

SUBLEASE

THIS SUBLEASE (“**Sublease**”) is made as of this 28th day of December, 2017 (the “**Effective Date**”), between the **PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT**, a public instrumentality of the Commonwealth of Pennsylvania and a body corporate and politic (“**Authority**” or “**PAID**”), as Sublandlord and **THE CITY OF PHILADELPHIA**, a body politic and corporate organized under the laws of the Commonwealth of Pennsylvania and acting through its Department of Public Property (“**City**”) as Subtenant.

BACKGROUND

WHEREAS, the Authority, as Tenant, this day has entered into a lease, a copy of which is attached hereto and made a part hereof as **Exhibit “A”** (“**Master Sublease**”) with 400 North Broad Street Master Tenant, LLC (“**Landlord**”) for the entirety of the real property and improvements thereon known as and by the street addresses of 400 N. Broad Street and 1501-1525 Callowhill Street, Philadelphia, Pennsylvania, together with certain other real estate interests, as more particularly described in the Master Sublease (“**Premises**”); and

WHEREAS, the Master Sublease contemplates the subleasing of the Premises by the Authority to the City; and

WHEREAS, the City Council of the City (the “**City Council**”), by Ordinance (Bill No. 170559-A), adopted June 22, 2017, and approved by the Mayor on June 27, 2017 (the “**Ordinance**”) has authorized the execution and delivery of this Sublease and covenanted to budget and make appropriations beginning in Fiscal Year 2018 and in each and every Fiscal Year thereafter in such amounts as shall be required in order to make timely all payments due and payable under the Sublease (subject to the limitations set forth in Exhibit A to the Ordinance); and

WHEREAS, to secure the payment of the Rent as defined and as due under the Master Sublease, the Authority will assign to the Landlord all of its right, title and interest in and to the Authority’s right to receive the payments of the Sublease Rent (as defined herein) due from the City hereunder; and

WHEREAS, Landlord has entered into that certain Master Lease dated of even date hereof (the “**HTC Master Lease**”) with 400 North Broad Partners, L.P., the fee owner of the Premises (“**Owner**”) pursuant to which Owner has agreed to lease the Premises to Landlord on and subject to the terms of the HTC Master Lease; and

WHEREAS, to finance Required Improvements (as defined in the Master Sublease) to the Premises and other Project Costs (as defined in the Master Sublease), Owner intends to obtain a loan from CTL Lending Group, LLC (such lender and any successor-in-interest thereto, and/or any holder of a first mortgage lien encumbering the Premises, a “**Lender**”) in the original principal

amount of approximately \$252,500,000 (the “**Loan**”) pursuant to that certain Loan Agreement between Lender and Owner (“**Loan Agreement**”); and

WHEREAS, to secure payment of its obligations under the Loan Agreement and such other documents evidencing or securing the Loan (“**Loan Documents**”), Owner will assign to Lender all of its right, title and interest in and to this Sublease and the Master Sublease (as each is amended and supplemented from time to time, the “**Project Leases**”), which rights have been assigned to Owner from Landlord pursuant to an Assignment of Rents (Master Tenant) dated of even date hereof, and which rights have been assigned to Landlord from the Authority pursuant to an Assignment of Rents (PAID) dated of even date hereof (except for the Reserved Rights, as defined herein) including the Authority’s right to receive the payments of the Sublease Rent due from the City hereunder; and

WHEREAS, the Authority and the City wish to set forth in writing their agreements as to the subleasing of the Premises.

NOW, THEREFORE, the Authority and the City, intending to be legally bound, covenant and agree, subject to the covenants, terms, provisions and conditions of this Sublease and the Master Sublease, as follows:

1. Sublease; City Approval of Authority Actions.

The Authority does hereby sublease to the City, and the City hereby accepts from the Authority the Premises for the Term (hereinafter defined) in accordance with the terms and conditions of this Sublease. The City hereby assumes all rights, responsibilities, duties and obligations of the Authority under the Master Sublease and agrees to pay and perform same in accordance with the Master Sublease. From and after the date hereof, all actions, approvals and consents from the Authority under the Master Sublease, any Subordination, Non-Disturbance and Attornment Agreement provided to Lender under the Loan, the Assignment of Contracts, Licenses and Permits from the Owner to the Authority and any other assignments, documents or agreements related to the Premises or the Required Improvements to which the Authority is a party, given or granted by the Authority to any party shall first require the written approval or consent by the Director of Finance, Commissioner of Public Property or the Director of Planning and Development on behalf of the City in his or her sole discretion.

