

## FIRST AMENDMENT TO OFFICE SPACE LEASE

THIS FIRST AMENDMENT TO OFFICE SPACE LEASE ("Amendment ") is made and entered into as of the 14<sup>th</sup> day of August, 2015, between CCH 1033 LLC, a Delaware limited liability company ("Landlord"), and KAPSTONE PAPER AND PACKAGING CORPORATION, a Delaware corporation ("Tenant").

### *Recitals*

- Landlord and Tenant are parties to that certain Office Space Lease dated April 20, 2015 (the "Lease").
- The Lease demises Suites 330 and 340 (the "Original Premises"), consisting of approximately 6,977 rentable square feet ("RSF") as depicted in the Lease in the Building located at 1033 Skokie Boulevard, Northbrook, Illinois, in the Project commonly known as Corporate Center of Northbrook.
- The Expiration Date of the Term is February 28, 2026.
- Pursuant to that certain Temporary Space Agreement dated as of June 8, 2015, Tenant is currently leasing and occupying Suite 250 in the Building, containing approximately 3,493 RSF.
- Landlord and Tenant desire to expand the Premises to include the Temporary Space, and otherwise to amend the Lease as provided herein.

### *Terms*

NOW, THEREFORE, in consideration of the mutual covenants contained herein (which by incorporation are deemed to include the foregoing Recitals as if fully restated below) and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby amend the Lease as follows:

1. **Definitions.** Unless the context otherwise requires, any capitalized term used herein shall have the meaning set forth in the Lease.
2. **Integration of Amendment and Lease.** This Amendment and the Lease shall be deemed to be, for all purposes, one instrument. In the event of any conflict between the terms and provisions of this Amendment and the terms and provisions of the Lease, the terms and provisions of this Amendment shall, in all instances, control and prevail.
3. **Expansion of Premises.** As of the "Expansion Commencement Date" (defined below), the Premises shall be expanded by adding thereto Suite 250 on the second (2<sup>nd</sup>) floor of the Building, consisting of approximately 3,493 RSF (the "Expansion Space"), as depicted on the floor plan attached hereto as **Exhibit A**. Any statement of square footage set forth in this Amendment, or that may have been used in calculating rental, is an approximation which Landlord and Tenant stipulate and agree is reasonable, and the rental based thereon is not subject to revision whether or not the actual square footage is more or less.
  - a. Tenant's Proportionate Share, as to the Expansion Space only, shall be 2.715%. As of the Expansion Commencement Date, the RSF of the entire Premises (Original Premises plus Expansion Space) shall be 10,470 RSF, and Tenant's Proportionate Share shall be 8.137% (10,470/128,670, the RSF of the Building).



b. The Expansion Commencement Date shall be one (1) business day following the execution of this Amendment. “**Expansion Term**” shall mean the period from the Expansion Commencement Date through the Expiration Date of the Lease Term. Notwithstanding anything to the contrary in the Temporary Space Agreement, Tenant’s lease of the Temporary Space shall be deemed to expire on the day before the Expansion Commencement Date, but Tenant shall not be required to vacate the Temporary Space as contemplated by that agreement.

4. **Rent.**

a. At all times, Tenant shall pay Base Net Rent on the Original Premises as set forth in the Lease, it being agreed that Lease Year 1 shall mean the period ending July 31, 2016.

b. In addition, during the Expansion Term, Tenant shall pay Base Rent on the Expansion Space as follows:

Period	Base Net Rent/RSF	Annual Base Net Rent	Monthly Base Net Rent
Expansion Commencement Date to 7/31/2016	\$22.00	\$76,846.00	\$6,403.83
08/01/2016 to 07/31/2017	\$22.50	\$78,592.50	\$6,549.38
08/01/2017 to 07/31/2018	\$23.00	\$80,339.00	\$6,694.92
08/01/2018 to 07/31/2019	\$23.50	\$82,085.50	\$6,840.46
08/01/2019 to 07/31/2020	\$24.00	\$83,832.00	\$6,986.00
08/01/2020 to 07/31/2021	\$24.50	\$85,578.50	\$7,131.54
08/01/2021 to 07/31/2022	\$25.00	\$87,325.00	\$7,277.08
08/01/2022 to 07/31/2023	\$25.50	\$89,071.50	\$7,422.63
08/01/2023 to 07/31/2024	\$26.00	\$90,818.00	\$7,568.17
08/01/2024 to 07/31/2025	\$26.50	\$92,564.50	\$7,713.71
08/01/2025 to 02/28/2026	\$27.00	\$94,311.00	\$7,859.25

c. **Adjustment Rent.** Before the Expansion Term (if applicable), Tenant shall pay Adjustment Rent on the Original Premises, as set forth in the Lease. During the Expansion Term, Tenant shall pay Adjustment Rent on the entire Premises, including the Expansion Space, in the same manner as set forth in the Lease.

