# 901 N. PITT STREET OFFICE LEASE

OFFICE LEASE FOR

UGL UNICCO SECURE SERVICES INC.

SUITE NO. 220

901 N. Pitt Street Alexandria, Virginia

# TABLE OF CONTENTS

I.	DEMISED PREMISES	l
2.	TERM	!
3.	USE	
4.	RENT	2
5.	ADVANCE RENTAL/SECURITY DEPOSITS	3
6.	OPERATING EXPENSES AND REAL ESTATE TAXES	
7.	ANNUAL RENT RATE ESCALATIONS	6
8.	PARK.ING	<del>(</del>
9.	ASSIGNMENT AND SUBLETTING	7
IO.	ALTERATIONS	9
II.	LIENS	11
12.	MAINTENANCE BY TENANT	11
13.	SIGNSANDADVERTISEMENTS	11
14.	DELIVERIES AND MOVING OF TENANT'S PROPERTY	12
15.	TENANT'S EQUIPMENT	12
16.	SERVICES AND UTILITIES	13
17.	TENANT'S RESPONSIBILITY FOR DAMAGE	
18.	ENTRY FOR INSPECTIONS, REPAIRS AND INSTALLATIONS	14
19.	INSURANCERATING	15
20.	INDEMNITY ANDPUBLICLIABILITYINSURANCE	15
21.	WORKER'S COMPENSATION INSURANCE	15
22.	ALL RISK COVERAGE INSURANCE	15
23.	TENANT'S CONTRACTOR'S INSURANCE	16
24.	REQUIREMENTS FOR TENANT'S INSURANCE POLICIES	16
25.	LIABILITY FOR DAMAGE TO PERSONAL PROPERTY AND PERSON	16
26.	DAMAGE TO THE BUILDING AND/OR THE DEMISED PREMISES	17
27.	DEFAULTOFTENANT	17
28.	REPEATEDDEFAULTS	18
29.	WAIVER	18
30.	SUBORDINATION	19
31.	CONDEMNATION	19
32.	RULES AND REGULATIONS	
33.	RIGHF OF LANDLORD TO CURE TENANT'S DEFAULT	20
34.	LATE CHARGES	
35.	BANKRUPTCY	
36.	NO PARTNERSHIP	
37.	NO REPRESENTATIONS BY LANDLORD	21
38.	BROKER AND AGENT	
39.	WAIVER OF JURYTRIAL	
40.	ENFORCEMENT OF LEASE	21
41.	NOTICES	
42.	ESTOPPEL CERTIFICATES	22
12	HOLDING OVER	22
43.	HOLDING OVER	

44.	RIGHTS RESERVED BY LANDLORD	22
45.	COVENANTS OF LANDLORD	23
46.	LIENFORRENT	23
47.	LENDERAPPROVAL	
48.	RECORDATION	24
49.	RULE AGAINST PERPETUITIES	
50.	GENDER	24
51.	BENEFIT AND BURDEN	24
52.	GOVERNING LAW	24
53.	DEED OF LEASE	24
54.	SAVINGS CLAUSE	24
55.	CORPORATE TENANT	25
56.	JOINT AND SEVERAL LIABILITY	25
57.	FINANCIAL STATEMENTS	25
58.	ENVIRONMENTAL REQUIREMENTS	25
59.	BUSINESS DAY/WORKJNG DAY	26
60.	RELOCATION OF TENANT	26
61.	RENTFROMREALPROPERTY	26
62.	OFAC CERTIFICATION	26
63.	FORCE MAJEURE	26
64.	LIMITATION ON LIABILITY	27
65.	ENTIRE AGREEMENT	27
	EXHIBITS and ADDENDA	

- A. Floor Plan, Demised Premises
- B. Specifications for Office Space
- C. Rules and Regulations
- D. Confirmation as to Date of Delivery and Acceptance of Possession of Demised Premises
- E. Specifications for Office Cleaning

#### **OFFICE LEASE**

THIS OFFICE LEASE, a deed oflease (the "Lease"), made and entered into on this -- day of August, 2011, by and between 901 N. PITT STREET, LLC, a Virginia limited liability company, hereinafter called "Landlord," and UGL UNICCO SECURE SERVICES INC., a Delaware corporation, hereinafter called "Tenant."

