

1620 N Street  
Lincoln, Nebraska 68508  
Phone: 402.488.3679  
FAX: 402.438.5009

**Jeff Fortenberry**  
**for United States Congress**

# Fax

<b>To:</b> Alva Smith	<b>From:</b> Liesa Ojeda, Director of Operations
<b>Fax:</b> (202) 219-3923	<b>Pages:</b> 13 (including cover)
<b>Phone:</b>	<b>Date:</b> 9/29/2004
<b>Re:</b> MUR 5528	<b>CC:</b>
<input checked="" type="checkbox"/> <b>Urgent</b> <input type="checkbox"/> <b>For Review</b> <input type="checkbox"/> <b>Please Comment</b> <input type="checkbox"/> <b>Please Reply</b> <input type="checkbox"/> <b>Please Recycle</b>	

25190261182



P.O. Box 30265 ★ Lincoln, NE 68503-0265  
402-488-FORT (3678) ★ www.supportfort.com

September 29, 2004

General Counsel's Office  
Federal Election Commission  
999 E Street, NW  
Washington, D.C. 20463

Re: MUR 5528

Dear Ladies and Gentlemen:

Thank you for your letter of September 14<sup>th</sup> referring to the above matter. This letter, and attached documents set out the basis for no action against the Jeff Fortenberry United States Congress Committee.

Issue #1: Billboard/Outdoor Advertising with no authorization or disclaimer

When the billboard was initially displayed, an incomplete draft of the artwork was inadvertently used by the vendor when the billboard went up on September 1, 2004. This was an oversight and was rectified on September 10, 2004, when the current artwork, with appropriate disclaimer, was updated. See attached document from the LAMAR Outdoor Advertising, the vendor.

Issue #2: Failure to disclose operating expenditures/in-kind contributions

The complaint alleges the campaign headquarters is located within Nebraska State Republican Party property. Our office space is not owned by the Nebraska Republican Party. The property is owned by B&J Partnership. Enclosed is a page from the Lancaster County Assessor/Register of Deeds website verifying the same. Also enclosed is a statement of attribution from B&J Partnership which we collected in the ordinary course of business.

Furthermore, the complaint alleges the campaign has failed to disclose any operating expenditures for rent and utilities. Please see the attached Lease Agreement between the Fortenberry Committee and B&J Partnership.

The rent has been satisfied and accurately reported. An in-kind contribution for the amount of \$678 (\$178 for May 12-31 and \$500 for the month of June) was shown on our July 1 in our 3<sup>rd</sup> quarter report. The in-kind amount for July was posted on August 1 and so on.

Thank you for giving us an opportunity to respond to the above referenced matter. If you have any questions or require additional information, please contact me at (402) 488-3678.

Sincerely,

Liesa Ojeda  
Director of Operations  
Jeff Fortenberry for United States Congress Committee

***Strong Families ★ Strong Communities ★ Strong Nation***

Paid for by Jeff Fortenberry for United States Congress Committee.

2519020132



MEMORANDUM

TO: Whom It May Concern

FROM: Martha Lee Heyne  
Lamar Outdoor

DATE: September 27, 2004

RE: VERIFICATION OF DISCLAIMER

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On Friday, September 10, 2004 we added the following disclaimer to the billboard space you have purchased at 10th & 'R' Street:

"Paid for by Jeff Fortenberry for U.S. Congress Committee".

As you have requested, all future billboards will include this disclaimer.

Martha Lee Heyne  
Lamar Outdoor

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# Lancaster County

County Assessor/Register of Deeds  
Property Information

**InterLinc**

**Parcel Identification No: 10-25-102-013-000**

<b>Taxing District:</b>	0001B PERI-MNT	<b>Property Owner:</b>	B & J PARTNERSHIP LTD
<b>Property Class:</b>	I URBAN INDUSTRIAL		% CLAY SMITH
<b>Neighborhood:</b>	CNR06 CENTRAL; RETAIL; INC MOD 06		340 VICTORY LN
<b>Situs Address:</b>	1620 N ST LINCOLN		LINCOLN NE 68528
<b>Final Value Summary for Tax Year 2004</b>			
<b>Total Value:</b>	151,200		

## Legal Description:

ORIGINAL PLAT BLOCK 61 LOT 15



Click Photo to Enlarge

## Sale History:

Instrument #	Sale Date	Sale Price
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Land and Miscellaneous

Commercial Information

Building Sketch

Map

Treasurer's Information

Display Building 01

Display Building 01

☒ County Assessor ☒ Property Information



P. O. Box 81906  
Lincoln, NE 68501  
[www.speedwayproperties.com](http://www.speedwayproperties.com)

September 29, 2004

Jeff Fortenberry for U. S. Congress Committee  
Attn: Ms. Jessica Moenning, Manager  
1620 N Street  
Lincoln, NE 68508

