
- (b) Tenant will be solely responsible for and will defend, indemnify, and hold Landlord, its agents and employees harmless from and against all direct claims, costs, and liabilities, including attorney's fees and costs, arising out of or in connection with Tenant's introduction of Hazardous Materials to the Building or arising out of or in connection with Tenant's breach of its obligations in this section.
- (c) Each party will promptly notify the other party of (1) any and all enforcement, cleanup, remedial, removal, or other governmental or enforcement cleanup or other governmental or regulatory actions instituted, completed or threatened pursuant to any

Environmental Laws relating to any Hazardous Materials affecting any part of the Building; and (2) all claims made or threatened by any third party against Tenant, Landlord or any part of the Building relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Materials on or about the Building or any part of the Building.

(d) Landlord may, from time to time during the Term of this Lease, conduct such environmental assessments or tasks as Landlord deems necessary, provided that Landlord will give Tenant reasonable prior notice of its entry on the Premises for such purposes and will cooperate in minimizing any disruption of Tenant's use of the Premises as a result of such activity. Landlord will make available to Tenant copies of any reports or assessments so obtained by Landlord.

#### (e) Definitions.

- (1) "Hazardous Materials" means asbestos, explosives, radioactive materials, hazardous waste, hazardous substances, or hazardous materials including, without limitation, substances defined as "hazardous substances" in the Comprehensive Environmental Response Compensation Liability Act of 1980, as amended, 42 U.S.C. §§9601-9657 ("CERCLA"); the Hazardous Material Transportation Act of 1975, 49 U.S.C. §§1801-1812; the Resource Conservation Recovery Acts of 1976, 42 U.S.C. §§6901-6987; the Occupational Safety and Health Act of 1970, 29 U.S.C. §§ 651 *et seq.*; or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning hazardous materials, wastes or substances now or at any time hereinafter in effect (collectively, "Environmental Laws").
- (2) "Hazardous Waste" means hazardous waste as defined under the Resource Conservation Recovery Act of 1976, 42 U.S.C. §§6901-6987.
- (f) The obligations of this section shall survive the expiration or other termination of this Lease.

#### ARTICLE 7 – COMMON AREAS

As used in this Lease, the term "Common Areas" means the hallways, entryways, stairs, elevators, driveways, walkways, and all other areas and facilities in the Building that are provided and designated, from time to time, by Landlord for the general nonexclusive use and convenience of Tenant with Landlord and other tenants of the Building. Landlord grants Tenant a nonexclusive license for the Term to use the Common Areas in common with others entitled to use the Common Areas, subject to the terms and conditions of this Lease. Without advance written notice to Tenant and without any liability to Tenant in any respect, Landlord will have the right to:

- (a) Close off any of the Common Areas to whatever extent required in the opinion of Landlord and its counsel to prevent a dedication of any of the Common Areas or the accrual of any rights by any person or the public to the Common Areas.
  - (b) Change the size, use or nature of any part of the Common Areas.

(c) However, Landlord will take no action permitted under this section in such a manner as to materially impair or adversely affect Tenant's substantial benefit and enjoyment of the Premises

#### ARTICLE 8 - LANDLORD'S MAINTENANCE; SERVICES

- 8.1 <u>Maintenance</u>. Landlord will maintain, repair and restore the Common Areas of the Building, the windows, the mechanical, plumbing, and electrical systems of the Building, and the structure of the Building in reasonably good order and condition.
- 8.2 <u>Services.</u> During Business Hours (as defined below), Landlord will furnish the Premises with (a) electricity for lighting and the operation of low wattage machines, (b) heat and air conditioning reasonably required for the comfortable occupation of the Premises and (c) Building-standard janitorial services, Tenant will be provided access to the Premises at all times, subject to any reasonable security requirements of Landlord. As used in this Article 8, "Business Hours" means 8:00 a.m. to 5:00 p.m. Monday through Friday, except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Except as provided in Article 8, Landlord has no obligation to provide services to Tenant.

