PHYSICAL THERAPY/OCCUPATIONAL THERAPY FACILITY LICENSE AGREEMENT

THIS AGREEMENT (the "License") is made and entered into as of the <u>18th</u> day of <u>July</u>, 2016, by and between the parties the VILLAGE OF ORLAND PARK, Cook and Will Counties, Illinois, an Illinois home rule municipal corporation (the "Licensor"), and PALOS COMMUNITY HOSPITAL, an Illinois not-for-profit corporation (the "Licensee").

1. <u>Grant of License; Licensed Space</u>: Licensor hereby licenses to Licensee and Licensee hereby licenses from Licensor, the premises identified as approximately 6,000 square feet initially described and depicted on <u>Exhibit A</u> attached hereto and made a part hereof, which collectively constitute the "Licensed Space"), located on the first floor of the building located at, and known as, the Village of Orland Park Health & Fitness Center (the "Center"). It is understood and agreed that the final location of the Licensed Space within the Center shall be approximately 4,500 square feet and shall be located as reasonably determined by the Licensor. Any costs associated with relocating the Licensed Space from its present location shall be borne by Licensee. During the Term, and for so long as Licensee is not in default hereunder, Licensor shall grant no other license for operation of a physical therapy facility, occupational therapy, related rehabilitative services or use within the Center.

In connection with Licensee's use of the Licensed Space, Licensee shall have the nonexclusive right to use (a) in common with Licensor and the other occupants of the Center in which the Licensed Space is located, the common area outside the Center that Licensee has the right to use, including parking lots; and (b) in common with the Licensor and other occupants of the Center, the hallways, stairways, restrooms and other areas of the Center that may be reasonably necessary for Licensee's use of the Licensed Space.

2. <u>Term</u>. The term of this License (the "Term") shall commence on January _____, 2017 (the "Commencement Date") and end January _____, 2022 (the "Expiration Date"), unless sooner terminated as provided herein. Notwithstanding any other provision of this Agreement, the Licensor or Licensee may terminate this Agreement, with cause, upon providing ninety (90) days prior written notice to the other party delineating the issues on which the party relies to terminate the Agreement for cause. The parties shall consult during the 90 day period to attempt to resolve the issues that led to the terminate this Agreement, for any reason in Licensee's sole and absolute discretion, after the first two (2) years of the term of this Agreement without penalty upon providing ninety (90) days prior written notice to Licensor.

3. <u>License Payments</u>. Beginning on January ____, 2017, the Licensee shall pay a Monthly License Fee (based on \$10.50 per square foot for an annual license fee based on the 4,500 square feet) of three thousand nine hundred thirty-seven and 50/100 (\$3,937.50) dollars. The Monthly License Fee shall be proportionately increased or reduced based on the square footage of the relocated Licensed Space.

4. <u>Manner of Payment</u>. Monthly License Fees and all other amounts becoming due from Licensee to Licensor hereunder (hereinafter collectively "License Payments") shall be paid in lawful money of the United States to Licensor at the office of Licensor, or as otherwise

designated from time to time by written notice from Licensor to Licensee. The payment of License Payments hereunder is independent of each and every other covenant and agreement contained in this License, and License Payments shall be paid without any setoff, abatement, counterclaim or deduction whatsoever except as may he expressly provided herein. The payment of License Payments shall be paid within fifteen (15) days after the end of each calendar month.

5. <u>Permitted Use</u>. Licensee shall use and occupy the Licensed Space for a first-class physical therapy and occupational therapy facility serving physical therapy and occupational therapy patients of Licensee and for no other use or purpose. Licensee agrees to operate one hundred percent (100%) of the Licensed Space during the entire Term of this License, and to conduct its business at all times in a high-class manner consistent with reputable business standards and practices (including, but not limited to, the cleanliness and appearance of the facility) which are consistent with other physical therapy and occupational therapy facilities located in the area in which the Center is located, maintaining at all times a full staff of employees, as reasonably determined to be necessary by Licensee. Licensee agrees that it will conduct its business in the Licensed Space on the days and during the hours as may be agreed between Licensee and Licensor form time to time and will conduct such business in a lawful manner in good faith.