Dear Jessica,

I affirm that the contribution to the Jeff Fortenberry for U. S. Congress Committee in the form of forgiven rent for the office at 1620 N Street, should be attributed to the partners as follows:

Contributor Name and Address:

Clay Smith  
340 Victory Lane  
Lincoln, NE 68528  
  
Carson Smith  
340 Victory Lane  
Lincoln, NE 68528  
  
Craig Smith  
340 Victory Lane  
Lincoln, NE 68528  
  
Jason Smith  
340 Victory Lane  
Lincoln, NE 68528

25%  
Contribution Amount  
Partner  
Occupation  
B&J Partnership, Ltd.  
Employee  
  
25%  
Contribution Amount  
Partner  
Occupation  
B&J Partnership, Ltd.  
Employee  
  
25%  
Contribution Amount  
Partner  
Occupation  
B&J Partnership, Ltd.  
Employee  
  
25%  
Contribution Amount  
Partner  
Occupation  
B&J Partnership, Ltd.  
Employee

Please call me at 323.3100 if you have any questions.

With best wishes,

  
Clay F. Smith  
General Partner

**LINCOLN'S COMMERCIAL PROPERTY LEADER**

**PHONE 402.323.3100 FAX 402.323.3101**

# LEASE

This Lease, made this 18<sup>th</sup> day of May, 2004, by and between B & J Partnership, Ltd. dba Speedway Properties, a Nebraska limited partnership ("Lessor"), and the Jeff Fortenberry for U. S Congress Committee ("Lessee").

## WITNESSETH:

The Lessor, for and in consideration of the covenants and agreements hereinafter set forth, hereby demises and leases to Lessee and Lessee hereby rents and hires from Lessor, the front portion of the building (consisting of approximately 1500 square feet) located at 1620 N Street, Lincoln, Nebraska (the "Premises" or "Complex"), located upon Lot 15, Block 61, Original Plat, Lincoln, Lancaster County, Nebraska, together with a revocable license to use, in common with others, the Common Areas, as the same may be designated from time to time by Lessor, subject, however, to the terms and conditions of this Lease and to rules and regulations thereof as prescribed from time to time by Lessor.

1. Term and Use The Initial Term of this Lease shall commence on May 21, 2004 (the "Commencement Date"), and continue until November 15, 2004 (the "Termination Date"), at which time it shall terminate unless sooner terminated as provided herein. The Lessee intends to use the Premises for an office, and the rent will be calculated on that usage. Lessee agrees that it is familiar with the zoning of the Premises, that its usage of the Premises will comply therewith and further agrees that it will not use the Premises to operate an adult book store, adult movie arcade or theatre, adult amusement facility, bar or for an unlawful use.

### 2. Rent.

A. Fixed Rent. The Lessee shall pay to Lessor as fixed rent for the Premises during the Initial term of this Lease the sum of Five Hundred and no/100 Dollars (\$500.00) per month (the "Base Rent") commencing on the Commencement Date. Payment for the first month shall be delivered to Lessor at the time of the execution of the Lease by Lessee. Thereafter monthly installments shall be payable in advance on the first (1<sup>st</sup>) day of each and every month during the Initial Term. The Base Rent payable by the Lessee shall be subject to rent adjustments annually as provided in paragraph 2B below

B. Late Rent. Any fixed or additional rent due Lessor, not received within five (5) days of the due date, shall bear a late fee of \$100, and shall accrue interest at the rate of fifteen percent (15%) per annum until paid

C. Partial Payment of Rent. Payment by Lessee or receipt by Lessor of an amount less than the monthly rent due under this Lease shall be deemed to be a partial payment of the rent. No endorsement on any check shall be deemed an accord and satisfaction. Lessor may accept such payment without prejudice to Lessor's right to collect the balance of the rent or other amounts due hereunder.

### 3. Insurance.

A. Lessor shall obtain and maintain Commercial Property Insurance that covers the building and its fixtures and equipment. This insurance shall, at a minimum, cover the perils insured under the ISO special causes of loss form (CP 10 30). The amount insured shall equal the full estimated replacement cost of the property insured. Lessee acknowledges that it will not be a named insured on such policy and shall have no right to receive and proceeds from any insurance policies carried or provided by the Lessor.

