

Property Agreements Summary
Property Lease
Centre Village
Absolute Bail Bonds

Date executed:

March 1st, 2005

Terms and Conditions:

The City is leasing 2,468 feet to tenant. The tenant is choosing to take the space "as is".

Requirements of the City:

The City is not required to make any alterations to the premises. If the contract is extended the CPI chart in the contract must be used to determine the rent.

Financial Requirements:

Various insurance requirements have been met, copies are in file.

Rental price and schedule of payments:

The tenant shall pay a base rent of \$1,234.00 per month for the first two years, \$1,285.00 per month for the third and fourth year, and \$1,336.00 per month for the final year.

Tenant shall pay all utility costs.

Length of agreement:

The agreement began March 1st, 2005 and goes until February 28th, 2010.

Agreement renewal options:

Lease may be extended for one five year term.

Contacts for the City of Minneapolis:

Public Works Traffic and Parking Services Division
Hawthorne Transportation Center
91 S. 9th Street, Suite 101
Minneapolis, Minn. 55101
Attn: Manager of Off Street Parking

Contacts for the other agreement party:

Paul Beseman
Absolute Bail Bonds
444 S. 8th Street
Minneapolis, Minn. 55415

CONTRACT SUMMARY FORM

C-21503

<i>Department Contract Manager</i>			
Department Name		<i>F.M. Traffic and Parking Services</i>	
Contractor Name		<i>Absolute Bail Bonds, Inc.</i>	
Contractor Address		<i>444 W. 5th St. Mpls 55415</i>	
Contract Amount (Not Including Freight Or Sales Tax)		<i>Revenue Contract</i>	
Contract Start Date		Contract End Date	
<i>3/1/05</i>		<i>2/28/10</i>	
Type Of Contract (Check all that apply)	<input type="checkbox"/> Result of Formal RFP <input type="checkbox"/> Result of Formal Bid <input type="checkbox"/> Real Estate Sale <input type="checkbox"/> Grant Award to City <input type="checkbox"/> Other	<input type="checkbox"/> Standard Agreement/Grant Form <input type="checkbox"/> Lease <input type="checkbox"/> Real Estate Purchase <input checked="" type="checkbox"/> Revenue (Non-Grant)	
Contract Description			
<i>Lease of space at Centerville Ramp</i>			
1. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Is the contract signed by the contractor (with contractor's signature notarized) and department head?			
2. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Are insurance certificates attached for all insurance required in the contract and will you ensure insurance certificates are current until contract close?			
3. Yes <input type="checkbox"/> No <input type="checkbox"/> Will you use federal or state funds to pay for this contract? If Yes, and the contract is with a non-profit, is this a <input type="checkbox"/> Vendor or a <input type="checkbox"/> Sub-recipient relationship? If Sub-recipient, then attach grant attachments.			
4. Yes <input type="checkbox"/> No <input type="checkbox"/> If the contract is a Standard Agreement or a Grant Form, did you change anything other than fill in the blanks?			
5. Yes <input type="checkbox"/> No <input type="checkbox"/> If you are using a Standard Agreement Form or a Grant Form, is the Exhibit A attached, filled-in and signed?			
6. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If the contract exceeds \$50,000, was an RFP issued, SUBP goals set and Affirmative Action plan approved?			
7. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If you are not using a Standard Agreement Form or a Grant Form, is the Formal Council Action attached and has an Assistant City Attorney signed the contract?			
Department Contract Manager Name		<i>Tom Blazyn</i>	
Department Contract Manager Signature		<i>[Signature]</i>	
Mailing Address	<i>444 315 9th St</i>	Phone Number	<i>2242</i>

<i>Department Finance Staffperson</i>	
Vendor Code C-21503	Fund/Agency Code(s) To Pay Contract _____
I CERTIFY THE ABOVE FUND-AGENCY APPROPRIATION HAS FUNDING AVAILABLE FOR THIS CONTRACT FOR THE CURRENT YEAR.	
Department Finance Staff Name And Signature _____	
Send 2 copies of this form with contract originals to Contract Management. Identify commodity code below, if needed.	

