

**Qwest Corporation** 

1600 7th Avenue, Room 1506 Seattle, Washington 98191 (206) 345-1568 Facsimile (206) 343-4040

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

August 20, 2010

Mr. David Danner, Executive Director and 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 Mr. Danner:

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 Company, LLC (QCC). This is a new agreement entitled Equipment Room Lease (QC as Landlord, QCC as Tenant). 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

## 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 Equipment Room Lease describes the affiliate arrangement between Qwest Corporation and Qwest Communications Company, LLC.

Joyce L. McDonald

Dated at Seattle this 20<sup>th</sup> day of August, 2010.

#### **EQUIPMENT ROOM LEASE**

(QC as Landlord, QCC as Tenant)

THIS EQUIPMENT ROOM LEASE (this "Lease" or "Agreement") is entered into by Landlord and Tenant as described in the following basic lease or agreement information and shall be effective as of the date when it has been signed by both parties unless if under applicable law, the Agreement or notice thereof must be filed with a governmental entity, including, but not limited to, a state public utility commission, this Agreement shall not become effective with respect to the jurisdiction having such requirements until such filings have occurred ("the Commencement Date"). At this time, only the Washington Utilities and Transportation Commission have such a filing requirement. Therefore, the Commence Date for this Agreement shall take effect with respect to the State of Washington when it is filed with Washington Utilities and Transportation Commission and supersedes all prior leases or agreements, if any, between Landlord and Tenant with respect to the Premises. 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 Corporation, a Colorado corporation.

b) LANDLORD'S ADDRESS:

1801 California Street, 46th Floor

Denver, CO 80202

Attn: Vice President of Real Estate

c) TENANT:

Qwest Communications Company, LLC, a

Delaware limited liability company.

d) TENANT'S ADDRESS:

1801 California Street, 3rd Floor

Denver, CO 80202 Attn: Director - Finance

e) PREMISES:

The premises occupied by Tenant and located in each Building described on Exhibit A to this Lease, as such exhibit may be amended from time to time, and the Hosting Premises. Throughout the Term, upon mutual agreement of Landlord and Tenant, Exhibit A may be revised to include additional Premises or to delete Premises no longer being used by Tenant. Any such revision to Exhibit A shall be embodied in an amendment to this Lease which is signed by Landlord and Tenant.

f) BUILDING:

Each building located at the addresses shown on Exhibit A

attached and of which the Premises are a part.

g) TERM:

A period of five (5) years beginning on the Commencement Date and ending (5) years later (the "Expiration Date").

h) PERMITTED USE:

The Premises will be used for the installation, operation, maintenance, repair, storage and replacement of telecommunications equipment and for purposes incidental to those uses. If a hosting rider is attached to this Lease, the Premises set forth on the hosting rider may be used to provide hosting services, for administrative offices and for purposes incidental to those uses.

- i) RENT COMMENCEMENT DATE: With respect to each Premises, the date Tenant first occupies the Premises.
- **j**) MONTHLY RENT: Beginning on the Rent Commencement Date for each Premises, the square footage of the Premises multiplied by the greater of (a) Landlord's cost for the Building determined on a per square foot basis, or (b) the Prevailing Market Rate (as defined herein) for each square foot of the Premises. Monthly Rent for each Premises shall be set forth on Exhibit A to this Lease. The "Prevailing Market Rate" means what a landlord under no compulsion to lease the Premises would determine as the monthly rent per square foot (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, as of the Rent Commencement Date.
- k) ADDITIONAL RENT: Any amounts that this Lease requires Tenant to pay in addition to Monthly Rent, the Hosting Charge and the Storage Charge.
- 1) HOSTING PREMISES: The Premises identified on the hosting rider attached as <a href="Exhibit B">Exhibit B</a> to this Lease. Throughout the Term, upon mutual agreement of Landlord and Tenant, Exhibit B may be revised to include additional Hosting Premises or to delete Hosting Premises no longer being used by Tenant. Any such revision to Exhibit B shall be embodied in an amendment to this Lease which is signed by Landlord and Tenant.
- m) HOSTING CHARGE: The monthly recurring charge per kW by calendar year, based on the minimum kW for each Premises set forth on Exhibit B.
- n) STORAGE CHARGE: The amount, if any, as set forth on Exhibit A for the usage of storage space, if any, at each Premises.

o) RENT:

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Monthly Rent, the Hosting Charge, the Storage Charge and Additional Rent.

p) TENANT'S EQUIPMENT: The equipment to be used or installed by Tenant in the Premises, subject to Section 2.3.