B. Lessee shall obtain and maintain commercial general liability insurance (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 for each occurrence. If such CGL insurance contains a general aggregate limit, it shall apply separately to this location. CGL insurance shall be written on ISO occurrence form CG 00 01 01 96 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). Lessor shall be included as an insured under the CGL, using ISO additional insured endorsement CG 20 11 or a substitute providing equivalent coverage, and under the commercial umbrella, if any. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Lessor. There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the additional insured. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from pollution.

C. Lessee shall obtain and maintain workers compensation and employers liability insurance.

D. Prior to taking possession and annually on renewal of the required insurance, Lessee shall furnish Lessor with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth above. All certificates shall provide for 30 days' written notice to Lessor prior to the cancellation or material change of any insurance referred to therein. Failure of Lessor to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Lessor to identify a deficiency from evidence that is provided shall not be construed as a waiver of Lessee's obligation to maintain such insurance. Failure to maintain the required insurance may result in termination of this Lease at Lessor's option. If Lessee fails to maintain the insurance as set forth herein, Lessor shall have the right, but not the obligation, to purchase said insurance at Lessee's expense. Lessee shall provide certified copies of all insurance policies required above within 10 days of Lessor's written request for said copies. By requiring insurance herein, Lessor does not represent that coverage and limits will necessarily be adequate to protect Lessee, and such coverage and limits shall not be deemed as a limitation on Lessee's liability under the indemnities granted to Lessor in this contract.

E. The personal property in the Premises shall be at the risk of the Lessee only. Lessor shall not be liable for any damage to any property any time in such Premises caused by steam, electricity, sewage, gas or odors, or from water, rain or snow which may leak into, issue or flow from any part of the Premises or Complex of which they are a part, or from any other place or quarter, or for any damages done to property of the Lessee in moving the same to or from the Premises or Complex. The Lessee shall give to Lessor, or

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its agent, prompt written notice of any accident to or defects in water pipes, gas or warming and cooling apparatus, or any other equipment which shall be remedied with due diligence.

4. Expenses.

A Maintenance and Repair Lessor shall repair and maintain the Property and shall pay all other expenses, of every kind and nature whatsoever attributable to the Premises, during the term of this Lease including, but not limited to the following: utilities, snow removal, lawn, shrub and tree care, all repairs to and maintenance of the Premises and any systems for heat, air conditioning, plumbing or any other system contained at the Premises and all improvements placed on the Premises

5 Payment of Rent. Lessee shall make all payments of rent and other expenses due to Lessor by check.

6. Condition of the Property By taking possession of the Premises, Lessee accepts the Premises in its then current "as is" condition and acknowledges that the Premises are in good and satisfactory condition at the time Lessee takes possession of the Premises. Lessor makes no representation or warranty as to the absence or existence of fungus or mold on the Premises. Lessor is not responsible to make any repairs or alterations to the Premises, or to do any remodeling or decoration, except as outlined in Exhibit B. If Lessor makes any repairs or alterations to the Premises that are the responsibility of Lessee, those expenses incurred by Lessor shall be reimbursed by Lessee to Lessor within 10 days of Lessor's receipt of written invoice, despite the fact that all repairs or alterations may not yet be fully completed. Lessee shall have no right to withhold payment for completed work or any portion of the Rent due to incomplete alterations to the Premises, regardless of who is responsible for making such alterations. Should Lessee withhold any payment due hereunder, or any portion of the Rent, such failure to pay shall constitute an event of default under the terms of this Lease and shall entitle the Lessor to the same rights and remedies available in the event of non-payment of Rent.

7. Default.

A. On the occurrence of any of the following: (i) If rent or other payment from the Lessee to the Lessor shall be and remain unpaid in whole or part for more than five (5) days after it is due and payable; (ii) if the Lessee shall violate any of the other covenants, agreements, stipulations, or conditions herein, and such violation or default shall continue for a period of three (3) days after written notice from the Lessor to Lessee of such violation or default; (iii) if the Lessee shall be adjudged bankrupt or file a petition in bankruptcy or for any arrangements under the Bankruptcy Code or become insolvent or have appointed a Receiver of its property; or (iv) if Lessee shall vacate or abandon the Premises, then the Lessor may without demand and notice terminate this Lease and re-enter the Premises with or without process of law using such force as may be necessary to remove all persons or chattels therefrom, and the Lessor shall not be liable for damage by reason of such re-entry or forfeiture and the Lessor can take any other action available to it under law. Notwithstanding re-entry by the Lessor or termination of this Lease, the liability of the Lessee for the Rent and Expenses provided for herein shall not be relinquished or extinguished for the balance of the term of this Lease

B. The parties agree that if there are any chattels or personal property of Lessee in the Premises when Lessor enters upon the Premises, Lessor shall give Lessee three (3) days to remove the same. If they are not removed, then Lessor may remove the same to a public warehouse or at a place selected by Lessor, to be stored at Lessee's expense. Lessor will notify Lessee as to the address where the property is being stored.