6. <u>Taxes & Utilities</u>. Licensor shall pay all federal, state, local governmental, special district and special service area taxes and assessments, exactions, impact fees and charges (including, without limitation, lease, rent or occupancy taxes) and other governmental charges and levies which are or shall become levied, due and payable or liens upon, assessed directly or indirectly against the Licensed Space and the Center (or any of the rents received therefrom) arising out of the use, occupancy, ownership, leasing, management, repair, replacement or operation of the Licensed Space, any part thereof, appurtenance thereto or property, fixtures or equipment therein imposed by any authority having jurisdiction over the Center and shall pay for all charges for water, sewer, electricity, gas, heat, steam, hot and/or chilled water, air-conditioning ventilating and other utilities supplied to the Licensed Space by Licensee). Licensor shall at all times cause to be provided to the Licensed Space service for water, sewer, electricity, gas, heat, steam, hot and/or chilled water, air-conditioning, ventilating, telephone and other utilities to the Licensed Space.

7. <u>Compliance with Laws</u>. Licensee will not make or permit to be made any use of the Licensed Space which, directly or indirectly, is forbidden by public law, ordinance or governmental regulation, which may be dangerous to persons or property, or which may invalidate or increase the premium cost of any policy of insurance carried on the Center or covering its operations. Licensee, at its sole expense, shall comply with all rules, regulations or requirements of governmental and quasi-governmental authorities applicable to the Licensed Space, and shall not do, or permit anything to be done, upon the Licensed Space or the Center, or bring or keep anything thereon in violation of rules, regulations or requirements of the Village of Orland Park and any other governmental or quasi-governmental authority having jurisdiction.

8. <u>Conditions and Care of Licensed Space</u>. Licensee's taking possession of the Licensed Space or any portion thereof shall be conclusive evidence against Licensee that the portion of the Licensed Space taken possession of was then in good order and satisfactory condition. No promises of Licensor to alter, remodel, improve, repair, decorate or clean the Licensed Space or any part thereof have been made. Except for any damage resulting from any wanton or negligent act of Licensor or its employees and agents, Licensee, at its own expense, shall keep the Licensed Space in good repair and condition and shall repair all damage caused by Licensee or any of its employees to the Licensed Space promptly and adequately. The Licensee will be solely

responsible for all maintenance and care of all equipment and fixtures owned and/or installed by Licensee in the Licensed Space. All maintenance and care of existing physical therapy equipment in the Licensed Space as of the date of this License, of the foundation, exterior walls, structural system and roof of the Licensed Space, will remain the Licensor's sole responsibility, unless such maintenance or repair is required due to Licensee's misconduct or negligence. Licensee shall not undertake, or contract with a third party contractor to undertake, any material maintenance or repair work pursuant to this Section 8, without the prior written approval of Licensor. Licensor shall provide, at its sole cost and expense, cleaning services for the Licensed Space, but it shall be the obligation of Licensee to keep the Licensed Space in a clean and tidy condition at all times.

9. <u>Surrender of Possession</u>. At the termination of this License by Lapse of time or otherwise or upon termination of Licensee's right of possession without termination of this License, Licensee shall surrender possession of the Licensed Space to Licensor and deliver all keys to the Licensed Space to Licensor and shall return the Licensed Space and all equipment and fixtures of Licensor therein to Licensor in as good condition as when Licensee originally took possession, ordinary wear, loss or damage by fire or other insured casualty, and damage resulting from the act of Licensor or its employees and agents excepted, failing which Licensor may restore the Licensed Space and such equipment and fixtures to such condition and Licensee shall pay the actual cost thereof to Licensor on demand.