- 1.2. <u>Intent</u>. It is intended that this Lease is a blanket Lease covering all of the Premises described on Exhibit A and Exhibit B.
- 1.3. Master Lease. 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 - SCOPE OF AGREEMENT AND USE

- 2.1 <u>Use</u>. 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 end on the Expiration Date. Landlord grants to Tenant for the Term the nonexclusive right to use 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 the tenants of the Building (the "Common Areas"), subject to the terms and conditions of this Lease.
- 2.2 <u>Permits.</u> Tenant's right to use the Leased Premises is contingent upon its obtaining and continually maintaining in full force and effect, after the execution date of this Lease, all the certificates, permits, and other approvals that may be required by any federal, state, or local authorities.

#### 2.3 Tenant's Facilities.

- a) Tenant shall comply with, and Tenant's Equipment shall conform to, the practices or procedures in Landlord's "Technical Standards for Communications Sites," which may be changed from time to time in Landlord's reasonable discretion.
- b) Tenant will obtain Landlord's prior written approval for the type, location, mounting and placement of Tenant's Equipment placed or relocated in the Premises. All proposed construction, plans and specifications and installation performed on the Premises must be reviewed and approved in writing by Landlord prior to the commencement of such construction.

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c) Landlord shall have no responsibility or liability for or relating to the installation, operation or maintenance of Tenant's Equipment and shall not undertake any such

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#### **ARTICLE 3 - DELIVERY OF PREMISES**

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 "Delivery Date"), and the Premises shall be deemed to have been delivered AS-IS, in its present condition. Tenant acknowledges that neither Landlord nor its agents or employees have made any representations or warranties as to the suitability or fitness of the Premises for the conduct of Tenant's business or as to the physical condition or actual dimensions of the Premises or the Building, nor has Landlord or its agents or employees agreed to undertake any alterations or construct any tenant improvements to the Premises except as expressly provided in this Lease and the Work Letter attached hereto, if any.

#### **ARTICLE 4 - RENT**

- 4.1 Monthly Rent and Storage Charge. With respect to each Premises, beginning on the Rent Commencement Date for such Premises, Tenant will pay Monthly Rent and any Storage Charge to Landlord for the Premises throughout the Term, unless and until the Premises are removed from Exhibit A by amendment to this Lease. Monthly Rent and any Storage Charge 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, without written notice or demand, and without deduction or offset. If the Rent Commencement Date falls on a day other than the first day of a calendar month, then Monthly Rent and any Storage Charge will be appropriately prorated based upon the actual number of calendar days in such month.
- 4.2 <u>Hosting Charge</u>. With respect to each Hosting Premises, Tenant will pay the Hosting Charge to Landlord in the amounts and in accordance with any ramp up schedule provided in Exhibit B, throughout the remainder of the Term (once the Hosting Charge first becomes due), unless and until the Hosting Premises are removed from Exhibit B by amendment to this Lease. The Hosting Charge 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, without written notice or demand, and without deduction or offset. Any additional charge for administrative space included in the Hosting Premises shall be set forth on Exhibit B and shall be payable at the same time and in the manner as the Hosting Charge is paid.
- 4.3 Additional Rent. Amounts payable by Tenant according to this Lease other than Monthly Rent, the Hosting Charge and the Storage Charge will be payable as Additional Rent, without deduction or offset. If Tenant fails to pay any Additional Rent, Landlord will have all the rights and remedies available to it on account of Tenant's failure to pay Rent.

#### ARTICLE 5 - INSURANCE AND WAIVER

- 5.1. <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, and commercial general liability insurance, all in amounts determined by Landlord in its reasonable discretion. Landlord may satisfy its obligations hereunder through a program of self-insurance.
- 5.2. Tenant's Insurance.