C. If more than one individual or party signs this Lease as Lessee, then all such signers will be jointly and severally liable for all Lease obligations contained herein

D. In addition to any other actions authorized herein upon the occurrence of an event of default, Lessor shall be entitled to declare all rents and any advancements made for the benefit of Lessee which are due or contemplated to become due under this Lease to be immediately due and payable and Lessee shall become immediately liable for all such amounts

8. Liens. Lessee hereby covenants and agrees that Lessee shall pay for all labor performed, and materials used by or furnished to the Lessee or claimed to be furnished to the Lessee or any contractor employed by the Lessee and shall hold the Lessor and the leased Premises harmless and free from any lien or claim therefor. In the event any Contractor's Mechanic's or Materialman's Lien shall be placed on the Lessor's interest, the Lessee shall take all steps necessary to see that it is removed within thirty (30) days of its being filed, however, Lessee may contest such lien provided that Lessee first posts a surety bond in favor of and insuring the Lessor, in an amount sufficient to remove the lien pursuant to the terms of the Nebraska Lien Laws

9. Requirements of Law. Lessee shall, at its expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directions, rules and regulations of all governmental authorities having or claiming jurisdiction, directly or indirectly, over the Premises, including, but not limited to zoning, the federal occupation safety and health act, the Americans with Disability Act, or similar federal, state and local requirements pertaining to the Lessee's use of the Premises, whether the same are in force at the commencement of this Lease or may in the future be passed, enacted or directed. Lessee shall also procure each and every permit, license, certificate or other authorization required in connection with the lawful and proper use of the Premises, building or appurtenance or any part thereof, as now or hereafter constituted.

10 Lessor's Reserved Rights. Lessor may enter upon the Premises and exercise the following rights without notice and without liability to Lessee for damage or injury to property, person or business and without affecting an eviction or disturbance of Lessee's use or possession or giving rise to any claim for set-off or abatement of rent except as more specifically provided herein:

- A. To change the name or street address of the Premises.
- B. To install and maintain signs on the exterior of the Premises.
- C. To have access to all mail chutes according to the rules of the United States Post Office Department.
- C. At any reasonable time or times, to decorate, and to make at its own expense, repairs, alterations, additions and

improvements, structural or otherwise, in or to the Premises, the Complex or part thereof, and any adjacent building, land street or alley, and during such operations to take into and through the Premises or any part of the Complex all materials required, and to temporarily close or suspend operation of entrances, doors, corridors, elevators or other facilities.

E. To enter the Premises at any time during the initial or renewal term of this lease to place, erect, construct or maintain outdoor signs, ATMs or wireless/cellular communications towers. Any income derived from such signs, devices or towers shall be the sole property of Lessor. Lessee shall be entitled to no rent abatement in such circumstances.

F. To have pass keys to the Premises

G. To designate all sources furnishing sign and manufacturing, painting and lettering to the Premises.

H. To exhibit the Premises to others at reasonable times upon reasonable notice.

I. To take any and all reasonable measures, including inspections or the making of repairs, alterations, additions and improvements to the Premises necessary or desirable for the safety, protection, operation or preservation of the Premises.

J. To approve, prior to installation thereof, all signs on the Premises. Lessee at its sole risk, cost and expense, shall have the right to erect and maintain ordinary and customary signs relating to the use of the leased Premises, provided prior written approval is obtained from Lessor. Any signs chosen by Lessee shall be subject to Lessee's compliance with and obtaining and paying for all necessary governmental permits and approvals. Any signs erected by Lessee on or in the Premises, shall become property of Lessor at the termination of the Lease, and shall not be removed by Lessee.

11. Covenant to Hold Harmless. Except in the case of the negligence of the Lessor, its agents, or its employees, the Lessee agrees to save, hold harmless and defend Lessor against any liability for damages including consequential damages to any person or property in or about the Premises. The Lessor shall not be liable to the Lessee, its agent, employees, representatives, customers, or invitees for any personal injury, death or damage including consequential damages to property caused by theft, burglary, water, gas, electricity, fire, paint fumes or for any other cause occurring on or about the Premises. All property kept, stored, or maintained on the Premises shall be so kept, stored, or maintained at the sole risk of the Lessee.

Lessee agrees that it will defend and keep Lessor harmless and indemnified at all times against any loss, damage, cost or expense including, but not limited to, reasonable attorneys' fees, arising or imposed by reason of the failure of Lessee to comply with the covenants herein.