#### ARTICLE 9 - TENANT'S CARE OF THE PREMISES

- 9.1 <u>Maintenance</u>. Tenant will maintain the Premises (including Tenant's personal property) in their condition at the time they were delivered to Tenant, reasonable wear and tear excluded. All damage or injury to the Premises or the Building caused by Tenant, its agents, employees, or invitees may be repaired, restored, or replaced by Landlord, at the expense of Tenant. Such expense will be collectible as Additional Rent and will be paid by Tenant within ten (10) days after delivery of a statement for such expense. Tenant will maintain the Premises in a clean and orderly condition.
- Alterations. Tenant will not make or allow to be made any alterations, additions, 9.2 or improvements (collectively, "Alterations") to or of the Premises without obtaining Landlord's prior written consent. Landlord's consent to such Alterations or Landlord's approval of the plans, specifications, and working drawings for such Alterations will create no responsibility or liability on the part of Landlord for the completeness, design sufficiency, or compliance with all laws, rules, and regulations of governmental agencies or authorities with respect to such All such Alterations consented to by Landlord will be performed by contractors approved by Landlord and subject to conditions specified by Landlord (which may include requiring the posting of a mechanic's or materialmen's lien bond), and will be made using new, first class materials and in a good and workmanlike manner. All Alterations, whether temporary or permanent in character, made in or upon the Premises either by Tenant or Landlord, will immediately become Landlord's property and, at the end of the Term will remain on the Premises without compensation to Tenant. Notwithstanding the foregoing, Landlord may, at its option, require any such Alterations to be removed at the termination of expiration of this Lease; provided that Landlord notifies Tenant, within 10 days after such termination or expiration, that such Alterations must be removed. Promptly after receipt of any such notification, Tenant shall,

at Tenant's sole cost and expense, remove all such Alterations specified by Landlord and restore the Premises to its prior condition, reasonable wear and tear excepted.

#### ARTICLE 10 - END OF TERM

- 10.1 End of Term. At the end of this Lease, or upon Landlord's exercise of its right, upon an event of default, to repossess the Premises without terminating this Lease, Tenant will promptly quit and surrender the Premises broom-clean, in good order and repair, ordinary wear and tear excepted. Tenant will remove all of Tenant's property and equipment and restore the Premises to their original condition. Tenant's obligations under this section will survive the expiration or other termination of this Lease.
- 10.2 <u>Holdover</u>. Tenant will have no right to remain in possession of all or any part of the Premises after the expiration of the Term. If Tenant remains in possession of all or any part of the Premises after expiration of the Term, with the express or implied consent of Landlord: (a) such tenancy will be deemed to be a periodic tenancy from month-to-month only; (b) such tenancy will not constitute a renewal or extension of this Lease for any further term; (c) such tenancy may be terminated by Landlord upon the earlier of 30 days' prior written notice or the earliest date permitted by law; and (d) Tenant will be liable to Landlord for any and all losses and damages suffered or incurred by Landlord as a result of Tenant's failure to vacate the Premises upon expiration of the Term. In such event, Monthly Rent will be increased to an amount equal to 200% of the Monthly Rent payable during the last month of the Term, and any other sums due under this Lease will be payable in the amount and at the times specified in this Lease. Such month-to-month tenancy will be subject to every other term, condition, and covenant contained in this Lease, except that any renewal, expansion or purchase options or rights of first refusal contained in this Lease shall be null and void during such month-to-month tenancy.

#### **ARTICLE 11 – DEFAULT**

- 11.1 <u>Events of Default</u>. The occurrence of any one of the following events shall constitute an "Event of Default" hereunder by Tenant:
  - (a) the Premises are left vacant or are abandoned;
  - (b) any part of the Rent is not paid when due; or
- (c) Tenant fails to observe or perform any of the covenants or other provisions of this Lease to be observed or performed by Tenant, where such failure continues for a period of 10 days.
- 11.2 <u>Remedies of Landlord</u>. Upon the occurrence of an Event of Default, Landlord shall have the right, at its election:
- (a) To terminate this Lease, in which case Tenant's right to possession of the Premises will cease and this Lease will be terminated as if the expiration of the Term fixed in such notice were the end of the Term. If this Lease is terminated, Landlord will be entitled to

recover from Tenant: (1) the unpaid Rent that had been earned at the time of termination; (2) the unpaid Rent that had been earned at the date of the judgment awarding damages to Landlord (the "Date of Judgment"); (3) the unpaid Rent for the balance of the Term of this Lease after the Date of Judgment; and (4) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or that in the ordinary course of things would be likely to result from that failure. The amount referred to in clauses (1) and (2) is computed by allowing interest at the highest rate permitted by law. The amount referred to in clause (3) is computed by discounting the amount at the discount rate of the Federal Reserve Bank of Denver at the time of award.

