

## USE AGREEMENT

This USE AGREEMENT (this “**Agreement**”) is entered into as of \_\_\_\_\_, 2024 (the “**Effective Date**”), by and between CT Holdings, Inc., a Minnesota corporation (“**Licensor**”) and the City of Saint Paul, a Minnesota public corporate and politic (“**Licensee**”). Licensor and Licensee are sometimes collectively referred to herein as “parties” and individually as a “party.”

### RECITALS

- A. Licensor subleases part of the property commonly addressed as 60 West Sycamore Street, St. Paul, Minnesota 55117 (the “**Property**”) from Transaxle LLC, a Delaware limited liability company (“**Sublandlord**”), pursuant to the Sublease dated April 10, 2020 (the “**Sublease**”).
- B. Sublandlord currently leases the Property from P & P Holdings, LLP, a Minnesota limited liability partnership (“**P&P**”), pursuant to the Lease dated June 1, 2020 (the “**Master Lease**”). P&P is an affiliate of Licensor.
- C. Simultaneously with the Effective Date, P&P is closing on the sale of the Property to Licensor (the “**Closing**”) pursuant to the Purchase and Sale Agreement dated July 27, 2024 (the “**Purchase Agreement**”). As part of the Closing P & P is assigning its interest as landlord under the Master Lease to Licensee. Upon consummation of the Closing, Licensee shall own the Property and shall be the landlord under the Master Lease.
- D. Licensee desires the ability to use that part of the Property currently subject to the Sublease immediately following Closing. Licensor is willing to allow Licensee to use that part of the Property currently subject to the Sublease, pursuant to the terms and conditions of this Agreement. Sublandlord is willing to consent to this Agreement.

### AGREEMENT

- Grant of License. Subject to the terms and conditions of this Agreement, Licensor grants to Licensee a license to use the that part of the Property currently subject to the Sublease (the “**Licensed Premises**”). The Licensed Premises currently consists of approximately 19,387 square feet of the Property, and a portion of the parking lot located appurtenant to the Property, as more particularly depicted on Exhibit A attached to this Agreement. The Licensed Premises is the same as the “Subleased Premises” described in the Sublease.
- License Term. The term of this Agreement (the “**Term**”) shall commence on the Effective Date and shall expire upon the date the Sublease terminates or expires, unless this Agreement is sooner terminated as provided in this Agreement.
- Use. Licensee may use the Licensed Premises only for the purposes for which Licensor is allowed to use the Licensed Premises as subtenant under the Sublease, and for no other purpose. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not be deemed to grant Licensee greater rights or privileges than Licensor has as “Subtenant” under the Sublease. In the event Licensee desires to do anything that if done by Licensor as subtenant under the

Sublease would require the consent of Sublandlord, Licensee shall be required to receive prior written consent to the same from Sublandlord and Licensor. Licensor's consent will not be unreasonably withheld, provided Sublandlord's consent is received and all costs and expenses payable in connection with requesting and receiving Sublandlord's consent have been paid by Licensee. Sublandlord shall have the right to access and use the Licensed Premises consistent with its rights to access the "Subleased Premises" as defined in and pursuant to the Sublease. Licensor shall have the right to access and use the Licensed Premises provided Licensor's access and use does not materially interfere with Licensee's use of the Licensed Premises.

4. Condition of Licensed Premises. The license granted Licensee under this Agreement is made with no representation or warranty by Licensor whatsoever, whether express or implied, written or oral, or existing at law, in equity, or otherwise, with respect to the condition of the Licensed Premises or the Property, or the fitness of the same for any specific purpose. Per the terms of this Agreement, Licensee is being granted a license to use of the Licensed Premises in its current "as-is, where-is, with all faults" condition. Licensee waives all claims it may have now or in the future against Licensor, and releases Licensor from all liability, in any way connected to the condition or fitness of the Licensed Premises or Property; this waiver shall survive the expiration or sooner termination of this Agreement.

5. License Fee. Commencing on the Effective Date and continuing through the Term, Licensee shall pay to Licensor a monthly fee equal to Eighteen Thousand Seven Hundred Eighty Seven and 91/100 Dollars (\$18,787.91) (the "**License Fee**"). The first License Fee payment shall be due and paid by Licensee on the Effective Date. The License Fee for each subsequent calendar month of the Term shall be due and paid by Licensee on the first day of each calendar month. The License Fee for any partial calendar month shall be prorated on a per diem basis for such calendar month. All License Fee payments shall be paid by Licensee to Licensor when due, without set off or demand. All License Fees shall be made payable to CT Holdings, Inc. and delivered to 4571 Valley Industrial Blvd S, Shakopee, MN 55379, unless Licensor otherwise instructs Licensee.