- a) At all times during the Term, Tenant, at its own expense, shall maintain:
  - (i) Commercial General Liability insurance with an occurrence limit of not less than \$2,000,000 and an aggregate of \$4,000,000;
  - (ii) "All Risk" Property insurance covering Tenant's fixtures, equipment and other personal property, including the Equipment, in an amount not less than full replacement cost;
    - (iii) Employer's Liability insurance with a limit of \$1,000,000 and statutory worker's compensation insurance pursuant to the worker's compensation laws of the state where the Building is located; and
- b) All such insurance shall be placed with insurers having a rating of not less than "Best's" rating of A- VII.
- c) Each such policy, except worker's 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.
- d) Tenant shall, prior to Tenant's occupancy of the Premises and annually thereafter within ten (10) days following renewal of each such policy, furnish to Landlord certificates of insurance evidencing Landlord as an additional insured.
- 5.3. Waiver of Subrogation. 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 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 by such party pursuant to this Article 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 the Building or the Premises. Tenant agrees to cause all other occupants of the Premises claiming by, under or through Tenant to execute and deliver to Landlord such a waiver of claims and to obtain such waiver of subrogation rights endorsements.
  - 5.4. <u>Indemnity</u>; <u>Damages</u>. Except as released and waived in Section 5.3 above, Tenant will indemnify, defend, and hold harmless Landlord, its officers, directors, partners, employees and agents from and against, any and all demands, claims, causes of action, fines, penalties, damages (including consequential damages), liabilities, judgments, and expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with or arising from: (a) the use or occupancy or manner of use or occupancy

of the Premises by Tenant or any person claiming under Tenant; (b) any activity, work, or thing done or permitted by Tenant in or about the Premises or the Building; (c) any breach or default by Tenant or its employees, agents, contractors, or invitees of this Lease; and (d) any injury or damage to the person, property, or business of Tenant, its employees, agents, contractors, or invitees entering upon the Premises under the express or implied invitation of Tenant. If any action or proceeding is brought against Landlord, its employees or agents by reason of any such claim for which Tenant has indemnified. Landlord, Tenant, upon written notice from Landlord, will defend the same at Tenant's expense, with counsel reasonably satisfactory to Landlord. 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 - COMPLIANCE WITH LAWS

6.1. General. For the purposes of this Section, "Applicable Laws" means all laws, statutes, ordinances and governmental rules, regulations, or requirements now in force or in force after the Commencement Date, the requirements of any board of fire underwriters or other similar body constituted now or after the Commencement Date, and any direction or permanent occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Premises. At its sole cost and expense, Tenant will promptly comply with Applicable Laws insofar as they relate to (a) Tenant's use, occupancy, or alteration of the Premises; (b) the condition of the Premises resulting from Tenant's use, occupancy, or alteration of the Premises; or (c) alterations to the Premises required as a result of Tenant's status under Applicable Laws. Tenant will not be required to comply with Applicable Laws with respect to structural changes to the Building or the Premises unless related to (y) Tenant's use or occupancy of the Premises or (z) improvements or alterations made by or for Tenant.

#### 6.2 Environmental Matters.

a) Tenant will not use or conduct operations on or at the Premises or the Building or manufacture, store, sell, use, dispose of, release, or discharge or permit the manufacture, storage, sale, use, disposal, release, or discharge of Hazardous Materials on the Building in any manner which violates Environmental Laws or which causes there to be any liability under Environmental Laws. Tenant will indemnify and hold Landlord harmless from and against any and all liability, claims, suits, actions, proceedings, damages, costs, and expenses, including, without limitation, attorneys' fees and costs, imposed upon or incurred by Landlord arising out of or in connection with a breach of the provisions of this Subsection during the Term of this Lease or any other period of possession of the Premises by Tenant. Tenant's obligations under this Subsection will survive the expiration or prior termination of this Lease.

- b) For purposes of this Lease, "Hazardous Materials" means any explosives, radioactive materials, hazardous wastes, or hazardous substances, including, without limitation, substances defined as "hazardous substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §§9601-9657; the Hazardous Materials Transportation Act of 1975, 49 U.S.C. §§1801-1812; the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§6901-6987; 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, waste, or substances now or at any time hereafter in effect (collectively, "Environmental Laws").
- 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.

