

COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Lease") is made as of this 1st day of December 2017, by and between Annandale Holdings, LLC, a Maine limited liability company with a place of business in Portland, Maine (the "Landlord") and Tsunami Tattoo, Inc., a Maine corporation with a place of business in Portland, Maine (the "Tenant").

WITNESSETH:

WHEREAS, Landlord owns land and a building located at 583 Forest Avenue, Portland, Maine ("the Building"); and

WHEREAS, Landlord desires to enter in to a Triple Net Lease with Tenant for the Building pursuant to the terms of this Lease; and

WHEREAS, Landlord desires to permit Tenant to sub-lease portions of the Building.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and intending to be legally bound hereby, Landlord and Tenant hereby agree with each other as follows:

1. **BUILDING LEASED.** Tenant shall lease from Landlord all the land and the entire building located at 583 Forest Avenue, Portland, Maine ("Building") to: (a) use the second and third floors as a tattoo shop business; (b) use as common space with sub-tenants the Entryway, Hallway and 1st Floor Bathrooms; (c) sub-lease the entire 1st Floor of the Building for use as commercial office space and/or similar usage; and (d) use or sub-lease the available parking spaces.
2. **TERM & RENEWAL.** The term of this Lease shall be ten (10) years commencing on December 1, 2017 (the "Commencement Date"), and ending on December 31, 2027 (the "Termination Date"), unless earlier terminated as provided herein. Tenant shall have the right to renew this Lease for one (1) additional term of ten (10) years without negotiating and executing a new written Lease with Landlord.
3. **RENT & UTILITIES.** Tenant covenants and agrees to pay Rent, without deduction or set-off, in the amount of \$1,600 per month commencing on the first day of each month during the term hereof. If Tenant does not pay the Rent within seven (7) days of the date when such amount is due pursuant to the terms of this Lease, then Landlord, in its sole discretion, may charge, in addition to any other remedies it may have, a late charge for each month or part thereof that Tenant fails to pay the amount due after the due date, which late charge shall be in the amount of five (5%) percent of the unpaid amount.
4. **UTILITIES.** During the initial term and any renewal term of this Lease, Tenant shall be responsible for paying all the costs associated with all utilities or services that are metered or supplied directly to the Building, as well as sign all agreements and make all deposits related to such services.
5. **USE OF BUILDING.** Tenant shall only use the Building for the purpose set forth in Section 1 herein and for ancillary purposes consistent with and in a manner that shall not, in any

manner whatsoever (in whole or in part), violate any local, state or federal laws, regulations or ordinances applicable to Tenant's business operation(s). Tenant will not use or permit the use of the Building for any other business or purpose, without the prior written consent of the Landlord, which consent Landlord may withhold in its sole and absolute discretion.

6. MAINTENANCE AND REPAIR.

(a) Tenant covenants and agrees that it shall be solely responsible for all expenses associated with owning, maintaining and/or operating the Building.

(b) It is agreed and understood that there are no limitations to Tenant's triple net lease requirements contained in Section 6(a) herein, including, without limitation, payment of property taxes, repairs, maintenance and replacement of all the common areas, including the entryway, hallway and first floor bathrooms, interior, exterior and structural components of the Building, including the roof, windows, load-bearing walls and foundation, lawn and driveway maintenance, plowing and snow removal, throughout the term of this Lease and any renewal term.

(c) Tenant covenants and agrees that the Building shall at their sole expense be kept in a clean, sanitary and safe condition, including, without limitation, all costs and expenses for providing all janitorial services necessary to keep the Building in a clean or orderly condition.

(d) At the expiration of the Term and any extension thereof, except as otherwise set forth herein, Tenant shall surrender the Building to Landlord in the condition required by this Section and other provisions of this Lease. Tenant shall remove all its trade fixtures, as provided herein, before surrendering the Building. Tenant shall repair any damage to the Building caused by removal of such trade fixtures, alterations or improvements.

(e) Tenant acknowledges that Landlord shall have no obligation, in any manner whatsoever, to make any improvements or alterations to the Building or any part thereof, at any time during the term of this Lease or any renewal term. Tenant shall be responsible for securing all necessary permits and approvals required for its use of the Building, if any, including an occupancy permit.

7. SIGNS, FIXTURES & ALTERATIONS.

(a) Tenant shall not make or cause to be made any structural or non-structural alterations, changes additions or improvements to the Building, including signs advertising Tenant's business upon the Building, without first obtaining Landlord's prior written approval and consent. Landlord's consent shall not be unreasonably withheld or delayed. Tenant shall in all cases present to Landlord reasonably detailed plans and specifications for any work, alteration, addition or improvement a commercially reasonable amount of time prior to when approval is requested. All such alterations and improvements shall be made in a good and workmanlike manner using only new first-class materials, and shall be in compliance with all federal, state and local ordinances and regulations. Tenant shall not allow any mechanic's or similar liens to attach to the Building or Building, and shall indemnify and hold Landlord harmless from and against all liability or cost in connection with the filing of any such liens (without limiting any other indemnification provision of this Lease). Tenant shall obtain and maintain all necessary federal, state, and local governmental permits and approvals for any such work, and for the installation and display of any signage. All signs shall comply with the City of Portland codes, ordinances and regulations.

