

THE PEORIA NEXT INNOVATION CENTER

801 West Main Street
Peoria, Illinois 61606-1877

COMMERCIAL LEASE AGREEMENT

THIS Lease (the "Lease") is made and entered into, and is effective, this ____ day of _____, by and between BRADLEY UNIVERSITY, authorized agent for Heartland Commerce & Economic Development Foundation, d.b.a. PEORIA NEXT INNOVATION CENTER ("Landlord"), an Illinois nonprofit corporation, and _____ (the "Client Company").

WITNESSED:

WHEREAS, Landlord is a nonprofit corporation whose mission is to promote the common good and general welfare of the community by promoting and assisting the growth and development of small business concerns in such areas, thereby enhancing the economic development and well-being of the service area and fostering increased employment opportunities and expansion of business and industry for citizens of the area; and

WHEREAS, in furtherance of this mission, Landlord leases commercial office space from the facility located at 801 West Main Street, Peoria, Illinois (the "Building") to entrepreneurial companies and persons, with benefits not generally available to such companies and persons in the general marketplace; and

WHEREAS, the Client Company wishes to lease commercial office space from Landlord at the Building and to take advantage of such terms and benefits, and Client Company acknowledges that in partial consideration of such terms and benefits, Landlord will require the Client Company to perform certain obligations, including providing certain operating and financial information on a regular basis; now

THEREFORE, in consideration of the premises and the mutual promises and obligations of the parties, the parties hereby agree as follows:

1. PREMISES

1.1 Premises. Landlord, for and in consideration of the rents, covenants, agreements and stipulations hereinafter mentioned, provided for and covenanted to be paid, kept and performed by the Client Company, leases and rents unto the Client Company, and the Client Company hereby leases and takes in accordance with the terms, conditions and obligations set forth in this Lease, the following described property, to wit: a portion of Landlord's Building, designated as _____ and consisting of approximately _____ as more particularly described on Exhibit A attached hereto (the "Premises").

1.2 Landlord's Right to Relocate. The Client Company hereby agrees that upon thirty (30) days written notice, the Landlord may require the Client Company to relocate to a different space containing approximately the same square footage as the Premises within the Building.

1.3 Common Areas. Client Company and its agents, employees, and invitees have the non-exclusive right with others designated by Landlord to the free use of the common areas ("Common Areas") in the Building and on the land on which the Building is located (the "Land") for the Common Areas' intended and normal purpose. Common Areas include elevators, sidewalks, parking areas, driveways, hallways, stairways, public bathrooms, common entrances, lobby and other similar public areas and access ways. Landlord may change the Common Areas. Landlord reserves the right to adopt reasonable rules regarding the use of and access to the Common Areas, including restricting use or access to Common Areas by tenants of Landlord (through use of decals, badges, security codes and the like).

1.4 Security. Landlord may implement such security measures for the Building and Premises as it shall deem reasonable and appropriate from time to time. Client Company shall not disclose any passwords, security codes or other such information to any other person or entity, and Client Company shall not allow use of any security device (e.g. badges, identification cards, keys, etc.) by any person not employed by Client Company. Client Company shall not circumvent, or attempt to circumvent, any such security measures. Client Company shall immediately report to Landlord the compromise or loss of any security device relating to the Building or Premises. Client Company shall not install any separate security device on the Premises without Landlord's prior written consent, and if granted such consent, Client Company shall provide Landlord with a copy of all necessary codes, keys or other security devices to allow Landlord access to the Premises.

2. RENT AND TERM

2.1 Base Rent. The Client Company agrees to pay Landlord or its Agent without demand, deduction or set off, an annual amount describe in **Exhibit B** attached hereto. Monthly rent payments shall be due and payable in advance on the FIRST DAY of each month during the term of this Lease. All accrued but unpaid fees, expenses, charges and other payments due from Client Company under this Lease shall be due and payable on the FIRST DAY of each month during the term of this Lease. Payment shall be made to: Bradley University, 801 Main Street, Peoria, Illinois 61606.

2.2 Late Charges; Interest. Any rental payment that is not paid by the tenth (10th) day of the month shall be assessed a five percent (5%) late fee. Any fees, expenses, charges and other payments (other than rent) remaining unpaid by the tenth (10th) day of the month shall thereafter accrue interest at the rate of twelve percent (12%) per annum.