- (b) To reenter and take possession of the Premises, expel Tenant and remove the effects of Tenant, using such force for such purposes as may be necessary, without being liable for prosecution, and without prejudice to any remedies for arrears of Monthly Rent or other amounts payable under this Lease. In such case, Landlord may, without being obligated to and without terminating the Lease, relet the Premises for the account of Tenant on such conditions and terms as Landlord may determine, and Landlord may collect and receive the Rent. Tenant will pay to Landlord Monthly Rent and other sums as provided in this Lease that would be payable under this Lease if such repossession had not occurred, less the net proceeds, if any, of any reletting of the Premises after deducting all of Landlord's reasonable expenses in connection with such reletting.
- (c) To cure any event of default and to charge Tenant for the cost of effecting such cure, including without limitation reasonable attorneys' fees and interest provided that Landlord will have no obligation to cure any such event of default of Tenant.
- 11.3 <u>Remedies Not Exclusive</u>. Each right and remedy provided for in this Lease is cumulative and is in addition to every other right or remedy provided for in this Lease or at law or in equity.

#### **ARTICLE 12 – SUBORDINATION**

This Lease and Tenant's rights under this Lease are subject and subordinate to any ground or underlying lease, mortgage, indenture, deed of trust or other lien encumbrance (each a "Superior Lien"), together with any renewals, extensions, modifications, consolidations and replacements of any such Superior Lien, now or after the Commencement Date affecting or placed, charged or enforced against the Land, the Building, or all or any portion of the Project or any interest of Landlord in them or Landlord's interest in this Lease and the leasehold estate created by this Lease (except to the extent any such instrument will expressly provide that this Lease is superior to such instrument). This provision will be self-operative and no further instrument of subordination will be required in order to effect it. Notwithstanding the foregoing, Tenant will execute, acknowledge and deliver to Landlord, within 20 days after written demand by Landlord, such documents as may be reasonably requested by Landlord or the holder of any Superior Lien to confirm or effect any such subordination.

#### **ARTICLE 13 -- GENERAL**

- 13.1 <u>Condemnation</u>. In the event of a condemnation or other taking by any governmental agency, the award for the Premises shall be paid to Landlord. This Lease will terminate on the date the condemning authority takes possession of the Premises.
- 13.2 <u>Damage and Destruction</u>. In the event the Premises or the Building is damaged by fire or other casualty and Landlord elects not to rebuild, Landlord will have the right to terminate this Lease effective as of the date of such damage, upon thirty (30) days' written notice to Tenant. If Landlord does not elect to terminate this Lease, Landlord will restore the Premises to their condition prior to the date of the damage; provided Monthly Rent will abate from the date of the damage until the Premises are restored.
- 13.3 Effect of Sale. A sale, conveyance or assignment of Landlord's interest in the Building will operate to release Landlord from liability from and after the effective date of such sale, conveyance or assignment upon all of the covenants, terms and conditions of this Lease, express or implied, except those liabilities which arose prior to such effective date, and, after the effective date of such sale, conveyance or assignment, Tenant will look solely to Landlord's successor-in-interest in and to this Lease. This Lease will not be affected by any such sale, conveyance or assignment, and Tenant will attorn to Landlord's successor-in-interest to this Lease, so long as such successor-in-interest assumes Landlord's obligations under the Lease from and after such effective date.
- 13.4 Estoppel Certificates. From time to time, upon written request by Landlord to Tenant, Tenant will execute, acknowledge and deliver to Landlord, within 10 days after request, a certificate certifying (a) that this Lease is unmodified and in full force and effect or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification; (b) the date, if any, to which Rent and other sums payable under this Lease have been paid; (c) that no written notice of any default has been delivered to Landlord which default has not been cured, except as to defaults specified in said certificate; (d) there is no Event of Default or Landlord Default under this Lease, except for defaults specified in said certificate; and (e) such other matters as may be reasonably requested by Landlord. Any such certificate may be relied upon by any prospective purchaser or existing or prospective mortgagee or beneficiary under any deed of trust of the Building. Tenant's failure to deliver such a certificate within such time will be conclusive evidence of the matters set forth in it.
- 13.5 <u>Force Majeure</u>. Landlord will have no liability to Tenant, nor will Tenant have any right to terminate this Lease or abate Monthly Rent or assert a claim of partial or total actual or constructive eviction, because of Landlord's failure to perform any of its obligations in the Lease if the failure is due in part or in full to reasons beyond Landlord's reasonable control, including without limitation, strikes or other labor difficulties, inability to obtain necessary governmental permits and approvals (including building permits or certificates of occupancy), war, riot, civil insurrection, accidents, acts of God and governmental preemption in connection with a national emergency (collectively referred to as "Force Majeure").
- 13.6 <u>Personal Property Taxes</u>. Tenant will pay promptly when due all personal property taxes on Tenant's personal property in the Premises and any other taxes payable by