#### ARTICLE 7 – MAINTENANCE; CARE OF THE PREMISES

- 7.1. Landlord's Care of the Building. Landlord shall 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 good order and condition. In the event Landlord plans any scheduled maintenance for the Building (e.g. electrical or mechanical repairs), Landlord shall provide Tenant reasonable prior notice of such scheduled maintenance. Except as otherwise provided herein, Landlord will not be obligated to make any repairs, restorations, renewals, or replacements to the Premises. Tenant waives any legal right to make repairs, restorations, renewals, or replacements to the Premises at Landlord's expense.
- 7.2 Tenant's Care of Premises. Tenant will maintain the Premises (including Tenant's Equipment, personal property and trade fixtures located in the Premises) in their condition at the time they were delivered to Tenant, reasonable wear and tear excluded. Tenant will immediately advise Landlord of any damage to the Premises or the Building. All damage or injury to the Premises, or the Building, or the fixtures, appurtenances and equipment in 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 and such expense (plus 15% of such expense for Landlord's overhead) will be collectible as Additional Rent and will be paid by Tenant within 10 days after delivery of a statement for such expense.

- 7.3 Tenant's Costs. Whenever equipment or lighting (other than building standard lights) is used in the Premises by Tenant and such equipment or lighting affects the temperature otherwise normally maintained by the design of the Building's air conditioning system, Landlord will have the right, after prior written notice to Tenant, to install supplementary air conditioning facilities in the Premises or otherwise modify the ventilating and air conditioning system serving the Premises; and the cost of such facilities, modifications, and additional service will be paid by Tenant as Additional Rent.
- 7.4 Payment for Services. Tenant shall pay Tenant's Share of Landlord's actual costs for utilities provided, including but not limited to electricity, gas, and water. Landlord may, if Landlord reasonably believes that Tenant is using a proportionately larger amount of power than is reflected by the formula above, install separate meters of Tenant's power usage, and Tenant will pay for the actual cost of such power as shown by the meters as Additional Rent, together with the cost of installing any risers, meters or other facilities that may be necessary to furnish or such meters to the Premises.

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7.5 <u>Limitation on Liability</u>. Landlord will not be in default under this Lease or be liable to Tenant or any other person, for direct or consequential damage, or otherwise, for any failure to supply any heat, air conditioning, elevator, cleaning, lighting, security, for any electrical surges, or interruptions of electricity, or other service Landlord has agreed to supply during any period when Landlord uses reasonable diligence to supply such services. Landlord reserves the right temporarily to discontinue such services at such times as may be necessary by reason of accident, repairs, alterations or improvements, strikes, lockouts, riots, acts of God, governmental preemption or any other happening beyond the control of Landlord.

#### **ARTICLE 8 - ALTERATIONS**

- 8.1. General. Tenant will not make or allow to be made any alterations, additions, 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 Alterations. 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.
- 8.2. <u>Mechanic's Liens</u>. Tenant will pay or cause to be paid all costs and charges for work (a) done by Tenant or caused to be done by Tenant, in or to the Premises, and (b) for all

materials furnished for or in connection with such work. Tenant will indemnify defend and hold Landlord harmless from and against, and keep the Premises and Building free, clear and harmless of and from all mechanics' liens and claims of liens, and all other liabilities, liens, claims and demands on account of such work by or on behalf of Tenant, other than work performed by Landlord pursuant to the Work Letter. If any such lien, at any time, is filed against the Premises, or any part of the Building, Tenant will cause such lien to be discharged of record within 10 days after the filing of such lien, except that if Tenant desires to contest such lien, it will furnish Landlord, within such 10-day period, security reasonably satisfactory to Landlord of at least 150% of the amount of the claim, plus estimated costs and interest or comply with such statutory procedures as may be available to release the lien. If Tenant fails to pay any charge for which a mechanics' lien has been filed, and has not given Landlord security as described above, or has not complied with such statutory procedures as may be available to release the lien, Landlord may, at its option, pay such charge and related costs and interest, and the amount so paid, together with reasonable attorneys' fees incurred in connection with such lien, will be immediately due from Tenant to Landlord as Additional Rent. Nothing contained in this Lease will be deemed the consent or agreement of Landlord to subject Landlord's interest in the Building to liability under any mechanics' or other lien law. If Tenant receives written notice that a lien has been or is about to be filed against the Premises or the Building or any action affecting title to the Building has been commenced on account of work done by or for or materials furnished to or for Tenant, it will immediately give Landlord written notice of such notice. At least 15 days prior to the commencement of any work (including, but not limited to, any maintenance, repairs, alterations, additions, improvements or installations) in or to the Premises, by or for Tenant, Tenant will give Landlord written notice of the proposed work and the names and addresses of the persons supplying labor and materials for the proposed work. Landlord will have the right to post notices of non-responsibility or similar written notices on the Premises in order to protect the Premises against any such liens. Tenant's obligations under this Section shall survive the expiration or earlier termination of this Lease.