(b) All non-structural alterations, decorations, trade fixtures made or installed by Tenant (except all utility fixtures, door mechanisms and the like permanently affixed to the Building by Tenant, which shall automatically become part of the Building without payment therefor by Landlord) shall remain the property of Tenant for the term of this Lease, or any extension thereof. Except as otherwise set forth herein, upon expiration of the term and so long as Tenant is not in default hereunder, Tenant shall remove all such alterations, decorations, trade fixtures and restore the Building as provided in Section 7 above. If Tenant fails to remove such alterations, decorations, signs and trade fixtures, and to restore the Building as aforesaid, then upon the expiration of this Lease, or any extension thereof, and upon Tenant's removal from the Building, all said alterations, decorations, signs and trade fixtures shall at the option of Landlord become the property of Landlord without payment or further documentation. Notwithstanding the foregoing, Tenant agrees that, if on termination of this Lease by expiration or otherwise, Tenant shall fail to remove any of its property from the Building as provided for herein, Landlord shall be authorized, in its sole option, and in Tenant's name and on its behalf, to cause such property to be removed and placed in storage for the account and at the expense of Tenant. Prior to the removal of such property, the Landlord may charge the Tenant a fair rental amount for the storage of such property, which rental may at Landlord's election be the holdover rent provided for elsewhere in this Lease.

8. INSURANCE.

(a) Tenant agrees to take out and continuously maintain during the term of this Lease and any renewal thereof comprehensive general liability insurance covering claims that may be made against Landlord for damage to property or injury or death of persons by reason of or in any way arising from occurrences on, about or with respect to the Building, with a minimum of One Million Dollars (\$1,000,000.00) combined single limit coverage, on an occurrence basis, or in such additional amounts as are from time to time determined by Landlord to be reasonable and customary in the Greater Portland, Maine market area for similar properties. Such policy shall be for the benefit of Landlord, as additional insured, and shall also name Landlord's lender as additional insured upon Landlord's request. Such policy shall contain a provision requiring that written notice be given to Lessor not less than ten (10) days prior to cancellation, expiration or alteration of the policy. Lessee agrees to deliver certificates of such insurance to Lessor at the beginning of the term hereof and thereafter not less than thirty (30) days prior to the expiration of any such policy.

(b) Whenever and so long as Tenant is performing any construction work or alteration work at or on the Building, Tenant shall procure builder's risk insurance on a completed value form and all-risk basis with a replacement cost provision. Tenant shall also maintain in effect Worker's Compensation Insurance in amounts required by applicable law.

(c) Tenant agrees that it shall keep its property, including, but not limited to leasehold improvements, fixtures, merchandise and equipment, insured against loss or damage by fire or other casualty with the usual extended coverage endorsements. It is hereby acknowledged and agreed that Tenant assumes all risk of damage to its own property arising from any cause, including, without limitation, loss by theft or otherwise, excepting from this sentence any loss or damage suffered that is caused by Landlord's negligent or malicious acts or omissions.

(d) Tenant and Landlord agree that neither Tenant's nor Landlord's insurance company (if any) shall have a right of subrogation against the other party on account of any loss

or damage to any Building or structure or other property or liability for personal injury. Tenant shall obtain a waiver of subrogation from its insurance companies for this specific purpose.

9. INDEMNIFICATION. Except to the extent caused by the negligent acts or omissions of Landlord, its agents, servants or employees, Tenant shall defend and indemnify Landlord and save it harmless from and against any and all claims, actions, damages, liability and expense (including, but not limited to, reasonable attorneys' fees and disbursements) incurred or suffered by Landlord in connection with the loss of life, bodily injury, personal injury or damage to property arising in whole or in part from any act or omission of Tenant, its agents, servants, employees, invitees, contractors, subcontractors, subtenants, licensees or concessionaires, or its or their respective agents, servants or employees in connection with the occupancy or use by Tenant of the Building or the operation thereof by Tenant. Tenant also agrees to waive any applicable Worker's Compensation immunity as it relates to such indemnification. Tenant shall pay all costs, expenses and reasonable attorneys' fees that may be expended or incurred by Landlord in enforcing the provisions of this sub-section of this Lease. The provisions of this sub-section of the Lease shall survive the termination or earlier expiration of the term of this Lease.