d. **Rent Abatement on Expansion Space.** Notwithstanding anything in this ¶ 4 to the contrary, but only if Tenant is not then in monetary Default under the Lease or this Amendment, Tenant shall be entitled to an abatement of Base Net Rent and Adjustment Rent, *on the Expansion Space only*, for the first seven (7) full calendar months of the Expansion Term (i.e., September 2015 through and including March 2016; the “**Rent Abatement Period**”). The total amount of Base Net Rent and Adjustment Rent abated during the Rent Abatement Period is collectively referred to as the “**Abated Rent.**” If the Lease or Tenant’s right to possession of the Premises is terminated due to a Default by Tenant, then, in addition to all other rights and remedies available to Landlord (including without limitation the similar remedy described in Section 2(B)(iii) of the Lease), an amount equal to the total Abated Rent multiplied by a fraction, the numerator of which is the number of months occurring between such date of termination and the originally scheduled Expiration Date and the denominator of which is 119.5 [approx. 126.5 months of Expansion Term minus 7 months of abatement], shall immediately become due and payable. The payment by Tenant of such portion of the Abated Rent in the event of a Default shall not limit or affect any of Landlord’s other rights, pursuant to the Lease or at law or in equity.



5. **Broker.** Tenant represents to Landlord that Tenant has not dealt with any broker in connection with this Amendment other than Landlord's broker, Jones Lang LaSalle America (Illinois), L.P. (the "**Broker**"). Tenant agrees to indemnify, defend and hold Landlord and Landlord's agents harmless from all damages, liability and expense (including reasonable attorneys' fees) arising from any claims or demands of any other brokers or finders for any commission alleged to be due such brokers or finders in connection with their participation in the negotiation with Tenant of this Amendment. Landlord agrees to pay the Broker a commission in accordance with a separate agreement between Landlord and the Broker.

6. **Tenant Improvements.** Tenant shall take possession of and accept the Expansion Space in an "As Is" condition, without any warranty as to the condition thereof; Tenant acknowledges that it is currently occupying the Expansion Space pursuant to the Temporary Space Agreement and is fully familiar with its condition. Except as expressly set forth in the Workletter attached hereto as **Exhibit B**, Landlord is not required to perform, or to provide Tenant with an allowance for, any work or improvements on the Expansion Space. Except as expressly set forth in the Workletter and the Lease, no agreement or promise of Landlord, the property manager, or their respective agents or employees to alter, remodel, decorate, clean, or improve the Original Premises, Expansion Space or Building (or to provide Tenant with any credit or allowance for the same), and no representation regarding the condition of the Original Premises, Expansion Space or Building, has been made to or relied upon by Tenant. It being understood that the Tenant Work contemplated by the Workletter shall be performed while Tenant is in possession of the Original Premises and the Expansion Space, and that some interference with Tenant's operations is therefore inevitable, in no event shall any circumstances related to the performance of the Tenant Work allow Tenant to claim that Landlord has committed any breach, interference with Tenant's use and enjoyment of the Original Premises or the Expansion Space, constructive eviction, or similar wrong, or give Tenant any right of termination, self-help, off-set, set-off, deduction, or similar remedy.

7. **Time of Essence.** Time is of the essence of this Amendment and each of its provisions.

8. **Options.** Tenant's Renewal Option as set forth in Section 26 of the Lease, and Tenant's Conditional Termination Option as set forth in Section 27 of the Lease, shall remain in effect, it being understood and agreed, however, (a) that each of such Options may be exercised only with respect to all space then comprising the Premises, and (b) that the Leasing Costs, for purposes of calculating the Termination Payment, shall include the Work Allowance pursuant to the Workletter attached to this Amendment.

9. **Counterparts.** This Amendment may be executed in counterparts with the same effect as if all parties executed the same document. All such counterparts shall constitute one agreement. Landlord shall have the unilateral right to insert the date of its execution as the date of this Amendment on page 1 hereof.