#### **ARTICLE 9 - END OF TERM**

- 9.1. Surrender. 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. If Tenant is not then in default, Tenant may remove from the Premises any trade fixtures, equipment and movable furniture placed in the Premises by Tenant, whether or not such trade fixtures or equipment are fastened to the Building; Tenant will not remove any trade fixtures or equipment without Landlord's prior written consent if such fixtures or equipment are used in the operation of the Building, or if the removal of such fixtures or equipment will result in impairing the structural strength of the Building. Tenant's obligation to observe and perform this covenant will survive the expiration or other termination of this Lease.
- 9.2. <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-tomonth 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 10 - DEFAULT

- 10.1 Events of Default. The occurrence of any one of the following events shall constitute an "Event of Default" hereunder by Tenant:
  - a) The failure by Tenant to make any payment required to be made by Tenant hereunder within 10 days after notice from Landlord of such failure; however, Tenant will not be entitled to more than 1 written notice for monetary defaults during any 12-month period, and if after such written notice any Rent is not paid when due, an Event of Default will be considered to have occurred without further notice;
  - b) Tenant vacates or abandons the Premises;
  - 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 after notice from Landlord.
- 10.2 <u>Remedies of Landlord</u>. On the occurrence of an Event of Default, Landlord shall have the following rights:
  - 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 amounts referred to in clauses (1) and (2) will be 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 Kansas City, Denver branch, 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.

- including without limitation reasonable attorneys' fees and interest provided that Landlord will have no obligation to cure any such event of default of Tenant.
  - d) To exercise any other rights or remedies permitted under applicable law.
  - 10.3 <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.
  - 10.4 <u>Costs and Expenses</u>. All costs incurred by Landlord in collecting any amounts and damages owing by Tenant pursuant to the provisions of this Lease or to enforce any provision of this Lease, including reasonable attorneys' fees from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by Landlord, will also be recoverable by Landlord from Tenant.

#### ARTICLE 11 - TRANSMISSION AND OPERATIONS INTERFERENCE

- No Interference by Tenant. Tenant shall operate Tenant's Equipment in such a manner that it will not interfere with the operations of Landlord or other tenants of the Building. In the event Landlord should find that there is interference with the efficient operation of its existing communications facilities in the Building (which are in place as of the Commencement Date), because of Tenant's use of the Premises, Tenant shall be responsible for immediately removing the cause of such interference.
  - a) Costs of Eliminating Interference. If, in order to eliminate any interference with the operations of Landlord, it is necessary for Landlord to incur any expense, Landlord shall not be obligated to incur the same unless Tenant agrees in writing its willingness to reimburse Landlord for the full cost therefor. If Tenant is unwilling to so reimburse or if the cause of interference cannot be removed, either party may terminate this Lease by giving a 90-day written notice of such termination to the other party. Rent paid in advance shall be prorated to the date of termination.
- b) Determination of Interference. Landlord shall be the sole judge as to all requirements concerning communication facilities that it needs or which may be interfered with and as to whether there is, in fact, interference. Landlord's facilities as used in this paragraph shall mean facilities of Landlord, its successors or assigns and the facilities of associated or affiliated companies. Notwithstanding the foregoing, Landlord assumes no liability whatsoever or responsibility for approval of Tenant's Equipment, and does not by accepting Tenant's evidence of non-interference waive any rights with respect to future interference or pass on the adequacy of Tenant's Equipment for safety or other purposes. Tenant shall not change or add additional transmitting or receiving frequencies or equipment without submitting revised Technical Standards for approval. Tenant shall not

- raise effective radiated power beyond that authorized by the Federal Communications Commission.
- c) <u>Temporary Cessation</u>. Tenant shall cease operations temporarily or reduce power if required by Landlord to conduct tests, perform work, or make emergency repairs. Such occasions, in so far as practicable, shall be preceded by notice and shall occur at times mutually agreeable to Landlord and Tenant.