2.3 Term; Renewal; Obligations and Benefits. The rental term and other obligations of and benefits provided to Client Company are as set forth in **Exhibit B** attached hereto and made a part hereof.

3. BUSINESS REPORTING

3.1 Business Reports. Client Company shall provide to Landlord, without demand therefore, the business reports and other information (collectively, the "Business Reports") in accordance with the requirements set for in **Exhibit B**. Business Reports delivered to Landlord are subject to the confidentiality provisions of **Section 31**.

3.2 Late Submission. Failure by Client Company to provide any or all of the Business Reports within ten (10) days after the due date set forth in **Exhibit B** will be deemed an Event of Default under **Section 8**.

4. USE OF PREMISES

The Premises shall be used by Client Company for legitimate business purposes, consistent with Client Company's business plan attached as **Exhibit D** and rental application only and for no other purpose. The Premises shall not be used for any illegal purposes, or in any manner to create any nuisance or trespass, or in any manner to invalidate or diminish the insurance or increase the rate of insurance on the Building. In the event the Client Company's use of the Premises results in an increase in the rate of insurance on the Building, the Client Company shall pay to the Landlord, upon demand and as additional rent, the amount of any such increase.

5. SECURITY DEPOSIT

5.1 Deposit Uses. The equivalent of one (1) month's office rent as a security deposit for the faithful performance by the Client Company of its obligations under this Lease will be required upon the execution of this Lease. If any of the rents or other charges or sums payable by the Client Company shall be over due and unpaid, or shall the Client Company fail to perform any of the terms of this Lease, then Landlord or its Agent may, at its option, apply the security deposit, or so much thereof as may be necessary, toward the payment of the rents, charges or other sums due from the Client Company, or towards any loss, damage or expense sustained by Landlord resulting from such failure to perform on the part of the Client Company; and in such event the Client Company shall upon demand restore the security deposit to the original sum deposited.

5.2 Return of Deposit. In the event that (a) the Client Company furnishes Landlord with proof that all monetary obligations have been paid through the effective date of Lease expiration or termination, as the case may be, and (b) the Client Company performs all of its other obligations under this Lease, the security deposit shall be returned in full to the Client Company within sixty (60) days after the effective date of the expiration or termination of the term of this Lease and the surrender of the Premises by the Client Company in compliance with the provisions of this Lease. The security deposit may be placed in an interest bearing account and any interest thereon shall be the property of the Landlord.

6. UTILITIES

6.1 Basic Utilities. Landlord shall provide and pay for gas, electric, water and sewer serving the Building as of the date hereof. Landlord shall have the right and option of discontinuing the provision of any or all such utilities if the Client Company shall fail to make rent payments in the required amounts when due.

6.2 Surcharge. In the event Landlord determines that Client Company is using thirty percent (30%) above the average monthly usage of client companies leasing comparable space with the Peoria Next Innovation Center, Landlord may impose a utilities surcharge on Client Company that shall be payable as additional rent under this Lease. Landlord will advise Client Company in writing of any such surcharge as soon as practicable in advance of imposing such surcharge.

7. TAXES

Landlord shall be responsible for all real estate taxes on the Building, but not for any such taxes on any alterations to the Building made by the Client Company or for any personal property taxes accruing on the Client Company's equipment or fixtures, or for any income, sales, use or excise taxes (or similar tax) on the Client Company's operations or products.

8. DEFAULT

8.1 Events of Default. The occurrence of any one of the following events shall be an "Event of Default" under this Lease and shall entitle the Landlord, at its option, to terminate this Lease, in which event the Client Company shall immediately vacate the Building:

- a. Failure by the Client Company to pay rent as required by this Lease;
- b. Failure by the Client Company to perform or observe any obligation or responsibility imposed on the Client Company in this Lease (including, without limitations, the obligations set for in Exhibit B);
- c. Failure by the Client Company to correct any hazardous condition created by the Client Company on the Premises or in the Building within five (5) days of notice of such condition by Landlord (unless the nature of such hazardous condition requires more immediate correction);
- d. The filing by or against the Client Company of a petition under the bankruptcy laws or the failure by the Client Company to pay its debts and obligations as they mature in the ordinary course of business; or
- e. Abandonment of the Premises by the Client Company, or the failure of the Client Company to occupy or to use the Premises to conduct business for the purpose contemplated by this Lease for thirty (30) consecutive days. If the Client Company abandons the Premises or is dispossessed by process of law, any personal property belonging to the Client Company and left on the Premises shall be deemed abandoned, and available to Landlord to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises.

