



Portland General Electric Company
121 SW Salmon Street • 1WTC0306 • Portland, OR 97204
portlandgeneral.com

April 20, 2022

Via Electronic Filing

Public Utility Commission of Oregon
Attention: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

Re: Application for Affiliated Interest Transactions

Enclosed for filing is an application for approval of an amendment to the lease agreement between Portland General Electric Company (PGE) and 121 SW Salmon Street Corporation (121 Salmon), an existing affiliate of PGE. The amendment updates language between PGE and 121 Salmon regarding the security of the 3 WTC, which previously housed critical operations that have moved to PGE's new Integrated Operations Center.

For the purpose of this application, "affiliate" means person or corporation having an affiliated interest with PGE under Oregon Revised Statutes (see ORS 757.015 and ORS 757.495).

All transactions between PGE and its affiliates are subject to audit by the Commission and a summary of transactions are filed annually in PGE's affiliated interest report as required by OAR 860-027-0100.

If you have any questions or require further information, please call me at 503-464-7488 or Alex Tooman at 503-464-7623. Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com.

Sincerely,

/s/ Jaki Ferchland

Jaki Ferchland
Manager, Revenue Requirement
Regulatory Affairs

Enclosures
JF/np

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UI-405

In the Matter of the Application of

PORTLAND GENERAL ELECTRIC
COMPANY

For Affiliated Interest Transaction

APPLICATION FOR AFFILIATED
INTEREST TRANSACTION

Pursuant to OAR 860-027-0040, ORS 757.015, ORS 757.495, and Order No. 18-323, Portland General Electric Company (PGE) hereby files an Application for approval of a transaction between PGE and 121 SW Salmon Street Corporation (121 Salmon), a PGE affiliate.¹ The proposed transaction consists of an amendment to the lease agreement between 121 Salmon and PGE as it relates to PGE’s occupancy of the Three World Trade Center building (3WTC) within the World Trade Center complex (WTC) in downtown Portland. PGE is a public utility in the state of Oregon and its rates, service and accounting practices are subject to the regulation of the Public Utility Commission of Oregon (Commission or OPUC).

1. Background

PGE currently has a lease agreement with 121 Salmon for occupancy of portions of the WTC. Commission Order No. 18-323 approved the lease agreement, inclusive of a lease addendum outlining security and access to each of the three buildings of the WTC (“Original Addendum”). As a part of the Original Addendum, PGE has exclusive access to 3WTC and the right to establish minimum building security standards and protocols until such time as PGE’s critical infrastructure is no longer located within 3WTC. At that point, the access to 3WTC would become non-exclusive and the minimum building security standards would become identical to 1WTC.

¹ Person or corporation having an affiliated interest with PGE under ORS 757.015.

At year-end 2021, PGE moved most of its critical infrastructure from 3WTC to its new Integrated Operations Center located in Tualatin, Oregon. However, a small portion of critical infrastructure remains on the third and fourth floors of 3WTC as a planned element of the transition and will not be moved at this time.

121 Salmon currently plans to lease space to non-PGE tenants beginning July 1, 2022, on floors of 3WTC not occupied by PGE. In conjunction with 121 Salmon's leasing of space within 3WTC to non-PGE tenants, the current lease agreement will be amended (Amendment 1) to allow the security and access of the 3WTC to replicate the security and access of the 1WTC, with additional measures to maintain the necessary security for the third and fourth floor of 3WTC and the remaining critical infrastructure located therein. As described below, these additional measures will be reviewed by a third-party to ensure the security of PGE's critical infrastructure remains sound.

PGE and customers are not harmed by Amendment 1 to the lease agreement because it maintains the same primary business terms and level of security as the existing lease, including PGE's right to maintain the current annual rental rate, which was reduced by approximately 50 percent of the then current market rates effective October 1, 2018, for 25 years.

2. The information required by OAR 860-027-0040(2) in connection with Applications for approval of transactions between affiliated interests:

(a) *The applicant's exact name and the address of its principal business office.* Portland General Electric Company, 121 SW Salmon Street, Portland, Oregon 97204.

(b) *The name and address of the person authorized, on the utility's behalf, to receive notices, inquiries, and communications regarding the information.*

David White
Associate General Counsel
Portland General Electric Company
1WTC1301
121 SW Salmon Street
Portland, OR 97204
Phone: (503) 464-7701
Email: david.white@pgn.com

PGE OPUC Filings
Rates & Regulatory Affairs
Portland General Electric Company
1WTC0306
121 SW Salmon Street
Portland, OR 97204
Phone: (503) 464-7805
Email: pge.opuc.filings@pgn.com

In addition to the names and addresses above the following are to receive notices and communications via the e-mail service list:

Jaki Ferchland, Manager, Revenue Requirement, Regulatory Affairs
E-mail: jacquelyn.ferchland@pgn.com

(c) *A statement describing the relationship between the utility and the contracting entity as defined by ORS 757.015, ORS 757.490, ORS 759.010, or ORS 759.385. PGE has an affiliated interest relationship with 121 Salmon, as defined in ORS 757.015(6).*

(d) *The amount, kind, and ratio to total voting securities held, if applicable. PGE holds 100% of the common stock of 121 Salmon.*

(e) *A list of all officers and directors of the affiliated interest who are also officers or directors of the applicant:*

<u>Name</u>	<u>PGE Title</u>	<u>121 Salmon Title</u>
Anne F. Mersereau	VP, Human Resources, Diversity, Equity and Inclusion	Chair of the Board
Lisa A. Kaner	VP Corporate Compliance Officer	Director and General Counsel
James A. Ajello	Sr. VP, Finance, CFO and Treasurer	Director and Treasurer
Angelica Espinosa	VP General Counsel	Secretary

(f) *The pecuniary interest, directly or indirectly, of any officer or director who is a party to the contract.* No PGE officer has a direct or indirect pecuniary interest in 121 Salmon, or any indirect pecuniary interest in any contract or agreement between PGE and 121 Salmon.

(g) *A description of the goods or services to be provided, the cost incurred in providing each of the goods or services, the market value of the goods or services if different from the costs, and the method or methods proposed for pricing those goods or services* Amendment 1 alters the security and access protocols in the previously approved lease agreement. The same primary business terms in the existing lease, including the right of PGE to maintain the identical annual rental rate, which was reduced by approximately 50 percent effective October 1, 2018, for 25 years, until 2043, will remain in place.

(h) *An estimate of the amount the utility will pay annually for the goods or services and the accounts in which it will record the charges.* The annual lease amount is provided in Attachment 1, which was approved by Commission Order No. 18-323. The amendment for which PGE is seeking approval does not change the annual lease amount.

(i) *The reasons, in detail, relied upon by the utility for procuring the proposed goods or services from the affiliate and benefits, if any; utility customers and the general public will derive from the provision of goods or services.* PGE will continue its uninterrupted occupancy of the WTC at the annual rental rate that remains unchanged from current levels and is below market rates. PGE customers will not be harmed by this transaction because of the additional steps taken to ensure the security of critical infrastructure. PGE uses third-party consulting experts to perform reviews of the security and access protocols of the 3WTC and other locations in order to be compliant with the Federal Energy Regulatory Commission's requirements for Critical Infrastructure Protection. The most recent review was conducted in the third quarter of 2021. The

resulting report contains highly sensitive information regarding PGE's security and access protocols, therefore, to ensure that this information is in no way accessible by any members of the public, review of the materials may be conducted by the OPUC on-site at PGE's offices.

PGE commits to engaging in another third-party review of its security and access protocols in 2022 and will provide notice to the Commission through this docket once the results are available. In addition, to the extent any security or access issues related to PGE's critical infrastructure are identified by the third-party consultant, PGE commits to resolving the issues as quickly as reasonably possible.

(j) *A description of the procurement process and the reasons, in pertinent detail appropriate to the complexity of the procurement, relied upon by the utility for procuring the proposed goods or services without a competitive procurement process, if such a process is not used.* Not applicable; this detail was provided in PGE's original UI 405 filing and is currently approved by Commission Order No. 18-323.

(k) *Transfer prices in contracts or agreements for the procurement of goods or services under competitive procurement shall be presumed to be the market value, subject to evaluation of the procurement process.* Not applicable.

(l) *A copy of the proposed contract or agreement between the utility and the contracting entity.* Attachment 2 to this filing provides a copy of the draft Amendment 1. Although it is still in draft form, PGE expects that there will be minimal changes to Amendment 1. PGE will provide an executed copy of Amendment 1 upon completion of final transaction with 121 Salmon.

(m) *Copies of all resolutions of directors authorizing the proposed transactions and, if stockholders' approval has been obtained, copies of the resolutions approved by the stockholders.* No stockholder approval is needed for the proposed rental transaction.

3. Goods or Services PGE Provides to 121 Salmon

PGE will continue to provide 121 Salmon with professional and administrative services in accordance with the Master Service Agreement (MSA) approved by Commission Order No. 06-250. Addendum 4 of the approved MSA already includes 121 Salmon as a recipient of PGE services.

WHEREFORE, PGE respectfully submits this application for an order authorizing the affiliated interest transactions set forth above.

Dated this 20th day of April, 2022.

Respectfully Submitted,

/s/ Jaki Ferchland

Jaki Ferchland
Manager, Revenue Requirement,
On Behalf of Portland General Electric Company

Attachment 1

PGE / 121 Salmon; Approved Rental Agreement

Standard Form of OFFICE LEASE
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OFFICE LEASE

Between:

121 SW SALMON STREET CORPORATION,
an Oregon corporation
("Landlord")

And

PORTLAND GENERAL ELECTRIC COMPANY,
an Oregon corporation
("Tenant")

Dated November/December ____, 2018

Standard Form of OFFICE LEASE
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1.1 Basic Lease Terms.

- A. **REFERENCE DATE OF LEASE** **November/December __, 2018**
- B. **TENANT:** **PORTLAND GENERAL ELECTRIC COMPANY**
Trade Name: **PORTLAND GENERAL ELECTRIC or PGE**
Address (Leased Premises): 121 SW Salmon Street, 1WTC0230, Portland, OR 97204
- Address (For Notices): 121 SW Salmon Street, 1WTC0230, Portland, OR 97204
with a copy to:
PGE Legal Department
121 SW Salmon Street, 1WTC1301, Portland, OR 97204
- Primary Tenant Contact: Cindy Laurila
Telephone: (503) 464-8696
E-mail address: cindy.laurila @pgn.com
- C. **LANDLORD:** **121 SW SALMON STREET CORPORATION**
Address (For Notices): 121 SW Salmon Street, 1WTC1712, Portland, OR 97204
- Landlord Primary Contact: Jim Lobdell, Chairman of the Board
Telephone: (503) 464-2723
E-mail address: jim.lobdell@pgn.com
- Address for Rent Payments: 121 SW Salmon Street, 1WTCBR01, Portland, OR 97204
- D. **PREMISES:** Specified portions of the three building World Trade Center Portland Complex (cumulatively the "Building") located at 25 SW Salmon Street, 26 SW Salmon Street and 121-127 SW Salmon Street in Portland, Multnomah County, Oregon, as generally shown on Exhibit A hereto. The land upon which the Building is located, including the non-exclusive right to use and access all parking areas, walkways, landscape areas, together with the Building, is referred to in this Lease as the "Property."
- E. **PREMISES AREA:** Initially consisting of approximately 343,550 Rentable Square Feet; a portion of One World Trade Center (1WTC), and all of Two World Trade Center (2WTC), and Three World Trade Center (3WTC) (See Exhibit "A"). The parties acknowledge that the calculation of square footage of the Premises is an approximation. No recalculation of square footage of the Premises shall affect the obligations of Tenant under this Lease, including, without limitation, the amount of Base Rent payable by Tenant.
- Tenant shall have the right to periodically adjust the amount of square feet comprising the Premises Area to accommodate Tenant's needs. Tenant shall periodically notify Landlord of the amount of square feet comprising the Premises Area and in no event less often than once every Six (6) months during the Term.
- F. **BUILDING AREA:** Approximately 506,710 Rentable Square Feet.
- G. **TENANT'S PROPORTIONATE SHARE:** The percentage is obtained by dividing the rentable square feet of the Premises by the total number of rentable square feet of the Building; initially 67.8%. Landlord may modify Tenant's Proportionate Share if the Building size is increased or decreased, as the case may be. Landlord shall modify Tenant's Proportionate Share to reflect the amount of square feet comprising the Premises Area promptly following each change in the Premises Area.
- H. **TENANT'S PERMITTED USE OF PREMISES:**

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General business and office purposes and any other lawful purposes, subject, however, to zoning ordinances, laws, and the rules and regulations now or hereafter adopted by any governmental authority having jurisdiction, and such conditions, restrictions, and other encumbrances, if any, to which the Premises are subject at the time of execution and delivery hereof.