2. Term.

The term (“**Term**”) of this Sublease shall be concurrent with the term of the Master Sublease. This Sublease shall only be subject to termination upon termination of the Master Sublease.

3. Possession; Purchase Option.

Subject to the terms and conditions of this Sublease, the City shall have possession of the Premises during all periods in which the Authority is entitled to possession under the Master Sublease.

The City shall be permitted, at the times and subject to the conditions set forth in Section 2(b) of the Master Sublease, to cause the Authority to exercise its option to acquire

the Premises. The Authority agrees to exercise such purchase option for the Premises at the direction of the City and to take all actions required to purchase the Premises, subject only to the City providing, or causing to be provided, sufficient funds for the Authority to pay the purchase price for the Premises pursuant to such option and any reasonable expenses of the Authority incurred in connection with the exercise of such option. Alternatively, upon written request from the City, the Authority agrees to and shall assign its rights to purchase the Premises pursuant to Section 2(b) of the Master Sublease and/or assign its rights under the Option Agreement of Sale (referenced in Section 2(b) of the Master Sublease) to the City.

4. Sublease Rent and Other Payments.

(a) The City shall pay to the Authority, or its designee (including directly to the Landlord or Lender as its assignee), at the address of the Authority set forth in Section 5 of this Sublease, or at such other place as the Authority may from time to time designate in writing, scheduled Minimum Annual Base Rent, as such term is defined in the Master Sublease (the “**Scheduled Minimum Annual Base Sublease Rent**”) and all other sums or charges due and/or payable under the terms of the Master Sublease (the “**Sublease Rent**”), without any setoff or deduction whatsoever, as and when payable under the terms of the Master Sublease, without regard to whether the Authority has any right or ability to avoid or defer payment thereof, for any reason, other than an except as expressly set forth in the Master Sublease. The **Scheduled Minimum Annual Base Sublease Rent** is payable in quarterly installments during the Initial Term as follows:

Within 30 days of the Effective Date	\$2,643,350.21
From March 1, 2018 through and including September 1, 2026	\$3,798,250.00
December 1, 2026	\$1,050,130.42.

(b) The City shall pay the reasonable fees and expenses of the Authority (the “**Administrative Expenses**”) in connection with this Sublease and the Master Sublease and in connection with inquiring into, or enforcing the performance of, the City’s obligations under this Sublease. The Administrative Expenses shall be payable only out of the current revenues of the City, and the City agrees to provide for the payment of the Administrative Expenses and include the same in its annual operating budget for each year to the extent not otherwise provided for. If the current revenues are insufficient to pay the total Administrative Expenses in any Fiscal Year as the same become due and payable, the City covenants to include amounts not so paid in its operating budget for the ensuing Fiscal Year in order to provide sufficient current revenues to pay in each ensuing year such balance due in addition to the amount of Administrative Expenses due for such ensuing year.

(c) The Sublease Rent shall be payable only out of the current revenues of the City, and the City agrees to provide for the payment of the Sublease Rent and include the same in its annual operating budget for each Fiscal Year. If the current revenues are insufficient to pay the total Sublease Rent in any Fiscal Year as the same becomes due and payable, the City covenants to include amounts not so paid in its operating budget for the ensuing Fiscal Year in order to provide sufficient current revenues to pay in each ensuing year such balance due in addition to the amount of the Sublease Rent due for such ensuing year. The City covenants to make appropriations in each of its Fiscal Years in such amounts as shall be required in order to make all Sublease Rent payments due and payable hereunder in each of the City’s Fiscal Years.

(d) The obligation of the City to make the payments required under this Sublease shall be absolute and unconditional. As set forth in the Ordinance, the City will pay without suspension, abatement, reduction, abrogation, waiver or diminution all payments required hereunder regardless of any cause or circumstance whatsoever, which may now exist or may hereafter arise, including, without limitation, any defense, set-off, recoupment or counterclaim which the City may have or assert against the Authority, the Landlord or Lender.