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公共企业等额的设计中心探针的目标

- Modification of Facility. If Landlord, by reason of its existing or planned communications operations, must add, change or improve its facilities at the Building, and would, by reason of these additions, changes or improvements, either need the Premises or need Tenant to change Tenant's Equipment in order to prevent any interference with Landlord's facilities, Landlord shall give Tenant 180 days' written notice of such need, and Tenant will have the responsibility to modify, change or correct Tenant's Equipment at its sole cost so no interference to Landlord's operations shall exist, or to agree to relocate the Premises to another location in the Building. If Tenant is unwilling to assume the expense of such removal, modification, change or correction, this Lease shall terminate immediately upon written notice by Tenant to Landlord. Rent paid in advance shall be prorated to the date of termination and the unused portion of any prepaid rent shall be returned to Tenant.
- 11.3 <u>Interference with Tenant's Equipment</u>. In the event Tenant's Equipment is rendered unusable in whole or substantial part due to transmission and/or operational interference by Landlord, Landlord's equipment, or any equipment or actions of Landlord or any other tenants of the Building, Tenant will immediately give written notice of such interference to Landlord. Landlord will undertake a good-faith effort to correct or remedy such interference. Landlord will not be liable in any way for claims for damages or loss for transmission or operational interference. However, if Landlord is unable to correct or remedy such interference within 60 days following notice of same from Tenant, Tenant shall have the right to terminate this Lease upon written notice to Landlord.

#### **ARTICLE 12 – GENERAL**

- Damage and Destruction. 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, then, to the extent the casualty was insurable under standard fire and extended coverage insurance policies, Landlord will restore the Premises to substantially the condition in which the Premises were immediately prior to the date of the damage; provided Monthly Rent will abate from the date of the damage until the Premises are restored. The Rent will be abated proportionately during any period in which there is substantial interference with the operation of Tenant's business.
- 12.2 <u>Installation of UPS</u>. Tenant shall have the right, at its sole cost and expense, to install an uninterrupted power source ("UPS"). The location and installation plans must be approved by Landlord prior to installation, and such approval shall be subject to the provisions of Article 8 above.

- 12.3 <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.
- 12.4 <u>Assignment and Subletting</u>. Tenant will not sublease all or a part of the Premises, and will not assign this Lease or any interest in this Lease, without the prior written consent of Landlord.

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- Notices. Any notice or other communication required or permitted under this Lease must be in writing and will be deemed to have been given (i) when personally delivered, (ii) one (1) business day after timely deposit with any nationally recognized overnight carrier that routinely issues receipts, or (iii) three (3) business days after deposit 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. Either Landlord or Tenant may add additional addresses or change its address for purposes of receipt of any such communication by giving 10 days' prior written notice of such change to the other party in the manner prescribed in this Section.
- 12.6 <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.
- 12.7 <u>Quiet Enjoyment</u>. Landlord covenants and agrees with Tenant that so long as Tenant pays Monthly 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.
- 12.8 Governing Law. 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.
- 12.9 <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.
- 12.10 <u>Authority</u>. Each of the parties executing this Lease on behalf of Tenant or Landlord represents to the other party that such party is authorized to do so by requisite action of the party to this Lease.
- 12.11 <u>Subordination and Nondisturbance</u>. This Lease and Tenant's rights under this Lease are subject and subordinate to any ground or underlying lease, mortgage or deed of trust (each, a "Superior Lien"), together with any renewals, extensions, modifications, consolidations and replacements of such Superior Lien, now or after the date of this Lease affecting or placed, charged or enforced against the Building or any interest of Landlord in the Building 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). 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 or priority.

- 12.12 Entry by Landlord. Landlord, its agents, employees, and contractors may enter the Premises at any time in response to an emergency and at any reasonable hour to: (a) inspect the Premises; (b) exhibit the Premises to prospective purchasers, lenders or tenants; (c) determine whether Tenant is complying with all its obligations in this Lease; (d) supply any service and any other service to be provided by Landlord to Tenant according to this Lease; (e) post written notices of non-responsibility or similar notices; and (f) make repairs required of Landlord under the terms of this Lease or repairs to any adjoining space or utility services or make repairs, alterations or improvements to any other portion of the Building; however, all such work will be done as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably Tenant, by this Section, waives any claim against Landlord, its agents, employees or contractors for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned by any entry in accordance with this Section. Landlord will at all times have and retain a key with which to unlock all of the doors in, on or about the Premises (excluding Tenant's vaults, safes and similar areas designated in writing by Tenant in advance). Landlord will have the right to use any and all means which Landlord may deem proper to open doors in and to the Premises in an emergency in order to obtain entry to the Premises, provided that Landlord will promptly repair any damages caused by any forced entry.
- 12.13 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.
- 12.14 <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.
- 12.15 <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.
- 12.16 <u>Time of the Essence</u>. Time is of the essence of each and every provision of this Lease.
- 12.17 No Recordation. Tenant's recordation of this Lease or any memorandum or short form of it will be void and a default under this Lease.