Tenant, the non-payment of which might give rise to a lien on the Premises or Tenant's interest in the Premises.

- 13.7 <u>Limitation on Recourse</u>. Tenant specifically agrees to look solely to Landlord's interest in the Building for the recovery of any judgments from Landlord. It is agreed that Landlord (and its shareholders, venturers, and partners, and their shareholders, venturers and partners and all of their officers, directors and employees) will not be personally liable for any such judgments. The provisions contained in the preceding sentences are not intended to, and will not, limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord.
- 13.8 <u>Acknowledgment</u>. Tenant acknowledges that sensitive telephone equipment is located in the Building. Tenant will not act or permit Tenant's employees and agents to act in any manner that will damage or interfere with the sensitive telephone equipment located in the Building.
- 13.9 <u>Quiet Enjoyment</u>. Landlord covenants and agrees with Tenant that so long as Tenant pays rent and observes and performs all the terms, covenants, and conditions of this Lease, Tenant may peaceably and quietly enjoy the Premises, and Tenant's possession will not be disturbed by anyone claiming by, through, or under Landlord.
- 13.10 <u>Assignment and Subletting</u>. Tenant will not sublease all or a part of the Premises, and will not assign the Lease or any interest in the Lease, without the prior written consent of Landlord. Landlord may withhold consent to assignment or subletting, among other reasons, if the Premises or Building could be designated as a place of public accommodation pursuant to the Americans with Disabilities Act as a result of the proposed assignee's or sublessee's proposed use.
- 13.11 Entry by Landlord. Landlord, its agent, employees, and contractors may enter the Premises at any reasonable hour.
- 13.12 <u>Late Payment Interest</u>. If any payment required by this Lease is not made within 5 days after payment is due, a late rate charge of eighteen per cent (18%) per annum or the maximum rate allowed by applicable law, whichever is less, from the date on which it was due until the date on which it is paid in full with accrued interest.
- 13.13 <u>Time of the Essence</u>. Time is of the essence of each and every provision of this Lease.
- 13.14 <u>No Waiver</u>. The waiver by either party of any agreement, condition, or provision contained in this Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Lease.
- 13.15 <u>Notices</u>. Any notice or other communication required or permitted under this Lease shall be given in writing and will be deemed given when (a) personally delivered, (b) deposited with any nationally recognized overnight carrier that routinely issues receipts, or (c) deposited with the United States Postal Service, postage prepaid, certified mail, return receipt

requested, addressed to the party for whom it is intended at its address set forth in Section 1.1. In addition to the address set forth in Section 1.1, copies of notices to Landlord shall be sent to:

Qwest Law Department 1801 California Street, 49<sup>th</sup> Floor Denver, CO 80202 Attn: Real Estate Attorney

Either Landlord or Tenant may add additional addresses or change its address for purposes of receipt of any such communication by giving ten (10) days' prior written notice of such change to the other party in the manner prescribed in this Section.