12. Waiver of Subrogation. Lessor and Lessee hereby waive any recovery of damages against each other (including their employees, officers, directors, agents, or representatives) for any loss or damage to the building, tenant improvements and betterments, fixtures, equipment, and any other personal property to the extent covered by the commercial property insurance required by this agreement.

Lessee waives all rights against Lessor and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance or by the workers compensation and employers liability or commercial umbrella liability insurance required to be obtained and maintained by Lessee pursuant to this agreement.

13. Fire or Destruction of Premises. If fire or other casualty shall render the Premises untenantable, this Lease shall terminate forthwith, and any prepayment of rent shall be refunded by the Lessor pro rata; provided, however, that if the Premises can be repaired within one hundred twenty (120) days from the date of such event, then at Lessor's option, by notice in writing to the Lessee, mailed within thirty (30) days after such damage, this Lease shall remain in full effect, but the rent for the period during which the Premises are untenantable shall be abated pro rata.

14. Condemnation. If the whole of the Premises shall be taken by any public authority under the power of eminent domain, then the term of this Lease shall cease on the part so taken from the date of possession and the rent shall be paid to that date with a proportionate refund by Lessor of such rent as shall have been paid in advance. If any portion of the building is taken, then Lessee may terminate this Lease by written notice to Lessor not later than thirty (30) days after the taking, or Lessee may continue in possession of the remainder as per the original terms of this Lease. All damages awarded for such taking attributable to the land and building constituting the Premises shall be exclusive property of Lessor.

15. Holding Over. If Lessee remains in possession after the Termination Date without the written consent of Lessor, Lessee shall be deemed to be a trespasser. If Lessee shall have paid, and Lessor shall have accepted, rent in respect to such holding over, Lessee shall be deemed to be occupying the Premises only as a Lessee from month-to-month subject to all the covenants, agreements or obligations of this Lease except for the rental charged, which continue to be adjusted annually as provided herein. Either party may terminate the month-to-month tenancy with 30 day prior written notice from first day of any month.

16. Surrender. On the expiration or earlier termination of this Lease, Lessee shall peacefully and immediately surrender the Premises to Lessor in broom-clean condition and in good order and repair in the same condition as on the Lease Commencement Date, consistent with the Lessee's duties to make repairs as provided within this Lease. Lessee shall remove its personal property, computer equipment, wiring and cabling (including above the ceiling and below the floor; i.e., the plenum spaces) in the Premises at its sole cost and expense. Lessee shall also, at its sole expense, promptly repair any damage caused by any such removal, and shall restore the Premises to the condition existing prior to the installation of the items so removed. All other alterations, additions, and fixtures which have been made or installed by either the Lessor or the Lessee on the Premises shall remain as Lessor's property and shall be surrendered with the Premises as a part thereof. All Lessee property which is not removed by the later of (i) ten (10) days following Lessor's written demand therefore or (ii) the expiration or termination hereof shall be conclusively deemed to have been abandoned by Lessee and Lessor shall be entitled to retain or dispose of such property at Lessee's cost without incurring any liability.



to Lessee. If the Premises are not surrendered on the Termination Date of the Initial or Renewal Term, or on the earlier termination thereof, the Lessee shall indemnify the Lessor from and against any loss or liability resulting from delay by the Lessee in so surrendering the Premises, including without limitation, claims made by any succeeding Lessee founded on such delay. The Lessee shall promptly surrender all keys for the Premises to the Lessor at the place then fixed for payment of rent and shall inform the Lessor of all lock and safe combinations. The provisions of this section shall survive the expiration or other termination of this Lease.

**17. Environmental Laws.**

A As used herein, the term "Hazardous Material" means any "hazardous substances", "pollutants", "hazardous waste", or "toxic materials" as defined by the Comprehensive Environmental Resource Conservation and Recovery Act of 1989 ("CERCLA"), 42 U.S.C. 9601 et seq., as amended, Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. 6901 et seq., as amended, the Toxic Substance Control Act (or any regulations promulgated under the foregoing) or any other present or future federal state or local law, ordinance, rules or regulation, including without limitation extremely flammable substances, explosives, radioactive materials, oil, petroleum or petroleum products or hazardous substances, and any substance which is or becomes regulated by any federal, state or local governmental authority.