(e) In no event (including default by the Authority under the Master Sublease or an acceleration of the Landlord's payment obligations under the Loan) shall the due dates for payments of the Sublease Rent hereunder be accelerated.

(f) The Authority hereby notifies the City that the Authority's rights to receive the Sublease Rent (except for the rights of the Authority to receive payments of Administrative Expenses and under Section 9 hereof (the "Reserved Rights")), shall be irrevocably assigned by the Authority to the Landlord as security for the Rent due from the Authority under the Master Sublease, and in furtherance of said assignment the Authority hereby irrevocably assigns all payments by the City hereunder (except for the Reserved Rights) to the Landlord for deposit or application in accordance with the Master Sublease. The City hereby consents to such assignment to receive Sublease Rent (except for Reserved Rights) and to the assignment by the Landlord of the Master Sublease to Lender. The Authority consents to the payment by the City of, and directs the City to pay, all such assigned amounts directly to the Landlord, or to the Lender, as directed by the Landlord.

(g) Anything in this Sublease to the contrary notwithstanding, no payments hereunder shall be characterized as debt or deemed to be debt of the City under Article IX of the Constitution of the Commonwealth of Pennsylvania. The City's obligation to make payments to the Authority hereunder is payable from the current general revenues of the City, but shall not constitute a pledge of or a grant of a security interest in the general tax revenues of the City.

5. Notices.

(a) All notices, requests and other communications required under this Sublease ("**Notices**"; each a "**Notice**") must be in writing and must be sent by (1) United States certified mail, return receipt requested, postage prepaid, or (2) hand delivery with receipt obtained, or (3) or by a nationally recognized overnight courier service providing receipted proof of delivery.

(b) Each Notice must be addressed as set forth below or addressed to such other individual and or address as the party to receive Notice may from time to time designate by Notice to the other party in the manner described above:

Landlord:

400 North Broad Street Master Tenant,
LLC
c/o 400 North Broad Partners, L.P.
1033 North Second Street, Suite 2A
Philadelphia, PA 19123

Tenant:

Philadelphia Authority for Industrial
Development
2600 Centre Square West
1500 Market Street
Philadelphia, PA 19102

Attn: Bart Blatstein

And

c/o Tower Investments, Inc.
Attn: Bart Blatstein
1914 Rittenhouse Square
Philadelphia, PA 19103

With a copy to:

599 Lexington Avenue
New York, New York 10022
Attention: Joseph Sarcinella
Telephone: 212-549-0428
Email:jsarcinella@reedsmith.com

and

Three Logan Square, 1717 Arch Street
Philadelphia, Pennsylvania 19103
Attention: Curt Heffler
Telephone:215-815-8186
Email:cheffler@reedsmith.com

Attn: President and CEO

With a copy to:

Philadelphia Authority for Industrial
Development
2600 Centre Square West
1500 Market Street
Philadelphia, PA 19102
Attn: Senior Vice President, General Counsel

Subtenant:

Bridget Greenwald-Collins, Commissioner of
Public Property
Valerie Bergman, Deputy Commissioner of
Capital Projects
Department of Public Property, Capital
Division
1515 Arch Street, 11th Floor
Philadelphia, PA 19102
Emails: Bridget.Greenwald@phila.gov
Valerie.Bergman@phila.gov

Dominique Casimir, Deputy Commissioner
of Real Estate Division
Department of Public Property
1515 Arch Street, 11th Floor
Philadelphia, PA 19102
Email: Dominique.Casimir@phila.gov

Anne Fadullon, Director of Planning and
Development
John Mondlak, Deputy Director of
Development Services
Office of Planning and Development
1515 Arch Street, 13th Floor
Philadelphia, PA 19102
John.Mondlak@phila.gov
Anne.Fadullon@phila.gov
Chief Deputy City Solicitor
Real Estate and Economic Development
Division
City of Philadelphia Law Department
One Parkway Building – 17th Floor
1515 Arch Street
Philadelphia, PA 19102
Attn: Brendan O'Rourke
Email: Brendan.ORourke@phila.gov