<i>Contract Management Office (552 Towle)</i>	
Reviewed and approved by _____ Date _____	
FISCOL Price Agreement C- _____	Commodity Code _____ entered by <i>MOR</i> Date <i>3/07/05</i>

One original contract and this form are filed in Contract Management. To have remaining documents sent elsewhere or to be called when ready for pickup, please provide name and address (or phone number) below.

Name	<i>David Sabu</i>	Address (or phone number)	<i>223 C4</i>
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LEASE AGREEMENT BETWEEN THE CITY OF MINNEAPOLIS AND
ABSOLUTE BAIL BONDS, INC. IN THE CENTRE VILLAGE MUNICIPAL
PARKING RAMP

THIS LEASE AGREEMENT (hereinafter "Lease") is entered into effective as of March 1, 2005, (hereinafter "Commencement Date") by and between the City of Minneapolis, a Municipal Corporation in the County of Hennepin, State of Minnesota (Hereinafter "City") and, Absolute Bail Bonds, Inc. (hereinafter "Tenant") a Chapter S corporation lawfully incorporated in Minnesota.

WITNESSETH:

1. Leased Premises. The City, in consideration of the rents and covenants contained in this Lease, does lease to Tenant, and Tenant does rent from the City a portion of the ground floor of the Centre Village Municipal Parking Ramp owned by the City and located at 700 Fifth Avenue South (hereinafter "Ramp"), Minneapolis, Minnesota. The portion of space leased to Tenant is 2468 square feet, and consists solely of that space outlined in red on Exhibit A attached hereto and incorporated by reference (hereinafter "Premises").

Unless otherwise specifically provided herein, Tenant is taking the Premises in "AS IS" condition. Tenant shall, at its sole cost and expense, install such trade fixtures, equipment and furnishings in the Premises as it deems necessary for the conduct of its business provided that any change, addition or improvement shall be made with the prior written consent of the City. The City is under no obligation to make any alterations, additions, improvements, or decoration in or to the Premises. The taking possession of the Premises by Tenant shall be conclusive evidence that the Premises were, on that date, in good, clean, and tenantable condition, acceptable to Tenant and as required by the Lease.

The City reserves the right to use its Ramp for any lawful purpose, and the right to install, maintain, use, and repair pipes, ducts, conduits, vents, and wires through the Premises. The City shall be entitled to permit other tenants, utility companies, and others to exercise such rights. The City and anyone else exercising such rights shall make reasonable efforts to avoid unreasonable interference or disturbance of Tenant's decoration or operations within the Premises. The City may at any time, in its sole discretion, and with or without monetary gain to it or others, increase, reduce, rearrange or change the number, dimensions, or locations of common or parking areas in the Ramp, or devote the same to other purposes either temporarily or permanently; build additional stories on the Ramp; and change the identity and type of other tenancies within the Ramp. No such changes shall invalidate or affect this Lease or result in any liability of City to Tenant.

2. Term. The term of this Lease (hereinafter "Term") shall commence on the First day of March, 2005, and end at 11:59 p.m. on the 28th day of February, 2010.

The Term of this Lease may be extended for one (1) additional term of (5) years (hereinafter "Additional Term") if Tenant effectively exercises its option to do so in the manner hereinafter set forth. The Additional Term shall subject to the same covenants, agreements and conditions contained in this Lease for the original term except that Tenant shall have no further option to extend the Term and the annual base rent shall be as set forth below. If Tenant gives the City written notice not later than one hundred eighty (180) days prior to the expiration of the original term of this Lease, and if Tenant is not in default in the performance or observance of any covenant, agreement or condition of this Lease at the time notice is given and on the expiration date of the original Term of this Lease, then the Term shall have been effectively extended by Tenant for the Additional Term.

3. Rent. The rental rate (hereinafter "Rental Rate") for the Premises shall be \$6.00 per square foot in the first two years of this Lease, \$6.25 per square foot in the third and fourth years, and \$6.50 per square foot in the final year. Accordingly, Tenant agrees to pay to the City as base rent (hereinafter "Rent") for the Premises the sum of one thousand two hundred thirty four dollars (\$1,234.00) per month in the first two years of this

agreement, one thousand two hundred eighty five dollars (\$1,285.00) per month in the third and fourth years and one thousand three hundred thirty six dollars (\$1,336.00) per month in the final year.