**WITNESSETH,** That, for and in consideration of the rents, mutual covenants, and agreements hereinafter set forth, the parties hereto do hereby mutually agree as follows:

#### 1. DEMISED PREMISES

- (A) Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, for the term and upon the conditions hereinafter provided, approximately one thousand seven hundred thirty (1,730) square feet ofrentable area on the second (2<sup>nd</sup>) floor of the office building located at 901 N. Pitt Street, Alexandria, Virginia (such building being hereinafter referred to as the "Building" and such rentable area being hereinafter referred to as the "Demised Premises"). The Demised Premises has been assigned Suite No. 220, and is outlined on the floor plan attached hereto and made a part hereof as Exhibit A\_.
- (B) Tenant shall accept possession of the Demised Premises in its "as is" condition existing on the date possession is delivered to Tenant, without requiring any alterations, improvements, or decorations to be made by Landlord or at Landlord's expense. Notwithstanding the foregoing, Landlord shall provide the following work to the Demised Premises ("Landlord's Work"), at Landlord's sole cost and expense:
  - (!) Carpet the Demised Premises using Building-standard carpet;
  - (2) Paint the Demised Premises using Building-standard paint;
- (3) Construct one (!) Building-standard partition in the Demised Premises to divide an existing office into two (2) offices in the location labeled "New wall" on Exhibit A attached hereto; and
- (4) Obtain any permits or certificates of occupancy required for the lawful occupancy of the Demised Premises by Tenant; provided, however, if such permit or certificate cannot be issued until Tenant has moved into the Demised Premises, then obtain all inspections of the Demised Premises necessary for the issuance of such permit or certificate subject to Tenant's move into the Demised Premises.

Tenant acknowledges and agrees that Landlord shall use reasonable efforts to substantially complete Landlord's Work in an expeditious manner. However, Landlord shall in no event be liable or subject to claim for failure to complete substantially Landlord's Work by any particular date or within any particular time frame. Tenant shall fully cooperate with Landlord in the performance by Landlord of Landlord's Work. Landlord's Work shall be considered "substantially complete" for all purposes of this Lease if Landlord has performed or completed substantially all of Landlord's Work except (a) for details of construction, decoration or adjustment which do not substantially interfere with Tenant's occupancy.

(C) Tenant represents that it has thoroughly examined the Building and the Demised Premises and is aware of and accepts the existing condition of the Demised Premises and the Building.

# 2. TERM

(A) Subject to and upon the covenants, agreements and conditions of Landlord and Tenant set forth herein, or in any Exhibit or Addendum hereto, the term of this Lease shall commence on the later of: (i) the date that Landlord's Work is substantially completed, or (ii) the first (1' day of September 2011 (hereinafter called the "Commencement Date"), and expire on the last day of the Fourth (4<sup>th</sup>) Lease Year

thereafter (hereinafter called the "Expiration Date"). For the purposes of this Lease, the term "Rent Commencement Date" shall mean the later of November 1, 2011 or the sixtieth (60<sup>th</sup>) day following the Commencement Date.

- (B) In the event Landlord is unable for any reason to deliver possession of the Demised Premises to Tenant by the stated Commencement Date, Landlord, its agents and employees, shall not be liable or responsible for any claims, damages or liabilities arising in connection therewith or by reason thereof, nor shall Tenant be excused or released from this Lease, because of Landlord's inability to deliver the Demised Premises. The Commencement Date shall be extended, however, to the date Landlord delivers possession of the Demised Premises, and Tenant's obligations, including the payment of rent, pursuant to this Lease shall commence thereon.
- (C) Tenant shall accept possession of the Demised Premises upon Landlord's tender of possession thereof with Landlord's Work substantially complete. When Tenant accepts possession of the Demised Premises, Landlord and Tenant shall execute the "Confirmation as to Date of Delivery and Acceptance of Possession of Demised Premises," attached hereto as Exhibit D, which shall confirm the Commencement Date, the Rent Commencement Date and the Expiration Date. Tenant's failure to execute Exhibit D attached hereto shall not in any manner affect the Commencement Date, the Rent Commencement Date or the Expiration Date otherwise established pursuant to the terms of this Lease.
- (D) For the purposes of this Lease, the term "Commencement Date" shall also mean any extended Commencement Date which may be established pursuant to the operation of the provisions of this Section of this Lease.
- (E) For purposes of this Lease, the term "Lease Year" shall mean that period of twelve (12) consecutive calendar months that commences on the Rent Commencement Date (or, if the Rent Commencement Date is a day other than the first day of a calendar month, then on the first day of the calendar month immediately following the Rent Commencement Date), and each consecutive twelve (12) month period thereafter. The earliest such twelve (12) month period shall be referred to as the "First Lease Year," and each of the following Lease Years shall similarly be numbered for identification purposes. Any partial calendar month at the beginning of the term of this Lease shall be considered to be a part of the First Lease Year.
- 3. <u>USE</u> Tenant shall use and occupy the Demised Premises solely for general office purposes in accordance with the applicable zoning regulations. The Demised Premises shall not be used for any other purpose without the prior written consent of Landlord. Tenant will not use or occupy the Demised Premises for any unlawful purpose, and will comply with all present and future laws, ordinances, regulations, and orders of all governments, government agencies and any other public authority having jurisdiction over the Demised Premises, and Tenant's use and occupancy thereof.