City of Philadelphia
Director of Finance
1401 John F. Kennedy Boulevard
MSB – Room 1330
Philadelphia, PA 19102-1693

City of Philadelphia
City Treasurer
1401 John F. Kennedy Boulevard
MSB – Room 640
Philadelphia, PA 19102-1693

Bernard Lee, Esquire
Cozen O'Connor
One Liberty Place
1650 Market Street, Suite 2800
Philadelphia, PA 19103
Email: BLee@Cozen.com

(c) Notice given under this Sublease shall be deemed to have been received (1) in the case of certified mail, on the date received or on the date delivery was refused, or (2) in the case of a hand delivery with receipt obtained, the date indicated on the receipt obtained by the courier, or (3) in the case of overnight delivery, on the date received or on the date delivery was refused.

6. Sublease Subordinate to Master Sublease.

This Sublease is subject to and subordinate to the Master Sublease, and the Authority and the City intend that the terms and conditions of this Sublease shall be identical to the terms and conditions of the Master Sublease, except as to specific matters referred to herein.

Except with regard to the payments as described herein, the obligations of the Authority, as tenant under the Master Sublease, are incorporated herein as the obligations of the City, and the City agrees that it shall be bound by and perform all obligations of the Authority and the Authority shall have all the rights and remedies hereunder which the Landlord has as landlord under the Master Sublease. The City agrees, however, that it shall not be relieved of any obligations set forth herein, explicitly or by reference, by reason of default or failure of the Authority hereunder.

7. Consent of Master Sublease Landlord; Enforcement by Landlord.

By way of its acknowledgement of this Sublease, Landlord consents to this Sublease. In consideration of this consent, the Authority and the City acknowledge and consent to the right of the Landlord to directly enforce the terms of the Master Sublease and this Sublease, by pursuing all remedies available to Landlord in the Master Sublease, or available to the Authority pursuant to this Sublease, including legal and equitable proceedings against the City, to compel performance by the City of its obligations under this Sublease.

8. City Standard Provisions.

Subject to the provisions of Section 7 above, the Authority agrees that in its performance under this Sublease and the Master Sublease it shall comply with all applicable laws, including without limitation, the City Standard Provisions, attached hereto and made a part hereof as **Exhibit “B”** to this Sublease. Failure to do so shall constitute a substantial breach of this Sublease entitling the City to all rights and remedies provided in this Sublease or otherwise available in law or equity, but not the right to terminate this Sublease.

9. Indemnification.

In consideration of the Authority’s undertakings pursuant to this Sublease, the City, to the extent permitted by law, will indemnify, defend and hold harmless PAID and the Philadelphia Industrial Development Corporation (“**PIDC**”) (each an “**Indemnified Party**” and, collectively, the “**Indemnified Parties**”) for any and all losses, claims, suits, administrative or enforcement actions, public or private cost recovery actions, demands, liabilities, damages and/or expenses (including but not limited to reasonable attorneys’ fees and litigation costs), in law or in equity arising out of the City’s use of the Premises during the Term (each a “**Claim**” and, collectively, the “**Claims**”), including but not limited to Claims in connection with loss of life, bodily and personal injury, or damage to property (real or personal regardless of ownership), which may be imposed upon or incurred by or asserted against any Indemnified Party by reason, in whole or in part, of (i) any act or omission of the City with respect to the transaction contemplated herein; (ii) the condition of the Premises or any part(s) thereof whether or not caused by the City; and/or (iii) any act or omission by or on behalf of any Indemnified Party with respect to the Premises; provided, however, that the City shall not be obligated to indemnify an Indemnified Party for Claims that have resulted from such Indemnified Party’s willful misconduct or indemnify an Indemnified Party for Claims that have resulted from such Indemnified Party’s gross negligence; provided that if a court determines that an Indemnified Party has been grossly negligent or acted with willful misconduct, PAID shall pay the City for its costs of defending such portion of the Claim. The City hereby acknowledges and agrees that it is indemnifying the Indemnified Parties for their own negligence. The obligation of the City to indemnify the Indemnified Parties contained in this Section 9 shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for the City under workers’ or workman’s compensation acts, disability benefit acts or other employee benefits acts, or under any other insurance coverage the City may obtain (including self-insurance).