10. Fixtures and Personal Property. All present and future alterations, additions or improvements made in, on or to the Licensed Space, by either party, including, without limitation, all permanently affixed equipment and permanently affixed non-trade fixtures, light fixtures, roof-top air-conditioning units, pipes, ducts, conduits, plumbing, wiring, paneling, partitions, mezzanines, floors, floor and wall coverings, and similar items (the "Improvements") shall be deemed the property of Licensor and unless Licensor directs otherwise, shall remain upon and be surrendered with the Licensed Space as part thereof in good order, condition and repair, ordinary wear and tear excepted, upon Licensee's vacation or abandonment of the Licensed Space. All movable goods, inventory, furniture, machinery, equipment, safes, trade fixtures and other items of movable personal property belonging to Licensee which are installed or stored in the Licensed Space by Licensee and are not permanently affixed to the Licensed Space, shall remain Licensee's property ("Licensee's Property") and shall be removed by Licensee on or prior to expiration or termination of this License (or the termination of Licensee's right to possession of the Licensed Space, whichever is applicable) provided that: (i) Licensee is not in default under this License; and (ii) Licensee shall repair any damage to the Licensed Space caused by the removal of any of Licensee's Property and restore the Licensed Space to the same condition as existed prior to the installation of Licensee's property within ten (10) days following termination of this License or Licensee's right of possession. If Licensee fails to remove such items, Licensor may do so, and thereupon Licensee shall pay to Licensor upon demand the actual costs incurred to remove and restore the Licensed Space.

11. <u>Taxes on Personal Property</u>. If any tax, excise on rents or other imposition, however described, is levied or assessed by any taxing authority on account of Licensee's interest in this License, the Monthly License Fee, Licensee's inventory, the Improvements, any Licensee property. or if any other taxes are imposed upon this License, Licensee's right to occupy the Licensed Space, Licensee's investment or business operation in the Licensed Space (including, without limitation, any and all documentary stamps or similar taxes assessed upon this License or the consideration received by Licensor by reason of this License), then Licensee shall be responsible therefor and shall pay the same before delinquency. Nothing in this paragraph shall prohibit Licensee and/or Licensor from disputing any such taxes or other assessments as improper or improperly levied by any such government or government authority.

12. <u>Build Out and Alterations.</u> Licensee's initial build-out of the Licensed Space shall be performed by (i) Licensee at Licensee's sole cost and expense, (ii) in accordance with plans and specifications approved by Licensor, (iii) in a first-class workmanlike manner with first-class materials, (iv) by duly qualified or licensed persons and (v) without interference with the operation of Licensor. Upon receipt of Licensor's written approval of such plans and specifications, Licensee shall promptly commence and diligently pursue to completion the construction of the initial build-out by the Commencement Date. Licensee must obtain Licensor's prior consent to any entry by Licensee prior to the Commencement Date. Licensee shall not make, without the prior written consent of Licensor, any other alterations, additions or improvements to the Licensed Space during the Term of this License.

13. <u>Assignments and Subletting</u>. Licensee, without the prior written consent of Licensor in each instance, shall not (a) assign, transfer, mortgage, pledge, hypothecate or encumber or subject to or permit to exist upon or be subjected to any lien or charge, this License or any interest under it, (b) allow to exist or occur any transfer of or lien upon this License or Licensee's interest herein by operation of law, (c) sublicense the Licensed Space or any part thereof, or (d) permit the use or occupancy of the License or by anyone other than Licensee and Licensee's agents and employees. Such consent of Licensor, if requested, shall not unreasonably be withheld.

14. <u>Waiver of Certain Claims</u>. To the extent not prohibited expressly by law, Licensee releases Licensor and its agents, servants and employees, from and waives all claims for damages to person or property sustained by Licensee, its employees, agents, permittees, invitees or licensees resulting directly or indirectly from fire or other casualty, any existing or future condition, defect, matter or thing in or about the Licensed Space, the Center or any part of it, or from any equipment or appurtenance therein, or from any accident in or about the Center, or from any act or neglect of any tenant or other occupant of the Center or any part thereof or of any other person, including Licensor, and its agents and servants.

15. <u>Damage Caused by Neglect of Licensee or Licensor</u>. If any damage to the Licensed Space or the Center or any equipment or appurtenance therein, whether belonging to Licensor, Licensee or to other licensees, tenants or occupants of the Center, results from any act or neglect of a party hereto, its employees, agents, contractors, licensees or invitees. The negligent party shall be liable therefor and the other party, at its option, may repair such damage and the negligent party, upon demand by the other party, shall reimburse the other party for all costs of such repairs and damages in excess of amounts, if any, paid to the other party under insurance covering such damage.