- I. **TERM OF LEASE:** Commencement Date: November/December __, 2018
Expiration Date: September 30, 2028, plus 2 extension options
(See Section 1.4 below)
Number of Full Calendar Months: 117/118 Months
- J. **INITIAL MONTHLY BASE RENT:** Not to exceed \$207,212.42 (\$2,486,549 per year)
multiplied by Tenant's Proportionate Share (Confirmed and
Adjusted if necessary Monthly)
- K. **BASE RENT ADJUSTMENT:** Landlord shall modify Tenant's Base Rent to reflect the amount of square feet comprising the Premises Area promptly following each change in the Premises Area.
- L. **BASE YEAR:** REAL PROPERTY TAXES 2018- 2019; EXPENSES 2018- 2019
- M. **PARKING:** As contracted with such third party as Landlord may contract with to manage the parking from time to time. Tenant's occupancy of on-site parking shall not exceed Sixty Percent (60%) of available on-site parking.
- N. **PREPAID RENT:** Upon execution of this Lease, Tenant shall deposit with Landlord \$ *****ZERO DOLLARS***** (the "Prepaid Rent"), which shall be Base Rent due for the first month of the Lease Term for which Base Rent is payable.
- O. **SECURITY DEPOSIT:** Upon execution of this Lease, Tenant shall deposit with Landlord \$ *****ZERO DOLLARS***** (the "Security Deposit").
- P. **BROKER(S):** NONE

For valuable consideration, Landlord and Tenant covenant and agree as follows:

1.2 Lease of Premises.

Landlord leases to Tenant the premises described in the Basic Lease Terms and shown on Exhibit A (the "Premises"), located in the Building, subject to the terms and conditions of this Lease.

1.3 Delivery of Possession and Commencement.

The "Lease Term" or "Term" shall be the number of full calendar months stated in the Basic Lease Terms plus the remaining portion of the calendar month in which the Commencement Date occurs if the Commencement Date does not occur on the first day of a calendar month. Tenant is currently in possession of the Premises. The expiration date of this Lease shall be the date stated in the Basic Lease Terms. Upon determination of the Commencement Date, Landlord and Tenant will complete the Commencement Date Lease Certificate in the form attached as Exhibit B.

1.4 Options to Extend Term.

So long as Tenant is not in default, subject to applicable notice and cure rights, in Tenant's performance of this Lease, Tenant shall have the right and option to extend the Lease Term for one additional term of ten (10) years (October 1, 2028 – September 30, 2038) (the "Initial Extension Term"), and thereafter for one additional term of five (5) years (October 1, 2038 – September 30, 2043) (the "Final Extension Term"),

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each such extension upon the same terms and conditions set forth herein, including without limitation the Monthly Base Rent.

1.5 Extension Terms.

The Initial Extension Term shall commence on the first day following the expiration of the current Lease Term. The option for the Initial Extension Term shall be exercised by delivery of written notice to Landlord not later than December 31, 2027, and not earlier than April 1, 2027. The option for the Initial Extension Term shall terminate at midnight (Pacific Standard Time) on December 31, 2027, unless the option is exercised in the manner provided herein at an earlier date or unless this Lease expires or is earlier terminated for any reason or in any manner. The Final Extension Term shall commence on the first day following the expiration of the Lease Term as extended by the Initial Extension Option. The option for the Final Extension Term shall be exercised by delivery of written notice to Landlord not later than December 31, 2037, and not earlier than April 1, 2037. The option for the Final Extension Term shall terminate at midnight (Pacific Standard Time) on December 31, 2037, unless the option is exercised in the manner provided herein at an earlier date or unless this Lease expires or is earlier terminated for any reason or in any manner. The option to extend, if exercised by Tenant, shall at Landlord's sole option be void and of no further force or effect in the event Tenant is in default of any of the provisions and conditions of this Lease, on the day the Extension Term was scheduled to commence. Landlord shall not have any tenant improvement obligations or any obligation to Tenant or to any third party with respect to any real estate broker or commission in connection with the exercise of Tenant's options to extend.

2.1 Rent Payment.

Tenant shall pay to Landlord the Base Rent for the Premises and any "Additional Rent" provided herein, without deduction or offset. "Additional Rent" means amounts determined under Section 19 of this Lease and any other sums payable by Tenant to Landlord under this Lease. For the purposes of this Lease, Base Rent and Additional Rent are herein referred to collectively as "Rent." Rent is payable in advance on the first day of each month commencing on the Commencement Date of this Lease. Rent for any partial month during the Lease term shall be prorated to reflect the number of days during the month that the Lease Term is in effect and shall be due on the first day of any such partial month in which the Lease Term is in effect. Rent not paid when due shall bear interest at the rate of one and one-half percent (1 ½%) per month, or if less, the maximum applicable rate of interest permitted by law, until paid. For Rent payments made more than ten (10) calendar days late, Landlord may at its option impose a late charge of the greater of five percent (5%) of the Rent past due or fifty dollars (\$50); in lieu of interest for the first month of delinquency. Tenant acknowledges that late payment by Tenant to Landlord of any Rent will cause Landlord to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to ascertain, and that such late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of any such late payment and is not a penalty. Neither imposition or collection nor failure to impose or collect such late charge shall be considered a waiver of any other remedies available for default. In addition to such late charge, an additional charge of seventy-five dollars (\$75) shall be recoverable by Landlord for any returned checks.

2.1.1 Annual Adjustment. Commencing as of January 1 of the first year following the Commencement Date and continuing as of January 1 of each year thereafter during the Term, Landlord shall estimate the amount by which the Rent and Tenant's Proportionate Share of Landlord's operating expenses paid by Tenant for the subject differs from the amounts Tenant should have paid for the respective lease year based on Tenant's Proportionate Share throughout the course of such year (such estimate being hereinafter referred to as the "Annual Adjustment"); provided that in no event during the Term shall the Rent exceed the Initial Monthly Base Rent. Amounts due Landlord shall be paid within thirty (30) calendar days after receipt of a billing from Landlord. Amounts due Tenant shall be applied to Tenant's Rent for the then current calendar year.

2.2 Prepaid Rent.

Upon the execution of this Lease, Tenant shall pay to Landlord the Prepaid Rent set forth in the Basic Lease Terms. Landlord's obligations with respect to the Prepaid Rent are those of a debtor and not of a trustee, and Landlord shall be entitled to commingle the Prepaid Rent with Landlord's general funds.

Landlord shall not be required to pay Tenant interest on the Prepaid Rent. Landlord shall be entitled to immediately endorse and cash Tenant's Prepaid Rent; however, such endorsement and cashing shall not constitute Landlord's acceptance of this Lease. In the event Landlord does not accept this Lease, Landlord shall promptly return the Prepaid Rent to Tenant.

3.1 Security Deposit.

At the same time as execution of the Lease by Tenant, Tenant shall pay to Landlord the amount stated in the Basic Lease Terms as a Security Deposit. Landlord may apply the Security Deposit to pay the cost of performing any obligation Tenant fails to perform within the time required by this Lease, but such application by Landlord shall not waive Landlord's other remedies nor be the exclusive remedy for Tenant's default. If the Security Deposit is applied by Landlord, Tenant shall on demand pay the sum necessary to replenish the Security Deposit to its original amount. In no event will Tenant have the right to apply any part of the Security Deposit to any Rent or other sums due under this Lease. If Tenant is not in default at the expiration or termination of this Lease, Landlord shall return the entire Security Deposit to Tenant, except for any portion retained by Landlord pursuant to the provisions of this Section 3.1, Section 12.1, or any other provision of this Lease. Landlord's obligations with respect to the Security Deposit are those of a debtor and not of a trustee, and Landlord shall be entitled to commingle the Security Deposit with Landlord's general funds. Landlord shall not be required to pay Tenant interest on the Security Deposit. Landlord shall be entitled to immediately endorse and cash Tenant's Security Deposit; however, such endorsement and cashing shall not constitute Landlord's acceptance of this Lease. In the event Landlord does not accept this Lease, Landlord shall return said Security Deposit. If Landlord sells its interest in the Premises during the term hereof and deposits with or credits to the purchaser the unapplied portion of the Security Deposit, thereupon Landlord shall be discharged from any further liability or responsibility with respect to the Security Deposit.

4.1 Use.

Tenant shall use the Premises as a business for the Tenant's Permitted Use stated in the Basic Lease Terms and for no other purpose without Landlord's written consent. In connection with its use, Tenant shall at its expense promptly comply and cause the Premises to comply with all applicable laws, ordinances, rules and regulations of any public authority ("Laws") and shall not annoy, obstruct, or interfere with the rights of other tenants of the Building. Tenant shall create no nuisance or allow any objectionable fumes, noise, light, vibration, radiation, or electromagnetic waves to be emitted from the Premises. If any sound or vibration produced by Tenant's activities is detectable outside the Premises, Tenant shall provide such insulation as is required to muffle such sound or vibration and render it undetectable at Tenant's cost. Tenant shall not conduct any activities that will increase Landlord's insurance rates for any portion of the Building or that will in any manner degrade or damage the reputation of the Building. Tenant shall pay before delinquency all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operations as well as upon all trade fixtures, leasehold improvements, merchandise, and other personal property in or about the Premises.

4.2 Equipment.

Tenant shall install in the Premises only such trade fixtures and equipment as is customary for Tenant's Permitted Use and shall not overload the floors or electrical circuits of the Premises or Building or alter the plumbing or wiring of the Premises or Building. Landlord must approve in advance the location of and manner of installing any wiring or electrical, heat generating, climate sensitive or communication equipment or exceptionally heavy articles. All telecommunications equipment, conduit, cables and wiring, additional dedicated circuits and any additional air conditioning required because of heat generating equipment or special lighting installed by Tenant shall be installed and operated at Tenant's expense and, at Landlord's written request shall be removed by Tenant at Tenant's sole cost and expense. Landlord shall have no obligation to permit the installation of equipment by any telecommunications provider whose equipment is not then servicing the Building. Tenant shall have no right to install any equipment on or through the roof of the Building, or use or install or store any equipment or other items outside the interior boundary of the Premises. Notwithstanding the foregoing, upon surrender of the Premises, Tenant shall have the right to remove any personal property, equipment or trade fixtures, including without limitation,

those that are subject to written agreement (including without limitation, written agreements that pre-date this Lease).

4.3 Signs and Other Installations.

No signs, awnings, or other apparatus shall be painted on or attached to the Building or anything placed on any glass or woodwork of the Premises or positioned so as to be visible from outside the Premises, including any window covering (shades, blinds, curtains, drapes, screens, or tinting materials) without Landlord's written consent, and Landlord's approval as to design, size, location, and color. All signs installed by Tenant shall comply with Landlord's standards for signs and all applicable codes and all signs and sign hardware shall be removed upon termination of this Lease with the sign location restored to its former state unless Landlord elects to retain all or any portion thereof. Tenant may not install any alarm boxes, foil protection tape or other security equipment on the Premises without Landlord's prior written consent. Any material violating this provision may be removed and disposed of by Landlord without compensation to Tenant, and Tenant shall reimburse Landlord for the cost of the same upon request.

4.4 Parking.

If a number of parking spaces is designated in the Basic Lease Terms, then during the term of this Lease, Landlord shall make available to Tenant's employees such number of parking space(s) at the parking lot servicing the Building, on a non-exclusive first come, first served basis. Landlord's obligation pursuant to this Section shall be limited to making such spaces available in whatever manner Landlord deems appropriate (attended, unattended, marked stalls, or other means), so long as the number of spaces referred to are made available to Tenant. Tenant shall be required to pay as rental for the spaces made available to, and used by, Tenant the established parking rates for the Building or lot (as the case may be), as adjusted from time to time, and such sum shall be Additional Rent payable under this Lease.