10. **OFAC and Anti-Money Laundering Compliance Certifications.** Tenant hereby re-affirms its OFAC representations, warranties, and indemnifications as set forth in Section 25Q of the Lease.

11. **Lease in Full Force and Effect.** Except as expressly provided herein, all of the terms and provisions of the Lease shall remain in full force and effect. Any liability of Landlord under the Lease and this Amendment shall be limited solely to its interest in the Building, and in no event shall any personal liability be asserted against Landlord in connection with the Lease or Amendment, nor shall any recourse be had to any other property or assets of Landlord.

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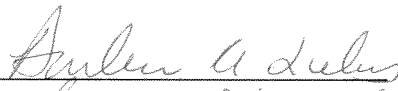


**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment in manner sufficient to bind them as of the day and year first above written.

**LANDLORD**

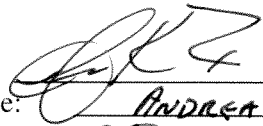
**CCII 1033 LLC**, a Delaware limited liability company

By: JONES LANG LASALLE AMERICAS  
(ILLINOIS), L. P., Property Manager and  
Authorized Agent

By:   
Name: Barbara A. Licciardi  
Its: Senior Vice President

**TENANT**

**KAPSTONE PAPER AND PACKAGING  
CORPORATION**, a Delaware corporation

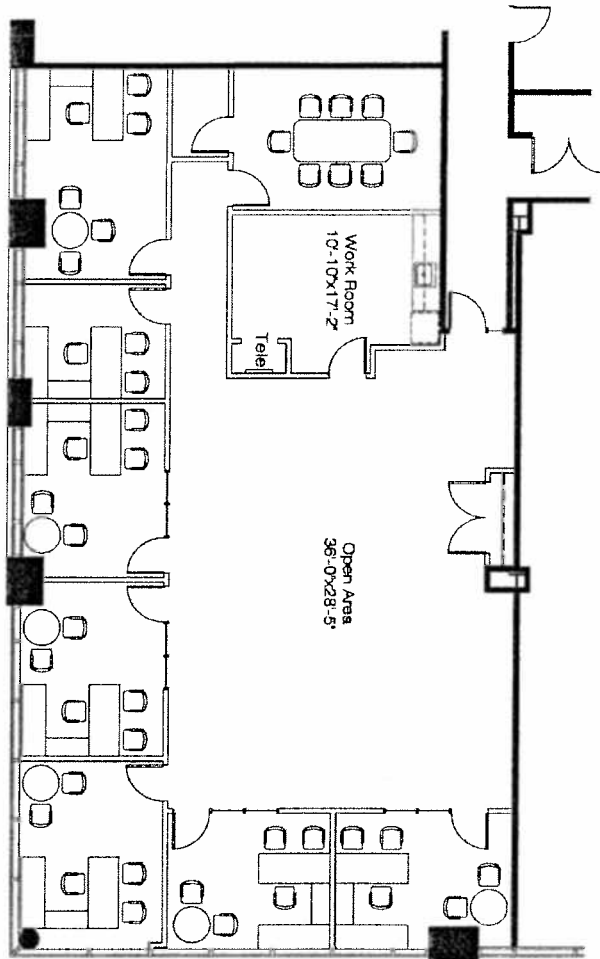
By:   
Name: Andrea Tabor  
Its: CEO



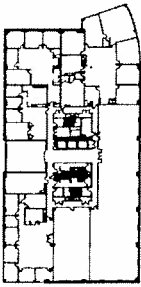
**EXHIBIT A**  
**FLOOR PLAN OF EXPANSION SPACE**

**Corporate Center of Northbrook**

1033 Skokie Boulevard, Northbrook, Illinois



North  
**Suite 250**  
3,493 RSF



**JONES LANG  
LASALLE.**  
Dan Fermitz  
773-304-4116



**EXHIBIT B**  
**WORKLETTER: TENANT WORK**

1. Tenant Work. This Workletter sets forth the terms and conditions governing construction of tenant improvements and renovations to the Expansion Space (the “**Tenant Work**”). The Tenant Work shall be constructed by Tenant in a good and workmanlike fashion and in compliance with all applicable laws, ordinances, regulations, building and fire codes, and other governmental requirements, including without limitation the ADA. Landlord shall not be obligated to respond to or act upon any plan, drawing, change order approval, or other matter relating to the Tenant Work unless and until it has been executed by Tenant. Tenant certifies to Landlord that the agreed Plans will reflect all of Tenant’s requirements with respect to the Expansion Space, including but not limited to:

- (a) Special loading, such as the location of file cabinets or special equipment
- (b) Openings in the walls or floors.
- (c) Special electrical, air conditioning or plumbing work.
- (d) Location and dimensions of telephone equipment rooms and telephone and electrical outlets.
- (e) Locations of type of partitions, doors and hardware.
- (f) Special cabinet work or other millwork items.
- (g) Variations of standard ceiling heights.
- (h) Color selection of painted areas.
- (i) Selection of floor covering and any special wall covering.
- (j) Fire, life-safety, sprinkler work

2. Work Allowance. Landlord shall contribute up to \$20.00 per RSF of the Expansion Space (\$69,860.00 total) (the “**Work Allowance**”) toward the “**Costs**” of Tenant Work in the Expansion Space that is performed between the Expansion Commencement Date and July 31, 2016. “Costs” of the Tenant Work shall mean the actual hard and soft costs and charges for material and labor; contractor’s profit; contractor’s general overhead; permits and inspections; architectural, engineering, and consultant fees; telecommunications cabling and equipment; signage; project management fees; and design and installation fees in connection with the Tenant Work. Landlord shall not charge any supervisory or administrative fees associated with the Tenant Work, but Costs will include all reasonable out-of-pocket third-party expenses for review and supervision of the Tenant Work.

a. All Costs in excess of the Work Allowance, and all other costs associated with the Tenant Work (collectively, “**Excess Costs**”), shall be paid by Tenant. Tenant shall pay the estimated amount of such Excess Costs before requesting disbursement of any of the Work Allowance.

b. As a condition of Landlord’s disbursement of any part of the Work Allowance, Tenant shall provide to Landlord lien waivers and contractors’ affidavits, and invoices for actual costs, in such form as may reasonably be required by Landlord and Landlord’s title insurance company, from all parties performing labor or supplying materials or services in connection with the Tenant Work. The required documentation for any disbursement or draw (which shall be submitted no more frequently than monthly, and in amounts of not less than \$5,000.00 per submission (unless less than \$5,000.00 of the Work Allowance remains to be disbursed)) shall include all of the following:

- i. A statement in writing under oath signed by Tenant’s architect stating the various contracts entered into by Tenant for the Work and with respect to each: the total contract price for all labor, work, services and materials; the percentage of Tenant Work which has been completed; and the amount requested for reimbursement.



- ii. A statement in writing under oath or verified by affidavit of Tenant's Contractor stating: the names of all persons, firms, associations, corporations or other parties by whom labor, materials, services or work will be rendered or furnished pursuant to the contract with Tenant's Contractor; that nature of labor, work, services, and materials to be rendered or furnished by each of the foregoing; the amounts to be paid for such labor, work, services, and materials; the percentage of Tenant Work which has been completed; and the amount requested for reimbursement or payment.
- iii. Original of waivers of lien from each of Tenant's Contractors and all subcontractors, materialmen and vendors performing labor or supplying materials or services in connection with the Tenant Work, showing that all of said parties have been compensated in full and waiving all liens in connection with the Expansion Space and Tenant Work (which waivers may be interim or final waivers as to the first draw, but must be final and non-contingent waivers as to the final payment request).

Within ten (10) business days after its receipt of the foregoing documentation, Landlord will approve or disapprove such documentation, or portions thereof. If Landlord disapproves of any such documentation, Landlord shall notify Tenant of the specific reason therefor, and will respond to any re-submitted documentation within five (5) business days. Once Tenant's documentation is approved, disbursement shall be made no later than thirty (30) days thereafter.

c. The *lesser* of (i) the amount if any by which the Work Allowance exceeds the Costs of the Tenant Work, and (ii) \$1.50 per RSF of the Expansion Space (*i.e.*, \$5,239.50) is referred to in this subparagraph as the **"Difference."** Landlord shall have no obligation to pay or credit any part of the Difference to Tenant, except as follows: Landlord shall reimburse Tenant (but not in excess of the Difference) for Tenant's documented costs of purchasing and installing telecommunications cabling/wiring, furniture, and fixtures for the Expansion Space. Landlord shall not have any obligation to reimburse costs pursuant to the previous sentence unless such costs are incurred, paid, and submitted to Landlord before July 31, 2016. Any portion of the Difference that is not properly and timely requested by Tenant as described above, and any other part of the Work Allowance that has not been spent by July 31, 2016, shall expire and be forfeited. Amounts reimbursable under this subparagraph will be paid by Landlord within thirty (30) days of receipt of Tenant's documentation.