6. Utility Costs. Licensor shall invoice Licensee monthly for the cost of utilities incurred by Licensor due to Licensee's use of the Licensed Premises. Each invoice shall be paid to Licensee on the first date of the month following the month in which the invoice was received, in the same manner as the License Fee. Any other costs incurred by Licensor under the Sublease due to Licensee's use of the Licensed Premises shall be invoiced to and paid by Licensee in the same manner. Licensor shall have no liability whatsoever to Licensee for any interruption or cessation of utility services, or for the lack of any specific utility service in the Licensed Premises or Property.

7. Indemnification. Licensee shall protect, indemnify, defend and save Licensor, its lenders, partners, officers, contractors, agents and employees harmless from and against any and all claims, actions, damages, liability and expense in connection with (i) loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Licensed Premises or Property, or the occupancy or use by Licensee of the Licensed Premises or any part or the Property, or occasioned wholly or in part by any act or omission of Licensee, its agents, contractors, employees, servants or concessionaires, (ii) any breach of the terms of this Agreement by Licensee, and (iii) any act or omission of Licensee that would render Licensor in breach of, or cause Licensor

to incur liability under, the Sublease. If Licensor shall be made a party to any litigation commenced by or against Licensee (other than litigation commenced by Licensee against Licensor due to a breach of or dispute over this Agreement), then Licensee shall protect, indemnify, defend and hold Licensor harmless and pay all costs and reasonable attorney's fees incurred by Licensor in connection with such litigation, and any appeals thereof. Licensee shall also pay all costs, expenses and reasonable attorney's fees that may be incurred or paid by Licensor in enforcing the covenants and agreements in this Agreement. In the event any sums are payable to Sublandlord with respect to its review of and/or consent to this Agreement, such costs shall be paid by Licensee to Sublandlord when due. The terms of this Section 7 shall survive the expiration or sooner termination of this Agreement.

8. Insurance. Licensee, at its sole expense, shall obtain and keep in force the insurance policies required to be obtained by Licensor as "Subtenant" under the Sublease. On or before the Effective Date, Licensee shall provide Licensor with insurance certificates evidencing the existence and amounts of all such required insurance policies. At least thirty (30) days prior to the date any such insurance policy is set to expire, Licensee shall provide Licensor with updated insurance certificates evidencing that all such required insurance policies shall be renewed or reissued such that there will be no lapse in the insurance policies required of Licensee during the Term. Licensee, at its sole expense and as owner of the Property, shall obtain and keep in force commercially prudent insurance policies insuring the full replacement value of the Property at all times during Licensee's ownership of the Property.

9. Waiver of Subrogation. Licensee hereby releases Licensor, Sublandlord, and their respective representatives, agents, and employees from any claims for damage and/or injury to the Licensed Premises or the Property, or the trade fixtures, personal property, improvements, and alterations in or about the Licensed Premises or the Property that are caused by or result from risks insured against under any insurance policies required to be carried by Licensee under this Agreement, regardless of the fault or negligence of Licensor and/or Sublandlord. Licensee shall cause any property damage insurance carried by it to be written to provide that the insurance company waives all right of recovery by waive of subrogation against Licensor and Sublandlord in connection with any damage covered by any such policy, regardless of the fault or negligence of Licensor and/or Sublandlord.

10. Default. Each of the following events shall constitute a default under this Agreement on the part of Licensee:

(a) Licensee fails to pay in full any Licensee Fee, or any other amount required to be paid by Licensee under this Agreement, when due;

(b) Licensee fails to maintain the insurance policies it is required to maintain pursuant to the terms of this Agreement, or causes the same to lapse, at any time during the Term;

(c) Licensee uses, or allows the Leased Premises to be used, in any manner that would be deemed a breach of the Sublease if Licensee were the "Subtenant" under the Sublease;

(d) An act or omission on the part of Licensee occurs that results in Licensor incurring liability under the Sublease; and

(e) Licensee breaches or fails to abide by any of the terms, conditions, restrictions, and covenants binding on Licensee under this Agreement.

In the event of a default by Licensee under this Agreement, Licensor may in its sole discretion terminate this Agreement at any time following the event of such default, and/or pursue all other remedies available to Licensor at law or in equity.