5.1 Utilities and Services.

Landlord will arrange with the applicable utility providers to furnish water and electricity to the Building at all times and will furnish heat and air conditioning (if the Building is air conditioned), at building standard levels, during the normal Building hours as established by Landlord. Janitorial service will be provided in accordance with the regular schedule of the Building, which schedule and service may change from time to time. Tenant shall comply with all government laws or regulations regarding the use or reduction of use of utilities on the Premises. Interruption of services or utilities shall not be deemed an eviction or disturbance of Tenant's use and possession of the Premises, render Landlord liable to Tenant for damages, or relieve Tenant from performance of Tenant's obligations under this Lease. Landlord shall take all reasonable steps to correct any interruptions in service caused by defects in utility systems within Landlord's reasonable control. Electrical service furnished will be 110 volts unless different service already exists in the Premises. Tenant shall provide its own surge protection for power furnished to the Premises. Landlord shall have the exclusive right to choose the utility service providers to the Premises and may change providers at its discretion. Tenant shall cooperate with Landlord and the utility service providers at all times as reasonably necessary, and shall allow Landlord and utility service providers reasonable access to the pipes, lines, feeders, risers, wiring, and any other machinery within the Premises.

5.2 Extra Usage.

If Tenant uses excessive amounts of utilities or services of any kind because of operation outside of normal Building hours, high demands from office machinery and equipment, nonstandard lighting, or any other cause, Landlord may impose a reasonable charge for supplying such extra utilities or services, which charge shall be payable monthly by Tenant in conjunction with monthly Base Rent payments or, at Landlord's option, within ten (10) calendar days of Landlord's billing therefor. In case of dispute over any extra charge under this Section, Landlord shall designate a qualified independent engineer whose decision shall be conclusive on both parties. Landlord and Tenant shall each pay one-half (1/2) of the cost of such determination. Landlord reserves the right to install separate meters for any such utility and to charge Tenant for the cost of such installation.

5.3 Security.

Landlord may but shall have no obligation to provide security service or to adopt security measures regarding the Premises, and Tenant shall cooperate with all reasonable security measures adopted by Landlord. Tenant may install a security system within the Premises with Landlord's written consent, which consent will not be unreasonably withheld. Landlord will be provided with an access code to any security system and shall not have any liability for accidentally setting off Tenant's security system. Landlord may modify the type or amount of security measures or services provided to the Building or the Premises at any time without notice. Landlord and Tenant shall mutually agree upon the security protocols for the Building and access thereto; provided, however, that in the event the parties fail to agree Tenant shall have the right to establish the minimum security protocols for the Building.

6.1 Maintenance and Repair.

6.1.1 Landlord shall maintain and repair in good condition the Building structure, roof, exterior walls and doors, exterior windows and common areas of the Building, and the electrical, mechanical, plumbing, heating and air conditioning systems, facilities and components located in the Building that are used in common by all tenants of the Building (including replacing building standard light bulbs). Tenant shall maintain and repair the Premises in clean and good condition, including, without limitation, maintaining and repairing all walls, floors, and ceilings, all interior doors, partitions and windows, and all Premises systems, fixtures, and equipment that are not the maintenance responsibility of Landlord, as well as damage caused by Tenant, its agents, employees, contractors or invitees.

6.1.2 Landlord shall have no liability for failure to perform required maintenance and repair unless written notice of such maintenance or repair is given by Tenant and Landlord fails to commence efforts to remedy the problem in a reasonable time and manner. Landlord shall have the right to erect scaffolding and other apparatus necessary for the purpose of making repairs or alterations to the Building, and Landlord shall have no liability for interference with Tenant's use because of such work. Work may be done during normal business hours. Tenant shall have no claim against Landlord for any interruption or reduction of services or interference with Tenant's occupancy caused by Landlord's maintenance and repair, and no such interruption or reduction shall be construed as a constructive or other eviction of Tenant.

6.1.3 Landlord's cost of repair and maintenance shall be considered "operating expenses" for purposes of Section 19.3, except that repair of damage caused by negligent or intentional acts or breach of this Lease by Tenant, its agents, employees, contractors or invitees shall be at Tenant's expense. Notwithstanding the foregoing or anything else to the contrary contained herein, Tenant's Proportionate Share of Landlord's operating expenses shall accrue and be paid in accordance with that certain PGE/Affiliates Master Services Agreement dated April 3, 2006 (as may be amended).

6.2 Alterations.

6.2.1 Tenant shall not make any alterations, additions or improvements to the Premises, change the color of the interior, or install any wall or floor covering that costs more than Five Million Dollars (\$5,000,000.00), in any rolling consecutive twelve (12) month period (exclusive of Alterations made for safety, security, resiliency purposes or made under emergency situations), without Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion. Should Landlord consent in writing to Tenant's alteration of the Premises, Tenant shall contract with a contractor approved by Landlord for the construction of such alterations, shall secure all appropriate governmental approvals and permits, and shall complete such alterations with due diligence in compliance with the plans and specifications approved by Landlord. All such construction shall be performed in a manner that will not interfere with the quiet enjoyment of other tenants of the Building. Any such improvements, alterations, wiring, cables, or conduit installed by Tenant shall at once become part of the Premises and belong to Landlord, except for removable machinery and unattached movable trade fixtures. Landlord may at its option require that Tenant remove any improvements, alterations, wiring, cables, or conduit installed by or for Tenant and restore the Premises to the original condition upon termination of this Lease. Landlord shall have the right to approve the contractor used by Tenant for any work in the Premises, and to post notices of nonresponsibility in connection with work being performed by Tenant in the Premises. Work by Tenant shall comply with all

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laws then applicable to the Premises. Tenant shall not allow any liens to attach to the Building or Tenant's interest in the Premises as a result of its activities or any alterations.

6.2.2 Landlord may require Tenant's general contractor performing any work at the Premises to post a payment and performance bond equal to one hundred twenty-five percent (125%) of the estimated cost of the contractor's work, including work performed by any subcontractor thereunder. Tenant shall provide, or shall cause Tenant's general contractor to provide, evidence of the following insurance coverages prior to commencing work and upon demand during the course of the work: a) worker's compensation for statutory limits in compliance with applicable state and federal laws; b) commercial general liability with limits of not less than Five Million Dollars (\$5,000,000) combined single limit per occurrence for bodily injury and property damage, naming Landlord and its building manager as additional insureds; and c) builder's risk coverage in the coverage amount not less than the projected cost of the improvements contemplated. Each certificate of insurance must contain a provision confirming that no cancellation or material change in policies will be effective except upon thirty (30) calendar days written notice to Landlord, if available.

6.2.3 Landlord may perform alterations to or change the configuration of the Building, the parking area, and other areas on the Property, in Landlord's sole discretion.

7.1 Indemnity.

Tenant shall indemnify, defend, and hold harmless Landlord and its managing agents, and employees (each an "indemnified person") from any claim, liability, damage, or loss occurring on the Premises, or any cost or expense in connection therewith (including attorney fees), to the extent resulting from (a) any damage to any person or property occurring in, on or about the Premises, (b) use by Tenant or its agents, invitees, or contractors of the Premises and/or the Building, and/or (c) Tenant's breach or violation of any term of this Lease. Notwithstanding the foregoing, Tenant shall not be liable in respect of (and the foregoing indemnity shall not cover) any claim, damage, loss, liability, cost or expense to the extent the same resulted from the negligence or willful misconduct of any indemnified person.

7.2 Insurance.

Tenant shall carry (a) General or Excess liability insurance with a general aggregate limit of not less than Two Million Dollars (\$2,000,000) with no less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and no less than One Million Dollars (\$1,000,000) per occurrence for property damage, which insurance shall include Landlord, Landlord's lender, if any, and Landlord's managing agent, if any, as an additional insured, covering the liability insured under Section 7.1 of this Lease and be in a form and with companies reasonably acceptable to Landlord, and (b) Business Auto Liability insurance covering owned, non-owned, and hired vehicles with a limit of not less than One Million Dollars (\$1,000,000) per occurrence. Prior to occupancy, Tenant shall furnish a certificate of insurance evidencing such insurance coverage and limits that, if reasonably available, shall state that the coverage shall not be canceled or materially changed without thirty (30) calendar days' advance written notice to Landlord, Landlord's lender, if any, and Landlord's managing agent, if any. In any event, Tenant shall notify Landlord promptly upon learning of any proposed or pending change in any insurance coverage required under this Lease that may impact the insurability of Tenant's obligations under this Lease; if at all possible, Tenant shall furnish to Landlord a renewal certificate at least fifteen (15) calendar days prior to expiration of any policy. All insurance required to be procured by Tenant under this Lease shall be issued by a carrier reasonably acceptable to Landlord and authorized to issue policies in the state in which the Property is located. All insurance providers shall have an AM Best rating of A- VII or better and shall be licensed to issue insurance in the State of Oregon. Notwithstanding the foregoing, Tenant, at its sole discretion, shall have the right to self-insure all insurance obligations related to this Lease in accordance with Tenant's risk management practices.

8.1 Fire or Casualty.

"Major Damage" means damage by fire or other casualty to the Building or the Premises that causes the Premises or any substantial portion of the Building to be unusable, or that will cost more than twenty-five percent (25%) of the pre-damage value of the Building to repair, or that is not covered by insurance. In

case of Major Damage, Landlord may elect to terminate this Lease by notice in writing to the Tenant within thirty (30) calendar days after such date. If this Lease is not terminated following Major Damage, or if damage occurs that is not Major Damage, Landlord shall promptly restore the Premises to the condition existing just prior to the damage. Tenant shall promptly restore all damage to tenant improvements or alterations installed or paid for by Tenant or pay the cost of such restoration to Landlord if Landlord elects to do the restoration of such improvements. Unless the casualty was caused by Tenant, Rent shall be reduced from the date of damage until the date restoration work being performed by Landlord is substantially complete, with the reduction to be in proportion to the area of the Premises not usable by Tenant.

8.2 Waiver of Subrogation.

Tenant shall be responsible for insuring its personal property and trade fixtures located on the Premises and any alterations or tenant improvements it has made to the Premises. Neither Landlord, its managing agent, nor Tenant shall be liable to the other for any loss or damage caused by water damage, sprinkler leakage, or any of the risks that are covered by property insurance or could be covered by a customary broad form of property insurance policy, or for any business interruption, and there shall be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.

9.1 Eminent Domain.

If a condemning authority takes title by eminent domain or by agreement in lieu thereof to the entire Building or a portion sufficient to render the Premises unsuitable for Tenant's use, then either party may elect to terminate this Lease effective on the date that possession is taken by the condemning authority. If this Lease is not terminated, then Base Rent shall be reduced for the remainder of the term in an amount proportionate to the reduction in area of the Premises caused by the taking. All condemnation proceeds shall belong to Landlord, and Tenant shall have no claim against Landlord or the condemnation award because of the taking.