10. ESTOPPEL CERTIFICATE, SUBORDINATION AND ATTORNMENT.

(a) At any time and from time to time, within seven (7) business days of written request by Landlord or any mortgagee, Tenant agrees to deliver to any proposed mortgagee or purchaser, or to Landlord, a written statement based upon the best of Tenant's then-current knowledge (but with such changes as are necessary to accurately reflect the then-current status of such matters): (i) ratifying this Lease; (ii) confirming the commencement and expiration dates of the term of this Lease; (iii) certifying that Tenant is in occupancy of the Building, and that this Lease is in full force and effect and has not been modified, assigned, supplemented or amended except by such writings as shall be stated, and, if requested by any mortgagee, agreeing not to amend or modify (except to the extent Tenant expressly has the right to do so hereunder) this Lease without mortgagee's written consent; (iv) certifying that all conditions and agreements under this Lease to be satisfied or performed by Landlord have been satisfied and performed except as shall be stated; (v) certifying that Landlord is not in default under this Lease and there are no defenses or offsets against the enforcement of this Lease by Landlord, or stating the defaults and/or defenses claimed by Tenant; (vi) reciting the amount of advance rent, if any, paid by Tenant and the date to which such rent has been paid, and, if requested by any mortgagee, agreeing not to prepay rent more than 30 days in advance; (vii) reciting the amount of security deposited with Landlord; and (viii) any other information which Landlord or the mortgagee may reasonably request. Upon the failure of Tenant to execute, acknowledge and deliver to Landlord and/or any mortgagee a statement in accordance with the provisions of this paragraph within the period set forth, Landlord shall provide written notice to Tenant, explicitly referencing this paragraph, of Tenant's failure to comply with this paragraph and provide Tenant an additional two (2) business days to comply with this paragraph. The failure of Tenant to execute, acknowledge and deliver to Landlord and/or any mortgagee a statement in accordance with the provisions of this paragraph within both periods set forth shall be a default under this Lease (i.e., the notice and cure period set forth in Section 16 below shall be inapplicable).

(b) Tenant agrees that this Lease is, and all of Tenant's rights hereunder are and shall always be subject to and subordinate to any mortgage pursuant to which Landlord has or shall retain the right of possession of the Building, or any security instrument that may in the future exist upon

the Building or any part thereof, and any extensions, renewals or amendments thereof, and any replacements thereof (collectively, the "Mortgage"); that if the holder of any such Mortgage ("Mortgagee") or if the purchaser at any foreclosure sale, or at any sale under a power of sale contained in any Mortgage shall so request, Tenant will attorn to, and recognize such Mortgagee or purchaser, as the case may be, as landlord under this Lease for the balance then remaining of the term of this Lease; and that the aforesaid provisions shall be self-operative, and no further instrument shall be necessary to evidence the same unless required by any such Mortgagee or purchaser. Tenant further agrees at the request of Landlord or any Mortgagee to evidence such subordination to any current or future Mortgage placed upon the Building or any part thereof by Landlord and, if required by the Mortgagee, to agree not to prepay rent more than thirty (30) days in advance, and to provide the Mortgagee with notice of and commercially reasonable opportunity to cure any defaults by Landlord provided that the Mortgagee is diligently pursuing such cure, and not amend or modify this Lease with the Mortgagee's written consent.

11. Limitation of Lessor's Liability. Lessee agrees to look solely to Lessor's interest in the Building or Lessor's insurance coverage thereon for recovery of any judgment from Lessor. Moreover, notwithstanding anything to the contrary contained in this Lease, Tenant agrees (i) that Landlord's members, managers, officers, employees and agents shall never be personally liable for any such judgment, and Tenant hereby waives all claims against such persons, and (ii) that Tenant shall have no recourse to and no judgment obtained by Tenant shall be satisfied with any cash distributions made by Landlord to its principals, regardless of when such distributions are made.

12. ASSIGNMENT AND SUBLETTING.

(a) Tenant shall be permitted to not be permitting assign this Lease but shall be permitted to sublet the Building or any part thereof without the prior written consent of Landlord, which may not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, Landlord may reject the proposed assignment or sublease for any of the following reasons:

(i) Landlord in the case of a proposed assignment of this Lease elects to recapture the Building and terminate this Lease as of the effective date of the proposed assignment (such agreement to provide for the release of Tenant and Landlord from any obligation under this Lease effective as of the lease termination date), or

(ii) The proposed use of the Building after assignment or sublet is materially different from the use permitted under this Lease; or

(iii) The proposed assignee or subtenant does not have a financial condition reasonably acceptable to Landlord; or

(iv) Tenant does not agree and acknowledge in a written agreement satisfactory to Landlord their continuing and full obligations and liabilities to Landlord under this Lease notwithstanding the consummation of the proposed assignment or subletting; provided, however, that in the case of a proposed assignment of this Lease by Tenant to a subsidiary, parent or affiliated company of Tenant, or a corporation or other business entity formed as a result of a merger or consolidation with Tenant, or a corporation or other business entity that

purchases the business of Tenant conducted at the Building as a going concern, Landlord shall not require the Tenant to remain liable on this Lease.

(b) Tenant agrees to pay to Landlord, on demand, reasonable costs incurred by Landlord in connection with any and all requests made by Tenant for Landlord to consider and consent to any assignment or subletting by Tenant, including Landlord's reasonable attorneys' fees and expenses related thereto.

13. SECURITY DEPOSIT. Tenant has deposited with Landlord the sum of \$0.00 as security for the performance or observance by Tenant of the obligations on the part of Tenant to be performed hereunder. Landlord shall have the right, without notice of Tenant, and regardless of the exercise of any other remedy Landlord may have by reason of a default, to apply all or a part of said deposit to cure any default of Tenant. If Landlord so applies all or a part of said deposit to cure any default, Tenant shall upon receipt of notice from Landlord, deposit with Landlord the amount so applied so that Landlord shall have the full amount of the security at all times during the term of the Lease. The amounts deposited hereunder shall be returned to Tenant upon termination of this Lease, provided there are at that time no current defaults under this Lease. No interest shall be earned on the security deposit.