9. REMEDIES UPON DEFAULT

If Tenant defaults in the payment of Rent or any other monies due hereunder or defaults in the performance of any other obligation hereunder, and fails to remedy such default within seven (7) days (in the event of a failure to pay Rent or other monies due hereunder) or within thirty (30) days (in the event of any other default) after written notice from Landlord, or if any proceedings shall be commenced to declare Tenant bankrupt or insolvent or to obtain relief under any chapter or provision of any bankruptcy or debtor relief law, or if any assignment of Tenant's property be made for the benefit of creditors, or if a receiver or trustee be appointed for Tenant or Tenant's property or business, or if Tenant vacates, abandons, or otherwise allows the Leased Premises to remain closed or unoccupied for a period of fourteen (14) consecutive days, Landlord may, at Landlord's option, enter upon the Leased Premises and terminate this Lease. In the event of such termination, the obligations of Landlord shall cease without prejudice; however, the Landlord shall have the right to recover from Tenant: a) any sums due Landlord for Rent or otherwise to the date of such entry; b) damages as allowable by law; c) the cost of all repairs to correct any damage to the Leased Premises; and d) Landlord's reasonable costs in completing, rehabilitating, or refitting the Leased Premises and advertising the Leased Premises for leasing. In addition and alternatively, the Landlord may enter upon the Leased Premises without terminating this Lease and may lease the Leased Premises in its own name for account of Tenant for the duration of the Term of the highest Rent than obtainable and immediately recover from Tenant any deficiency for the balance of the Term between the amount of the Rent and other payments of Tenant required hereunder and the amount for which the Leased Premises were leased less expenses of leasing (including all necessary repairs and alterations and attorneys' fees). No failure of Landlord to enforce rights or remedies upon default of Tenant shall prejudice or affect the rights of Landlord upon any subsequent or similar default.

If either party fails to make any payment or perform any act required by this Lease, the non-defaulting party may, without waiving or releasing the defaulting party from any obligation or default under this Lease, as its option, make such payment or perform such act for the defaulting party. All sums so paid by the non-defaulting party and all costs and expenses so incurred by the non-defaulting party shall be paid by the defaulting party upon demand. Any sums payable by the defaulting party to the non-defaulting party under this Lease, if not paid when due, shall accrue interest at the rate of twelve percent (12%) per annum from their due date (plus allowable grace period) until paid.

All rights and remedies of the parties hereunder shall be cumulative and none shall exclude any other remedies allowed by law or in equity. By describing and setting forth particular rights and remedies hereinabove, the parties do not intend, or should the foregoing be construed, to limit or require a party to elect between or among the specifically listed rights and remedies set forth herein.

In the event Tenant shall be dispossessed of the Leased Premises for any reason hereunder, Tenant, for itself and its successors and assigns, waives and releases (to the extent permitted by law) any right of redemption or restoration of this Lease under any present or future law.

Notwithstanding anything here otherwise contained to the contrary, Tenant shall not be entitled to terminate this Lease for a non-material default on the part of the Landlord, but Tenant shall have all other remedies provided under this Lease and at law.

Upon default by Tenant and Tenant's subsequent abandonment of or removal from the Leased Premises, Landlord shall not be required to compensate or reimburse Tenant for any improvements as Tenant may have made to and incorporated into the Leased Premises (such items upon their completion becoming that of the Landlord as a part of the Property).

9.1 Should the Client Company fail to immediately vacate the premises upon termination, Landlord has the right to re-enter the Premises and remove the Client Company and its effects without being liable for any damages thereto. The failure by Landlord to terminate the Lease at any time shall not constitute a waiver of Landlord's rights to do so at a subsequent time.

9.2 Upon the occurrence of an Event of Default, in addition to termination, Landlord shall also be entitled to recover from the Client Company unpaid rent through the end of the term as well as any other sums for which the Client Company is liable under the terms of this lease, including, without limitation, any damages incurred by Landlord as a result of such default plus reasonable attorney's fees and costs incurred by Landlord in connection with the default of any related litigation.

9.3 The foregoing rights shall be in addition to, and not in lieu of, any other rights and remedies to which Landlord may be entitled by law.