Rent shall be paid on or before the first day of each month. If the Term terminates on a day other than the last day of a month, the Rent payable for the partial month shall be pro-rated on a daily basis. All payments required to be made to City pursuant to this Lease shall be deemed Rent, whether or not designated as such, and Tenant covenants to pay rents when due without any setoff, counterclaim, deduction or demand. Payments of Rent or other amount due shall be in lawful money. If payment is made in the form of a check, the check should be made out to: "the City of Minneapolis" and delivered to:

Ramp Manager
Centre Village Ramp
700 5th Ave S
Minneapolis, Minn. 55415

If Tenant effectively exercises its renewal option as provided in Article 2 above, the Rental Rate during the Additional term shall be increased by an amount based on the increase in the Consumer Price Index (CPI) plus one percent (1%). The CPI shall mean Consumer Price Index - for All Urban Consumers, Minneapolis St. Paul, All Items (1967 = 100) as published by the United States Department of Labor Statistics, or if such index shall be discontinued, the successor index, or if there shall be no successor index, such comparable index as mutually agreed upon by the parties. To determine the Rental Rate increase under a CPI adjuster in the first year of the Additional Term, the Rental Rate for the previous year shall be multiplied by a percentage figure, computed from a fraction, the numerator of which shall be the CPI for the first half of 2009 and the denominator of which shall be the CPI for the first half of 2008. Such fraction shall be converted to a percentage equivalent. The resulting percentage equivalent, plus the aforementioned 1%, shall be multiplied by the previous years Rental Rate. The resulting product will be added to the previous years Rental Rate to produce a new Rental Rate.

In the second and each succeeding year of the Additional Term, the Rental Rate shall again be increased by a CPI based multiplier using the CPI from time periods as follows:

<u>Lease Year</u>	<u>Numerator</u>	<u>Denominator</u>
Year 2	First half CPI for 2010	First half CPI for 2009
Year 3	First half CPI for 2011	First half CPI for 2010
Year 4	First half CPI for 2012	First half CPI for 2011
Year 5	First half CPI for 2013	First half CPI for 2012

As with the first year increase, the fraction created by dividing the numerator by the denominator shall be converted to a percentage equivalent. The resulting percentage equivalent, plus 1%, shall be multiplied by the previous years Rental Rate. The resulting product shall be added to the previous years Rental Rate to produce a new Rental Rate.

The City shall provide Tenant with 60 days notice of the Rent to be paid based on the calculation of the new Rental Rate as set forth herein.

Notwithstanding any provision of this Article 3, the parties may negotiate a new Rental Rate to commence with the Additional Term. Such negotiation shall occur in the event that either party hereto determines in their discretion that the increase in Rent based on a CPI calculation as set forth in the preceding paragraphs is not reflective of market rates for office space in Minneapolis. Tenant shall have the option of requesting such negotiations in the final year of the Term but in no event no later than 180 days prior to the expiration of the Term. The City shall have the option of requesting new rental rates by providing notice to Tenant within 10 days of receipt of Tenant' notice of its intent to renew. In the event the parties cannot negotiate a Rent for the Additional Term within 120 days of the commencement of the Additional Term, this Lease shall terminate at the end of the Term. Negotiation of a new Rental Rate as set forth in this paragraph shall only be option for either party for the commencement of the Additional Term.

4. Security. Tenant shall provide security for the Premises including its personal property, equipment, employees, invitees, contractors, and members of the general public on its Premises regardless of whether they are patrons of Tenant.

5. Use. Tenant will use the Premises for the sole purpose of conducting a bail bond business, and will make no other use of the Premises without the City's prior written consent in each instance. The Premises will not be used by Tenant for any purpose that is illegal, offensive, or hazardous. Tenant shall at all times comply with all applicable laws, ordinances, and certificates of occupancy and the orders, rules, regulations and requirements of all federal, state, and municipal governments applicable to the maintenance, use, and occupancy of the Premises.

No flammable fluids, explosives, or hazardous or toxic substances may be stored by Tenant in, on, or about the Premises.