16. Licensee and Licensor Responsible for Own Personal Property. All personal property belonging to Licensee, its employees. agents, permittees, invitees or licensees that is in the Center or the Licensed Space shall be there at the risk of Licensee only and Licensor shall not be liable for damage thereto or theft or misappropriation thereof. All personal property belonging to Licensor that is in the Center or the Licensed Space shall be there at the risk of Licensee or theft or misappropriation thereof.

17. <u>Indemnification</u>. To the extent not prohibited expressly by law, Licensee agrees to hold Licensor and its Trustees, officers, agents, servants and employees, harmless and to indemnify each of them against claims and liabilities, including reasonable attorneys' fees, for injuries to all persons and damage to or theft, misappropriation or loss of property arising out

of the use, operation or maintenance of the Licensed Space by Licensee or the conduct of its business or from any activity, work or thing done, permitted or suffered by Licensee in or about the Licensed Space or from any breach or default on the part of Licensee in the performance of any covenant or agreement on the part of Licensee to be performed pursuant to the terms of this License or due to any other act or omission of Licensee, its agents, contractors, invitees, licensees or employees, but only to the extent of Licensor's liability, if any, in excess of amounts, if any, paid to Licensor under insurance covering such claims or liabilities. To the extent not prohibited expressly by law, Licensor agrees to hold Licensee and its agents, servants and employees, harmless and to indemnify each of them against claims and liabilities, including reasonable attorneys' fees, for injuries to all persons and damage to or theft, misappropriation or loss of property arising out of the use, operation or maintenance of the Center by Licensor or the conduct of its business or from any activity, work or thing done, permitted or suffered by Licensor in or about the Center or from any breach or default on the part of Licensor in the performance of any covenant or agreement on the part of Licensor to be performed pursuant to the terms of this License or due to any other act or omission of Licensor, its agents, contractors, invitees, licensees or employees, but only to the extent of Licensee's liability, if any, in excess of amounts, if any, paid to Licensee under insurance covering such claims or liabilities.

18. Events of Default. The occurrence of any one or more of the following matters constitutes a "Default" by Licensee under this License: (a) Failure by Licensee to pay any License Payments within ten (10) Business days after written notice of failure to pay the same on the due date; (b) Failure by Licensee to observe or perform any covenant, agreement, condition or provision of this License, if such failure continues for thirty (30) days after written notice thereof from Licensor to Licensee; (c) Licensee vacates or abandons the Licensed Space or fails to take possession of the Licensed Space when available for occupancy; (d) Licensee becomes insolvent or bankrupt or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies for or consents to the appointment of a trustee or receiver for Licensee or for the major part of its property; (e) Any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding for relief under any bankruptcy law, or similar law for the relief of debtors, is instituted (i) by Licensee or (ii) against Licensee and is allowed against it or is consented to by it or is not dismissed within sixty (60) days after such institution. The failure by Licensor to observe or perform any covenant, agreement, condition or provision of this License, if such failure continues for thirty (30) days after written notice thereof from Licensee to Licensor shall constitute a "Default" by Licensor under this License.

19. <u>Rights and Remedies of the Parties</u>. If a Default by Licensee occurs, Licensor shall have the rights and remedies hereinafter set forth, which shall be distinct, separate and cumulative and shall not operate to exclude or deprive Licensor of any other right or remedy allowed it by law: (a) Licensor may terminate this License in which event the Term of this License shall end, and all right, title and interest of Licensee hereunder shall expire, on the date stated in notice of such termination; (b) Licensor may terminate the right of Licensee to possession of the Licensed Space without terminating this License, whereupon the right of Licensee to possession of the Licensed Space or any part thereof shall cease on the date stated in notice of such termination; and (c) Licensor may enforce the provisions of this License and may enforce and protect the rights of Licensor hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from Licensee under any of the provisions of this License. If a Default by Licensor occurs, Licensee may, as its sole and exclusive remedy, cure the Default and invoice Licensor for reasonable costs and expenses incurred by Licensor therefor;

provided, however, that Licensee may cure the Default only with respect to systems or services within the Licensed Space itself and serving Licensee exclusively and not with respect to any common Center systems or services. If Licensee elects to cure the Default and Licensor does not either reimburse Licensee within 30 days after it receives Licensee's invoice or dispute such invoice through court proceedings or other available dispute resolution mechanisms, Licensee may deduct all such costs and expenses from the Monthly License Fee due and to become due hereunder. In no event shall Licensor be liable to Licensee under any statutory, common law, equitable or other theory of law for any consequential damages or punitive damages. Upon failure by Licensor to maintain the Center open for business for the same or similar hours as exist at the Commencement Date if such failure continues for thirty (30) days after written notice thereof from Licensee to Licensor and such failure restricts Licensee's ability to open the physical therapy facility for business, Licensee shall be entitled to an abatement of the Monthly License Fee for the number of days that Licensee is required to remain closed for business after receipt of notice by Licensor from Licensee.