Notwithstanding the foregoing, the City shall not have any obligation under this Section 9 unless the City has been given prompt and timely written notice of the filing of the Claim and has been able to participate as a party in any litigation and/or settlement of the Claim, in its sole discretion, with counsel of its own choosing.

Nothing herein shall be construed as a waiver of those rights, defenses, immunities, and limitations on damages available to the City and/or PAID pursuant to the Pennsylvania Political Subdivision Tort Claims Act, Act of October 5, 1980, P.L. 693, No. 142, (42 Pa.C.S.A. §§ 8501 *et. seq.*) (the “**Act**”), and the indemnification provided herein shall be limited as provided in the Act.

The provisions of this Section 9 shall survive the expiration or earlier termination of this Sublease.

10. Authority Audits.

The Authority shall furnish to the City, upon request, a copy of its annual audited financial statements, and, if requested, shall permit any duly authorized representative of the City to make reasonable examinations of its accounts and records relating to the Premises, this Sublease and the Master Sublease.

11. Sovereign Immunity.

Notwithstanding other provisions of this Sublease, this Sublease does not waive any of the City's rights, remedies, and defenses under the Pennsylvania Political Subdivision Tort Claims Act, 42 Pa.C.S.A. §§ 8501 et seq. The City agrees, however, that it will not assert any immunity it may have as a governmental entity against lawsuits with respect to the enforcement of the Master Sublease or this Sublease.


12. Counterparts; Capitalized Terms.

This Sublease may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute but one and the same instrument. Capitalized terms used in this Sublease and not defined in this Sublease shall have the meanings given to them in the Master Sublease.

[Remainder of page left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written and intend to be legally bound thereby.

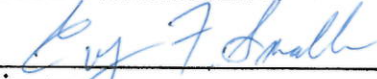
Approved as to Form:

By: 
Ilene Burak, Esquire
Senior Vice President, General Counsel
Philadelphia Industrial Development
Corporation

Date: 12/18, 2017

AUTHORITY:

PHILADELPHIA AUTHORITY FOR
INDUSTRIAL DEVELOPMENT

By: 
Chairman

Date: 12-18, 2017

Approved as to Form:

By: _____
Brendan O'Rourke
Chief Deputy City Solicitor

Date: _____, 2017

THE CITY OF PHILADELPHIA, acting through its
Department of Public Property

By: _____
Bridget Collins-Greenwald,
Commissioner

Date: _____, 2017

Acknowledgement and Consent
400 North Broad Street Master Tenant, LLC

By: _____
Name: _____
Title: _____

[Signature Page for City Sublease]

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written and intend to be legally bound thereby.

Approved as to Form:

By: _____
Ilene Burak, Esquire
Senior Vice President, General Counsel
Philadelphia Industrial Development
Corporation

Date: _____, 2017

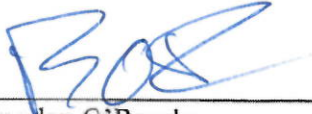
AUTHORITY:

PHILADELPHIA AUTHORITY FOR
INDUSTRIAL DEVELOPMENT

By: _____
Chairman

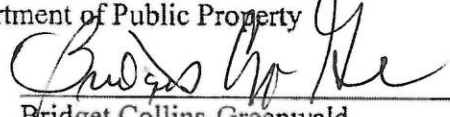
Date: _____, 2017

Approved as to Form:

By: 
Brendan O'Rourke
Chief Deputy City Solicitor

Date: 12/28, 2017

THE CITY OF PHILADELPHIA, acting through its
Department of Public Property

By: 
Bridget Collins-Greenwald,
Commissioner

Date: 12/28, 2017

Acknowledgement and Consent
400 North Broad Street Master Tenant, LLC

By: _____
Name: _____
Title: _____

[Signature Page for City Sublease]

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written and intend to be legally bound thereby.