B Lessee will not store, use or dispose of any Hazardous Material or any hazardous, toxic, corrosive, explosive, reactive or radioactive matter in, or about the leased Premises or Property. At all times during the term of this Lease, Lessee shall comply with all environmental laws and permitting requirements impacting the Leased Premises. Lessee hereby agrees that it shall be fully liable for all costs and expenses related to its use, storage and disposal of Hazardous Material kept on the Premises by the Lessee, and the Lessee shall give immediate notice to the Lessor of any violation or potential violation of the provisions of this Section. Lessee shall defend, indemnify and hold harmless Lessor and its directors, officers, partners, agents or employees from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses (including, without limitation, attorney and consultant fees, court costs and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to (i) the presence, disposal, release, or threatened release of any such Hazardous Material which is on, from, or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Material; (iii) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Material; and/or (iv) any violation of any laws applicable thereto. The provisions of this paragraph shall be in addition to any other obligations and liabilities Lessee may have to Lessor at law or equity and shall survive the transactions contemplated herein and shall survive the termination of this Lease.

**18. Right to Inspect.** Lessor or its authorized agent or employees shall have the right to enter upon said Premises at all reasonable times during this Lease to view the same, to ascertain if the terms and conditions of this Lease, are being complied with by Lessee. Lessor may show said Premises to prospective tenants at any time during normal business hours.

**19. Prohibited Actions.** Lessee shall not, without Lessor's prior written consent:

- A. Paint, display, inscribe or affix any sign, picture, advertisement, notice, lettering or direction on any part of the outside or inside of the Premises, or any part of the inside of the Premises which can be seen from outside the building, that, in the sole opinion of the Lessor, is in poor taste, or if it is offensive to any other Lessee. If it is offensive or in poor taste, the Lessor reserves the right to require the advertisement to be changed or removed at Lessee's expense.
- B. Operate any music or sound system outside the Premises.
- C. Paint or alter the outside of the building.
- D. Hold sales or display merchandise outside of the Premises. The intent of this paragraph is to prohibit sidewalk sales, parking lot sales, tent sales and the like.
- E. Discharge, detonate, ignite, light, use or utilize pyrotechnic devices in any way in, on or around the Premises or permit others to do the same.
- F. Use or utilize mace, pepper spray or similar devices in any way in, on or around the Premises or permit others including private security personnel, but not including licensed law enforcement personnel, to do the same.
- G. Encumber by mortgage or other instrument Lessee's leasehold interest and estate in the Premises.
- H. Assign, hypothecate, sublet or transfer this Lease or any portion thereof.

**20. Waiver of Breach, not Waiver of Subsequent Breaches.** No breach of any lease term by Lessee shall be considered waived by Lessor by acceptance of rent, or conduct or inaction, express or implied.

**21. Enjoyment of Premises.** The Lessor covenants that the Lessor has full authority to execute this Lease and that upon the Lessee faithfully performing the terms, covenants and conditions hereof, including the prompt payment of the rent reserved, the Lessee shall and may quietly and peacefully have, hold and enjoy the leased Premises during the term hereof.

**22. Time is of the Essence.** It is hereby agreed that time is of the essence of this Lease and all provisions herein relating thereto shall be strictly construed.

**23. Binding on Heirs and Assigns.** The terms hereof shall bind and benefit the heirs, executors, administrators, successors and assigns of the Lessor and Lessee.

**24. Notification.** All notices given hereunder shall be in writing, hand delivered and or mailed by United States mail, certified by sender. Said notices will be sent to Lessor as follows: B & J Partnership, Ltd. c/o Clay F. Smith, P.O. Box 81906,

Lincoln, Nebraska 68501 or at such other address as Lessor may hereafter furnish by written notice to Lessee. Said notices will be sent to Lessee at the Premises. It shall be the sole responsibility of Lessee to notify Lessor of any change of address, and such other address must be furnished by written notice, mailed to Lessor via Certified Mail using the United States Post Office.

25. Subordination. The Lessee agrees that at the Lessor's election, this Lease shall be subordinate to any land lease, mortgages, or trust deeds now on or placed on the Premises and to any and all advances to be made there under, and to the interest thereon, and all renewals, replacements, and extensions thereof, the Lessee hereby appoints Lessor as attorney-in-fact to execute such documents as may be required to accomplish such subordination.

26. Rules and Regulations/Tenant Sign Criteria. Lessee and Lessee's agents, employees and invitees shall fully comply with all Rules and Regulations of the Complex (Exhibit A) and the Tenant Sign Criteria (Exhibit B), which are made a part of the Lease as though set out herein. Lessor shall have the right, upon reasonable notice, to amend such Rules and Regulations and Tenant Sign Criteria as may be necessary or desirable for the safety, care and cleanliness of the Premises and for the preservation of good order therein.