10.1 Assignment and Subletting.

Tenant shall not assign or encumber its interest under this Lease or sublet all or any portion of the Premises without first obtaining Landlord's consent in writing. This provision shall apply to all transfers by operation of law, and to all mergers and changes in control of Tenant, all of which shall be deemed assignments for the purposes of this Section. No assignment shall relieve Tenant of its obligation to pay Rent or perform other obligations required by this Lease, and no consent to one assignment or subletting shall be a consent to any further assignment or subletting. If Tenant proposes a subletting or assignment for which Landlord's consent is required, Landlord shall have the option of terminating this Lease and dealing directly with the proposed subtenant or assignee, or any third party. If Landlord does not terminate this Lease, Landlord shall not unreasonably withhold its consent to any assignment or subletting provided the effective rental paid by the subtenant or assignee is not less than the current scheduled rental rate of the Building for comparable space and the proposed Tenant is compatible with Landlord's normal standards for the Building. If an assignment or subletting is permitted, fifty percent (50%) of any net profit, or the net value of any other consideration received by Tenant as a result of such transaction, shall be paid to Landlord promptly following its receipt by Tenant. Tenant shall pay a nonrefundable fee in the amount of Seven Hundred Fifty Dollars (\$750) to Landlord at the time of any request for assignment or subletting, regardless of whether Landlord's consent is granted, and shall also pay reasonable attorneys', accountants' and other professional fees incurred in connection with any such request, regardless of whether Landlord's consent is granted. It shall not be unreasonable for Landlord to withhold consent to a proposed sublease or an assignment (a) if the character, reputation, experience, credit, financial strength or business of the proposed sublessee or assignee is unacceptable to Landlord, or (b) if the proposed use of the Premises by the proposed sublessee or assignee is not a permitted use of the Premises authorized by this Lease, or (c) if in the Landlord's business judgment, the Premises will be adversely impacted by the proposed sublessee or assignee, or (d) if the proposed sublessee or assignee is a former tenant of the Property within the last twelve (12) months prior to the request, or (e) if the proposed sublessee or assignee does not expressly assume and agree in writing to be bound by all of Tenant's obligations under this Lease and, in the event of an assignment, be directly responsible for all of Tenant's obligations under this Lease, or (f) if Tenant is in

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breach or default under this Lease, or has been within breach or default within the past six months prior to the request of any of terms, covenants, or conditions of this Lease.

10.1.1 Notwithstanding anything to the contrary contained herein, Tenant shall have the right to assign this Agreement to any person or entity which controls Tenant, is under the control of Tenant, or is under common control with Tenant without the consent of Landlord. In addition, Tenant shall have the right to sublet portions of the Premises to third parties, not to exceed Ten Percent (10%) of the Premises Area, provided that Tenant shall continue to be and remain liable hereunder and further subject to and conditioned upon the following:

10.1.1.1 Each sublease permitted under this Section shall contain provisions to the effect that (a) such sublease is for the actual use and occupancy by the sub-Tenant only, and (b) each sublease is subject and subordinate to all of the terms, covenants, and conditions of this Lease and to all of the rights of the Landlord hereunder, and (c) that the sub-Tenant may not assign or further sublet the sublet premises; and (d) in the event this Lease shall terminate before the expiration of such sublease, the sub-Tenant thereunder will, at Landlord's option, attorn to Landlord and waive any rights the subtenant may have to terminate the sublease or to promptly surrender possession thereunder, as a result of the termination of this Lease; provided, however, that in connection with any bona fide leases at market rentals to tenants of retail space at the Premises, Landlord shall execute and deliver a non-disturbance agreement in a form and content reasonably acceptable to the parties to reflect a leasehold non-disturbance.

11.1 Default.

Any of the following shall constitute an Event of Default by Tenant under this Lease (time of performance being of the essence of this Lease):

11.1.1 Tenant's failure to pay Rent or any other charge under this Lease within ten (10) calendar days after it is due.

11.1.2 Tenant's failure to comply with any other term or condition within twenty (20) calendar days following receipt of written notice from Landlord specifying the noncompliance. If such noncompliance cannot be cured within the twenty (20)-day period, this provision shall be satisfied if Tenant commences correction within such period and thereafter proceeds in good faith and with reasonable diligence to complete correction as soon as possible but not later than ninety (90) calendar days after the date of Landlord's notice.

11.1.3 Failure of Tenant to execute the documents described in Section 16.1 or 16.3 within the time required under such Sections; failure of Tenant to provide or maintain the insurance required of Tenant pursuant hereto; or failure of Tenant to comply with any Laws as required pursuant hereto within twenty-four (24) hours after written demand by Landlord.

11.1.4 Tenant's insolvency, business failure or assignment for the benefit of its creditors. Tenant's commencement of proceedings under any provision of any bankruptcy or insolvency law or failure to obtain dismissal of any petition filed against it under such laws within the time required to answer; or the appointment of a receiver for all or any portion of Tenant's properties or financial records.

11.1.5 Assignment or subletting by Tenant in violation of Section 10.1.

11.1.6 Vacation or abandonment of the Premises without the written consent of Landlord or failure to occupy the Premises within twenty (20) calendar days after notice from Landlord tendering possession.

11.2 Remedies for Default.

Upon occurrence of an Event of Default as described in Section 11.1, Landlord shall have the right to the following remedies, which are intended to be cumulative and in addition to any other remedies provided under applicable law or under this Lease:

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11.2.1 Landlord may at its option terminate this Lease, without prejudice to its right to damages for Tenant's breach. With or without termination, Landlord may retake possession of the Premises (with or without use of legal process) and may use or relet the Premises without accepting a surrender or waiving the right to damages. Following such retaking of possession, efforts by Landlord to relet the Premises shall be sufficient if Landlord follows its usual procedures for finding tenants for the space at rates not less than the current rates for other comparable space in the Building. If Landlord has other vacant space in the Building, prospective tenants may be placed in such other space without prejudice to Landlord's claim to damages or loss of rentals from Tenant.

11.2.2 Landlord may recover all damages caused by Tenant's default that shall include an amount equal to (a) all Rent lost through the date that, with commercially reasonable efforts, Landlord should be able to relet the Premises to one or more suitable replacement tenants and such replacement tenants shall begin paying Rent, including monthly Base Rent, plus (b) the difference between the Rent provided under this Lease for the remainder of the Term less the amount that can reasonably be expected to be earned in Rent from replacement tenants, discounted at the federal discount rate published by the Federal Bank, San Francisco office, at the time of the Event of Default. In addition, Landlord shall be entitled to recover all costs of reletting including, but not limited to, the cost of removing any tenant improvements, personal property, rubbish and debris left on the Premises by Tenant, the cost of preparing the space for reletting, and the cost of all leasing commissions, tenant improvements, free rent periods, and all other tenant concessions reasonably incurred by Landlord in reletting the Premises to one or more replacement tenants. Landlord may sue periodically to recover damages as they occur throughout the Lease term, and no action for accrued damages shall bar a later action for damages subsequently accruing, or Landlord may elect in any one action to recover accrued damages, plus damages attributable to the remaining term of the Lease.

11.3 Right to Cure.

Landlord may, but shall not be obligated to, make any payment or perform any obligation that Tenant has failed to perform when required under this Lease. All of Landlord's expenditures incurred to correct the failure to perform shall be reimbursed by Tenant upon demand with interest from the date of expenditure at the rate of one and one-half percent (1 ½%) per month. Landlord's right to correct Tenant's failure to perform is for the sole protection of Landlord and the existence of this right shall not release Tenant from the obligation to perform all the covenants herein required to be performed by Tenant, or deprive Landlord of any other right Landlord may have by reason of default of this Lease by Tenant, whether or not Landlord exercises its right under this Section.

12.1 Surrender; Holdover.

On expiration or early termination of this Lease, Tenant shall deliver all keys to Landlord and surrender the Premises vacuumed, swept, and free of debris and in the same condition as at the commencement of the term subject only to reasonable wear from ordinary use. Tenant shall remove all its furnishings and trade fixtures that remain its property and any alterations, cables or conduits if required by Section 6.2, and shall repair all damage resulting from such removal. Failure to remove shall be an abandonment of the property, and, following ten (10) calendar days' written notice, Landlord may remove or dispose of it in any manner without liability, and recover the cost of removal and other damages from Tenant. If Tenant fails to vacate the Premises when required, including failure to remove all its personal property, Landlord may elect either: (i) to treat Tenant as a tenant from month to month, subject to the provisions of this Lease except that Rent shall be the greater of two (2) times the total Rent being charged when the Lease term expired, or the then fair market value of rent for comparable space in the downtown Portland core area (as reasonably determined by Landlord), and any option or other rights regarding extension of the term or expansion of the Premises shall no longer apply; or (ii) to eject Tenant from the Premises (using self-help or otherwise) and recover damages caused by wrongful holdover.

13.1 Regulations.

Landlord shall have the right but shall not be obligated to make, revise, and enforce rules and regulations or policies consistent with this Lease for the purpose of promoting safety, health, order, economy, cleanliness, and good service to all tenants of the Building, including, but not limited to, moving, use of common areas,

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and prohibition of smoking. All such regulations and policies including those, if any, attached to this Lease as Exhibit C, shall be complied with as if part of this Lease and failure to comply shall be a default.

14.1 Access.

During times other than normal Building hours, Tenant's officers and employees or those having business with Tenant may be required to identify themselves or show passes in order to gain access to the Building. Landlord shall have no liability for permitting or refusing to permit access by anyone. Landlord may regulate access to any Building elevators outside of normal Building hours. Landlord shall have the right to enter upon the Premises at any time by passkey or otherwise to determine Tenant's compliance with this Lease, to perform necessary services, maintenance, and repairs or alterations to the Building or the Premises, to post notices of nonresponsibility, or to show the Premises to any prospective tenant or purchaser. Except in case of emergency, such entry shall be at such times and in such manner as to minimize interference with the reasonable business use of the Premises by Tenant.

14.2 Furniture and Bulky Articles.

Tenant shall move furniture and bulky articles in and out of the Building or make independent use of any elevators only at times approved by Landlord following at least 24 hours' written notice to Landlord of the intended move.

15.1 Notices.

Notices between the parties relating to this Lease shall be in writing, effective when delivered during business hours by facsimile transmission, email, hand delivery, private courier, nationally-recognized overnight courier or regular or certified U.S. mail. Notices shall be delivered postage prepaid, to the address, email address, or facsimile number for the party stated in the Basic Lease Terms or to such other address as either party may specify by notice to the other. Notice to Tenant may always be delivered to the Premises. Rent shall be payable to Landlord at the same address stated in the Basic Lease Terms (or at such other address as Landlord may specify by notice to Tenant) and in the same manner, but shall be considered paid only when received. Notwithstanding the foregoing, notice by email or facsimile shall be effective on the date transmitted only with proof of transmission, and only if a copy of such notice is also sent on the same business day by one of the other notice methods permitted under this Section 15.1.

16.1 Subordination and Attornment.

This Lease shall be subject to and subordinate to any mortgage, deed of trust, ground lease, master lease or land sale contract (hereafter collectively referred to as encumbrances) now existing against the Building. At Landlord's option, this Lease shall be subject and subordinate to any future encumbrance, ground lease or master lease hereafter placed against the Building (including the underlying land) or any modifications of existing encumbrances, and Tenant shall execute such documents as may reasonably be requested by Landlord or the holder of the encumbrance to evidence this subordination. If any encumbrance is foreclosed, then if the purchaser at foreclosure sale gives to Tenant a written agreement to recognize Tenant's Lease, Tenant shall attorn to such purchaser and this Lease shall continue.

16.1.1 Nondisturbance. So long as no default exists, nor any event has continued to exist for such period of time (after notice, if any, required by this Lease) as would entitle Landlord to terminate this Lease or would cause, without any further action of Landlord, the termination of this Lease or would entitle Landlord to dispossess Tenant hereunder, this Lease shall not be terminated, nor shall Tenant's use, possession or enjoyment of the Premises be interfered with, nor shall the leasehold estate granted by the Lease be affected in any foreclosure, or in an action or proceeding instituted under or in concoction with any encumbrance.

16.2 Transfer of Building.

If the Building is sold or otherwise transferred by Landlord or any successor, Tenant shall attorn to the purchaser or transferee and recognize it as the landlord under this Lease, and, provided the purchaser or transferee assumes all obligations under this Lease thereafter accruing, the transferor shall have no further liability hereunder.

16.3 Estoppels.

Either party will within ten (10) business days after notice from the other execute, acknowledge, and deliver to the other party a certificate certifying whether or not this Lease has been modified and is in full force and effect; whether there are any modifications or alleged breaches by the other party; the dates to which Rent has been paid in advance, and the amount of any security deposit or prepaid Rent; and any other facts that may reasonably be requested. Failure to deliver the certificate within the specified time shall be conclusive upon the party of whom the certificate was requested that the Lease is in full force and effect and has not been modified except as may be represented by the party requesting the certificate. If requested by the holder of any encumbrance, or any underlying lessor, Tenant will agree to give such holder or lessor notice of and an opportunity to cure any default by Landlord under this Lease.