20. <u>Attorneys' Fees</u>. Licensee shall pay all of Licensor's costs, charges and expenses, including court costs and attorneys' fees, incurred in enforcing Licensee's obligations under this License, incurred by Licensor in any action brought by Licensee in which Licensor is the prevailing party, or incurred by Licensor in any litigation, negotiation or transaction in which Licensee causes Licensor, without Licensor's fault, to become involved or concerned. Licensor shall pay all of Licensee's costs, charges and expenses, including court costs and attorneys' fees, incurred in enforcing Licensor's obligations under this License, incurred by Licensee in any action brought by Licensee in which Licensee is the prevailing party, or incurred by Licensee in any litigation, negotiation or transaction in which Licensor causes Licensee, without Licensee's fault, to become involved or concerned.

21. <u>Liability and Property Damage Insurance</u>. Licensee shall carry insurance during the entire Term hereof with terms, coverages and companies satisfactory to Licensor, naming Licensor as an additional insured thereunder, including a waiver of rights of subrogation against Licensor with respect to losses payable under such policies and with such increases in limits as Licensor may request and Licensee and Licensor agree upon, from time to time but initially Licensee shall maintain the following coverages in the following amounts:

- (a) Comprehensive or commercial general liability insurance, including contractual liability, on an occurrence basis, in an amount not less than Five Million Dollars (\$5,000,000) combined single limit per occurrence, covering Licensee as a named insured and Licensor and its managing agent, Power Wellness Management, LLC, for the Center and the respective Trustees, officers, directors, shareholders, partners, agents and employees of each of the foregoing as additional insureds.
- (b) Insurance against fire, sprinkler leakage and vandalism, and the extended coverage perils for the full replacement cost of all additions, improvements and alterations to the Licensed Space owned or made by Licensee. if any, and of all office furniture, trade fixtures, office equipment, merchandise and all other items of Licensee's property on the Licensed Space, with loss or damage payable to Licensor and Licensee as their interests may appear.

Licensor shall carry during the entire Term hereof at least the coverages described in (a) and (b) above with respect to the common areas of the Center that Licensee has the right to use as described in paragraph 1 above.

22. <u>Waiver of Subrogation</u>. Licensee agrees to have all fire and extended coverage and other property damage insurance which may be carried by Licensee endorsed with a clause providing that any release from liability of, or waiver of claim for recovery from Licensor, entered into in writing by the insured thereunder prior to any loss or damage shall not affect the validity of said policy or the right of the insured to recover thereunder and providing further that the insurer waives all rights of subrogation which such insurer might have against Licensor. Without limiting any release or waiver of liability or recovery set forth elsewhere in this License, and notwithstanding anything in this License which may appear to be to the contrary, both Licensee and Licensor waive all claims for recovery from each other for any loss or damage to any of their property insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance policies. Notwithstanding the foregoing or anything contained in this License to the contrary; any release or any waiver of claims shall not be operative, nor shall the foregoing endorsements be required, in any case where the effect of such release or waiver is to invalidate insurance coverage or invalidate the right of the insured to recover thereunder.

23. <u>Certificate of Insurance</u>. Licensee shall furnish to Licensor, prior to the Commencement Date, policies or certificates evidencing such coverage, which policies or certificates shall show Licensor as an additional insured, shall include a waiver of subrogation and shall state that such insurance coverage may not be reduced, cancelled or not renewed without at least thirty (30) days' proper written notice to Licensor and Licensee (unless such cancellation is due to nonpayment of premium, and in that case, only ten (10) days' prior written notice shall be sufficient).