10. CONDITION OF THE PREMISES; REPAIRS

10.1 Condition of the Building: The Client Company accepts the Building and Premises in their present condition and agrees that they are suitable for the uses intended by the Client Company.

10.2 Repairs: The Client Company shall, throughout the Term of this Lease at its expense, maintain in good order and repair the Premises, and any Client Company improvements located thereon. The Client Company agrees to return the Premises to Landlord at the expiration or prior termination of this Lease, in as good condition and repair as when first received; natural wear and tear is accepted.

10.3 The Client Company shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of the Client Company's breach of the provisions of this paragraph.

11. ALTERATIONS

11.1 The client Company shall not make any alterations, additions, or improvements to the Building without Landlord's prior written consent. The Client Company shall promptly remove any alterations, additions, or improvements constructed in violation of this Article upon Landlord's written request. All approved alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved in writing by Landlord, free of any liens or encumbrances. Landlord may require the Client Company to remove any alterations, additions or improvements (whether or not made with Landlord's consent) at the termination of the Lease and to restore the Building to its prior condition, all at the Client Company's expense. All alterations, additions and improvements which Landlord has not required the Client Company to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of this Lease, except that the Client Company may remove any of the Client Company's machinery or equipment which can be removed without material damage to the Building. The Client Company shall repair, at the Client Company's expense, any damage to the Building cause by the removal of any such machinery or equipment,

11.2 Mechanic's Liens:

- (a) Client Company shall, within twenty (20) days after receiving notice of any mechanic's lien for material or work claimed to have been furnished to the Premises on Client Company's behalf and at Client Company's request, discharge the lien; or post a bond equal to the amount of the disputed claim with companies reasonably satisfactory to Landlord.
- (b) If Client Company posts a bond; it shall contest the validity of the Lien. Client Company shall indemnify, defend, and hold Landlord harmless from any and all attorney fees, costs and any other losses incurred from mechanics liens.
- (c) Landlord's Discharge. If Client Company does not discharge the lien or post the bond within the twenty (20) day period. Landlord may pay any amounts, including interest and legal fees, to discharge the lien. Client Company shall then be liable to Landlord for the amounts paid by Landlord as Additional Rent.
- (d) Consent Not Implied. This Section is not consent to subject Landlord's property to liens of any type whatsoever.

12. SIGNS

No exterior or interior flags, signs, window signs/decals or other items shall be displayed by the Client Company. Landlord will provide standardized signs in the interior that properly identify the Premises and the Building.

13. REMOVAL OF FIXTURES

The Client Company may (if not in default hereunder) prior to the expiration of this Lease remove all fixtures and equipment which it has placed in the Premises, provided the Client Company repairs any and all damage to the Building caused by such removal.

14. LANDLORD'S ENTRY OF PREMISES

Landlord may enter the Premises to inspect the condition of the Premises, to make repairs required of the Landlord under the terms hereof; or to verify performance of the Client Company's obligations under this Lease, or, with written permission of the Client Company, for the purpose of exhibiting the Building to prospective lessees.

15. DESTRUCTION OF OR NATURAL DAMAGE TO PREMISES

If the Building is totally destroyed by storm, fire, lightening, earthquake or other casualty, this Lease shall terminate as of the date of such destruction and rental shall be accounted for as between Landlord and the Client Company as of that date. If the Building is damaged but not wholly destroyed by any such casualties and Landlord elects to make repairs, rental shall abate in such proportion as effective use of the Premises has been affected and Landlord shall restore the Premises to substantially the same condition as before damage as speedily as is practicable, whereupon full rental shall recommence.

16. DAMAGE TO THE PREMISES CAUSED BY THE CLIENT COMPANY

All damage to the Building or fixtures occasioned by the Client Company, or its agents, in moving in or out of the Building shall be paid for by the Client Company; and all damages or injuries to the said Building or fixtures or to any other tenant or person on the property done by the Client Company, its agents, or invitees, however caused, or by escape of water, steam, gas or other substance, caused by the negligence or intentional act of the Client Company, its agents or invitees, shall be the responsibility of the Client Company and paid for immediately after its occurrence.

17. DAMAGES TO THE CLIENT COMPANY

Landlord shall not be liable for any damages, injury or loss to the property or person of the Client Company, its agents, or invitees, or of any other Client Company or of any other person, during business hours or at any other time, in or about the Premises from steam, water, gas, electricity, or Acts of Nature or from defective plumbing, pipes, wiring, heating, or air conditioning, or from any act or omission by any other Client Company or any other person in or about the demised Building.