17.1 Attorney Fees.

In any litigation, arbitration, or other proceeding arising out of this Lease, including any bankruptcy proceeding, the prevailing party shall be entitled to recover attorney fees at trial, in arbitration, and on any appeal or petition for review for any such proceedings. If Landlord incurs attorney fees because of a breach or default by Tenant, Tenant shall pay all such legal fees and expenses of Landlord whether or not litigation is filed. If Landlord employs a collection agency to recover delinquent charges, Tenant agrees to pay all collection agency and other fees charged to Landlord in addition to Rent, late charges, interest, and other sums payable under this Lease.

18.1 Quiet Enjoyment.

Subject to acts of government, the provisions of this Lease, any encumbrance, and to any mortgage, master lease or other recorded documents having priority over this Lease, Tenant may peacefully have, hold and enjoy the Premises free from interference by Landlord or anyone claiming by or through Landlord, and subject to the other provisions hereof, provided that Tenant pays the Rent and performs all of Tenant's covenants and agreements herein contained, including the observance of all reasonable rules and regulations made by Landlord from time to time pursuant to this Lease. Notwithstanding the foregoing, Landlord shall not be responsible or liable for the interference, disturbance, acts, or omissions of Tenant and/or any third party, including without limitation, other tenants of the Building and/or the general public. It is understood and agreed that this covenant and any and all other covenants of Landlord contained in this Lease shall be binding upon Landlord and its successors only with respect to breaches occurring during their respective ownership of Landlord's interest hereunder.

18.2 Limitation on Liability.

Notwithstanding any provision in this Lease to the contrary, neither Landlord nor its managing agent or employees shall have any liability to Tenant for loss or damage to Tenant's property from any cause, nor shall Landlord or its managing agent have any liability arising out of the acts, including criminal acts, of other tenants of the Building or third parties, nor any liability for consequential or punitive damages, nor liability for any reason that exceeds the value of its interest in the Property. Notwithstanding any provision in this Lease to the contrary, Tenant shall not have any liability to Landlord for any consequential, indirect or punitive damages except to the extent such liability results from the gross negligence or willful misconduct of Tenant or its agents or employees; with the understanding that damages resulting from any of the obligations of Tenant expressly provided for in this Lease shall be deemed direct and not indirect, consequential or punitive damages

19.1 Additional Rent: Tax Adjustment.

Tenant shall pay to Landlord, as Additional Rent, Tenant's Proportionate Share of the amount of which real property taxes for the Building and its underlying land increase over the Base Year stated in the Basic Lease Terms. Effective January 1 of each year, Landlord shall estimate the amount of real property taxes for the ensuing calendar year. Tenant shall pay each month, at the same time as Base Rent, one-twelfth (1/12) of Landlord's estimate of Tenant's Proportionate Share of the increase in real property taxes over the Base Year, provided that Landlord may revise its estimate during any year with reasonable cause and the additional estimate shall be payable as equal additions to Rent for the remainder of the calendar year. Following the end of each calendar year, or when actual tax year information becomes available, Landlord

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shall compute the actual real property taxes and bill Tenant for any deficiency or credit Tenant with any excess collected. Tenant shall pay any such deficiency within thirty (30) calendar days after Landlord's billing, whether or not this Lease shall have expired or terminated at the time of such billing. "Real property taxes" as used herein means all taxes and assessments of any public authority against the Building and the land on which it is located, the cost of contesting any tax, and any form of fee or charge imposed on Landlord as a direct consequence of owning or leasing the Premises, including but not limited to Rent taxes, gross receipt taxes, leasing taxes, or any fee or charge wholly or partially in lieu of or in substitution for ad valorem real property taxes or assessments, whether now existing or hereafter enacted. If, during the term of this Lease, the voters of the state in which the Premises are located or the state legislature enacts a real property tax limitation, then any substitute taxes, in any name or form, that may be adopted to replace or supplement real property taxes shall be added to taxes for purposes of this Section 19.1. If any portion of the Building is occupied by a tax-exempt tenant (other than Tenant) that receives a property tax exemption for its premises, so that the Building has a partial tax exemption under ORS 307.112 or a similar statute, then real property taxes shall mean taxes computed as if such partial exemption did not exist. If Tenant is a nonprofit or tax-exempt organization and wishes to apply for a real property tax exemption as a tax-exempt organization under ORS 307.130, as further described in ORS 307.112, as may be amended from time to time, then Landlord and Tenant shall reasonably cooperate to so apply at no out-of-pocket cost to Landlord. Any exemption granted as a result of any such application shall accrue for the sole benefit of Tenant. If a separate assessment or identifiable tax increase arises because of improvements to the Premises, then Tenant shall pay 100 percent (100%) of such increase.

19.1.1 Notwithstanding the foregoing or anything else to the contrary contained herein, Tenant's Proportionate Share of Landlord's operating expenses shall accrue and be paid in accordance with that certain PGE/Affiliates Master Services Agreement dated April 3, 2006.

19.2 Additional Rent: Cost-of-Living Adjustment. [SECTION DELETED]

19.3 Additional Rent: Operating Expense Adjustment.

Tenant shall pay to Landlord, as Additional Rent, Tenant's Proportionate Share of the amount by which operating expenses for the Building increase over the Base Year for expenses stated in the Basic Lease Terms. Effective January 1 of each year, Landlord shall estimate the amount by which operating expenses are expected to increase, if any, over those incurred in the base year. Monthly Rent for that year shall be increased by one-twelfth (1/12) of Tenant's share of the estimated increase, provided that Landlord may revise its estimate during any year with reasonable cause and the additional estimate shall be payable as equal additions to Rent for the remainder of the calendar year. Following the end of each calendar year, Landlord shall compute the actual increase in operating expenses and bill Tenant for any deficiency or credit Tenant with any excess collected. Tenant shall pay any such deficiency within thirty (30) calendar days after Landlord's billing, whether or not this Lease shall have expired or terminated at the time of such billing. As used herein "operating expenses" shall mean all costs of operating, maintaining, and repairing the Building as determined by standard real estate accounting practice, including, but not limited to: all water and sewer charges; the cost of natural gas and electricity provided to the Building; janitorial and cleaning supplies and services; administration costs and management fees; superintendent fees; security services, if any; insurance premiums; licenses; and permits for the operation and maintenance of the Building and all its component elements and mechanical systems; ordinary and emergency repairs and maintenance, and the annual amortized capital improvement cost (amortized over such a period as Landlord may select but not shorter than the period allowed under the Internal Revenue Code and at a current market interest rate) for any capital improvements to the Building required by any governmental authority or those that have a reasonable probability of improving the efficiency of the Building. "Operating expenses" shall also include all assessments under recorded covenants or master plans and/or by owners' associations.

19.3.1 Notwithstanding the foregoing or anything else to the contrary contained herein, Tenant's Proportionate Share of Landlord's operating expenses shall accrue and be paid in accordance with that certain PGE/Affiliates Master Services Agreement dated April 3, 2006.

19.4 Operating Expense Disputes.

If Tenant disputes any computation of Additional Rent or Rent adjustment under Sections 19.1 through 19.3 of this Lease, Tenant shall give notice to Landlord not later than thirty (30) calendar days after the notice from Landlord describing the computation in question, but in any event not later than (thirty) 30 calendar days after expiration or earlier termination of this Lease. If Tenant fails to give such a notice, the computation by Landlord shall be binding and conclusive between the parties for the period in question. If Tenant gives a timely notice and Landlord and Tenant are unable to resolve the issue within a commercially reasonable period of time, the dispute shall be resolved by an independent certified public accountant selected by Landlord whose decision shall be conclusive between the parties. Each party shall pay one-half (1/2) of the fee for making such determination, except that if the adjustment in favor of Tenant does not exceed ten percent (10%) of the escalation amounts for the year in question, Tenant shall pay (i) the entire cost of any such third-party determination; and (ii) Landlord's out-of-pocket costs and reasonable expenses for personnel time in responding to the audit. Nothing herein shall reduce Tenant's obligations to make all payments as required by this Lease. In no event shall Landlord have any liability to Tenant based on its calculation of Additional Rent or Rent adjustments, except and only the obligation to cause any correction to be made pursuant to this Section 19.4. Tenant shall maintain as strictly confidential the existence and resolution of any dispute regarding Rent charges hereunder. In no event shall Tenant be entitled to employ or retain any auditor, consultant, or other professional in connection with exercising any right under this Section 19.4 whose fee is based on the results of the dispute.

19.4.1 Notwithstanding the foregoing or anything else to the contrary contained herein, any dispute regarding Tenant's Proportionate Share of Landlord's operating expenses shall be resolved in accordance with that certain PGE/Affiliates Master Services Agreement dated April 3, 2006.

20.1 Hazardous Materials.

Neither Tenant nor Tenant's agents or employees shall cause or permit any Hazardous Material, as hereinafter defined, to be brought upon, stored, used, generated, released into the environment, or disposed of on, in, under, or about the Premises, except reasonable quantities of cleaning supplies and office supplies necessary to or required as part of Tenant's business that are generated, used, kept, stored, or disposed of in a manner that complies with all laws regulating any such Hazardous Materials and with good business practices. Tenant covenants to remove from the Premises (or the Building, if applicable), upon the expiration or sooner termination of this Lease and at Tenant's sole cost and expense, any and all Hazardous Materials brought upon, stored, used, generated, or released into the environment during the term of this Lease. To the fullest extent permitted by law, Tenant hereby agrees to indemnify, defend, protect, and hold harmless Landlord, Landlord's managing agent, and their respective agents and employees, and their respective successors and assigns, from any and all claims, judgments, damages, penalties, fines, costs, liabilities, and losses that arise during or after the term directly or indirectly from the use, storage, disposal, release or presence of Hazardous Materials on, in, or about the Premises that occurs during the term of this Lease. Notwithstanding the foregoing, Tenant shall not be liable in respect of (and the foregoing indemnity shall not cover) any claim, damage, loss, liability, cost or expense to the extent the same resulted from the negligence or willful misconduct of any indemnified person. Tenant shall promptly notify Landlord of any release of Hazardous Materials in, on, or about the Premises that Tenant or Tenant's agents or employees become aware of during the Term of this Lease, whether caused by Tenant, Tenant's agents or employees, or any other persons or entities. As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material, or waste that is or becomes regulated by any local governmental authority, the state of Oregon, or the United States government. The term "Hazardous Material" includes, without limitation, any material or substance that is (i) defined as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance," "hazardous material," or "waste" under any federal, state, or local law, (ii) petroleum, and (iii) asbestos. The provisions of this Section 20, including, without limitation, the indemnification provisions set forth herein, shall survive any termination of this Lease.

20.2 Mold.

Tenant shall not allow or permit any conduct or omission at the Premises, or anywhere on Landlord's property, that will promote or allow the production or growth of mold, spores, fungus, or any other similar organism, and shall indemnify and hold Landlord harmless from any claim, demand, cost and expense (including attorney fees) arising from or caused by Tenant's failure to strictly comply with its obligations under this provision.

21.1 Complete Agreement; No Implied Covenants.

This Lease and the attached Exhibits and Schedules, if any, constitute the entire agreement of the parties and supersede all prior written and oral agreements and representations and there are no implied covenants or other agreements between the parties, except as expressly set forth in this Lease. Neither Landlord nor Tenant is relying on any representations other than those expressly set forth herein.

21.2 Space Leased AS IS.

Unless otherwise stated in this Lease, the Premises are leased AS IS in the condition now existing with no alterations or other work to be performed by Landlord.

21.3 Captions.

The titles to the Sections of this Lease are descriptive only and are not intended to change or influence the meaning of any Section or to be part of this Lease.

21.4 Nonwaiver.

Failure by Landlord to promptly enforce any regulation, remedy, or right of any kind under this Lease shall not constitute a waiver of the same and such right or remedy may be asserted at any time after Landlord becomes entitled to the benefit thereof, notwithstanding delay in enforcement.

21.5 Consent.

Except where otherwise provided in this Lease, either party may withhold its consent for any reason or for no reason whenever that party's consent is required under this Lease.