11. Removal of Property at Expiration/Termination. If this Agreement terminates prior to the expiration or termination of the Sublease, Licensor shall have the right to require Licensee to remove from the Leased Premises all of its furniture, trade-fixtures, equipment, and any other items brought into the Leased Premises by Licensee. If Licensee does not remove such property after written notice from Licensor, Licensee shall continue to pay to Licensor the License Fee as it becomes due for each month such property remains in the Leased Premises. Licensee agrees to indemnify, defend, and hold-harmless Licensor with respect to any claims, costs, and fees (including reasonable attorneys' fees), in anyway related to the placement of Licensee's property in or about the Leased Premises or the Property, or the failure of such property to be removed from the Leased Premises of Property at the termination or expiration of this Agreement or the Sublease. The terms of this Section 11 shall survive the expiration or sooner termination of this Agreement.

12. No Transfer of License. Licensee shall not sell, assign, mortgage, pledge or in any manner transfer this Agreement or any interest therein, nor sublicense all or any part of the Premises, nor allow any other person or entity to occupy the Premises.

13. Release of Liability. As a material condition to Licensor's willingness to enter into this Agreement, Licensee hereby releases Licensor, its lenders, partners, officers, contractors, and agents, from and against (i) any defects, latent or otherwise, in the Licensed Premises or the Property, or any of the equipment, machinery, utilities, appliances or other personal property located therein, and (ii) for any loss of life, or personal injury or damage to any person or to any property or business of Licensee, or those claiming by, through or under Licensee, to the extent the same is directly or indirectly caused by or resulting from the use or occupancy of the Licensed Premises or Property by Licensee and/or Licensee's employees, agents, contractors, or invitees for any purpose whatsoever. Without limiting the foregoing, the parties acknowledge and agree that Licensor shall owe no duty whatsoever to Licensee with respect to the safety and security of the Licensed Premises or the Property. The terms of this Section 13 shall survive the expiration or sooner termination of this Agreement.

14. Relationship of the Parties. Nothing contained herein shall be deemed or construed by Licensor or Licensee, or by any third party, as creating the relationship of principal and agent, or of partnership or of joint venture, or of landlord and tenant, between Licensor and Licensee, it being understood that nothing contained herein, or any acts of the parties hereto, shall be deemed to create any relationship between the parties other than the relationship of licensor and licensee. This instrument shall in all events be deemed a license for use of the Licensed Premises by Licensee, and shall not be deemed a lease.




15. Damage by Licensee. Without limiting any other obligations of Licensee in this Agreement, in the event any part of the Leased Premises or Property is damaged due to an act or omission of Licensee, or any employee, agent, invitee, or other person operating by, through, or under Licensee, Licensee shall indemnify, defend, and hold harmless Licensee from any cost, claim, liability, and fee (including reasonable attorneys' fees) that may be incurred by Licensor due to such damage, whether as "Subtenant" under the Sublease or otherwise. In the event that such damage substantially and negatively affects the use of the Licensed Premises, Licensee shall continue to pay to Licensor the License Fee and all other sums that are the responsibility of Licensee under this Agreement, until the Sublease expires or is terminated, regardless of whether this Agreement is sooner terminated. The terms of this Section 15 shall survive the expiration or sooner termination of this Agreement.

16. Maintenance. Licensee shall, at its own expense comply with all maintenance, repair, replacement, and/or improvement obligations of Licensor as "Subtenant" under the Sublease, as though Licensee was the "Subtenant" and Licensor was the "Sublandlord."

17. Notices. Until such time as either Licensor or Licensee, as applicable, is otherwise notified in writing, all notices and other communications hereunder (each, a "Notice") shall be in writing and shall be delivered to Licensor or Licensee at the following addresses:

If to Licensor: CT Holdings, Inc.  
Attn: Tom Peterson  
4571 Valley Industrial Blvd S  
Shakopee, MN 55379

With a copy to: Maslon LLP  
Attn: Bill Mower  
225 South Sixth Street, Suite 2900  
Minneapolis, MN 55402

If to Licensee: City of Saint Paul  
Attn:   
  


A Notice shall be deemed duly given (i) if hand delivered or if given by a nationally recognized and reputable overnight delivery service, on the day on which the Notice is actually delivered to the party; or (ii) if given by certified mail, return receipt requested, postage prepaid, two (2) business days after it is posted with the United States Postal Service. Rejection of or refusal to accept, or inability to deliver because of a change of address of which no Notice was given pursuant to this Agreement, shall be deemed delivery of the Notice.

18. Miscellaneous.

(a) Time of the Essence. Time is of the essence of this Agreement.

(b) Waiver. No failure or delay of Licensor to enforce any term hereof shall be deemed to be a waiver.

(c) Attorney's Fees. In any suit, claim, arbitration, or similar action brought in connection with or arising out of this Agreement, the non-prevailing party shall pay to the prevailing party all costs in connection with such action, including but not limited to reasonable attorneys' fees.