18. CONDEMNATION

If the whole of the Building, or such portion thereof as will make the Premises unusable for the purposes herein leased, is condemned by any legally constituted authority for any public use or purpose, then in either of said events the term hereby granted shall cease from the date when portion thereof is taken by public authorities, and rental shall be accounted for as between Landlord and the Client Company as of said date. Such termination, however, shall be without

prejudice to the rights of either Landlord or the Client Company to recover compensation and damage caused by condemnation from the condemner. It is further understood and agreed that the Client Company shall not have any rights in any award made to Landlord by any condemnation authority.

19. GOVERNMENTAL ORDERS

The Client Company agrees, at its own expense, to comply promptly with all requirements of any legally constituted public authority made necessary by reason of the Client Company's occupancy of the Premises. Landlord agrees to comply promptly with any such requirements if not made necessary by reason of the Client Company's occupancy. It is mutually agreed, however, between Landlord and the Client Company, that if in order to comply with such requirements, the cost to Landlord or the Client Company, as the case may be, shall exceed a sum equal to six (6) month's rent, then Landlord or the Client Company, whichever is obligated to comply with such requirements, may terminate this Lease by giving written notice of termination to the other party, which termination shall become effective thirty (30) days after receipt of such notice.

20. ASSIGNMENT AND SUBLETTING

The Client Company shall not, without the prior written consent of Landlord, which may be withheld in Landlord's absolute discretion, assign this Lease or any interest hereunder, or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the Client Company. Consent to any assignment or sublease by Landlord shall not impair this provision and all later assignments or subleases shall be made likewise only on the prior written consent of Landlord. The Assignee of the Client Company, at option of Landlord, shall become directly liable to Landlord for all obligations of the Client Company hereunder, but no sublease or assignment by the Client Company shall relieve it of any liability hereunder.

21. SUBROGATION

The Client Company hereby releases Landlord from any liability or responsibility to the Client Company or any person claiming through it by way of subrogation or otherwise for any insured loss or damage to property, even if such loss or damage may have been caused by the fault or negligence of Landlord.

22. INDEMNITY; INSURANCE

22.1 Indemnity: The Client Company agrees to and hereby does indemnify and save Landlord harmless against all claims for damages to persons or property by reason of the Client Company's use or occupancy, (including business operation) of the Building, and all expenses incurred by Landlord because thereof, including attorney's fees, court costs and costs of investigation. The obligations of the Client Company under this provision shall survive any expiration or termination of the Lease.

22.2 Insurance: Supplementing the foregoing and in addition thereto, during the term of this Lease and any extension or renewal thereof; and at the Client Company's expense, the Client Company shall maintain in full force and effect:

- (a) A worker's compensation insurance policy to cover the Client Company's employees in accordance with the requirements of the laws of the State of Illinois.
- (b) A commercial general liability insurance policy, which shall include coverage against products/completed operations hazards and liabilities, with limits as follows: (i) general aggregate limit (other than products/completed operations hazards and liabilities) not less than \$1,000,000 (one million dollars U.S.), (ii) products/completed operations hazards and liabilities aggregate coverage of not less than \$1,000,000 (one million dollars U.S.); waiver of subrogation to benefit landlord.

23. ENVIRONMENTAL LAWS

23.1 Client Company covenants that it will (1) comply with all requirements of any constituted public authority and all federal, state, and local codes, statutes, ordinances, rules and regulations, and laws, whether now in force or hereafter adopted relating to Client Company's use of the Premises, Common Areas and Building or relating to the storage use, disposal, processing, distribution, shipping or sales of any hazardous, flammable, toxic, or dangerous materials, waste, or substance, the presence of which is regulated by a federal, state, or local law, ruling, rule or regulation (hereafter collectively referred to as "Hazardous Materials"); (2) comply with any reasonable recommendations by the insurance carrier of either Landlord or Client Company relating to the use by Client Company on the Premises of such Hazardous Materials; (3) refrain from unlawfully disposing of or allowing the disposal of any Hazardous Materials upon, within, about or under the Premises; and (4) remove all Hazardous Materials from the Premises, either after their use by Client Company or upon the expiration or earlier termination of this Lease, in compliance with all applicable laws. Landlord may at its discretion remove Hazardous Materials with the expense of such removal billed to the Client Company.