Lessor has not conveyed to Lessee any rights in or to the outer side of the outside walls of the building leased herein. Lessee shall not display or erect any lettering, sign, advertisement, awning or other projection in or on the outside of the leased property or make any alterations, decoration, addition to or improvement in or to the outside of the leased property without the prior written consent of the Lessor.

Lessee shall not erect, place or allow any sign, advertising matter, stand, booth, or showcase in or upon the doorsteps, vestibules, outside walls, outside windows or pavements of the building without the prior written consent of the Lessor.

27. Modification of Lease. No modification of this Lease shall be effective unless it is in writing and is signed by the Lessee and Lessor or their authorized representatives. Lessor's authorized representatives shall consist solely of D. William Smith, A. Joyce Smith or Clay F. Smith. No other person shall be authorized to make any modification to this Lease or any of its terms on behalf of Lessor.

28. Miscellaneous

A. The captions of this Lease are for convenience only and are not to be construed as part of this Lease and shall not be construed as defining or limiting in any way the scope or intent of the provisions hereof.

B. If any term or provision of this Lease shall to any extent be held invalid or unenforceable, the remaining terms and provisions hereof shall not be affected thereby, but each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

C. This Lease shall be construed and enforced in accordance with the laws of the State of Nebraska.

D. All oral negotiations between the parties are merged herein. There are no oral covenants or agreements made by either party hereto except as expressly set forth in writing herein. Lessee's signatory to this lease is authorized to execute this Lease on behalf of Lessee.

E. All payments to be made under this Lease shall be made without notice or demand, unless otherwise provided herein.

F. The submission of the proposed lease to Lessee for examination or consideration does not constitute an offer to lease the Premises, and the proposed lease shall become effective only upon execution, delivery and acceptance thereof by the Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the day and year first above written

Jeff Fortenberry for U S. Congress Committee, Lessee

B & J Partnership, Ltd., Lessor

By Jessica Moenning  
Its. CAMPAGN MANAGER

By: [Signature]  
General Partner

**EXHIBIT A  
RULES AND REGULATIONS**

These Rules and Regulations are attached to and made a part of the Lease. Failure to observe these Rules and Regulations shall be a default under the Lease.

1. Lessee shall not:
  - A. Keep animals or birds in the rooms
  - B. Use rooms as sleeping apartments.
  - C. Permit duplicate keys to be made, but such keys shall be provided by Lessor at Lessee's expense.
2. Without written permission of the Lessor, Lessee shall not:
  - A. Place or change locks upon any doors in the Premises.
  - B. Conduct any auction on said premises and shall not store goods, wares or merchandise on the leased Premises, except for Lessee's own personal use.
  - C. Install and/or maintain ATM/s in the interior or on or around the exterior of the Premises.
  - D. Use any electric heating or cooling devices.
3. Lessor reserves the right, at all times and from time to time, to:
  - A. Rescind any one or more of these rules and regulations, or to make such other and further reasonable rules and regulations as in the Lessors' judgment may from time to time be necessary for the safety, care and cleanliness of the Premises, and for the preservation of order herein.
  - B. Possess a pass key to all leased Premises and shall be allowed admittance in the event of any emergency such as fire and to conduct building inspections.
  - C. Exclude or eject from the Premises all animals, vehicular traffic of every kind and all canvassers and other persons who conduct themselves in such a manner to be, in the judgment of the Lessor, an annoyance to tenants or a detriment to the Premises.

## EXHIBIT B

### TENANT SIGN CRITERIA

The purpose of these instructions is to outline the criteria, which has been established to control the design, fabrication, and installation of tenant signs. The reason for establishing certain basic guidelines which must be followed by sign companies serves two purposes: 1) it will protect you the tenant from purchasing a sign which does not meet good standards of material, workmanship, and appearance; 2) it will assure the tenants, the owners, and developers of an attractive community, unmarred by poorly designed, badly proportioned signage. Good sign design and balance is necessary to maintain an attractive and successful business community.

#### A. GENERAL REQUIREMENTS

1. Each tenant shall submit or cause to be submitted to the Landlord for written approval before fabrication at least (3) copies of detailed drawings indicating the locations, size, layout, design, and color of the proposed signs including all lettering and/or graphics. Elevation drawings to be  $\frac{1}{2} = 1'-0"$
2. The Tenant or his representative shall obtain all permits for signs and their installation.
3. All signs shall be constructed and installed at Tenants expense.
4. All sign companies must be licensed under their name by the City of Lincoln and must have property liability insurance. Furthermore, the Tenant shall be responsible for, and shall bear all cost of, removal and/or correction of sign installation, damage to the building by signs that do not conform to sign criteria as set forth in this Exhibit E and for all costs of restoration of the building at the time any signage is removed.
5. Tenant shall be responsible for the fulfillment of all requirements of these criteria.