(d) Jurisdiction. This Agreement shall be interpreted and enforced pursuant to the laws of the State of Minnesota. The exclusive venue for any suit or action arising out of this Agreement shall be the county in which the Premises is located, without regard to inconvenience.

(e) Waiver of Jury Trial. Licensor and Licensee each hereby WAIVE ALL RIGHTS EITHER MAY HAVE NOW OR IN THE FUTURE TO THE RIGHT TO A JURY TRIAL REGARDING ANY CLAIM, SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT.

(f) Execution of Agreement. This Agreement may be executed in counterparts by ink or electronic signature. This Agreement shall not be deemed effective until Sublandlord executes the "Sublandlord Consent" page attached to this Agreement.

*[Signature Page Follows]*

IN WITNESS WHEREOF, Licensor and Licensee have executed and delivered this Agreement effective as of the Effective Date.

**LICENSOR:**

**CT HOLDINGS, INC.,**  
a Minnesota corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LICENSEE:**

**CITY OF SAINT PAUL,**  
a Minnesota public body and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Sublandlord Consent**  
**to Use Agreement**

Effective as of the Effective Date of the Use Agreement between CT Holdings, Inc., a Minnesota corporation and the City of Saint Paul, a Minnesota public body corporate and politic, to which this page is attached (the “**Use Agreement**”), Transaxle LLC, a Delaware limited liability company, as “Sublandlord” under the Sublease dated April 10, 2020, for certain property located 60 West Sycamore Street, St. Paul, Minnesota 55117 (the “**Sublease**”):

- (1) Consents to the Use Agreement; and
- (2) Agrees that no Transfer Rent (as defined in the Sublease) or expenses in connection with the Use Agreement are required to be paid.

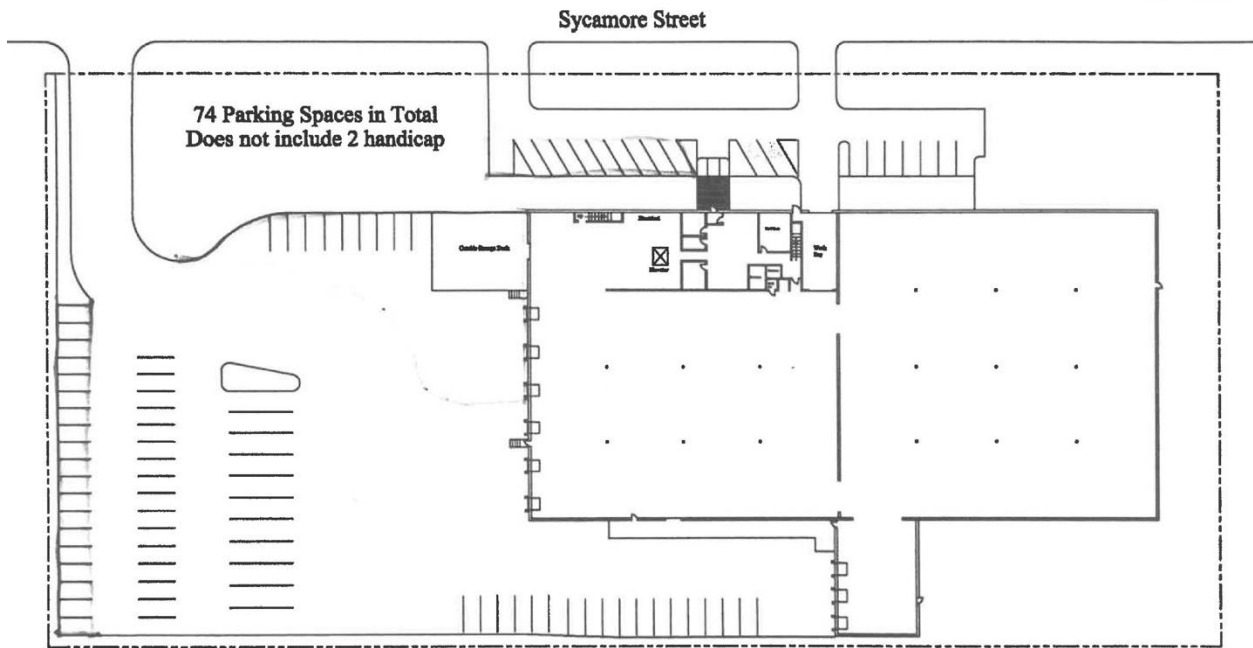
**SUBLANDLORD:**

**TRANSAXLE LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



CT HOLDINGS DEDICATED PARKING (EXCLUSIVE USE)



CT HOLDINGS UPPER LEVEL OFFICES

