



MERCHANTS' ASSOCIATION STANDARD LEASE ADDENDUM

Date: _____

By and Between

Lessor: _____

Lessee: _____

Property Address: _____

(street address, city, state, zip)

Paragraph _____

(a) **Association Membership.** Lessee shall become a member of the Merchants' Association for the Shopping Center ("**Merchants' Association**") upon formation thereof or upon execution of the Lease, whichever occurs later, and will maintain such membership in good standing, will abide by the bylaws and regulations and will cooperate in the activities of the Merchants' Association throughout the Term. The purpose of the Merchants' Association shall be to encourage its members to deal fairly and courteously with their customers, to follow ethical business practices, and to assist the business of its members by sales promotions and centerwide advertising. If Lessor shall elect to provide promotional services and personnel to formulate and effect the advertising, promotional and public relations program for the Shopping Center, Lessor shall be reimbursed by the Merchants' Association for the cost of such promotional services and personnel. Any promotional services and personnel so provided shall be under the exclusive control and supervision of Lessor who shall have the sole authority to employ and discharge such personnel. Lessee agrees to pay annual Merchants' Association Dues to the Merchants' Association in the amount specified in Paragraph 1.8 of the Lease. Said annual dues shall be payable at the time of execution of the Lease and thereafter on the first day of each January throughout the Term. The provisions of the Lease (including this Addendum) shall take precedence over any contradictory provision in the bylaws or regulations of the Merchants' Association, and the bylaws, rules or regulations of the Merchants' Association shall not affect the rights of Lessor. The provisions of this Addendum shall be deemed to be covenants for the benefit of Lessor and the Merchants' Association and shall be enforceable by each of them. The Merchants' Association Dues payable by Lessee shall be deemed additional Rent under the Lease. Nothing contained in this Addendum shall be interpreted as requiring Lessor to establish a Merchants' Association.

(b) **Advertising.** The Merchants' Association may, at its discretion (but without obligation to do so), place advertisements in media which the Merchants' Association deems appropriate, and in which Lessee and other tenants of the Shopping Center may advertise. Lessee shall be obligated to include its advertisements in all of the Merchants' Association advertisements (but Lessee shall not be obligated to include its advertisements in more than 12 Merchants' Association advertisements per year). Lessee's advertisements in the Merchants' Association advertisements shall be at least as large as the advertisements of a majority of the other tenants, and Lessee will be charged at the regular price charged to a majority of the other tenants in the Merchants' Association. Lessee shall cooperate with Lessor in preparing its advertisement in a timely manner and in paying for the advertising costs. If Lessee does not provide its prepared advertisement copy within 10 days of Lessor's or the Merchants' Association's written request, then Lessor may, and is hereby authorized by Lessee to, prepare an advertisement for Lessee which will be utilized in the Merchants' Association's advertisements, and Lessee will reimburse Lessor for the costs and expenses incurred by Lessor for preparing Lessee's advertisement. Lessor shall not be obligated to provide advertising copy to enable Lessee's advertisement to be included in the Merchants' Association advertisements, and Lessee hereby agrees to hold Lessor and the Merchants' Association harmless from and against any and all liabilities, losses, costs and expenses (including attorneys' fees) which may arise due to the failure to include Lessee's advertisement in the Merchants' Association advertisements and/or due to the advertising copy created due to Lessee's failure to provide the same. The Merchants' Association advertising fees and all of Lessor's costs and expenses incurred due to Lessee's default of this provision shall be deemed additional Rent.

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(c) **Hold Harmless.** Lessee hereby acknowledges that the Merchants' Association is operated by tenants of the Shopping Center, although Lessor may also be involved in such operation. To encourage the continuation of the Merchants' Association, once it is formed, Lessee hereby agrees to hold Lessor and the Merchants' Association harmless from and against any and all liabilities, losses, costs and expenses arising out of any conduct done in good faith in connection with the operation of the Merchants' Association and the conduct of activities by the Merchants' Association.

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