14. DAMAGE OR DESTRUCTION BY FIRE OR OTHER CASUALTY.

(a) If the Building, or any part thereof, shall be damaged by fire, the elements, or other casualty, then Tenant shall give notice thereof to Landlord within twenty-four (24) hours of such occurrence, and except as hereinafter otherwise provided, and subject to the provisions of any mortgage(s) given by Landlord encumbering the Building, Landlord shall commence within thirty (30) days after the date of Landlord's actual receipt of insurance proceeds related thereto to repair the Building and shall thereafter prosecute the completion of such repair with due diligence. Landlord and Tenant agree that they will promptly and diligently pursue any applicable insurance proceeds that may be due in connection with any aforementioned occurrence. If the damage to the Building shall render the whole or any part thereof unusable for Tenant's use, a just proportion of the Rent, according to the nature and extent of the damage to the Building, shall be abated from the date of such damage until the Building or such part thereof shall be restored for the use and occupation of Tenant. Tenant shall promptly and fully cooperate in Landlord's efforts to collect insurance proceeds.

(b) Upon commencement of any repair and restoration by Landlord, Tenant shall, at its expense, promptly commence repair and replacement of all trade fixtures, equipment, signs and other property installed by or belonging to Tenant which shall have been damaged or destroyed and shall complete the same with due diligence. Landlord shall not be liable for any inconvenience or annoyance to Tenant, or for any injury or interruption to the business of Tenant resulting from any casualty, Landlord's repair or restoration work or delays related thereto so long as Landlord is diligently pursuing restoration and repair in a commercially reasonable manner.

(c) If Landlord undertakes repair or restoration work under this Section and greater than fifty (50%) percent of the Building remains untenable, inaccessible, or otherwise unsuitable for the permitted use on account of fire or other casualty, then Landlord shall within thirty (30) days of the damage or destruction provide Tenant with a determination made by its contractor or other reliable third party as to how long the repair or restoration work will take to complete (such notice, "Landlord's Repair Estimate Notice"). If such determination indicates that it will take more than

180 days from the date of Landlord's Repair Estimate Notice to substantially complete the repair or restoration work, then Tenant shall have the right to terminate this Lease by written notice to Landlord, which notice shall be effective only if received by Landlord within fifteen (15) days from the date of Landlord's Repair Estimate Notice. If Tenant does not terminate this Lease, or less than 50% of the Building remains untenable, inaccessible or otherwise unsuitable for the permitted use on account of fire or other casualty, then, subject to the force majeure provisions of this Lease, Landlord shall undertake the repair or restoration work in accordance with the terms of this Section 17.

(d) Force Majeure. Neither Tenant nor Landlord shall in any event be liable for failure to perform any of its obligations under this Lease (with the specific exception of Tenant's liability, covenant and obligation to pay Rent and other charges hereunder and Tenant's obligation to maintain insurance coverages, which shall not be subject to the terms of this provision) when prevented from so doing by strike, lockout, breakdown, accident, order or regulation of or by any governmental authority, or failure of supply, or inability by the exercise of reasonable diligence to obtain supplies, parts, or employees necessary to furnish such services, or because of flood, earthquake, lightning, act of God, war or other emergency, or for any other cause beyond Landlord's or Tenant's, as the case may be, reasonable control, or for any other cause due to any act or neglect of the other party, or that party's servants, agents, employees, licensees, or any person claiming by, through or under that party.

15. EMINENT DOMAIN.

(a) If the whole of the Building shall be acquired or condemned by eminent domain, then this Lease shall cease and terminate as of the date of such taking or purchase and all rent shall be paid up to that date and Tenant shall have no claim against Landlord nor the condemning authority for the value of any unexpired term of this Lease and Tenant hereby releases same, provided, however, that Tenant shall have the right to claim and recover from the condemning authority only such compensation or damages as may be separately awarded or recoverable by Tenant on account of any and all damage to Tenant's leasehold improvements, equipment, fixtures or other tangible personal property by reason of the condemnation and for or on account of any cost or loss suffered by Tenant in removing Tenant's leasehold improvements, equipment, fixtures or other tangible personal property.

(b) If any part of the Building shall be acquired or condemned or purchased as aforesaid and in the event that the Landlord and Tenant reasonably conclude that such partial taking or condemnation or purchase shall render the Building unsuitable for the business of Tenant (taking into account the possibility of reconfiguration of the Building), then this Lease shall cease and terminate as of the date of such taking or purchase. Tenant shall have no claim against Landlord or the condemning authority for the value of any unexpired term of this Lease, with the exception of the rights enumerated in subparagraph (a) above, and the rent shall be adjusted to the date of such termination. In the event of a partial taking or condemnation or purchase which is not extensive enough in Landlord's and Tenant's reasonable opinion to render the Building unsuitable for the business of Tenant, then Landlord shall commence within thirty (30) days after Landlord's receipt of the proceeds due to such taking, condemnation or purchase to repair, reconfigure or restore the Building to the extent reasonably necessary to render the remaining portions of the Building suitable for the purposes for which the Building were leased and to reconfigure, as reasonably necessary the remaining portion of the Buildings to a complete architectural unit, provided that such work shall not exceed the scope and quality of the work originally required in the construction of such