21.6 Force Majeure.

If performance by Landlord of any portion of this Lease is made impossible or impracticable by any prevention, delay, or stoppage caused by governmental approvals, war, acts of terrorism, strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes for those items, governmental actions, civil commotions, fire or other casualty, or other causes beyond the reasonable control of Landlord, performance by Landlord for a period equal to the period of that prevention, delay, or stoppage is excused.

21.7 Commissions.

Each party represents that it has not had dealings with any real estate broker, finder or other person with respect to this Lease in any manner, except for the broker(s) identified in the Basic Lease Terms. Landlord shall pay a leasing commission in accordance with a separate agreement between Landlord and broker, if applicable.

21.8 Successors.

This Lease shall bind and inure to the benefit of the parties, their respective heirs, successors, and permitted assigns.

21.9 Financial Reports

Within fifteen (15) business days after Landlord's request, Tenant will furnish Tenant's most recent audited financial statements (including any notes to them) to Landlord, or, if no such audited statements have been prepared, such other financial statements (and notes to them) as may have been prepared by an independent certified public accountant or, failing those, Tenant's internally prepared financial statements. Tenant will discuss its financial statements with Landlord and will give Landlord access to Tenant's books and records

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in order to enable Landlord to verify the financial statements. Landlord will not disclose any aspect of Tenant's financial statements except (a) to Landlord's property manager and internal personnel, and (b) to Landlord's lenders or prospective purchasers of the Building, and (c) in litigation between Landlord and Tenant, and (d) if required by law or court order.

21.10 Waiver of Jury Trial.

To the maximum extent permitted by law, Landlord and Tenant each waive right to trial by jury in any litigation arising out of or with respect to this Lease.

21.11 OFAC Compliance.

Tenant represents and warrants that Tenant is in compliance with all laws, statutes, rules and regulations or any federal, state or local governmental authority in the United States of America applicable to Tenant and all beneficial owners of Tenant, including, without limitation, the requirements of Executive Order No. 133224, 66 Fed Reg. 49079 (September 25, 2001) (the "Order") and other similar requirements contained in the rules and regulations of the Office of Foreign Asset Control of the Department of the Treasury ("OFAC") and in any enabling legislation or other Executive Orders in respect thereof (the Order and such other rules, regulations, legislation, or orders are collectively called the "Orders"). Tenant agrees to make its policies, procedures and practices regarding compliance with the Orders available to Landlord for its review and inspection during normal business hours and upon reasonable prior notice. Tenant further represents and warrants that neither Tenant nor any beneficial owner of Tenant: (a) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "Lists"); (b) has been determined by competent authority to be subject to the prohibitions contained in the Orders; (c) is owned or controlled by, nor acts for or on behalf of, any person or entity on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or (d) shall transfer or permit the transfer of any interest in Tenant or any beneficial owner in Tenant to any person who is or whose beneficial owners are listed on the Lists.

21.12 Governing Law. This Lease shall be given effect and construed by application of the law of the State of Oregon. Exclusive venue for any action shall be in Multnomah County Circuit Court and Landlord and Tenant each waive any and all claims that such forum is inconvenient or that there is a more convenient forum located elsewhere.

21.13 Representation; Preparation.

THIS LEASE, ATTACHMENTS AND AMENDMENTS WERE PREPARED AT THE DIRECTION OF LANDLORD AND TENANT AND BOTH HAVE BEEN ADVISED AND HAD AN OPPORTUNITY TO SEEK INDEPENDENT COUNSEL TO REVIEW THIS LEASE, ATTACHMENTS, AND AMENDMENTS. THE RULE OF CONSTRUCTION THAT A WRITTEN AGREEMENT IS CONSTRUED AGAINST THE PARTY PREPARING OR DRAFTING SUCH AGREEMENT SHALL SPECIFICALLY NOT BE APPLICABLE TO THE INTERPRETATION OR ENFORCEMENT OF THIS LEASE, ATTACHMENTS, AND AMENDMENTS. NO REPRESENTATION OR RECOMMENDATION IS MADE BY BOMA PORTLAND OR THE REAL ESTATE BROKERS INVOLVED IN THIS TRANSACTION CONCERNING THE LEGAL SUFFICIENCY OR TAX OR LEGAL CONSEQUENCES ARISING FROM THIS LEASE.

21.14 Exhibits.

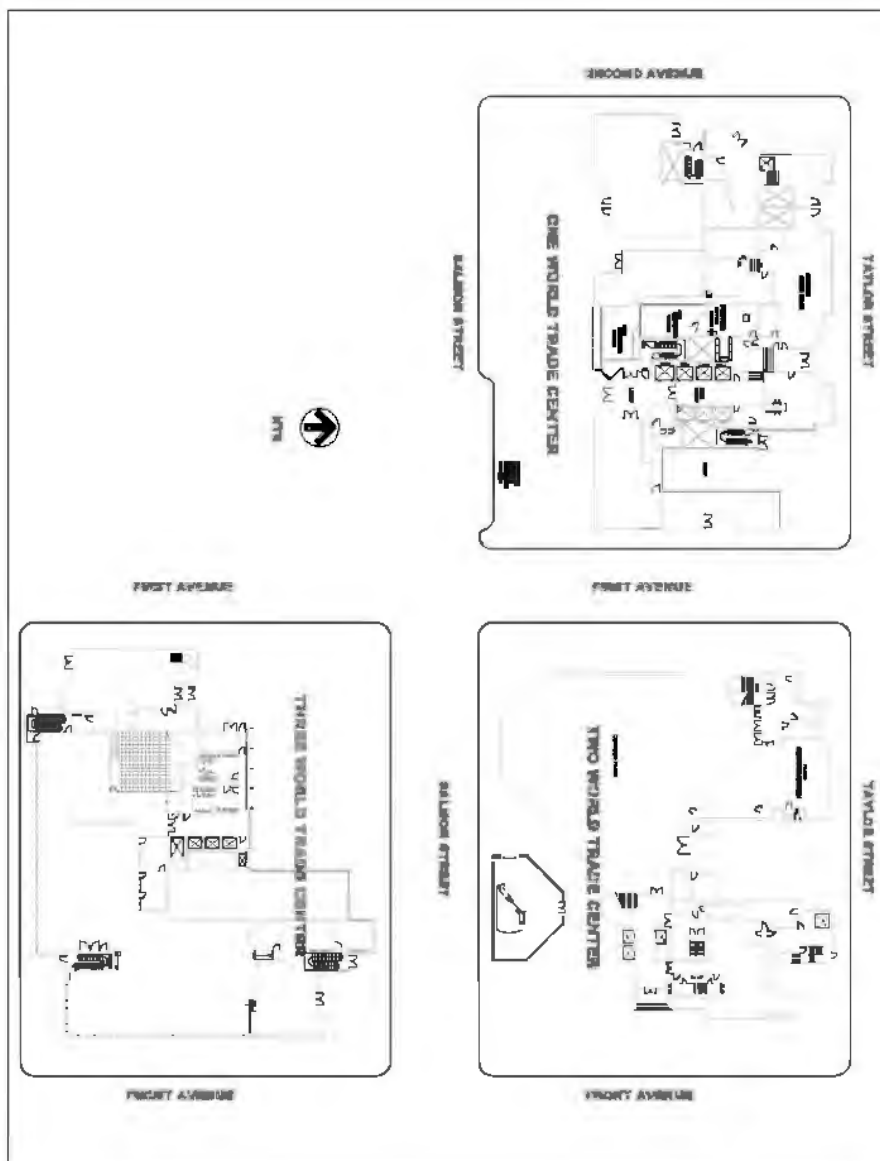
The following Exhibits are attached hereto and incorporated as a part of this Lease:

Exhibit A	Premises
Exhibit B	Commencement Date Lease Certificate
Exhibit C	Rules and Regulations

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EXHIBIT "A"
Premises

A portion of the land and improvements comprising the World Trade Center Portland Complex, as more particularly described as follows: All of Blocks 5, 6, and 12, CITY OF PORTLAND, in the City of Portland, County of Multnomah and State of Oregon; EXCEPTING THEREFROM the West 5 feet of Lots 5, 6, and 8, Block 12, taken for the widening of SW 2nd Avenue; Initially consisting of approximately 343,550 Rentable Square Feet; a portion of One World Trade Center (1WTC), and all of Two World Trade Center (2WTC), and Three World Trade Center (3WTC).



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EXHIBIT "B"
Commencement Date Lease Certificate

This Commencement Date Lease Certificate is made as of this ____ day of November/December, 2018 (“Certificate Date”) with reference to that certain Office Lease dated November/December __, 2018, by and between **121 SW SALMON STREET CORPORATION**, an Oregon corporation (“Landlord”), and **PORTLAND GENERAL ELECTRIC COMPANY**, an Oregon corporation (“Tenant”), for the Premises comprising the World Trade Center Portland located in three Buildings located at 25 SW Salmon Street, 26 SW Salmon Street, and 121-127 SW Salmon Street, Portland, Oregon, initially consisting of approximately 343,550 Rentable Square Feet; a portion of One World Trade Center (1WTC), and all of Two World Trade Center (2WTC), and Three World Trade Center (3WTC) (See Exhibit “A”).

The undersigned hereby affirm and acknowledge the following information as true and correct.

Lease Execution Date: November/December __, 2018

Commencement Date: November/December __, 2018

Term Expiration Date: September 30, 2028

Tenant’s Initial Proportionate Share: Sixty Seven and 80/100 Percent (67.8%)

Base Rent Schedule:

<u>Time Period</u>	<u>Monthly Base Rent</u>
November/December __, 2018- September 30, 2028	Not to exceed \$207,212.42 (\$2,486,549 per year) multiplied by Tenant’s Proportionate Share
*October 1, 2028 – September 30, 2038	Not to exceed \$207,212.42 (\$2,486,549 per year) multiplied by Tenant’s Proportionate Share
*October 1, 2038 – September 30, 2043	Not to exceed \$207,212.42 (\$2,486,549 per year) multiplied by Tenant’s Proportionate Share

*Subject to proper exercise of the respective Option to Extend the Term of the Lease.

IN WITNESS WHEREOF, the parties have executed this Commencement Date Lease Certificate as of the Certificate Date.

Tenant:

PORTLAND GENERAL ELECTRIC COMPANY,
an Oregon corporation

By: _____

Title: _____

Date: _____

Landlord:

121 SW SALMON STREET CORPORATION,
an Oregon corporation

By: _____

Title: _____

Date: _____



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EXHIBIT "C"
Rules & Regulations