#### B. STIPULATIONS

1. No animated, flashing, or audible signs will be permitted.
2. No exposed lamps or tubing will be permitted.
3. All signs and their installation shall comply with all local building and electrical codes
4. No exposed crossovers or conduit will be preempted.
5. All transformers shall be mounted behind sign parapet.
6. Electrical service to all signs shall be on the Tenants electric meter.
7. Painted lettering will not be permitted.
8. All attaching bolts shall be of non-corrosive metal.

#### C. DESIGN REQUIREMENTS

1. All tenant storefront entrance and store identification designs shall be subject to the written approval of Landlord. Imaginative designs, which depart from traditional methods and placements, will be encouraged.
2. Wording of signs shall not include the product sold, except as part of Tenant trade name or insignia
3. Tenants are encouraged to have signs designed as an integral part of the storefront design, with letter size and location appropriately scaled and proportioned to the overall storefront design. The design of all signs, including style and placement of lettering, size, color, materials, and method of illumination shall be subject to the approval of the Landlord. (NOTE Innovative designs of high quality which do not strictly adhere to these criteria may be submitted for special consideration)

#### D. SIZE OF SIGNS:

1. Major tenants:
  - Maximum letter size. 36"
  - Minimum letter size: 14"
  - Maximum span of tenant's sign shall not exceed (75%) seventy five percent of the store frontage.
2. Minor tenants
  - Maximum letter size: 24"
  - Minimum letter size: 10"
  - Maximum span of the tenant's sign shall not exceed (75%) seventy-five percent of the store frontage

#### E. TYPES OF SIGNS

1. All signs shall be individually internally-illuminated channel letter signs to be located only on the spaces on the surfaces specifically provided for on the building face to proper placement at Tenant's expense.
2. No box type signs will be permitted

F. CONSTRUCTION REQUIREMENTS

1. All signs, bolts, fastenings, and clips shall be stainless steel, aluminum, brass or bronze. No black iron materials of any type will be permitted.
2. All signs must be centered on store frontage.
3. All letters shall be fabricated using full-welded construction or approved equal.
4. Location of all openings for conduit in sign panels of building walls shall be indicated by the sign contractor on drawings submitted to the Landlord.
5. All penetrations of the building structure required for sign installation shall be indicated by the sign contractor on drawings submitted to the Landlord.
6. No labels will be permitted on the exposed surface of signs except those required by local ordinance, which shall be applied in an inconspicuous location.
7. Sign contractor shall repair any damage to any work caused by his work.
8. Tenant shall be fully responsible for the operation of Tenant's sign contractor.

G. MISCELLANEOUS REQUIREMENTS

1. Letter faces shall be a minimum of 3/16" thick, flat surface colored plexiglass. Painted plexiglass will not be permitted.
2. All letter retainer caps shall be 3/4" trim cap edge. Retaining screws shall be #7 x 3/4" trim cap edge. Retaining screws shall be painted a minimum of 2 coats of acrylic enamel.
3. Letter returns shall be painted a minimum of 2 coats of acrylic enamel.
4. At no time shall building structure or framing be cut or altered in any way without Landlord's prior written authorization.
5. All channel letters must have one 3/16" diameter drain hole at the bottom of every letter. All signs shall be fabricated and installed with U.L. label, if required by local authorities, in an inconspicuous location.
6. No conduit or electrical runs allowed over rooftop.
7. All Tenant signage shall be connected to Tenant's parcel/Premise and time clock.

H. NON-CONFORMANCE

1. No field installation changes are permitted without first notifying Landlord in writing. If in the event any signs changed as to placement, location and size which differs from approved sign plan, Tenant will be responsible to properly repair, change, and/or relocate sign to proper placement at Tenant's expense.
2. Tenant shall correct any sign installed by Tenant, which is not in conformance to the approved drawings, within (15) days after written notice by Landlord. In the event Tenant's sign is not brought into conformance within said (15) days period, then Landlord shall have the option to correct said sign at Tenant's expense.

Except as provided herein, no advertising placards, banners, pennants, names, insignia, trademarks, or other descriptive material shall be affixed or maintained upon the glass panes and/or supports of the show windows and doors, or upon the exterior walls of the building or storefront.

I. THE FOLLOWING ARE PROHIBITED

1. Temporary trailer signs
2. Animated moving or flashing signs
3. Iridescent painted signs
4. Exposed neon, florescent or incandescent illumination
5. Dayglo colors
6. Signs which make or create noise.