6. Environmental. Tenant shall not install, use, generate, store, or dispose of in or about the Premises any hazardous substance, toxic chemical, pollutant, or other material regulated by the Comprehensive Environmental Response, Compensation and Liability Act of 1985 or the Minnesota Environmental Response and Liability Act or any similar law or regulation, including without limitation any material containing asbestos or PCBs (collectively "Hazardous Materials") without the City's written approval of each Hazardous Material. The City shall not unreasonably withhold its approval of use by Tenant of immaterial quantities of Hazardous Materials customarily used in office business operations so long as Tenant uses such Hazardous Materials in accordance with applicable laws. Tenant shall indemnify, defend and hold the City harmless from and against any claim, damage, or expense arising out of Tenant's installation, use, generation, storage, or disposal of any Hazardous Materials, regardless of whether the City has approved the activity.

7. Quiet Possession. The City agrees that Tenant, on paying the Rent and performing the covenants in this Lease, shall have quiet possession of the Premises for the entire term of this Lease.

8. Surrender of Premises. Tenant will, at the termination or expiration of this Lease, remove all of its personal property and equipment from the Premises and will quietly yield and surrender the Premises to the City in the same good condition that existed when it took them, to be determined at City's sole discretion, normal wear and tear and damage from the elements excepted. Personal property not removed by Tenant shall be considered abandoned and the City may dispose of it as it deems expedient without liability to Tenant or others. If tenant improvements are made during the term of this Lease, the City has the option to accept the Premises in improved condition rather than requiring Tenant to restore them.

9. Hold-Over Tenancy. In the event Tenant remains in possession of the Premises after the expiration of this Lease and without execution of a new lease, it shall be deemed to be occupying the Premises as a tenant from month-to-month only, upon the same terms and conditions contained in this Lease, to the extent the same terms are applicable to a month-to-month tenancy, except the Rent will be one hundred fifty percent (150%) of the Rent paid by Tenant immediately prior to expiration of this Lease.

10. Assignment or Sublease. This Lease may not be assigned, transferred, or pledged by Tenant, and Tenant agrees not to sublet the Premises in whole or in part or to permit occupancy by another without the prior written consent of the City. Unless expressly agreed in writing, the City's consent to an assignment or sublease shall not release Tenant from its obligations under this Lease. Any assignment or sublease attempted to be made in violation of this Lease shall be void.

The City shall have the right to transfer and/or assign all of its rights, interests and obligations in the Premises or Ramp, provided, however, that any transfer or assignment shall be subject to the provisions of this Lease, whereupon, Tenant shall continue to comply the Lease' provisions.

11. Utilities, Services, and Taxes. Tenant shall pay all costs of electricity, sewer and water, chilled water, steam and heat, and any other utilities used of consumed in connection with the Premises, including waste and trash removal costs.

In the event Tenant requests additional services from the City, Tenant shall reimburse City for all additional services requested by Tenant or for the costs of repairs to the Premises necessitated by Tenant's misuse or abuse of the Premises. The City is under no obligation to provide any additional services that may be requested.

Tenant, during the Term or the Additional Term shall promptly pay when due all taxes or similar charges which may be imposed on the Premises or occur as a result of its use of the Premises. Tax, as used herein, shall be construed to include any form of tax (foreseen or unforeseen), assessment, license or permit fee, rent tax, sales tax, franchise tax, real estate tax, payment in lieu of taxes, or personal property tax imposed by any entity with the authority to impose a tax on any interest the Tenant has in the Premises or this Lease. Tenant agrees that its letter dated February 14, 2005, which is attached hereto and incorporated by reference, is intended to convey the promise without restriction to meet all tax obligations accruing to the Premises as described in this Article 11 for the year of 2005 and throughout the Term hereof.

12. Right of Entry. City shall have the right upon reasonable notice to enter the Premises during all business hours (except in emergency situations when entry shall be immediate) for the purposes of inspecting or making repairs, additions, or alterations to the Premises or to the Ramp in which the Premises are located, or for the purpose of showing the Premises to prospective tenants, purchasers, and others.

13. Care of Premises. Tenant, at its cost, shall maintain in good condition, all interior portions of the Premises, including without limitations, Tenant's equipment, fixtures, interior walls, lighting, signs and shall make all necessary and proper repairs, replacements additions and improvements thereto.

Tenant, at its cost, shall perform all cleaning within the Premises and cause, at its cost, all trash to be removed from the Premises. No trash or garbage shall be stored on the Premises nor in any area adjacent to the same.