- 13.16 Attorneys' Fees. If a dispute arises under the terms of this Lease or if any payment required by this Lease is not paid when due and the matter is turned over to an attorney, the prevailing party in the dispute will be awarded by the court its reasonable attorneys' fees in addition to the other damages and costs.
- 13.17 <u>Authority</u>. Tenant and the party executing this Lease on behalf of Tenant represent to Landlord that such party is authorized to do so by requisite action of the board of directors, or partners, as the case may be, and agree, upon request, to deliver to Landlord a resolution or similar document to that effect.
- 13.18 <u>Financial Reports</u>. Within fifteen (15) days after Landlord's request, Tenant will furnish Tenant's most recent audited financial statements (including any notes to them) to Landlord or, if no such audited statements have been prepared, such other financial statements (and notes to them) as may have been prepared by an independent certified public accountant or, failing those, Tenant's internally prepared financial statements.
- 13.19 Written Amendment Required. No amendment, alteration, modification of, or addition to the Lease will be valid or binding unless expressed in writing and signed by Landlord and Tenant. This Lease, the Exhibits, and the Addenda, if any, contain the entire agreement between Landlord and Tenant. If any provision of this Lease proves to be illegal or unenforceable, the remainder of this Lease will not be affected and in lieu of the illegal or unenforceable provision, a provision will be added as a part of this Lease as similar in terms as the illegal or unenforceable provision as may be possible and be legal and enforceable.
- 13.20 <u>Brokers</u>. If Landlord or Tenant has consulted or negotiated with any broker or finder with regard to any of the Premises, such party shall be responsible for paying the fees to such broker and shall indemnify and hold the other party harmless from such payment.
- 13.21 <u>Governing Law</u>. This Lease will be governed by the internal laws of the state in which the Building is located, without reference to its conflict of laws provisions.
- 13.22 <u>Binding Effect</u>. This Lease will bind and inure to the benefit of Landlord and Tenant and their respective successors, heirs, administrators and assigns, except as otherwise provided in this Lease.

- 13.23 <u>Severability</u>. If any provision of this Lease proves to be illegal, invalid or unenforceable, the remainder of this Lease will not be affected by such finding, and in lieu of each provision of this Lease that is illegal, invalid or unenforceable, a provision will be added as a part of this Lease as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.
- 13.24 <u>Captions</u>. The captions of the various Articles and Sections of this Lease are for convenience only and do not necessarily define, limit, describe or construe the contents of such Articles or Sections.

**EXECUTED** as of the day and year first above written.

#### **LANDLORD**:

### TENANT:

# QWEST COMMUNICATIONS CORPORATION,

a Delaware corporation

**QWEST CORPORATION,** a Colorado corporation

By Qwest Business Resources, Inc., as agent

By: Jerome Mueller Name: Jerome Mueller Title: Director-Finance By: Marshall J. Cochrane Name: Marshall J. Cochrane Title: Authorized Signatory

#### **EXHIBIT A**

#### to Office Lease

# between Qwest Communications Corporation as Landlord and Qwest Corporation as Tenant

#### **Building Locations and Rent Rates**

The Building locations and rent rates applicable under this Office Lease are those currently listed on the Pricing Addendum to the Space and Furniture Rental Task Order between Qwest Communications Corporation and Qwest Corporation. This task order is available at the following website:

http://www.qwest.com/about/policy/docs/qcc/currentDocs.html

#### AMENDMENT NO. 1 TO OFFICE LEASE

#### (Qwest Communications Corporation as landlord and Qwest Corporation as tenant)

THIS AMENDMENT NO. 1 TO OFFICE LEASE (this "<u>Amendment 1</u>") is made effective as of the last date of signature below, by and between Qwest Corporation, a Colorado corporation ("<u>QC</u>") and Qwest Communications Corporation, a Delaware corporation ("<u>QCC</u>"). QC and QCC are sometimes together referred to herein as the "<u>Parties</u>."