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12.18 No Waiver. 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.

- 12.19 <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, and partners, and their shareholders 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 or relief in any suit or action in connection with enforcement or collection of amounts which may become owing or payable under or on account of insurance maintained by Landlord.
- Estoppel Certificates. At any time and from time to time but within 10 days after prior written request by Landlord, Tenant will execute, acknowledge and deliver to Landlord, promptly upon 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 under this Lease or an event which, with notice or the passage of time, or both, would result in an Event of 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 or any part 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.
- 12.21 <u>Written Amendment Required</u>. 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.
- 12.22 <u>Entire Agreement</u>. This Lease, the Exhibits and Addenda, if any, contain the entire agreement between Landlord and Tenant. No promises or representations, except as contained in this Lease, have been made to Tenant respecting the condition or the manner of operating the Premises, or the Building.
- Authority. 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.
- 12.24 <u>Late Payments</u>. Any Rent which is not paid when due will accrue interest at a late rate charge of the 18% per annum (but in no event in an amount in excess of the maximum rate allowed by applicable law) from the date on which it is paid in full with accrued interest.
- 12.25 Relocation of the Premises. Landlord reserves the right to relocate the Premises to substantially comparable space within the Building, pursuant to this Section. Landlord will give Tenant a written notice of its intention to relocate the Premises, and Tenant will complete such relocation within 60 days after receipt of such written notice. If the space to which Landlord proposes to relocate Tenant is not substantially comparable to the

Premises, Tenant may so notify Landlord, and if Landlord fails to offer space satisfactory to Tenant, Tenant may terminate this Lease effective as of the 30th day after the date of Landlord's initial written notice. If Tenant does relocate within the Building, then effective on the date of such relocation this Lease will be amended by deleting the description of the original Premises and substituting for it a description of such comparable space. Landlord agrees to reimburse Tenant for its actual reasonable moving costs to such other space within the Building, the reasonable costs of reprinting stationery, and the costs of rewiring the new Premises for telephone and computers comparably to the original Premises.

12.26 <u>Landlord's Fees</u>. Whenever Tenant requests Landlord to take any action or give any consent required or permitted under this Lease, Tenant will reimburse Landlord for all of Landlord's reasonable costs incurred in reviewing the proposed action or consent, including, without limitation, reasonable attorneys', engineers' or architects' fees, within 10 days after Landlord's delivery to Tenant of a statement of such costs. Tenant will be obligated to make such reimbursement without regard to whether Landlord consents to any such proposed action.

Landlord and Tenant have executed this Lease effective as of the date first written above.

| LANDLORD:                                 | IENANI:   |
|---|---|
| QWEST CORPORATION, a Colorado corporation | QWEST COMMUNICATIONS COMPANY, LLC, a Delaware limited liability |
| By:                                       | company By: Ja Mak  |
| Name: Steven Sukin                        | Name Warren Mickens   |
| Title: VP Fingnee                         | Title: VP Customer Service Operations                           |
| Date : 8/19/10 -                          | Date: 0/18/10   |