14. Indemnification. Tenant agrees to pay and to protect, indemnify and save harmless the City from and against any and all liabilities, damages, costs, expenses (including reasonable attorneys' fees), causes of action, suits, claims, demands, or judgments of any nature whatsoever arising from the following:

- a. Any work or thing done by Tenant or at its direction in, on, or about the Premises.
- b. Injury to, or the death of persons or damage to property located on the Premises or in any manner growing out of or connected with the use, non-use, condition, possession, operation, maintenance, management, or occupation of the Premises or resulting from the condition thereof.
- c. Any negligence on the part of Tenant or any of its agents, contractors, servants, employees, licensees, or invitees.
- d. Violation of any agreement or condition of this Lease or of conditions, agreements, restrictions, statutes, charters, laws, rules, ordinances, or regulations affecting the Premises or the ownership, occupancy, or use thereof.

Nothing in this Lease shall be construed as waiving the immunities or liability of the City provided by Minnesota Statutes, Chapter 466.

15. Insurance. The Tenant shall secure the insurance specified herein including the purchase of Worker's Compensation Insurance, Liability Insurance, and Automobile Liability Insurance identified in this Article. All insurance secured by the Tenant under the provisions of this Article shall be issued by insurance companies acceptable to the City and admitted to do business in Minnesota. The insurance specified in this Article may be in a policy or policies of insurance, primary or excess.

- a. Worker's Compensation Insurance with Statutory Limits of the Workers' Compensation Laws of the State of Minnesota and Coverage B - Employer's Liability covering operations of the Tenant and its contractors. The available limits for Coverage B - Employer's Liability shall not be less than \$100,000 each accident, \$500,000 disease - policy limits, and \$100,000 disease, each employee.
- b. Liability Insurance providing coverage not less than that of the standard Commercial General Liability insurance policy ("Occurrence Form") for operations of the Tenant or its contractors. The policy shall include contractual, personal injury, bodily injury and property damage liability coverages with total available limits not less than \$1,000,000 general aggregate and \$1,000,000 aggregate products and completed operations, and this Commercial General Liability insurance policy shall name the City as an additional insured.
- c. Automobile Liability Insurance covering all owned, non-owned and hired automobiles, trucks, and trailers. Such insurance shall provide coverage at least as broad as that found in the Standard Comprehensive Automobile Liability policy with limits of not less than \$1,000,000 Combined single Limit each occurrence. If there are no owned or hired vehicles used in the performance of this Agreement, then the Tenant will ensure that all individuals using vehicles in performing services under this Agreement shall carry the statutory limits of automobile liability. The City does not represent that the above coverages and limits are adequate to protect the Tenant's or its contractors' interest and assumes no responsibility therefor.
- d. Personal Property maintained on all personal property and Tenant's improvements a policy of standard fire and extended coverage with vandalism and malicious mischief endorsements, to the extent of their full replacement value. The proceeds from this policy shall be used by Tenant for the replacement of personal property and restoration of Tenant's improvements.

All deductibles shall be the responsibility of the Tenant or its contractors.

All policies of insurance that are required under the terms of this Agreement shall provide that the insurance company will notify the City at least thirty (30) days prior to the effective day of any policy cancellation, modification, or non-renewal. Prior to the Commencement Date, Tenant shall cause to be furnished to the City certificates of insurance on a City provided form or acceptable substitute evidence of the insurance required. The City may direct that copies of the actual insurance policies, or renewals or replacements thereof, be submitted to the City. The premiums for the insurance specified above to be obtained by the Tenant will be paid for by the Tenant.

After any natural or man made disaster including terrorist attack, or prior to any Renewal Term, the City may change the type of insurance protection or increase the Insurance Limits required by this Lease. Said changes or increases shall reflect standards and limits of insurance generally accepted in the Insurance Industry and of similar leases.