WORLD TRADE CENTER PORTLAND BUILDING AND PARKING RULES AND REGULATIONS

1. Except as specifically provided in the Lease to which these Rules and Regulations are attached, no sign, placard, picture, advertisement, name or notice shall be installed or displayed on any part of the outside or inside of the Building, or in any Common Area, without the prior written consent of Landlord. Landlord shall have the right to remove, at Tenant's expense and without notice, any sign installed or displayed in violation of this rule. All approved signs or lettering on doors and walls shall be printed, painted, affixed or inscribed in accordance with any terms or conditions specified by Landlord at the expense of Tenant by a person approved by Landlord.
2. If Landlord objects in writing to any curtains, blinds, shades, screens or hanging plants or other similar objects attached to or used in connection with any window or door of the Premises, or placed on any windowsill, which is visible from the exterior of the Premises, Tenant shall immediately discontinue such use. Tenant shall not place anything against or near glass partitions or doors or windows that may appear unsightly in Landlord's judgment from outside the Premises. Landlord shall have the right to remove, at Tenant's expense and without notice, any object installed or displayed in violation of this rule. No items or decorations are to be hung from lighting fixtures, ceiling systems, fire alarm devices, fire sprinkler piping or fire sprinkler device.
3. Tenant shall not obstruct any sidewalks, halls, passages, fire corridors, exits, entrances, elevators or stairways of the Building or in any Common Area. The halls, passages, exits, entrances, elevators and stairways are not open to the general public, but are open, subject to reasonable regulations, to Tenant's business invitees and other tenants. Landlord shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Landlord would be prejudicial to the safety, character, reputation and/or interest of the Building and its tenants; provided that nothing herein contained shall be construed to prevent such access to personnel with whom any tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal or unlawful activities or in Landlord's judgment pose a safety or security risk. No tenant and no employee or invitee of any tenant shall go upon the roof(s) of the Building.
4. Landlord will furnish Tenant, free of charge, with two keys to each door lock in the Premises. Landlord may make a reasonable charge for any additional keys. Tenant shall not make or have made additional keys, and Tenant shall not alter any lock or install a new additional lock or bolt on any door of its Premises. Tenant, upon the termination of its tenancy, shall promptly deliver to Landlord the keys of all doors which have been furnished to Tenant, and in the event of loss of any keys so furnished, shall promptly pay landlord therefore.
5. If Tenant requires cellular, telephonic, computer, burglar alarm or similar services, Tenant shall first obtain, and comply with, Landlord's instructions and restrictions in their installation, operation and/or maintenance. Such services shall be at Tenant's risk and expense and Landlord will not be responsible for loss of or damage to, any such equipment or have any liability associated with such services.
6. No equipment, materials, furniture, packages, supplies, merchandise or other property will be received in the Building or carried in the elevators except between such hours and in such elevators (the freight elevator unless otherwise directed by Landlord) as may be designated in each instance by Landlord. Tenant's move out, initial move in, and subsequent deliveries of bulky items, such as furniture, safes and similar items shall be prescheduled with Landlord and, unless otherwise agreed in writing by Landlord, be made at times other than during Business Hours on Monday through Friday. Deliveries during normal office hours shall be limited to normal office supplies and other small items. No deliveries shall be made which impede or interfere with the use of the elevators or any Common Area, by other tenants, or the operation of the Building in general. Freight elevators to be used exclusively for moving freight and other items and are not to be used in lieu of the standard elevators.
7. Tenant shall not place a load upon any floor of the Premises that exceeds the load per square foot that such floor was designed to carry and which is allowed by applicable law. Landlord shall have the right to prescribe the weight, size and position of all equipment, materials, furniture or other property brought into the Building. Heavy objects shall, if considered necessary by Landlord, stand on such platforms as determined by Landlord to be necessary to properly distribute the weight, which platforms shall be

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provided at Tenant's expense. Business machines and mechanical equipment belonging to Tenant which cause noise vibration that may be transmitted to the structure of the Building or to any space therein shall be placed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other devices sufficient to eliminate noise or vibration. The persons engaged to move such equipment in or out of the Building must be acceptable to Landlord. Landlord will not be responsible for loss of, or damage to, any such equipment or other property from any cause, and all damage done to the Building by maintaining or moving such equipment or other property shall be repaired at the expense of Tenant.

8. Tenant shall not use or keep in the Premises any kerosene, gasoline or flammable or combustible fluid or material other than those limited quantities necessary for the operation or maintenance of office equipment. Tenant shall not use or permit to be used in the Premises any foul or noxious gas or substance, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors or vibrations.
9. No open flame (e.g., candles or other source) shall be generated or used in the Building or Common Areas.
10. Tenant shall not use any method of heating or air conditioning other than that supplied by Landlord.
11. Tenant shall not waste electricity, water or air conditioning and agrees to cooperate fully with Landlord to assure the most effective operation of the Building's heating and air conditioning and to comply with any governmental energy-saving rules, laws or regulations of which Tenant has actual notice, and shall refrain from attempting to adjust controls. Tenant shall keep corridor doors closed.
12. Landlord reserves the right, exercisable without notice and without liability to Tenant, to change the name and street address of the Building. Landlord shall have the right to prohibit use of the name or image of the Building, any intellectual property right of Landlord, or any other publicity by Tenant that in Landlord's sole opinion may impair the reputation of the Building or its desirability.
13. Landlord reserves the right to exclude from the Building between the hours of 6 p.m. and 7 a.m. the following day, or such other hours as may be established from time to time by Landlord, and on Saturdays and Sundays and legal holidays, any person unless that person is known to the person or employee in charge of the Building and has a pass or is properly identified. Tenant shall be responsible for all persons for whom it requests passes and shall be liable to Landlord for all acts of such persons. Landlord shall not be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. Landlord reserves the right to prevent access to the Building in case of invasion, mob, riot, public excitement, commotion or safe try or security risk by closing the doors or by other appropriate action.
14. Tenant shall entirely shut off all water faucets, coffee makers/machines, or other water apparatus, and electricity, gas or air outlets before Tenant and its employees leave the Premises each day. Tenant shall be responsible for any damage or injuries sustained by other tenants or occupants of the Building or by Landlord for noncompliance with this rule.
15. The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. Tenant shall at all times keep the Premises at a temperature sufficiently high to prevent freezing of water pipes and fixtures. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or invitees, shall have caused it.
16. Tenant shall not sell, or permit the sale at retail of newspapers, magazines, periodicals, theater tickets or any other goods or merchandise to the general public in or on the Premises or in any Common Area. Tenant shall not make any room-to-room solicitation of business from other tenants in the Building or in any Common Area. Tenant shall not use the Premises for any business or activity other than that specifically provided for in Tenant's Lease. Canvassing, soliciting and distribution of handbills or any other written material, and peddling in the Building or in any Common Area are prohibited, and Tenant shall cooperate to prevent such activities.
17. Tenant shall not install any radio, computer or television antenna, loudspeaker or other devices on the roof(s) or exterior walls of the Building without Landlord's prior written consent. Tenant shall not create any electrical or magnetic interference or interfere with radio, computer or television broadcasting or reception from or in the Building or elsewhere.
18. Tenant shall not (i) conduct or permit any fire, bankruptcy or auction sale (whether real or fictitious) unless and to the extent directed by order of a court of competent jurisdiction and upon not less than three (3) business days prior written notice to Landlord, or conduct or permit any legitimate or fictitious "Going Out of Business" sale nor represent or advertise that it regularly or customarily sells merchandise at "manufacturer's", "distributors", or "wholesale", "warehouse", or similar prices other than at "offprice" or

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at “retail” prices: (ii) use, or permit to be used, the Common Areas or sidewalks adjacent to the Premises, or any other area outside the Premises for solicitation or for the sale or display of any merchandise or service or for any other business, occupation, or undertaking, or for outdoor public meetings, circus or other entertainment (except for promotional activities in cooperation with Landlord); (iii) use or permit to be used any flickering lights or any sound broadcasting or amplifying device which can be heard outside of the Premises; or (iv) use or permit to be used any portion of the Premises for any unlawful purpose or use or permit the use of any portion of the Premises as regular living quarters, sleeping apartments or lodging rooms or for the conduct of any manufacturing business.

19. Except in connection with hanging pictures and other customary office decorations, Tenant shall not mark, drive nails, screw or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof, except in accordance with the provisions of the Lease pertaining to alterations. Landlord reserves the right to direct licensed electricians as to where and how communication, cabling, and data wires and interfaces are to be located and introduced to the Premises. Tenant shall not cut or bore holes for wires. Tenant shall not affix any floor covering to the floor of the Premises in any manner except as approved by Landlord. Tenant shall promptly repair any damage resulting from noncompliance with this rule at Tenant’s expense.
20. Tenant shall not install, maintain or operate upon the Premises any vending machines, concessions, or video games without the prior written consent of Landlord.
21. Landlord reserves the right to exclude or expel from the Building any person who, in Landlord’s judgment, is a safety or security risk, intoxicated or under the influence of liquor or drugs, or who is in violation of any of the Rules and Regulations of the Building.
22. No animals (including birds), except those assisting physically impaired persons, shall be brought in the Building or kept in or about the Premises or Common Areas.
23. Tenant shall store all its trash, composting and recycling within its Premises or in other facilities provided by Landlord. Tenant shall not place in any trash box or receptacle any material that cannot be disposed of in the ordinary and customary manner of trash and garbage disposal or recycling. All garbage, composting, recycling and refuse disposal shall be made in accordance with directions issued from time to time by Landlord.
24. The Premises shall not be used for the storage of merchandise held for sale to the general public, or for lodging or for manufacturing of any kind, nor shall the Premises be used for any improper, immoral or objectionable purpose. No cooking shall be done or permitted on the Premises without Landlord’s consent, except that use by Tenant of Underwriters’ Laboratory approved equipment for brewing coffee, tea, hot chocolate and similar beverages or use of microwave ovens for employee use shall be permitted, provided that such equipment and use is in accordance with all Legal Requirements. Such equipment shall be at Tenant’s risk and expense and Landlord will not be responsible for loss of or damage to, any such equipment or have any liability associated with such equipment. All coffee makers, water service or other equipment requiring plumbing shall use copper or braided steel tubing, no plastic.
25. Tenant shall not use in any space or in the public halls of the Building any hand truck except those equipped with rubber tires and side guards or such other material-handling equipment as Landlord may approve. Tenant shall not bring any other vehicles of any kind into the Building. Care should be given when loading and unloading to not damage the elevator cabs, trim and thresholds, or adjacent common areas.
26. Tenant shall promptly comply with all safety, security, fire protection and evacuation directives, procedures and regulations established by Landlord or any governmental agency.
27. Tenant assumes any and all responsibility for protecting its Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed. Landlord will not be responsible for loss of or damage to, any property of Tenant.
28. Tenant’s requirements will be attended to only upon appropriate application to the Building management office by an authorized individual. Employees of Landlord shall not perform any work or do anything outside of their regular duties unless under special instructions from Landlord.
29. Tenant shall keep Landlord advised of all management personnel changes and emergency phone numbers.
30. Landlord reserves the right, from time to time without unreasonable interference with Tenant’s use, to: (a) install, use, maintain, repair and replace pipes, wires and other equipment above the ceiling surfaces, below the floor surfaces, within the walls and/or in the essential core areas of the Building, (b) to add to, modify, or to delete from the common areas of the Building, (c) to do work in the common areas of the Building,

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and/or to close temporarily any of the common areas (so long as reasonable access to individual premises remains available), and (d) to do and perform such other acts and makes such other changes in, to or with respect to the common areas of the Building or the Building as Landlord may deem appropriate.

31. Loading docks are to be used for loading and unloading only and only during normal Business Hours. Loading docks may be available at other times upon prior request by Tenant. No vehicles may be parked at or blocking access to the loading dock by other vehicles. Vehicles left unattended for deliveries or pick-ups must have blinker lights on and must be moved within fifteen (15) minutes. Note the limitations on the use of elevators set forth in Section 6 above.
32. Any cabling or wiring installed on or about the Premises (including without limitation the risers, plenum, telecommunications spaces, and the roof and exterior of the Building) during the Term shall be "fire safe" and meet or exceed the requirements of both the then current national and local electrical, fire and safety codes. In conjunction with the installation or modification of any cabling or wiring Tenant, at Tenant's risk and expense, shall remove and properly dispose of any abandoned cabling and wires, as defined by the National Electric Safety Code, within the demised Premises (including without limitation the risers, plenum, telecommunications spaces, and the roof and exterior of the Building). Upon the expiration or termination of the Lease, Tenant, at Tenant's risk and expense, shall promptly remove and properly dispose of all abandoned cabling and wires, as defined by the National Electric Safety Code, within and/or associated with the demised Premises (including without limitation the risers, plenum, telecommunications spaces, and the roof and exterior of the Building), unless excused in writing by Landlord.
33. The following rules and regulations are in addition to the terms and conditions of the World Trade Center Monthly Parking Agreement, the terms and conditions of which are hereby incorporated by reference herein, and shall govern use of the parking facilities that are appurtenant to the Building. Tenant shall not park or permit the parking of any vehicle in any parking areas designated by Landlord as areas for parking by visitors to the Building.
 - a. No overnight or extended term parking or storage of vehicles shall be permitted.
 - b. Tenant shall not park any vehicles in the parking areas other than automobiles and motorcycles.
 - c. Vehicles must be parked entirely within painted stall lines of a single parking stall.
 - d. All directional signs and arrows must be observed.
 - e. The speed limit within all parking areas shall be ten (10) miles per hour.
 - f. Parking is prohibited in areas not striped for parking; in aisles; where "no parking" signs are posted; on ramps; in cross-hatched areas; and in such other areas as may be designated by Landlord.
 - g. The parker assumes all responsibility for damage to vehicles or theft of property.
 - h. Washing, waxing, cleaning or servicing of any vehicle in any area is prohibited.
 - i. Landlord reserves the right to establish and change parking fees and to modify and/or adopt such other reasonable and nondiscriminatory rules and regulations for the parking facilities as it deems necessary for the operation of the parking facilities.
 - j. Landlord may refuse to permit any person who violates these rules to park in the parking facilities, and any violation of the rules shall subject the car to removal at the owner's expense and without any liability to Landlord whatsoever.
 - k. Designated electric vehicle parking is for electric vehicle charging only at all times. Tenant shall observe and comply with all posted and designated electric charging parking signage.
34. Bicycles and other vehicles are not permitted inside the elevator, Building or the walkway outside the Building, except in areas designated by Landlord.
35. The use of tobacco or e-cigarette products (e.g., cigarettes, cigars, pipes, smokeless tobacco, snuff and vapes) is prohibited in the Premises or elsewhere in the Building and in all other portions of the Complex except in exterior Designated Tobacco Use Areas which shall be located and designated by Landlord from time to time by such signage as Landlord deems appropriate. All tobacco products, whether smokeless or not, must be promptly disposed of in a safe and hygienic manner. Tenant, at Tenant's expense, shall at all times keep and maintain its Premises as a "Non Tobacco Use" area.
36. Landlord may waive or modify any one or more of these Rules and Regulations for the benefit of Tenant or any other tenant, but no such waiver or modification by Landlord shall be construed as a waiver of such Rules and Regulations in favor of Tenant or any other tenant, nor prevent Landlord from thereafter enforcing any such Rules and Regulations against any or all of the tenants of the Building.
37. These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend,

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in whole or in part, the terms, covenants, agreements and conditions of the Lease.