24. <u>Non-Waiver</u>. No waiver of any condition expressed in this License shall be implied by any neglect of either party to enforce any remedy on account of the violation of such condition whether or not such violation is continued or repeated subsequently and no express waiver shall affect any condition other than the one specified in such waiver and that one only for the time and in the manner specifically stated.

25. <u>Physical Therapy/Occupational Therapy Facility Design and Décor</u>. At all times during the Term of this License, the initial improvements in the Licensed Space, any redecorating or remodeling undertaken by Licensee and the interior design and decor of the physical therapy/occupational therapy facility to be operated in the Licensed Space will be subject to Licensor's reasonable approval. In addition, Licensor shall have the right to approve or to disapprove any architect or interior designer engaged by Licensee.

26. <u>Physical Therapy/Occupational Therapy Facility Equipment</u>. All physical therapy/occupational therapy equipment located or to be located within the Licensed Space shall be owned or leased by Licensee and shall at all times remain within the Licensed Space. With prior approval of the Licensor, and at dates and times reasonably approved in advance by the Licensor, the physical therapy pool within the Center may be used exclusively by the Licensee's physical therapy patients.

27. <u>Signs and Advertising</u>. All signs, awnings, canopies, decorations, lettering, advertising matter or other items used by Licensee shall be approved by Licensor, shall be installed at Licensee's sole cost and expense, shall be maintained at all times by Licensee in good condition, operating order and repair and upon termination or expiration of this License shall be promptly removed at Licensee's expense, and Licensee shall repair all damage and injury to the Center caused by such removal. Licensee shall use the name and other identifying mark of the

Center designated by Licensor in Licensee's advertising, whether printed or visual, and shall make reference to the name of the Center in each instance of audio advertising.

28. Miscellaneous.

(a) <u>Survival</u>. All obligations of the parties under this Agreement shall survive the expiration of the Term or earlier termination of this License.

(b) <u>Successors and Assigns</u>. Each provision of this License shall extend to and shall bind and inure to the benefit not only of Licensor and Licensee, but also of their respective heirs, legal representatives, successors and assigns, but this provision shall not operate to permit any transfer, assignment, mortgage, encumbrance, lien, charge or subletting contrary to the provisions of this License.

(c) <u>Modifications in Writing</u>. No modification, waiver or amendment of this License or of any of its conditions or provisions shall be binding upon either party unless in writing signed by both parties.

(d) <u>Headings</u>. The headings of Articles and Sections are for convenience only and do not limit, expand or construe the contents of the Articles and Sections.

(e) <u>Time of Essence</u>. Time is of the essence of this License and of all provisions hereof.

(f) <u>Default Rate of Interest</u>. All amounts owed by Licensee to Licensor pursuant to any provision of this License shall bear interest from the date due until paid at the annual rate of five percent (5%) in excess of the rate of interest announced form time to time by J.P. Morgan Chase Bank at Chicago, Illinois, as its prime, reference or corporate base rate, changing as and when said prime, reference or corporate base rate changes, unless a lesser rate is then the maximum rate permissible by law with respect thereto, in which event said lesser rate shall be charged.

(g) <u>Severability</u>. The invalidity of any provision of this License shall not impair or affect in any manner the validity, enforceability or effect of the rest of this License.

(h) <u>Entire Agreement</u>. All understandings and agreements, oral or written, previously made between the parties hereto are merged in this License, which alone fully and completely expresses the agreement between Licensor (and their agents) and Licensee. This License cannot be amended or modified except by a written instrument executed by Licensor and Licensee.

(i) <u>Force Majeure</u>. If either party hereto fails to perform timely any of the terms, covenants or conditions of this License to he performed by such party and such failure is due in whole or in part to any strike, lockout, labor trouble, civil disorder, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, war, fuel shortages, accidents, casualties, acts of God or any other cause beyond the reasonable control of such party, then such party shall not be deemed in default under this License as a result of such failure and any time for performance by such party provided for herein shall be extended by the period of delay resulting from such cause.

IN WITNESS WHEREOF, the parties hereto have caused this License to be executed as of the date first above written.

VILLAGE OF ORLAND PARK, an Illinois home rule municipal corporation

PALOS COMMUNITY HOSPITAL, an Illinois not-for-profit corporation

By: ______ Its: _____

By:_____ Its: Village President