#### 4. RENT

- (A) Tenant covenants and agrees to pay to Landlord rent of any kind or nature specified in this Lease, including Monthly Rent (as hereinafter defined) and any sums, charges, expenses and costs identified in this Lease as additional rent to be paid by Tenant to Landlord. Tenant's obligation to pay rent shall begin on the Rent Commencement Date and shall continue to remain an obligation of Tenant until completely satisfied.
- (B) Tenant shall make all payments of rent by check, payable to Landlord and delivered to Landlord at c/o 901 N. Pitt Street, LLC, at Division 11, P.O. Box 823309, Philadelphia, Pennsylvania 19182-3309; by overnight deliver to Route 38 East Gate Drive, Suite 210, Moorestown, New Jersey 08057, Reference Lockbox #823309, Division 11; or to such other party or to such other address as Landlord may designate from time to time by written notice to Tenant, without demand and without deduction, set-off or counterclaim. In the event that any payment of rent is returned for insufficient funds, then, in addition to all other rights under this Lease, Tenant shall immediately pay a Fifty and Zero/I 00 Dollar (\$50.00) fee to Landlord as additional rent hereunder. If Landlord shall at any time or times accept

rent after it shall become due and payable, such acceptance shall not excuse delay upon subsequent occasions, or constitute, or be construed as, a waiver of any or all of Landlord's rights hereunder.

- (C) The monthly rent for the Demised Premises (hereinafter referred to as "Monthly Rent") as of the Rent Commencement Date, which Tenant hereby agrees to pay in advance to Landlord and Landlord hereby agrees to accept, shall be Four Thousand Two Hundred Fifty-Two and 92/100 Dollars (\$4,252.92), subject to adjustment as provided in the section of this Lease entitled "ANNUAL RENT RATE ESCALATIONS." The term "Monthly Rent" is deemed to mean Monthly Rent as adjusted pursuant to the operation of the provisions of said section of this Lease.
- (D) Monthly Rent as specified above shall be payable in advance on the first day of each calendar month during the term of this Lease from and after the Rent Commencement Date. Tenant shall also pay to Landlord with the payment of Monthly Rent such payments of additional rent provided for in the section of this Lease entitled "OPERATING EXPENSES AND REAL ESTATE TAXES."
- (E) If the Rent Commencement Date, and therefore the obligation under this Lease to pay Monthly Rent hereunder, begins on a day other than the first day of a calendar month, then Monthly Rent from such date until the first day of the following calendar month shall be prorated at the rate of one-thirtieth (I/30th) of Monthly Rent for each day of that month from and including the Rent Commencement Date, payable in advance, as specified above.

## 5. ADVANCE RENTAL/SECURITY DEPOSITS

- (A) Simultaneously with the execution of this Lease by Tenant, Tenant shall deposit with Landlord the sum of Four Thousand Two Hundred Fifty-Two and 92/100 Dollars (\$4,252.92), as a deposit towards payment of Monthly Rent for the first (I• full calendar month of the term of this Lease after the Rent Commencement Date (hereinafter referred to as the "Rental Deposit"). Any good faith deposit made at the time Tenant executed and delivered to Landlord any letter of intent or proposal to lease shall be applied toward the amount of this Rental Deposit. Such Rental Deposit, prior to its being applied to the applicable payment of Monthly Rent, shall be security for the payment and performance by Tenant of all Tenant's obligations, covenants, conditions and agreements under this Lease, and Landlord shall have the right, but shall not be obligated, to apply all or any portion of the Rental Deposit to cure any default by Tenant, in which event Tenant shall be obligated to promptly deposit with Landlord the amount necessary to restore the Rental Deposit to its original amount. In the event Tenant fails to perform its obligations and to take possession of the Demised Premises on the Commencement Date provided herein, said Rental Deposit shall not be deemed liquidated damages and Landlord may apply the Rental Deposit to reduce Landlord's damages, and such application of the Rental Deposit shall not preclude Landlord from recovering from Tenant all additional damages incurred by Landlord.
- (B) Simultaneously with the execution of this Lease by Tenant, Tenant shall also deposit with Landlord an additional sum of Fifteen Thousand and 00/100 Dollars (\$15,000.00) (hereinafter referred to as the "Security Deposit"). So long as no default then exists, and no Event of Default shall have occurred under Section 27(A) of this Lease from and after the Commencement Date, then the amount of the Security Deposit shall be reduced to Nine Thousand and 00/100 Dollars (\$9,000,00) after the completion of the First Lease Year (the "Reduction"). After the Reduction, Landlord shall, within thirty (30) days after Tenant's written request, return the excess portion of the Security Deposit then held by Landlord. Such Security Deposit shall be security for the payment and performance by Tenant of all Tenant's obligations, covenants, conditions and agreements under this Lease, and Landlord shall have the right, but shall not be obligated, to apply all or any portion of the Security Deposit to cure any default by Tenant, in which event Tenant shall be obligated to promptly deposit with Landlord the amount necessary to restore the Security Deposit to its original amount. In the event Tenant fails to perform its obligations and to take possession of the Demised Premises on the appropriate Commencement Date provided herein, or Tenant otherwise fails to perform its obligations under this Lease, said Security Deposit shall not be deemed liquidated damages and Landlord may apply the Security Deposit and the Rental Deposit as provided above to reduce Landlord's damages, and such application of the Security Deposit shall not preclude