23.2 Client Company shall be responsible for obtaining all necessary permits in connection with its use, storage and disposal of Hazardous Materials, and shall develop and maintain, and where necessary file with the appropriate authorities, all reports, receipts, manifest, filings, lists and invoices covering those Hazardous Materials and Client Company shall at the same time provide Landlord with copies of all such Client Company materials within three (3) calendar days after receipt thereof; copies of all notices, orders, claims or other correspondence from any federal, state or local government or agency alleging any violation of any environmental law or regulation by Client Company, or related in any manner to Hazardous Materials. In addition, Client Company shall provide Landlord with copies of all responses to such correspondence at the time of the response and Landlord shall maintain such correspondence and responses thereto in confidence and shall make no disclosures thereof except as otherwise required by law or by Landlord's lender or as may be required to protect Landlord, the Building, or the Premises. The Client Company will be required to maintain Material Safety Data Sheets and provide Landlord with copies of these forms upon receipt of materials. Client Company will store all chemicals, solvents, solutions and other materials as described by OSHA guidelines and shall inform Landlord of such storage.

23.3 Client Company hereby indemnifies and holds harmless Landlord, Heartland Commerce & Economic Development Foundation, and Bradley University and their successors and assigns from and against any and all losses, liability, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including, without limitation, attorney's fees and costs, expenses or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, from time to time, and regulations promulgated hereunder, any so-called state or local "Superfund" or "Super Lien" law, or any other federal, state or local statute, law or ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Materials) paid, incurred or suffered by, or asserted against, Landlord as a result of any claim, demand or judicial or administrative action by any person or entity (including governmental or private entities) for, with respect to, or as a direct result of, the presence on or under or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises on any Hazardous Materials caused by Client Company or Client Company's agents, employees, invitees or successors in interest. This indemnity shall apply to any release of Hazardous Materials caused by a fire or other casualty to the premises if such Hazardous Materials were stored on the Premises by Client Company, its agents, employees, invitees or successors in interest.

23.4 Client Company fails to comply with the covenants to be performed hereunder with respect to Hazardous Materials, or if an environmental protection lien is filed against the Premises or Building as a result of the actions of Client Company, its agents, employees or invitees, then the occurrence of any such events shall be considered a default hereunder.

23.5 Client Company will give Landlord prompt notice of any release of Hazardous Materials, reportable or non-reportable to federal, state or local authorities, or of any fire damage occurring on or to the Premises.

23.6 Client Company will use and occupy the Premises and conduct its business in such a manner that the Premises are neat, clean and orderly at all times with all chemicals or Hazardous Materials marked for easy identification and stored according to all codes as outlined above.

The warranties and indemnities contained in this Paragraph shall survive the termination of this Lease.

24. OTHER TENANTS

The Client Company shall not make any noise or do any act that will disturb, annoy, or interfere with the rights of those occupying adjoining space or other parts of the Building.

25. QUIET ENJOYMENT

So long as the Client Company observes and performs the covenants and agreements contained herein, it shall at all times during the Lease term peacefully and quietly have and enjoy procession of the Premises, but always subject to the terms hereof provide, however, that in the event Landlord shall sell or otherwise transfer its interest in the Building, the Client Company agrees to adorn to any new owner or interest holder and shall, if requested by Landlord, execute a separate agreement reflecting such adornment, provided that said agreement requires the new owner or interest holder to recognize its obligations and the Client Company's rights hereunder.

26. HOLDING OVER

If the Client Company remains in possession of the Building after expiration of the term hereof, with Landlord's acquiescence and without any express agreement of the parties, the Client Company shall be a tenant at will at the rental rate which is in effect at the end of this Lease and there shall be no renewal of this Lease by operation of law. If the Client Company remains in possession of the Building after expiration of the term hereof without Landlord's acquiescence, the Client Company shall be a tenant at sufferance and commencing on the date following the date of such expiration, the monthly rental payable hereunder shall for each month, or fraction thereof during which the Client Company so remains in possession of the Premises, be twice the monthly rental otherwise payable hereunder.

27. ATTORNEY'S FEES

In the event that any action or proceeding is brought to enforce any term, covenant or condition of this Lease on the part of Landlord or the Client Company, the prevailing party in such litigation shall be entitled to recover reasonable attorney's fees and costs.