Approved as to Form:

By: _____
Ilene Burak, Esquire
Senior Vice President, General Counsel
Philadelphia Industrial Development
Corporation

Date: _____, 2017

AUTHORITY:

PHILADELPHIA AUTHORITY FOR
INDUSTRIAL DEVELOPMENT

By: _____
Chairman

Date: _____, 2017

Approved as to Form:

By: _____
Brendan O'Rourke
Chief Deputy City Solicitor

Date: _____, 2017

THE CITY OF PHILADELPHIA, acting through
its Department of Public Property

By: _____
Bridget Collins-Greenwald,
Commissioner

Date: _____, 2017

Acknowledgement and Consent
400 North Broad Street Master Tenant, LLC

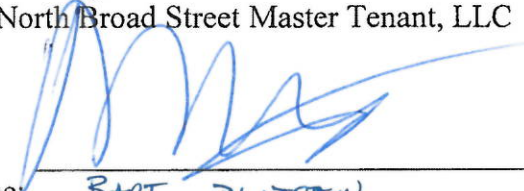
By: 
Name: BART BLATSTEIN
Title: MANAGING MEMBER

EXHIBIT A

MASTER SUBLEASE

[A complete copy of the Master Sublease, dated the same date as this Sublease is available in the respective files of the Authority (PAID) and the City of Philadelphia.]

EXHIBIT B

CITY STANDARD PROVISIONS

1. Defined Terms

Capitalized terms used in this Exhibit and not defined herein shall have the meanings ascribed to them in the Master Sublease or this Sublease, as applicable. Reference in this Exhibit to the “**City**” shall mean the City of Philadelphia, in its municipal capacity.

2. Standard Provisions.

(a) Sovereign Immunity. Notwithstanding other provisions of the Master Sublease and this Sublease, the Master Sublease and this Sublease do not waive any of the Authority’s or the City’s (as Subtenant under this Sublease) rights, remedies, and defenses under the Pennsylvania Political Subdivision Tort Claims Act, 42 Pa.C.S.A. §§ 8501 et seq; it being agreed, however, that the Authority and the City will not assert any immunity it may have as a governmental entity against lawsuits with respect to the enforcement of the Master Sublease and this Sublease.

(b) Prohibition Against Reimbursement of Employee Expenses Associated with the Use of Exclusionary Private Organizations. In accordance with Chapter 17-400 of the Philadelphia Code, Landlord agrees that its payment or reimbursement of membership fees or other expenses associated with participation by its employees in an exclusionary private organization, insofar as such participation confers an employment advantage or constitutes or results in discrimination with regard to hiring, tenure of employment, promotions, terms, privileges or conditions of employment on the basis of race, color, sex, sexual orientation, religion, national origin or ancestry, constitutes a substantial breach of this Lease entitling the Authority to all rights and remedies provided in the Master Sublease or otherwise available at law or in equity. Landlord agrees to cooperate with the Commission on Human Relations of the City of Philadelphia in any manner which the Commission deems reasonable and necessary for the Commission to carry out its responsibilities under Chapter 17-400 of the Philadelphia Code. Landlord’s failure to so cooperate shall constitute a substantial breach of the Master Sublease entitling the Authority or the City as Subtenant under this Sublease to all rights and remedies provided in the Master Sublease or this Sublease or otherwise available at law or in equity.

(c) Non-Discrimination; Fair Practices. This Sublease is entered into under the terms of the Philadelphia Home Rule Charter, the Fair Practices Ordinance (Chapter 9-1100 of the Code) and the Mayor’s Executive Order No. 04-86 (the “Executive Order”), as they may be amended from time to time, which together articulate policies against discrimination which have been adopted by the Authority and the City, acting as Subtenant under this Sublease contemplated by the Master Sublease, including in their respective contractual relationships with third parties. Therefore, in performing the Master Sublease, Landlord agrees that it shall not discriminate or permit discrimination against any individual because of race, color, religion, ancestry or national origin, sex, gender identity, sexual orientation, age or disability. Nor shall Landlord discriminate or permit discrimination against individuals in employment, housing and real property practices, and/or public accommodation practices whether by direct or indirect practice of exclusion, distinction, restriction, segregation, limitation, refusal, denial, differentiation or preference in the

treatment of a person on the basis of actual or perceived race, ethnicity, color, sex, sexual orientation, gender identity, religion, national origin, ancestry, age, disability, marital status, source of income, familial status, genetic information or domestic or sexual violence victim status, Human Immunodeficiency Virus (HIV) infection, or engage in any other act or practice made unlawful under the Charter, Chapter 9-1100, the Executive Order, or under the nondiscrimination laws of the United States or the Commonwealth of Pennsylvania. Landlord's breach of this Subsection will constitute a default by Landlord and entitle the Authority or the City as Subtenant under this Sublease, to all rights and remedies provided in the Master Sublease or this Sublease or otherwise available at law or in equity.