16. Damage. If during the Term of this Lease:

- a. the City's Ramp shall be partially or totally damaged or destroyed and the City elects not to repair or restore the Ramp, or
- b. the Ramp is damaged or destroyed so the Premises thereby become unfit for occupancy or it thereby becomes impossible for the Tenant to conduct its business thereon, and the City determines that it cannot, with reasonable diligence repair the Ramp so that the Premises will be fit for occupancy within ninety (90) days after the date of such damage, or
- c. the Premises or the improvements thereon shall be damaged or destroyed to such an extent that they cannot be repaired and restored with reasonable diligence with ninety (90) days from the occurrence of such damage,

then, in any of the foregoing events, the City may terminate this Lease from the date of such damage or destruction and Tenant shall immediately surrender the Premises to the City and Tenant shall pay Rent only to the time of such surrender. If the Premises can be restored within ninety (90) days from the occurrence of the damage, the Lease shall remain in effect, but the Rent shall be abated during the period that the Premises are untenable until the time that the repairs shall be completed. If, however, the Premises only are so slightly damaged as not to be unfit for occupancy or the conduct of Tenant's business, then Rent shall not be abated during the repair process. In any event if the Lease is not to terminate and the Premises are to be repaired and restored pursuant to this Article, the Tenant shall at its cost and expense, repair, restore and replace all improvements, fixtures and equipment placed by the Tenant on the Premises.

17. Personal Property. The City is not responsible for damage to or loss, whether on the Premises or in the Ramp, of Tenant's personal property and under no circumstance shall be held liable for theft, damage to or loss of property belonging to or in the possession of the Tenant, its officers, agents, employees, contractors, licensees or invitees.

18. Default. Any of the following occurrences shall constitute an Event of Default by Tenant thirty (30) days after notice to Tenant by the City specifying such default, unless cured by Tenant within said thirty (30) day period:

- a. failure to pay Rent or any other monetary charge after the same is due and payable to City.
- b. abandonment of the Premises (failure to occupy and operate the Premises for thirty (30) consecutive days shall be deemed to constitute abandonment).
- c. Tenant shall petition for bankruptcy or be adjudged a bankrupt or insolvent or shall make an assignment for the benefit of its creditors or shall admit in writing its inability to pay its debts generally as they come due, or if the Leasehold interest of Tenant shall become subject to being taken by execution or other process of law.
- d. failure by Tenant to observe and perform any other covenant, condition or agreement on its part under this Lease.

Upon the occurrence of an event of default as provided herein, the City may exercise any of the following remedies:

- a. terminate this Lease and all rights of Tenant hereunder by giving notice to Tenant.
- b. reenter and repossess the Premises by summary proceedings, with or without terminating the Lease.
- c. cure any default that can be cured by the expenditure of money and charge Tenant for all costs incurred by City, which costs shall be payable immediately upon demand.
- d. pursue any other legal or equitable relief available to City.

No termination of the Lease by the City shall relieve Tenant of its liabilities and obligations under this Lease. Tenant shall immediately pay the City the Rent and other sums due through the date of termination or repossession, and thereafter on or before the first day of each month until the end of what would have been the full Term had there been no termination or repossession. Tenant shall pay the City as liquidated damages the Rent that would have been payable under the Lease less the proceeds received by City for reletting the Premises after deducting all of the City's expenses in connection with such reletting, including, without limitation, repossession costs, brokerage commissions, and alteration costs. The City may, at any time, be entitled to recover from Tenant as and for liquidated and agreed final damages for Tenant's default the then-present value of the excess, if any, of the Rent and other charges payable under this Lease for the remainder of the term payable by Tenant over the then fair market rental value of the Premises for the same period using a five percent (5%) discount rate.

In the event the City fails to keep any term, condition, or covenant to be kept, observed or performed by the City and such failure continues for thirty (30) days after notice from Tenant, Tenant shall have the option to terminate this Lease by giving notice to the City, whereupon the obligations of the parties shall cease, or pursue any other legal or equitable relief available to Tenant. If a default by either Tenant or the City is of such a nature as to reasonably require more than thirty (30) days to cure, then the defaulting party shall have such additional time as is required to cure the default provided that the defaulting party immediately commences and diligently pursues to completion the curing of the default.

19. Remedies Cumulative; Waiver of Rights. All remedies conferred on City or Tenant shall be deemed cumulative and no one exclusive of the other, or of any other remedy conferred by law or in equity. The failure of either party to insist on any one or more cases upon the strict performance of any of the covenants of this Lease or to exercise any right contained in this Lease shall not be construed as a waiver or relinquishment for the future of such covenant or right. Receipt by City of Rent due with knowledge of the breach of any covenant shall not be deemed a waiver of such breach. No waiver by City or Tenant of any of the provisions of this Lease shall be deemed to have been made unless expressed in writing and signed by the party expressing such waiver.