Buildings, less the portion lost in the taking or purchase. Landlord shall thereafter prosecute the completion of such efforts with due diligence subject further to delays resulting from any force majeure events, this Lease shall continue in full force and effect, and the Rent payable hereunder from and after said taking or purchase shall bear the same proportion to the full Rent due hereunder that the fair market value of the remaining part of the Building bears to the fair market value of the Building prior to the taking or purchase. If, during the course of such restoration, Tenant is deprived of the use of any or all of the Building, the Rent shall be abated during the period of deprivation in proportion to the portion of the Building made untenable. Landlord's efforts to restore hereunder shall be further subject to and expressly limited by the restrictions, ordinances, requirements and regulations imposed or enacted by duly constituted public authorities and to the amount and availability of the condemnation proceeds. *Provided, however*, that notwithstanding the foregoing or anything else in the Lease to the contrary, if after the beginning of the tenth (10th) Lease Year, or after the beginning of the fifteenth (15th) and twentieth (20th) Lease Year (if this Lease is renewed), as the case may be, there occurs an event of a partial taking or condemnation or purchase that requires under this Section 18 that the Building be restored and/or reconfigured and such taking or condemnation results in an impact on the Building that is the equivalent of twenty-five percent (25%) or more of their insurable value, Landlord may nonetheless, if it shall so elect, terminate this Lease by notice to Tenant within ninety (90) days after the date of the actual taking and this Lease shall thereupon terminate, a just proportion of the rent shall be apportioned from the date of such taking to the date of termination; and no Rent shall be due and payable from and after the date of termination.

(c) Upon commencement of any repair and restoration by Landlord, Tenant shall, at its expense, promptly commence repair and replacement of all trade fixtures, equipment, signs and other property installed by or belonging to Tenant which shall have been damaged or destroyed or shall be in need of reconfiguration and shall complete the same with due diligence. Landlord shall not be liable for any inconvenience or annoyance to Tenant, or for any injury or interruption to the business of Tenant resulting from any casualty, Landlord's repair or restoration work or delays related thereto so long as Landlord is diligently pursuing restoration and repair.

(d) If Landlord undertakes repair or restoration work under this Section and greater than fifty (50%) percent of the restored and/or reconfigured Building remains untenable, inaccessible, or otherwise unsuitable for the permitted use, then Landlord shall within thirty (30) days of the taking or condemnation provide Tenant with a determination made by its contractor or other reliable third party as to how long the repair or restoration work will take to complete (such notice, "Landlord's Repair Estimate Notice"). If such determination indicates that it will take more than 180 days to substantially complete the repair or restoration work, then Tenant shall have the right to terminate this Lease by written notice to Landlord, which notice shall be effective only if received by Landlord within fifteen (15) days from the date of Landlord's Repair Estimate Notice. If Tenant does not terminate this Lease, or less than 50% of the Building remains untenable, inaccessible or otherwise unsuitable for the permitted use on account of the taking or condemnation, then, subject to the force majeure provisions of this Lease, Landlord shall undertake the repair or restoration work in accordance with the terms of this Section 18. In the event of such termination, Tenant shall have no claim against the Landlord nor the condemning authority for the value of any unexpired term of this Lease and Tenant hereby releases same, provided, however, that Tenant shall have the right to claim and recover from the condemning authority only such compensation or damages as may be separately awarded or recoverable by Tenant on account of any and all damage to Tenant's leasehold improvements, equipment, fixtures or other tangible personal property by reason of the condemnation and for or on account of any cost or loss suffered by Tenant in

removing Tenant's leasehold improvements, equipment, fixtures or other tangible personal property.

16. DEFAULT.

(a) If:

(i) Tenant shall fail to cure any default in the performance of any of its non-monetary covenants, agreements or obligations hereunder within twenty-one (21) days of written notice of default from Landlord; provided that so long as Tenant has diligently commenced cure within said twenty-one (21) days and has been unable to complete same within said twenty-one (21) days, Tenant shall have such additional time as is necessary to cure but in no event beyond ninety (90) days from Landlord's notice, provided that Tenant promptly commences cure and diligently pursues such cure to completion during such period; or

(ii) Tenant shall fail to cure any monetary default (e.g., failure to pay Rent, or other charges due hereunder) or any default in its obligation to maintain or provide insurance within seven (7) days of written notice thereof (provided, however, that Tenant shall not be entitled to such notice and cure period and Tenant shall be considered in default immediately without any notice or cure period upon failure to pay any rental amount in the event Tenant has defaulted in any rental payment obligation and failed to cure such default within the foregoing applicable cure period more than two (2) times in any Lease Year), or

(iii) Tenant shall make any assignment for the benefit of creditors or shall apply for or consent to the appointment of a receiver for itself or any of its property; or

(iv) Tenant shall be adjudged an involuntary bankrupt, or a decree or order for reorganization under the federal bankruptcy laws as now or hereafter amended, or under the laws of any state, shall be entered against Tenant, and any such decree or judgment or order shall not have been vacated or set aside within sixty (60) days from the date of the entry or granting thereof; or

(v) Tenant shall file or admit the jurisdiction of the court and the material allegations contained in any petition in bankruptcy or any petition pursuant to, or purporting to be pursuant to, the federal bankruptcy laws as now or hereafter amended, Tenant shall institute any proceedings for any relief under any bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment of indebtedness, reorganization, arrangements, composition or extension; or