# **EXHIBIT A**

# to Equipment Lease

# between Qwest Corporation, as Landlord, and Qwest Communications Company, LLC, as Tenant

# Building Locations, Premises Description, Storage Charge, if any, and Monthly Rent

# Storage Space

| Org ID ADRS |        |                    |             |        | Rate                | Miśc   |
|-------------|--------|--------------------|-------------|--------|---------------------|--------|
|             | ADRS   | STREET             | CITY        | ST     | Per Mth/Per<br>SqFt |        |
| QC          | 233968 | 11780 E 53RD AVE   | DENVER      | co     | \$0.58              | Inside |
| QC          | W00681 | 7850 S TRAFTON ST  | TACOMA      | W      | \$0.03              | Outsid |
| QC          | 480053 | 2707 W MAIN ST     | BOZEMAN     | MT     | \$0.11              | Ω.     |
| QC          | 545008 | 400 TIJERAS AVE NW | ALBUQUERQUE | NM     | \$0.52              | Admir  |
| QC          | W00780 | 904 N COLUMBUS     | SPOKANE     | W      | \$0.45              | Inside |
| QC          | W00780 | 904 N COLUMBUS     | SPOKANE     | W      | \$0.03              | Outsic |
| QC          | W00268 | 71 W ARLINGTON ST  | YAKIMA      | W<br>A | \$0.51              | Inside |
| QC          | W00268 | 71 W ARLINGTON ST  | YAKIMA      | W<br>A | \$0.05              | Outsic |

### **EXHIBIT B**

# to Equipment Lease

# between Qwest Corporation, as Landlord, and Qwest Communications Company, LLC, as Tenant

# Building Locations, Hosting Premises Description, Hosting Charge, Ramp Up Period, if any, and Rent for Administrative Space, if any

## **Hosting Space**

|        |        |                  |             |    | Rate             |  |
|--------|--------|------------------|-------------|----|------------------|--|
| Org ID | ADRS   | STREET           | CITY        | ST | Per Mth/Per SqFt |  |
|        |        | 400 TIJERAS AVE  |             |    |                  |  |
| QC     | 545008 | NW               | ALBUQUERQUE | NM | \$4.16           |  |
| QC     | M12075 | 600 STINSON BLVD | MINNEAPOLIS | MN | \$4.16           |  |

# **Non Hosting Space**

|        |        | -                    |                  |      | Rate        |
|--------|--------|----------------------|------------------|------|-------------|
| Org ID | ADRS   | STREET               | CITY             | ST   | Per Mth/Per |
| QC     | 141143 | 135 W ORION ST       | TEMPE            | AZ   | \$3.28      |
| QC     | 163021 | 20 E THOMAS RD       | PHOENIX          | AZ   | \$3.28      |
| QC     | 220160 | 308 E PIKES PEAK AVE | COLORADO SPRINGS | co   | \$2.95      |
| QC     | 233006 | 5325 ZUNI ST         | DENVER           | СО   | \$2.95      |
| QC     | 235106 | 700 W MINERAL AVE    | LITTLETON        | СО   | \$2.95      |
| QC     | 340008 | 999 W MAIN ST        | BOISE            | ID   | \$2.79      |
| QC     | 340010 | 319 W BANNOCK ST     | BOISE            | ID   | \$2.79      |
| QC     | 450033 | 219 CALHOUN LN       | BILLINGS         | MT   | \$2.89      |
| QC     | 480215 | 1021 CHESTNUT ST     | HELENA           | MT   | \$2.89      |
| QC     | 545008 | 400 TIJERAS AVE NW   | ALBUQUERQUE      | NM   | \$3.08      |
| QC     | 673094 | 205 E 200 S          | SALT LAKE CITY   | UT   | \$2.89      |
|        |        |                      |                  | W    |             |
| QC_    | 740122 | 6101 YELLOWSTONE RD  | CHEYENNE         | Υ    | \$2.82      |
| QC     | B45864 | 1201 FARNAM ST       | ОМАНА            | NE   | \$2.82      |
| QC     | C81015 | 615 3RD AVE SE       | CEDAR RAPIDS     | · IA | \$2.76      |
| QC     | C98031 | 925 HIGH ST          | DES MOINES       | IA   | \$2.76      |
| QC     | F52600 | 409 1ST AVE N        | FARGO            | ND   | \$2.76      |
| QC     | M11038 | 200 S 5TH ST         | MINNEAPOLIS      | MN   | \$2.89      |
| QC     | M15567 | 320 2ND AVE SW       | ROCHESTER        | MN   | \$2.89      |
| QC     | M12075 | 600 STINSON BLVD     | MINNEAPOLIS      | MN   | \$2.89      |
| QC     | M74070 | 70 W 4TH ST          | ST PAUL          | MN   | \$2.89      |
| QC     | R00207 | 310 SW PARK AVE      | PORTLAND         | OR   | \$2.93      |