28. RIGHTS CUMULATIVE

All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

29. WAIVER OF RIGHTS

No failure by Landlord to exercise any power given Landlord hereunder or to insist upon strict compliance by the Client Company of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof.

30. NOTICES

Communications to both parties shall be in writing and shall be personally delivered or sent by U.S. certified mail, return receipt requested, postage prepaid. Addresses appear on the signature page.

31. CONFIDENTIALITY

Landlord hereby agrees that it will not disclose to any person, or use, for itself or for the benefit of any other person, firm, corporation or entity, any proprietary or confidential information of the Client Company provided. For purposes of this Lease, "Confidential Information" means any nonpublic business, financial and technical information of Client Company, including without limitation, information in any form relating to the Client Company's operations, methods, patents, and financial performance, including the Business Reports provided pursuant to Section 3. The provisions of this paragraph, however, shall not prevent the Landlord from use or disclosure of information that is in the public domain (other than information in the public domain as a result of a violation of this paragraph by the Landlord), from use or disclosure of information which Landlord can demonstrate that is acquired outside of its affiliation with the Client Company, or from disclosure required by law or court order. Landlord is specifically authorized to publish, from time to time and consistent with its operation and mission, Confidential Information about Client Company in a format that does not identify Client Company specifically, or that aggregates Confidential Information from all Client Companies.

32. AUTHORIZED LEASE EXECUTION

Each individual executing this Lease as director, officer, partner, member or agent of a corporation, limited liability Company, or partnership represents and warrants that he/she is duly authorized to execute and deliver this Lease on behalf of such corporation, limited liability Company, or partnership.

33. MISCELLANEOUS PROVISIONS

- 33.1** No person shall be allowed to maintain a residence in the Building.
- 33.2** No pets are allowed in the Building at any time.
- 33.3** No smoking is allowed in the Building at anytime.

34. ENTIRE AGREEMENT; TITLES AND HEADINGS; MODIFICATION

34.1 Entire Agreement: This Lease contains the entire agreement of the parties hereto, and no representations, inducements, promises or agreements, oral or otherwise, between the parties, not embodied herein shall be of any force or effect.

34.2 Titles and Headings: The titles and headings of this Lease are used only for convenience and are not to be construed as part of the Lease.

34.3 Modification: This Lease may not be modified except by a writing signed by all the parties hereto.

35. PARTIAL PAYMENT

Acceptance of any partial payment of rent or any other fees due Landlord will not waive Landlord's right to pursue the Client Company for any remaining balance due nor shall any endorsement or statement on any check or letter acknowledging a check or payment be deemed satisfactory as full payment.

36. TRANSFER OF LANDLORD'S INTEREST

In the event of the sale, assignment or transfer by Landlord of its interest in the Building or in this Lease (other than a collateral assignment to secure a debt of Landlord) to a successor in interest who expressly assumes the obligations of Landlord under this Lease, Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior to such sale, assignment or transfer; and the Client Company agrees to look solely to the successor in interest of Landlord for the performance of those covenants accruing after such sale, assignment or transfer. Landlord's assignment of this Lease, or any or all of its rights in this Lease, shall not affect the Client Company's obligations hereunder, and the Client Company shall look to the assignee as Landlord, provided the Client Company has first received written notice of the assignment of Landlord's interest.

37. SUCCESSORS AND ASSIGNS

This Lease and the obligations it outlines shall inure to the benefit of the respective assigns and successors of both Landlord and the Client Company, if permitted by Landlord

38. CONSTRUCTION OF LEASE

38.1 Choice of Law: This Lease shall be governed and construed in accordance with the laws of the State of Illinois, without giving effect to any conflicts of laws principles that would obtain a different result.

38.2 Venue: The parties each hereby irrevocable consent to the personal jurisdiction of the state and federal courts sitting in Peoria, Illinois, with respect to any dispute or litigation with respect to this Lease or any subject matter hereof, and each irrevocably waives any objection to such jurisdiction based on assertions or allegations of any inconvenient forum.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed:

LANDLORD

Heartland Commerce & Economic Development Foundation, d.b.a. Peoria
Next Innovation Center
By Bradley University, its authorized agent

By:_____

Signature:_____

Title:_____

Address and Notices:	Bradley University c/o Peoria NEXT Innovation Center 801 West Main Street Peoria, Illinois 61606-1877
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THE CLIENT COMPANY

By:_____

Signature:_____

Title:_____

DATE:_____

Addresses and Notices to:

Exhibit A

Description of the Premises

This Lease applies to space available on the first floor, "B" Wing of the Peoria NEXT Innovation Center in the amount of ____ square feet. The room number assigned by the Landlord to the Tenant is _____.