#### **RECITALS**

WHEREAS, the Parties entered into that certain OFFICE LEASE (QC as landlord, QCC as tenant) dated as of October 1, 2002 (the "Lease"); and

WHEREAS the Parties wish to modify the terms of the Lease.

#### <u>AGREEMENT</u>

NOW, THEREFORE, in consideration of the foregoing, the Parties agree as follows:

- 1. <u>Definitions</u>. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Lease.
- 2. <u>Filings</u>. Effective Date of Amendment if under applicable law, this Proposal or notice thereof must be filed with a governmental entity, including but not limited to a state public utility commission, this Proposal shall not become effective with respect to any jurisdiction having such requirements until the filings have occurred.
- 3. <u>Building Locations and Rent Rates</u>. The Parties wish to modify building locations and rent rates provided in the Lease. Accordingly, <u>Exhibit A</u> is hereby deleted in its entirety and replaced with <u>Exhibit A</u> attached hereto. The Parties agree that the terms and conditions of the Lease (as amended hereby) including all Rent due to the Landlord, will be effective for each particular Premises as of the Commencement Date of the applicable Premises, regardless of the date the Parties have entered into this Amendment.
- 4. <u>Commencement Date</u>. The Parties wish to modify the definition of "Commencement Date." Accordingly, the defined term is removed from the preamble to the Lease and the first sentence of Article 3 of the Lease is herey amended and restated in its entirety as follows:

Landlord shall be deemed to have delivered possession of the Premises to Tenant on the date of Tenant's first occupancy of such Premises (the "Commencement Date") and the Premises shall be deemed to have been delivered AS-IS, in its then current condition.

5. <u>Monthly Rent</u>. The Parties wish to modify the monthly rent described in the Lease. Accordingly, <u>Article 1 § 1.1(i)</u> of the Lease is hereby deleted in its entirety and replaced to read as follows:

MONTHLY RENT: Beginning on the Commencement Date and terminating on the Expiration Date for each Premises, the square footage of the Premises multiplied by the higher of a) the cost (determined on a square foot basis) with respect to each Building, as adjusted from time to time to equal the landlord's prevailing company cost for such Building (on a square foot basis) or b) the Prevailing Market Rate (as defined in this section) for each square foot of the Premises. The "Prevailing Market Rate" means what a landlord under no compulsion to lease the Premises would determine as rent (including market tenant finish allowance and other concessions), taking the following into consideration: the uses permitted under the Lease; the quality, size, design, and location of the Premises; and the rent for comparable buildings located in the vicinity of the Building. The currently Monthly Rent is set forth on Exhibit A.

- 6. <u>Confirmation of Lease</u>. Except as expressly modified by this Amendment 1, the Lease remains in full force and effect in accordance with its terms.
- 7. <u>Counterparts</u>. This Amendment 1 may be executed in one or more counterparts, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitue but one and the same instrument. This Amendment 1 shall become binding when one or more counterparts taken together shall have been executed and delivered by all Parties.

By signing below, each of the Parties hereby indicates its acceptance of and agreement to the terms and conditions of this Amendment 1.

Qwest Corporation	Qwest Communications Corporation
By: Dan	By: Stall MAR
Steven Swain	Warren Mickens
Title:	Title:
VP Finance,	VP Customer Service Operations
Date: 1. 14 08	Date: <u>VO/13/08</u>

### EXHIBIT A

### **To Office Lease**

# between Qwest CommunicationsCorporation as landlord and Qwest Corporation as tenant

### **Building Locations and Monthly Rent Per Square Foot**

Street	СІТҮ	ST	MONTHLY RATE PER SF
4704 Taskuslam Driva	Con Inco		2.20
1731 Technology Drive	San Jose	CA	2.20
2377 Gold Meadow Way	Gold River	CA	0.06
1350 Treat Boulevard	Walnut Creek	СА	1.84
818 West 7 <sup>th</sup> Street	Los Angeles	CA	2.55
4350 Executive Drive, Ste 120	San Diego	CA	2.85
3031 Corvin Drive	Santa Clara	CA	1.45
3621 All American Blvd.	Orlando	FL	1.16
8350 N.W. 52nd Terrace	Doral	FL	1.62
3625 Brookside Parkway	Alpharetta	GA	1.66
One Oakbrook Terrace	Oakbrook Terrace	IL	1.19
360 Merrimack Street	Lawrence	MA	0.77
165 Halsey Street	Newark	NJ	2.04