### 3. Design and Schedule.

3.1 Tenant Plans for Tenant Work/Design Allowance. The **"Tenant Plans"** shall consist of the Space Plan and the Construction Drawings and Specifications as defined below.

Space Plan: The **"Space Plan"** as used herein shall mean a plan containing, among other things, a partition layout, door location and some furniture located in key spaces within the Expansion Space.

Construction Drawings and Specifications: The **"Construction Drawings and Specifications"** as used herein shall mean construction working drawings, mechanical, electrical, plumbing, and other technical specifications, and the finishing details, including wall finishes and colors and technical and mechanical equipment installation, if any, all of which details the installation of the Tenant Work in the Expansion Space. The Construction Drawings and Specifications shall:

- (a) be compatible with the Building shell, and with the design, construction and equipment of the Building; in that regard, Tenant acknowledges that the Design Load Criteria for office space is 50 lbs. per square foot plus 20 lbs. per square foot at partitions.
- (b) comply with all applicable laws, codes and ordinances including the American With Disabilities Act, and the rules and regulations of all governmental authorities having jurisdiction;



- (c) comply with all applicable reasonable insurance regulations and the requirements of the Board of Underwriters for a fire resistant Class A office building; and
- (d) include locations of all Tenant Work including complete dimensions.

3.2 Approvals by Landlord. All Tenant Plans shall be submitted to Landlord for written approval, which shall not be unreasonably withheld, conditioned or delayed, except that Landlord shall have complete discretion with regard to granting or withholding approval to the extent the work contemplated by the Tenant Plans would materially adversely impact the Building's structure or systems, or would be readily visible from the Common Areas or exterior of the Building. Landlord shall give its approval or reasonable disapproval (and if disapproval Landlord shall state in writing the reasons therefor) within ten (10) business days after receipt of the Tenant Plans, failing which such Tenant Plans shall be deemed approved. Any material changes, additions or modifications that Landlord requests or Tenant desires to make to the Tenant Plans shall also be submitted to Landlord for written approval pursuant to the same standards as set forth above; provided, however, the Landlord's time frame for responding to Tenant shall be reduced for re-submittals of Tenant Plans to five (5) business days.

3.3 Construction of Tenant Work. Following Landlord's final approval of the Tenant Plans, and Tenant obtaining all required permits, Tenant shall commence and diligently proceed with the construction of the Tenant Work. Tenant shall hire its own general contractor and subcontractors (from Landlord's list of approved contractors, or other union contractors approved by Landlord, which approval shall not be unreasonably withheld) to complete the Tenant Work. The Tenant Work shall be constructed with due diligence, in a good and workmanlike manner, and substantially in accordance with the Tenant Plans and all applicable laws, codes, ordinances and rules and regulations of all governmental authorities having jurisdiction. **Except to the extent of Landlord's gross negligence or willful misconduct, Tenant hereby agrees to indemnify, and to cause contractors and subcontractors which it engages to perform the Tenant Work to indemnify, the Landlord and hold Landlord harmless from any and all claims for personal or bodily injury and property damage that may arise from the performance of the Tenant Work by Tenant or its contractors, material suppliers, or consultants.**

3.4 Further Conditions. Notwithstanding the foregoing, Tenant shall not commence the Tenant Work until the following is provided:

(a) Insurance. Prior to construction, Tenant, or Tenant's general contractor, shall provide Landlord with certificates of All-Risk Builder's Risk Insurance ("**Builder's Risk Insurance Policy**"), in the minimum amount of the replacement cost of the Tenant Work issued by a company or companies reasonably acceptable to Tenant, covering the Expansion Space, with insurance carrier endorsements naming the Landlord and Managing Agent as additional insureds as their interests may appear. Said policy shall insure the Tenant Work and all materials and supplies for the Tenant Work stored on the Expansion Space (or at any other sites) against loss or damage by fire and the risks and hazards insured against by the standard form of extended coverage, and against vandalism and malicious mischief, and such other risks and hazards. Said insurance coverage shall be for 100% of replacement cost.