20. Alterations. Tenant shall make no change, alteration, modification, or addition to the Premises at any time during the Term, or any extension thereof, including painting or installing vending machines, without the prior written consent of the City. Tenant shall be responsible for the cost of making alterations to the required by any governmental authority specifically because of Tenant's use of the Premises or because of the modifications being made to the Premises to prepare them for Tenant's initial occupancy. Tenant shall keep the Premises free of any and all mechanics', material suppliers', and other liens arising out of any work, labor done, services performed, or materials furnished for the Tenant or claimed to have been furnished during the term of this Lease. Any alteration, addition, or improvement made pursuant to this Lease shall equal or exceed building standard materials and workmanship.

21. Signs. Tenant may use the sign currently attached to the Ramp (facing Eighth Street) for the purposes of promoting its bonding business. Any modifications and all maintenance and repair of said sign shall be the obligation of the Tenant at its sole expense. Any modifications or alterations of said sign shall be approved in advance by the City. No additional signs shall be placed on the exterior or interior areas of the Ramp or adjoining sidewalks without the prior written approval of the City.

22. Notices. All notices, requests, and other communications that a party is required or elects to deliver shall be in writing and shall be delivered personally, or by facsimile or electronic mail (provided such delivery is confirmed), or by a recognized overnight courier service or by United States mail, first class, certified or registered, postage prepaid, return receipt requested, to the other party at its address set forth below or to such other address as such party may designate by notice given pursuant to this section:

If to City:
Public Works Traffic and Parking Services Division
Hawthorne Transportation Center
91 S. 9th Street, Suite 101
Minneapolis, Minn. 55101
Attn: Manager of Off Street Parking

If to the Tenant:
Paul Beseman
Absolute Bail Bonds
444 S. 8th Street
Minneapolis, Minn. 55415

23. Relationship of the Parties. Nothing contained in this Lease shall be deemed or construed by the parties or by a third party to create the relationship of principal and agent, partnership, joint venture or of any other association whatsoever between City and Tenant, it being expressly understood and agreed that neither the method of computation of Rent nor any other provision contained in this Lease nor any act or acts of the parties shall be deemed to create any relationship between City and Tenant other than the relationship of City and tenant.

24. Amendments. This Lease shall be amended only in a writing duly executed by all the parties to this Lease.

25. Entire Agreement. This Lease (including all addenda, exhibits, and schedules) is intended by the parties as the final and binding expression of their agreement and as the complete and exclusive statement of its terms and all prior negotiations and agreements relating to the subject matter of this Lease are merged herein.

26. Governing Law/Jurisdiction. The laws of the state of Minnesota shall govern the validity, construction, and enforceability of this Lease, without giving effect to its conflict of laws principles. All suits, actions, claims, and causes of action relating to the construction, validity, performance and enforcement of this Lease shall be in the courts of the state of Minnesota.

27. Brokers. Tenant and City represent and warrant to the other that it has not engaged or dealt with any commissioned broker in connection with this Lease and each party agrees to indemnify, defend, and hold harmless the other from and against any claim for a commission asserted by anyone other than those specified in writing, on account of any dealings of the indemnifying party in connection with this Lease or the Premises.

28. Special Conditions. In case of conflict between the provisions of these Special Conditions and the other Articles of this Lease, these Special Conditions shall prevail: NONE.

29. Eminent Domain. If the Premises or Ramp are taken for public use under right of eminent domain, this Lease shall expire on the date when possession is taken. Damage awards of any kind shall belong solely to the City except that Tenant shall be entitled to any award for loss or damage to Tenant's trade fixtures.

30. Parking. This Lease confers no rights, express or implied, on the Tenant for any automobile parking in the Ramp and the parties agree the City has no responsibility for any events associated with Tenant efforts or events in obtaining the same.

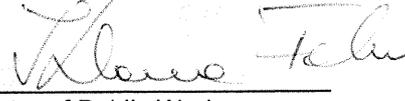
31. Keying of Premises. Tenant shall have the right, with the commencement of this Lease and at any time thereafter, to re-key the entry to the Premises. New entrance keys and key locks shall meet a standard provided by the City, who shall be provided a copy of the new key at the time of rekeying. The City, or any City delegated party having responsibility for Ramp security or upkeep, shall have the right to use the Tenant's key for the purposes of entering the Premises in response to an emergency affecting the Ramp or Premises.