243 Burgess Road	Greensboro	NC	0.76
320 South Boston Building	Tulsa	ОК	0.10
1820 Glenville Drive	Richardson	TX	1.15
11921 N. Mopac Expressway	Austin	TX	1.99
500 East 84th Avenue	Thornton	со	1.23
1499 S. 4800 W.	Salt Lake City	UT	0.97
3015 Winona Ave	Burbank	CA	4.68
1400 Kifer Rd	Sunnyvale	CA	2.59
6300 Canoga Avenue, Suite 300	Woodland Hills	CA	2.01
19000 MacArthur Boulevard, Suite 400	Irvine	CA	2.60
9 West Broad Street	Stamford	СТ	2.42
6621 Southpoint Drive North	Jacksonville	FL	1.54
37 N. Orange Avenue	Orlando	FL	1.58
4350 West Cypress Street	Tampa	FL	2.25
6700 N. Andrews Avenue	Ft. Lauderdale	FL	1.93
1500 South Point Dr.	Forest Park	GA	1.17

350 E Cermak Rd	Chicago	IL	2.18
Three Hawthorn Parkway	Vernon Hills	IL	1.76
One Franklin Street	Chicago	IL	1.99
8250 Haverstick Road	Indianapolis	IN	1.45
5799 Broadmoor, Suite 700	Mission	KS	1.33
1009 Twilight Trail	Frankfort	KY	1.60
One Summer Street	Boston	MA	2.83
3205 Eagle Crest Drive NE	Grand Rapids	MI	1.42
20750 Civic Center Drive	Southfield	МІ	1.27
16141 Swingley Ridge Rd	Chesterfield	МО	1.49
4270 E. Sahara Avenue	Las Vegas	NV	1.92
379 Thornall Street, 12th Floor	Edison	NJ	2.01
325 Columbia Turnpike	Florham Park	NJ	1.79
21 Corporate Drive	Halfmoon	NY	1.26
546 Fifth Ave., 10th & 11th Floor	New York	NY	3.75
6800 Jericho Turnpike	Syosset	NY	2.50

55 Church Street	White Plains	NY	1.42
32 Avenue of the Americas	New York	NY	3.50
8720 Red Oak Blbd. Suite 503,	Charlotte	NC	1.49
4650 Lakehurst Court	Dublin	ОН	1.08
6000 Parkwood Place	Dublin	ОН	1.13
8180 Green Meadows Dr.	Lewis Center	ОН	1.29
6155 Rockside Rd.	Independence	ОН	1.54
8044 Montgomery Road	Cincinnati	ОН	1.23
1701 Holland Road	Maumee	ОН	1.10
One Station Square	Pittsburgh	PA	1.65
-1010 W. 8 <sup>th</sup> Avenue	King of Prussia	PA	1.92
401 Brookfield Parkway	Greenville	SC	1.04
402/404 BNA Drive	Nashville	TN	1.51
8303 Mopac	Austin	тх	2.13
12001 N. Central Expressway	Dallas	TX	1.48
8413 Hempstead Rd	Houston	TX	1.05

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	4250 N Fairfax Dr	Arlington	VA	2.83
	10700 Parkridge Blvd.	Reston	VA	2.26
	200 South Executive Drive	Brookfield	WI	1.44
	607 14th Street	Washington	DC	2.41
	731 E Trade St	Charlotte	NC	1.83
	13430 Northwest Fwy	Houston	TX	1.20
	1007 Slater Rd	Durham	NC	1.63
	460 Metroplex Dr	Nashville	TN	1.22
	500 W Silver Spring Dr	Glendale	wı	1.25
	445 South Figueroa	Los Angeles	CA	2.45
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