(d) Non-Indebtedness to City. By executing the Master Sublease, Landlord represents and warrants to Tenant and the City, acting as Subtenant under this Sublease, that Landlord and Landlord's parent company(ies), subsidiary(ies) or affiliate(s), if any, are not currently indebted to the City, and will not during the Term or Renewal Term, if any, of the Master Sublease be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no payment plan satisfactory to the City has been established. Landlord acknowledges that any breach or failure to conform to this representation and warranty, at the option and direction of the Authority, or the City, acting as Subtenant will entitle the Authority, or the City, acting as Subtenant, to pursue remedies available at law, but not the right to terminate the Master Sublease or this Sublease. Prior to commencing the Required Improvements, Landlord agrees to provide to the Authority and the City a list of the contractors and subcontractors, including without limitation its architects, it will utilize to perform the Required Improvements at the Premises so that the City can ensure that such contractors, subcontractors and architects are not indebted to the City, or if indebted to the City, they have entered, or will enter into a payment plan satisfactory to the City.

(e) No Gifts to City Officials/Employees.

(i) Pursuant to Executive Order No. 10-16, issued by the Mayor of Philadelphia, no City official or employee in the Executive and Administrative branch of City government shall solicit or accept, directly or indirectly, a "Gift" (as defined below) from a person who, at the time, or within twelve (12) months preceding the time a Gift is received:

(1) is seeking, or has sought, official action from that officer or employee;

(2) has operations or activities regulated by the officer's or employee's department, agency, office, board or commission, or, in the case of members of the Mayor's Cabinet, has operations or activities that are regulated by any department, agency, office, board or commission within the Executive and Administrative branch;

(3) has a financial or other substantial interest in acts or omissions taken by that officer or employee, which the officer or employee is able to affect through official action; or

(4) is a "Registered Lobbyist" (as defined below).

(ii) Landlord understands and agrees that if it offers anything of value to any City official or employee under circumstances the receipt of which would violate Executive Order No. 10-16, Landlord shall be subject to sanctions with respect to future City contracts. Such sanctions may range from disqualification from participation in a particular contract to debarment or loss of financial assistance, depending on the nature of the violation. In addition, Landlord's breach of this Subsection will constitute a default by Landlord and entitle the Authority or the City as Subtenant under this Sublease, to all rights and remedies provided in the Master Sublease, this Sublease or otherwise available at law or in equity.

(iii) As used in this Subsection, "Gift" means a payment, subscription, advance, forbearance, rendering or deposit of money, services entertainment, invitation, food, drink, travel or lodging or anything of value given to, or for the benefit of , a City officer or employee, unless consideration of equal or greater value is received. "Gift" shall not include a political contribution otherwise reportable as required by law, a commercially reasonable loan made in the ordinary course of business, such as a home mortgage loan, or a gift received from a family member of the officer or employee.

As use in this Subsection, "Registered Lobbyist" means any person that engages in lobbying on behalf of a principal for economic consideration, and is registered as such, pursuant to the requirements of Section 20-1202 of The Philadelphia Code, including an attorney at law while engaged in lobbying.

3. Project Labor Agreement. The Required Improvements shall be performed by Design Builder in accordance with the Project Labor Agreement executed by Design Builder or its contractor, attached to the Master Sublease.

4. Economic Opportunity Plan. The Required Improvements shall be performed by Design Builder or its contractor in compliance with the Economic Opportunity Plan approved by City Council and executed by Landlord, a copy of which is attached to the Master Sublease.

5. Percent for Public Art. It is contemplated that the Required Improvements will comply with the Percent for Public Art Program of the Subtenant and that Landlord and the Authority will work with the City's Office of Arts, Culture and Creative Economy and the Philadelphia Art Commission on a program.