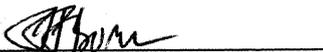
IN WITNESS WHEREOF, the City and Tenant have executed this Lease on the day and year first above written.

FOR ABSOLUTE BAIL BONDS, INC.

By 
Its: Owner

FOR THE CITY

By 
Director of Public Works

By 
Finance Officer

Approved as to Form
By: 
Assistant City Attorney

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 02/08/2005
PRODUCER Quality Insurance Service, Inc. 1648 Rice Street St. Paul, MN 55117	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED ABSOLUTE BAIL BONDS INC. 444 South 8th Street Minneapolis, MN 55415	INSURERS AFFORDING COVERAGE INSURER A: Integrity Ins.	NAIC #
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADDL LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	PENDING	02/14/2005	02/14/2006	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR				MED EXP (ANY ONE PERSON) \$ 1,000
	GEN'L AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PROTECT <input type="checkbox"/> LOC				GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (EA ACCIDENT) \$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS				
	<input type="checkbox"/> NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: EA ACC \$
					AGG \$
	EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE \$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$
	<input type="checkbox"/> DEDUCTIBLE				\$
	<input type="checkbox"/> RETENTION \$				\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS <input type="checkbox"/> OTHER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT \$
	If YES, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$
	OTHER				E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Hawthorne Transportation Center
 City of Minneapolis, Manager of Off Street Parking, Hawthorne Transportation, 33 9th St. N, Suite 100, Minneapolis, MN 55403 is listed as additional insured.

CERTIFICATE HOLDER City of Minneapolis Manager of Off St. Parking 33 9th St. No., Ste. 100 Minneapolis, MN 55403 612-334-1662	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>10</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
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Minnesota Workers' Compensation Assigned Risk Plan
Standard Workers' Compensation and Employers' Liability Policy

Contract Administrator

Berkley Risk Administrators Company, LLC
P.O. Box 59143 Minneapolis, Minnesota 55459-0143
Phone (612) 766-3000 NCCI Carrier Code 21466

CERTIFICATE OF INSURANCE

WCIP

1. The Insured:
Absolute Bail Bonds Inc
702 Portland Av
Minneapolis, MN 55415

Policy Number: **WC-22-04-107344-04**
Association File Number: **3134745**

Tax ID#: **F 411798375**
UIC #: **2196418000**
Policy Period: From: **11/14/2004**
To: **11/14/2005**

Date of Mailing: **2/3/2005**

The Certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded by the Policy listed below.

This is to certify that the Policy of Insurance described herein has been issued to the Insured named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this Certificate may be issued or may pertain, the insurance afforded by the Policy described herein is subject to all the terms, exclusions and conditions of such Policy.

TYPE OF INSURANCE	LIMITS OF LIABILITY
Part One Workers' Compensation	Statutory
Part Two Employers' Liability	Bodily Injury by Accident \$100,000 each accident. Bodily Injury by Disease \$500,000 policy limit. Bodily Injury by Disease \$100,000 each employeee.

Should the above Policy be canceled before the expiration date thereof, the Company will endeavor to mail 30 days written notice to the below named Certificate Holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the Company.

Certificate Holder's Name and Address:
City Of Minneapolis
Dave Sabie Property Services Rm 223
City Hall 350 South 5th Street
Minneapolis, MN 55415

OFFICERS NOT COVERED.

Date Issued: **2/3/2005**

Agency Name and Address
Action Insurance Brokers Inc
13895 Industrial Park Blvd Ste 155
Plymouth, MN 55441


Authorized Representative

ABSOLUTE BAIL BOND COMPANY

"Trust the Best"

24 hour service

February 14, 2005

To Whom It May Concern:

This letter confirms that Absolute Bail Bonds, Inc. will accept responsibility for the 2005 property taxes due in 2006 for the property at 444 South 8th Street in Minneapolis.

If you have any questions regarding this matter, please contact Paul Beseman at 612-221-3496.

Sincerely,



Paul Beseman
Absolute Bail Bonds