Exhibit B

Terms and Conditions

- 1) Rent. The Client Company shall pay base rent at the rate per month, during the Term of the Lease based on the schedule below.
- 2) Term. This Lease shall commence on the Effective Date and shall continue for period of twelve (12) months, unless earlier terminated as provided in the Lease. Thereafter, the Lease may be renewed as set forth below.
- 3) Renewal. Upon the expiration of the initial term, and provided the Client Company is not then in breach of terms of the Lease, this Lease may be renewed, at the option of the Client Company, for subsequent 12-month renewal terms, up to a maximum of 5 (five) renewal terms in total. Thereafter, this Lease shall not be renewed without the express written consent of Landlord. The terms and conditions of this Lease shall apply to any renewal term; provided, however, that Landlord may increase rent in any renewal term up to a maximum of 12% over the immediately preceding term (renewal or initial).

Description of Space Rented		Base Rent	
<u>Year</u>	<u>Rent Schedule</u>	<u>Annual</u>	<u>Monthly</u>
One		\$	\$
Two		\$	\$
Three		\$	\$

Exhibit C
Peoria Next Innovation Center
Tenant Advantages and Benefits

A wide range of professional services and amenities are provided exclusively to tenants of the Innovation Center by skilled entrepreneurial and technical professionals, promoting the full commercialization benefits to our Client Companies. An overview is outlined below.

Business Support

Technology Commercialization

- Technology Assessment
- Market Research
- Access to product & Prototype Development
- Access to Partner Institutions' Educational and Research Resources
- Access to Intellectual Property Protection Assistance
- Assistance with Technology Transfer Process Implementation

Business Development

- Business & Financial Plan Development
- Delineation of Distribution Channels, Pricing Models and Market Entry
- New Venture Management, Structure & Coaching
- Angel and Venture Preparedness
- Sales & Marketing Strategy
- Strategic Partnering Arrangements
- Regional, State and National Referral Network

Funding Options

- Assistance with Seed & Early Stage Financing Options
- Assistance with the Federal SBIR & STTR Programs
- Investigation & Match of Private Grant Funding Programs
- Assistance with Debt & Public Financing Options
- Venture Capital and Angel Network Directory Access

Information Technology Services

- Broadband Internet
- IT consultation prior to tenancy for optimal compatibility & functionality

Professional Development

- Advisory Council Mentor from the Innovation Center Team
- Complimentary attendance at Innovation Center events and educational forums
- Premier visibility as a Tenant Company
- Access to a data base of qualified Service Providers (accountant, lawyer, marketing, etc.) able to meet the needs of Client Companies potential inclusion in marketing & advertising campaigns for the Center
- Access to resident experts from Peoria NEXT anchor organizations, especially research, scientific and academic mentors
- Preferred introduction to investment community and individual angel investors
- Access to the PNIC Resource Library, including the check out capability of printed resources, laptop computers, and portable projectors. Additional resource access help in getting access to local libraries such as those of Bradley University, USDA National Center for Agricultural Utilization and Research, and the University of Illinois College of Medicine.
- Preferred status for Bradley University student project team assignments
- Access to resume database for business expansion
- Employers Association Membership
- No Charge for PNIC Tenants and their Employees for Bradley/Turner Center Seminars, Forums and Events held at the Center

Facilities and Equipment

- Receptionist for guests, messages and mail and delivery receipt
- Access to conference rooms, break and vending area, outdoor terrace and commons
- Mail Center with tenant mail boxes
- Telephone rental, voice mail and long distance
- Negotiated discounts for lab supplies & furniture
- Business Center Access with access to color photocopy
 - o Facsimile Machine
 - o LCD Projector
 - o Shredding Machine
 - o Document Binder
 - o Scanner
 - o Paper Cutter
 - o Document Stapler
 - o Autoclave area 2/dumbwaiter transport systems
 - o Shop Area & Workbench
 - o Secure Premises
 - o Notary on Site
- Janitorial, maintenance, water, sewer, security and disposal service
- Permit Parking in a lot patrolled secure facility
- Loading Dock
- Locker and Shower Facility