(vi) Tenant's leasehold interest hereunder shall be taken on execution; or

(vii) A decree or order appointing a receiver of all or substantially all of the property of Tenant shall be made and such decree or order shall not have been vacated or set aside within sixty (60) days from the date of entry or granting thereof; or

(viii) Tenant shall abandon the Building during the term hereof;

then (notwithstanding any license of any former breach of this Lease or waiver of the benefit hereof or consent in any former instance) in any of such cases Landlord may lawfully, immediately and at any time thereafter, and without further notice or demand, and without prejudice to any other remedies, enter into and upon the Building or any part thereof, in the name of the whole, or mail a notice of termination addressed to Tenant at the Building, and upon such entry or mailing this Lease shall immediately terminate. In addition to the foregoing and not in lieu of any of Landlord's rights and remedies hereunder or at law or in equity, if a petition is filed by Tenant for relief under Chapter 11 of Title 11 of the United States Code, or for reorganization or arrangement under any provision of the Bankruptcy Code as then in force and effect, or any involuntary petition under any provision of the Bankruptcy Code is filed against Tenant and is not dismissed within sixty (60) days thereafter, then in either of such cases this Lease shall at the option of Landlord terminate upon notice of termination to Tenant.

(b) Further, in case of any termination of this Lease under this Section, and notwithstanding any entry or re-entry by Landlord, whether by summary proceedings, termination, or otherwise, Tenant, as of the date of such termination, (i) shall immediately pay to Landlord as damages all amounts due to Landlord prior to and including the date of termination; (ii) shall be immediately liable for and pay to Landlord all amounts due under this Lease for the remainder of the Term as if this Lease had not terminated and any other balances due under this Lease for such period; and (iii) shall additionally be liable for and pay to Landlord, as damages for breach of this Lease, all reasonable costs of reletting the Building including real estate commissions, advertising and any other similar amounts and categories of damages that Landlord is not expressly prohibited by law to obtain or collect from Tenant; provided that Landlord's recovery of items of damages set out in the foregoing (ii) and (iii) are specifically subject to Landlord's "duty to mitigate" as described in Section 6010-A of Title 14, Maine Revised Statutes Annotated, as the same may be revised, replaced or amended from time to time, and to the extent the same is applicable to Landlord's recovery of damages from Tenant. If Tenant has paid Landlord all amounts due under this Lease for the remainder of the Term as set forth in subparagraph (b)(ii) above, and Landlord then relets the property or otherwise mitigates its damages as provided herein, Landlord shall return such amount to Tenant less (i) any amounts expended by Landlord as allowed pursuant to provisions hereof and (ii) amounts that will not be recovered by Landlord through its reletting of the Building or its mitigation of damages. In addition to the foregoing and notwithstanding any other damages or payments due from Tenant under this Lease or at law or in equity, Tenant agrees that, in the event of its breach of this Lease, it shall be liable to Landlord for Landlord's reasonable attorneys' fees and court costs related to or arising out of Tenant's breach or default of its obligations under this Lease, in the event of termination and otherwise.

(c) Landlord may, at its sole option and without waiving any claim for damages for breach of this Lease or any of Landlord's other remedies hereunder, at any time after an event of default cure such default on the account of Tenant, and Tenant agrees to reimburse Landlord for any amount paid by Landlord in so doing (including reasonable attorneys' fees) and save Landlord harmless from any liability incurred thereby. Any such reimbursement shall be due immediately upon demand therefor. Landlord's performance of any of Tenant's obligations or covenants shall not release Tenant from liability for nonperformance or breach and Landlord shall not be liable to Tenant for any interference or disruption of Tenant's operations or business caused by or related to Landlord's exercise of its rights hereunder, provided that such rights are exercised in a commercially reasonable manner.

(d) Nothing herein contained shall limit or prejudice the right of Landlord to prove for and obtain in proceedings for bankruptcy or insolvency by reason of the termination, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, the damages are to be proved, provided that such amount is equal to or less than the amount of the loss or damage referred to herein.

(e) Notwithstanding anything in this Lease to the contrary, and in addition to and not in lieu of anything specifically set forth herein, Landlord shall be entitled to all remedies available to landlords at law and equity, including, without limitation, the remedy of forcible entry and detainer.