(b) Governmental Permits. Tenant shall be responsible for obtaining any and all permits required for the Tenant Work, and for providing Landlord with copies of building permits and other appropriate permits and licenses from the appropriate agency or office of any governmental or regulatory body having jurisdiction over the Expansion Space and which are required for the construction of the Tenant Work.

### 3.5 Additional Provisions

(a) Cooperation. Except to the extent located within an approved staging area, Tenant shall



promptly remove from the Common Areas any of Tenant's vehicles, equipment, materials, supplies or other property deposited in the Common Areas during the construction of the Tenant Work. Further, Tenant shall at no time disrupt or allow disruption to any existing tenant's parking of vehicles and pedestrian access, nor allow disruptions of mechanical, electrical, telephone and plumbing services. In addition, Tenant shall not adversely impact the normal business operation of any other tenant at the Project.

(b) Inspection by Landlord. During the period of construction, Tenant shall allow and cause its contractors to allow the Landlord's representative, if any, reasonable access to the Expansion Space. Landlord's representative shall be allowed to perform inspections of said work, at no cost to Tenant, upon reasonable verbal or email notice, to verify to the Landlord that said Tenant Work is being performed in accordance with the Landlord's building standards. Landlord's representative's inspection of the Tenant Work shall not constitute a warranty or representation as to the Tenant Work's compliance with the Tenant Plans or with applicable laws, codes and ordinances.

(c) Completion of Tenant Work. Tenant shall notify Landlord in writing when the Tenant Work has been Substantially Completed. Landlord shall thereupon have the opportunity to inspect the Expansion Space to determine if the Tenant Work has been Substantially Completed in accordance with the Tenant Plans. "**Substantial Completion**" (or any grammatical variation thereof) means completion of construction of the Tenant Work substantially in accordance with this Workletter, except for items which are identified as punch list items by Landlord and Tenant in a joint inspection of the Expansion Space. If the Tenant Work has not been Substantially Completed in accordance with the Tenant Plans, Landlord shall, within three (3) business days of such inspection, provide Tenant with written notification of the items deemed to deviate materially from the Tenant Plans. Tenant shall forthwith proceed to correct the incorrect or incomplete items. Notwithstanding anything to the contrary, the Tenant Work shall not be considered suitable for review by Landlord until all designated or required governmental inspections, permits and certifications (temporary or otherwise) have been made, given and/or posted.

(d) Commencement Date. The Expansion Commencement Date shall be the date set forth in the Amendment. Tenant acknowledges that the Tenant Work will not even commence until after the Expansion Commencement Date, and that this circumstance shall not postpone the Expansion Commencement Date, or affect Tenant's obligation to pay Rent, or make Landlord or its agents or contractors liable for any damage, loss, liability or expense caused Tenant thereby.

#### 4. Miscellaneous.

4.1 Tenant expressly agrees that none of its agents, contractors, workers, mechanics, suppliers or invitees shall enter the Expansion Space unless and until each of them shall furnish Landlord with satisfactory evidence of insurance coverage.

4.2 Except as expressly set forth herein, Landlord has no agreement with Tenant and has no obligation to do any work with respect to the Expansion Space.

4.3 This Workletter shall not be deemed applicable to: (a) any further space added to the Premises at any time, whether by the exercise of any options under the Lease, this Amendment, or otherwise, or (b) any portion of the Premises or any additions thereto in the event of a renewal or extension of the Term, whether by the exercise of any options under the Lease or otherwise. The construction of any additions or improvements to the Premises not contemplated by this Workletter shall be effected pursuant to a separate Workletter or other document, in the form then being used by Landlord and specifically addressed to the allocation of costs relating to such construction.



4.4     **Telecommunications** wiring will be purchased by Tenant and installed at Tenant's expense (subject to reimbursement from the Work Allowance), with such installation to be performed by contractors selected and engaged by Tenant and approved by Landlord, which approval will not be unreasonably withheld, conditioned or delayed.

4.5     Notices under this Workletter shall be given in the same manner as under the Lease. The liability of Landlord hereunder or under any amendment hereto or any instrument or document executed in connection herewith shall be limited as provided in the Lease. Landlord and Tenant shall each appoint one qualified and readily available representative with the authority to give and receive notices, other materials and information relating to the Tenant Work, and approvals under this Workletter.