38. Landlord reserves the right to modify the foregoing and/or to make such other and reasonable Rules and Regulations as, in its judgment may from time to time be needed for safety and security, for care and cleanliness of the Building and for the preservation of good order therein. Tenant agrees to abide by all such Rules and Regulations hereinabove stated and any additional rules and regulations that are adopted.

Tenant shall be responsible for the observance of and the prompt and continuous compliance with all of the foregoing rules by Tenant's employees, agents, clients, customers, invitees and guests and for all costs and expenses associated with the violation thereof.



ADDENDUM TO OFFICE LEASE AGREEMENT

THIS ADDENDUM TO OFFICE LEASE AGREEMENT is entered into by and between *PORTLAND GENERAL ELECTRIC COMPANY*, an Oregon corporation ("Tenant"), and *121 SW SALMON STREET CORPORATION*, an Oregon corporation ("Landlord").

RECITALS

A. Landlord and Tenant are parties to that certain Office Lease Agreement of equal date hereof (the "Lease") related to the three building World Trade Center Portland Complex located at 25 SW Salmon Street, 26 SW Salmon Street and 121-127 SW Salmon Street in Portland, Multnomah County, Oregon 97204.

B. Capitalized terms not defined herein shall have the same meaning as set forth in the Lease. References herein to the Lease shall include this Addendum and all prior Addenda and Amendments to the Lease, except where the context otherwise requires.

NOW, THEREFORE, for valuable consideration, the current receipt, reasonable equivalence, and sufficiency of which are hereby acknowledged by each of the parties, the parties each agree as follows:

1. **Regulated Utility.** Landlord recognizes that Tenant is a regulated utility that operates under the auspices of the Oregon Public Utility Commission, Federal Energy Regulatory Commission, North American Electric Reliability Corporation (NERC), *et al.* Notwithstanding anything to the contrary contained in the Lease, Landlord and Tenant agree to work together with respect to the Premises so as not to materially impair Tenant's ability to maintain Tenant's regulatory compliance, Tenant's security standards and protocols, and/or Tenant's critical infrastructure.

2. **Security and Access.** Notwithstanding anything to the contrary contained in the Lease, including without limitation Section 4.3 and Section 5.3 of the Lease, Landlord and Tenant mutually agree as follows:

One World Trade Center (1WTC) building ~ Tenant shall have primary but non-exclusive access and control of that portion of the Premises known as the One World Trade Center (1WTC) building subject to the rights of Landlord and third party tenants, save and except those portions of 1WTC defined as the Premises Area which Tenant shall have exclusive access to and control of. Tenant shall establish all minimum building security standards and protocols for 1WTC.

Two World Trade Center (2WTC) building ~ Tenant shall have primary access to and control of that portion of the Premises known as the Two World Trade Center (2WTC) building; Tenant shall establish all minimum building security standards and protocols for 2WTC. During any such period of time when the Premises Area does not include the entirety of 2WTC, Tenant's access shall be non-exclusive and the minimum building security standards and protocols for 2WTC shall be identical to that of 1WTC above.

Three World Trade Center (3WTC) building ~ Tenant shall have the exclusive access to and control of that portion of the Premises known as the Three World Trade Center (3WTC) building; Tenant shall establish all minimum building security standards and protocols for 3WTC. During any such period of time when the Premises Area does not include the entirety of 3WTC, and no portion of Tenant's Critical Infrastructure (e.g., Balancing Authority, Integrated Operations, Power Supply, and the like) is contained within 3WTC, Tenant's access shall be non-exclusive and the minimum building security standards and protocols for 3WTC shall be identical to that of 1WTC above.

Landlord shall not have the right to modify any security measures or equipment specific to Tenant. Landlord's minimum building security standards and protocols for each building in the Complex shall meet or exceed those of Tenant and Tenant does not assume any duty or liability to Landlord or to any other tenant or third party with respect thereto. Any security measures or equipment specific to Tenant, or non-specific to Tenant but required by Tenant (regardless of location), shall be at Tenant's expense. To the extent the minimum building security standards required by Tenant exceed the building security

standards customary for Class A office space in the Portland downtown core, the expense actually and reasonably incurred by Landlord resulting from such excess shall be at Tenant's expense.

3. **Default.** Notwithstanding anything to the contrary contained in the Lease, including without limitation Section 11.1 of the Lease, Section 11.1.1 is hereby revised to read as follows: "Tenant's failure to pay Rent or any other charge under this Lease within twenty (20) calendar days after it is due."

4. **Consent.** Notwithstanding anything to the contrary contained in the Lease, Landlord's consent whenever required under any provisions of this Lease shall not be unreasonably withheld.

5. **Controlling Agreement.** In the event of any conflict between any other part of the Lease and this Addendum, the terms and conditions of this Addendum shall control. To the extent that this Addendum may have been executed following any effective dates set forth herein, said effective dates are hereby ratified, confirmed, and approved. This Addendum may be executed in counterparts, and such counterparts together shall constitute but one original of the Addendum. Each counterpart shall be equally admissible in evidence, and each original shall fully bind each party who has executed it.

6. **Entire Agreement.** Time is of the essence of every provision of the Lease and this Addendum. The Recitals are true and correct and incorporated herein by this reference. This instrument, along with any exhibits and attachments or other documents affixed hereto or referred to herein, constitute the entire and exclusive agreement between Tenant and Landlord relative to the Lease and the Premises, and the Lease may be altered and/or revoked only by an instrument in writing signed by both Tenant and Landlord. As supplemented and clarified by this Addendum, the terms and conditions of the Lease shall remain unmodified and in full force and effect.

The parties have executed this Addendum effective as of the _____ day of _____, 2018. This Addendum shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

TENANT:

PORTLAND GENERAL ELECTRIC COMPANY,
an Oregon corporation

By: _____

Printed Name: _____

Title: _____

LANDLORD:

121 SW SALMON STREET CORPORATION,
an Oregon corporation

By: _____

Printed Name: _____

Title: _____

Attachment 2

Draft of Lease Amendment 1

AMENDMENT OF OFFICE LEASE AGREEMENT

THIS AMENDMENT OF OFFICE LEASE AGREEMENT is entered into by and between *PORTLAND GENERAL ELECTRIC COMPANY*, an Oregon corporation (“Tenant”), and *121 SW SALMON STREET CORPORATION*, an Oregon corporation (“Landlord”).

RECITALS

A. Landlord and Tenant are parties to that certain Office Lease Agreement dated November 27, 2018, as supplemented by that certain Addendum to Office Lease Agreement of equal date therewith (cumulative the “Lease”) related to the three building World Trade Center Portland Complex located at 25 SW Salmon Street, 26 SW Salmon Street, and 121-127 SW Salmon Street in Portland, Multnomah County, Oregon 97204.

B. Capitalized terms not defined herein shall have the same meaning as set forth in the Lease. References herein to the Lease shall include this Amendment and all prior Addenda and Amendments to the Lease, except where the context otherwise requires.

NOW, THEREFORE, for valuable consideration, the current receipt, reasonable equivalence, and sufficiency of which are hereby acknowledged by each of the parties, the parties each agree as follows:

1. **Premises Area.** Section 1.1(E) of the Lease provides that Tenant shall have the right to periodically adjust the amount of square feet comprising the Premises Area to accommodate Tenant’s needs. Effective the 30th day of June, 2022, the Premises Area shall be reduced by fifteen thousand six hundred seventy seven (15,677) square feet, such reduced space being located on the Plaza Level of Three World Trade Center (“3WTC”). Following such modification, Tenant shall retain the remainder of 3WTC.

2. **Premises Area/Proportionate Share.** Following the modification referenced in Section 1 above, the Premises Area as referenced in Section 1.1(E) of the Lease shall consist of approximately 327,873 Rentable Square Feet, and Tenant’s Proportionate Share as referenced in Section 1.1(G) of the Lease shall be sixty four and seven tenths (64.7%) percent.

3. **Security and Access.** Section 2 of the Addendum to the Lease provides with respect to 3WTC that, “during any such period of time when the Premises Area does not include the entirety of 3WTC, and no portion of Tenant’s Critical Infrastructure (e.g., Balancing Authority, Integrated Operations, Power Supply, and the like) is contained within 3WTC, Tenant’s access shall be non-exclusive and the minimum building security standards and protocols for 3WTC shall be identical to that of 1WTC above.” Prior to July 1, 2022, Tenant shall have removed all of Tenant’s Critical Infrastructure from 3WTC except for certain data center and communication functions located on the Fourth (4th) floor of 3WTC. PGE does not currently intend to remove the communications hub from the Premises Area. Except as specified herein, effective July 1, 2022, Tenant’s access to portions of 3WTC shall be non-exclusive and the minimum building security standards and protocols for 3WTC shall be identical to that of 1WTC. Landlord and Tenant shall work together to maintain appropriate access restrictions and security measures to satisfy Tenant’s concerns regarding 3WTC. For the avoidance of doubt, access restrictions and security measures for the Fourth (4th) floor of 3WTC shall be maintained as long as the data center and/or communications hub are located at 3WTC.

4. **Controlling Agreement.** In the event of any conflict between any other part of the Lease and this Amendment, the terms and conditions of this Amendment shall control. To the extent that this Amendment may have been executed following any effective dates set forth herein, said effective dates are hereby ratified, confirmed, and approved. This Amendment may be executed in counterparts, and such counterparts together shall constitute but one original of the Amendment. Each counterpart shall be equally admissible in evidence, and each original shall fully bind each party who has executed it.

5. **Entire Agreement.** Time is of the essence of every provision of the Lease and this Amendment. The Recitals are true and correct and incorporated herein by this reference. This instrument, along with any exhibits and attachments or other documents affixed hereto or referred to herein, constitute the

entire and exclusive agreement between Tenant and Landlord relative to the Lease and the Premises, and the Lease may be altered and/or revoked only by an instrument in writing signed by both Tenant and Landlord. As supplemented and clarified by this Amendment, the terms and conditions of the Lease shall remain unmodified and in full force and effect.

The parties have executed this Amendment effective as of the 30th day of June, 2022. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

TENANT:

PORTLAND GENERAL ELECTRIC COMPANY,
an Oregon corporation

By: _____

Printed Name: James A. Ajello
Title: Senior Vice President, Chief Financial Officer
and Treasurer

LANDLORD:

121 SW SALMON STREET CORPORATION,
an Oregon corporation

By: _____

Printed Name: Anne F. Mersereau
Title: Chairman of the Board