17. HAZARDOUS WASTE.

(a) Tenant covenants and agrees that, with respect to its operations and specifically with respect to any hazardous, toxic or special wastes, materials or substances including without limit asbestos, waste oil and petroleum products, defined or identified in, or regulated by, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 USC Section 9601, et. seq.), the Hazardous Materials Transportation Act (49 USC Section 1802, et. seq.) and the Resource Conservation and Recovery Act (42 USC Section 6901, et. seq.) or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning the environment or any hazardous or toxic waste, substance or material (the "Hazardous Materials"), as now or at any time hereafter in effect (collectively, "Environmental Laws") which Tenant, its agents or employees, may use, receive, handle, store, permit on the Building, or generate in the conduct of its business at the Building, Tenant shall: (i) comply with all applicable Environmental Laws which relate to the treatment, storage, transportation and handling of Hazardous Materials; (ii) in no event permit or cause the discharge or disposal of Hazardous Materials in, on or about the Building in violation of any applicable Environmental Laws; (iii) with respect to any off-site disposal, shipment, storage, recycling or transportation of any Hazardous Materials, Tenant shall properly package and transport the Hazardous Materials and shall cause to be executed and duly filed and retain all manifests and other records as may be required by any applicable Environmental Laws; (iv) at no time operate the Building as a treatment, storage or disposal facility for the treatment, storage or disposal of Hazardous Materials; (v) to the extent any Hazardous Materials may be temporarily stored at the Building as part of the ordinary course of Tenant's business, store such materials in secure containers in compliance with all applicable Environmental Laws; (vi) at reasonable times permit Landlord, any mortgagee or their respective agents or employees to enter the Building to inspect the same for compliance with the terms of this section and further make available to Landlord, upon fourteen (14) days prior written notice, all manifests and other records which Tenant may be obligated to obtain and keep in accordance with any applicable Environmental Laws; and (vii) at Tenant's sole cost, risk and expense, remove and/or remediate in accordance with all applicable Environmental Laws all Hazardous Materials placed, discharged, released, arriving at, or deposited exclusively after the Commencement Date in, upon or under the Building in violation any Environmental Laws; provided, however, Tenant shall not be responsible for any cost, risk, or expense that arises, in whole or in part, from any Hazardous Materials placed, discharged, released, arriving at, or deposited in, upon or under the Building prior to the Commencement Date (collectively, the "Prior Environmental Conditions"), except to the extent caused by the disturbance of Hazardous Materials by Tenant where such disturbance did not occur as a result of Tenant carrying out business in the ordinary course. Tenant further agrees to deliver the Building to Landlord at the termination of this Lease free of all Hazardous Materials initially placed, discharged, released,

arriving at, or deposited in, upon or under the Building by Tenant, its agents, employees, contractors or invitees after the Commencement Date, except to the extent caused by or resulting from any actions or omissions of Landlord, its employees, contractors, agents or representatives.

Tenant hereby acknowledges that it has inspected or has been provided opportunity to inspect the Building for the presence of Hazardous Materials and similar substances.

(b) In addition to and not in derogation of any other indemnification obligations of Tenant under this Lease, Tenant further agrees to hold harmless and indemnify Landlord for and against any and all claims, loss, costs, damages and expenses, including reasonable attorney's fees, which may arise in the event that Tenant fails to comply with any of the provisions contained in this section; provided, however, this indemnification and hold harmless obligation of the Tenant shall not apply, and instead Landlord shall indemnify and hold harmless Tenant for any such claims, losses, costs, damages and expenses incurred by Tenant to the extent the same arise from any Prior Environmental Conditions, except to the extent such claims, losses, costs, etc. are caused by the disturbance of Hazardous Materials by Tenant where such disturbance did not occur as a result of Tenant carrying out business in the ordinary course.

(c) The provisions of this section shall survive the expiration or earlier termination of this Lease.

18. ACCESS OF LANDLORD. Upon not less than twenty four (24) hours prior verbal or written notice (except in case of emergency, when no prior notice shall be required) and subject to the reasonable requirements of Tenant to preserve the confidentiality of any portion of its business or operations, Landlord shall have reasonable access to the Building for the purpose of examining the same, showing the same to potential purchasers, mortgagees or tenants, or to perform any of Tenant's obligations where Landlord is doing so under its exercise of its rights hereunder or to make any replacements or casualty repairs or perform any casualty or eminent domain-related reconstruction as is provided for under this Lease.

19. SUCCESSORS AND ASSIGNS. The provisions of this Lease shall be binding upon and inure to the benefit of the successors and permitted assigns of Landlord and the successors and permitted assigns of Tenant. In the event of any transfer of Landlord's interest in the Building, Landlord or any subsequent transferor shall cease to be liable and shall be automatically released from all liability for the performance or observation of any agreements or conditions on the part of the Landlord to be performed or observed subsequent to the time of said transfer, it being understood and agreed that from and after said transfer, the transferee shall be liable therefor. Notwithstanding the foregoing, nothing in this paragraph shall release Landlord or any subsequent transferor from liability arising or accruing prior to the time of said transfer.

20. COVENANT OF QUIET ENJOYMENT. Upon payment by Tenant of the Rent and other charges herein provided and upon the observance and performance of all the covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall, subject to the terms and conditions hereof peaceably and quietly hold and enjoy the Building for the term of this Lease and any extensions thereof without hindrance or interruption by Landlord or any person or persons claiming by, through or under Landlord.

21. WAIVER. The waiver by any party to this Lease of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same, or any other term, covenant or condition herein

contained. No payment by Tenant or receipt by Landlord of any Rent or other amounts due hereunder shall be deemed to be other than on account of the amount due, and no endorsement or statement on any check or any letter accompanying any check or payment shall be deemed an accord and satisfaction (unless otherwise confirmed by Landlord in writing), and Landlord may accept any such check as full or partial payment of the due charges without prejudice to Landlord's right to recover the balance of such installment or payment or pursue any other rights or remedies available to Landlord. No receipt of money by Landlord from Tenant after the termination of this Lease shall reinstate, continue or extend the Lease term or Tenant's right of possession.

22. NOTICES. Any notice, demand, request or other instrument required or permitted to be given under this Lease shall be delivered in person, sent by certified mail, postage prepaid, or sent by FedEx or other recognized overnight courier service, and shall be addressed (a) if to Landlord addressed to Landlord at 1 Pleasant Street, Portland, Maine, with a copy to Tim Bryant, Esq., Preti Flaherty, One City Center, P.O. Box 9546, Portland, ME 04112-9546, or at such other address as Landlord may designate by written notice, and (b) if to Tenant at 583 Forest Avenue, 2nd Floor, Portland, Maine, with a copy to Tim Bryant, Esq., Preti Flaherty, One City Center, P.O. Box 9546, Portland, ME 04112-9546, or at such other address as Tenant shall designate by written notice. All notices shall be deemed received three (3) days after mailing (except in the case of notices delivered by overnight courier service, in which case, the notice shall be deemed received the next business day after mailing). After receiving written notice from any person, firm, or other entity, stating that it holds a Mortgage on the Building, Tenant shall, so long as such Mortgage is outstanding, be required to give to such holder the same notices as are required to be given to Landlord under the terms of this Lease. Any such Mortgage holder shall have the same opportunity to cure any default, and the same time within which to effect such cure, as is available to Landlord, or such additional time as is set forth in any agreement or document between such holder and Tenant.

23. HOLDOVER. If Tenant remains in possession of the Building after the expiration of the term of this Lease and any extensions thereof, such possession shall be as month-to-month tenant. During such month-to-month tenancy, the provisions of this Lease for the period just preceding such termination shall be applicable, except for monthly rent which shall be in the amount of two (2) times the then-current monthly rent. Landlord or Tenant may terminate any such month-to-month tenancy by giving the other thirty (30) days prior written notice.

24. MISCELLANEOUS.

A. Governing Law. This Agreement and all amendments, modifications, alterations or supplements hereto shall be construed under and governed by the laws of the State of Maine.

B. Jurisdiction and Venue. The Parties hereby irrevocably stipulate that jurisdiction and venue shall lie exclusively in the state or federal court sitting in the Portland, Cumberland County, State of Maine, for any action, suit or proceeding arising out of or related to this Agreement, directly or indirectly. The Parties do hereby irrevocably waive, to the fullest extent they may do so under applicable law, any objection they may have or hereafter have to the laying of the jurisdiction or venue of any such suit, action or proceeding brought in any such court and any claim that the same has been brought in an inconvenient form.

C. Attorneys' Fees and Costs. The Parties shall bear their respective costs and attorneys' fees incurred in preparing and/or executing this Agreement; *provided, however*, that in the event of a

breach of this Agreement, the substantially prevailing party shall be entitled to recover from the breaching party the reasonable costs and attorneys' fees, costs and expenses expended in order to enforce the terms of this Agreement, even if not taxable as court costs (including, without limitation fees, costs and expenses incident to mediation, arbitration, appeals, bankruptcy, post-judgment proceedings, paralegal fees, administrative costs and all other charges billed by the attorney).

D. Modification. No provisions of this Agreement may be changed, altered, modified, or waived except in writing signed by all of the Parties.

E. Entire Agreement. The Parties each further acknowledge that no representation, promise or inducement has been made other than as set forth in this Agreement and/or attached hereto, and that none of them enters into this Agreement in reliance upon any other representation, promise or inducement not set forth herein and/or attached hereto.

F. Understanding. The Parties acknowledge that they have carefully read and understand the contents of this Agreement, and have read and had the opportunity to consult with counsel of their choice concerning the provisions of this Agreement and the effect of the releases contained herein, and have caused this Agreement to be signed as their own free acts and deeds upon the date set forth to their signatures, or the signature of any of their duly authorized representatives.

G. Warranty of Capacity to Execute Agreement. The Parties represent and warrant that no other person or entity has or had any interest in the claims, demands, obligations, or causes of action related to or referred to in this Agreement, except as otherwise set forth herein, and that they have the sole right and exclusive authority to cause this Agreement to be executed, and to receive sums specified herein, and that they have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Agreement.

H. Severability. Should any part or provision of this Agreement for any reason be declared invalid, such decision shall not affect the validity of any remaining portion or provision, which remaining portion or provision shall remain in force and effect as if this Agreement had been executed with the invalid portion or provision thereof eliminated.

I. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute one and the same Agreement.

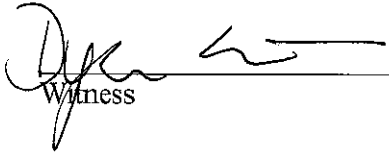
H. Captions. The captions appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of this Lease, nor in any way affect the meaning of this Lease.

I. BROKERAGE. The Parties represent and warrant to each other that they have not dealt with any broker, finder or similar person concerning this Lease. In the event of any brokerage claims against Landlord by any broker claiming by, through or under Tenant, Tenant agrees to defend the same and indemnify Landlord against any such claim. Landlord agrees that in the event of any brokerage claims against Tenant by any broker claiming by, through or under Landlord, Landlord agrees to defend the same and indemnify Tenant against any such claim.

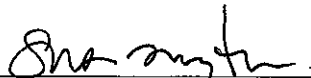
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IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first above written.

LANDLORD: ANNANDALE, LLC




Witness



By: SUSAN A. TRAN
Its: MANAGER

TENANT: TSUNAMI TATTOO, INC.



Witness



By: PHUC TRAN
Its: PRESIDENT