Landlord from recovering from Tenant all additional damages incurred by Landlord. Tenant hereby waives any applicable law requiring the placement of such monies in a separate escrow or interest-bearing account. In the event Tenant fully and faithfully complies with all terms, covenants, and conditions of this Lease, the Security Deposit (to the extent not previously returned to Tenant in connection with the Reduction as specified above) shall be returned to Tenant within sixty (60) days following the expiration of the term of this Lease and Tenant's surrender of the Demised Premises in accordance with the terms of this Lease. Landlord shall deliver the Security Deposit to any purchaser or other successor or assignee of Landlord's interest in the Demised Premises in the event that such interest is sold or otherwise transferred and Landlord shall be discharged and released from all further liability with respect to the Security Deposit and Tenant agrees to look solely to the successor or other new Landlord for the return of the Security Deposit. No holder of a mortgage or deed of trust to which this Lease is subordinate shall be responsible in connection with the Security Deposit unless such mortgage or holder of such deed of trust shall have actually received the Security Deposit. In consideration of the mutual benefits arising under this Lease, Tenant hereby grants to Landlord a security interest in and to the Security Deposit.

# 6. OPERATING EXPENSES AND REAL ESTATE TAXES

- (A) If the Operating Expenses (as defined below) of the Building increase during any calendar year after calendar year 2012 (hereafter called the "Base Year"), Tenant shall pay to Landlord, as additional rent, Tenant's proportionate share of the increase in such Operating Expenses. Tenant's proportionate share shall be the percentage which the total rentable square feet of the Demised Premises bears to the total rentable square feet of office areas in the Building from time to time (currently 59,306) which percentage as of the date of this Lease is 2.91% ("Tenant's Proportionate Share"). The amount of such percentage to be paid by Tenant for any calendar year shall be the percentage of the calendar year that the Demised Premises were leased by Tenant.
- (B) The term "Operating Expenses" shall mean (i) any and all expenses, charges and fees incurred in connection with owning, managing, operating, maintaining, servicing, insuring and repairing the Building, atrium (if any), parking facilities, driveways, grounds, and all other related exterior appurtenances, including without limitation, the amortization (for any period subsequent to the Base Year) over the useful life (or such shorter period, as reasonably estimated by Landlord, in which the cost of the capital expenditure is offset by Operating Expenses savings arising from such capital expenditure, if applicable) over the useful life for capital expenditures made by Landlord which, in Landlord's sole but reasonable opinion, benefit the tenants of the building (as distinct from capital expenditures that solely benefit Landlord or a particular tenant), with an appropriate interest factor selected in good faith by Landlord; and (ii) any transit, personal property, sales, rental, use, license, gross receipts and occupancy tax and other similar charges, ordinary or extraordinary, foreseen or unforeseen, levied, imposed or assessed against Landlord and not otherwise included as Real Estate Taxes (as defined below) pursuant to this section of this Lease. Capital expenditures to be considered an element of Operating Expenses shall also include, without limitation, the costs of capital improvements reasonably intended to reduce Operating Expenses or required by public authorities to bring the Building in compliance with applicable laws or regulations. Operating Expenses shall not include the following (a) interest and amortization of mortgages; (b) base ground rent, if any (i.e., exclusive of real estate taxes, utilities, insurance and other "net" elements constituting rent under a ground lease); (c) depreciation of the Building; (d) leasing commissions; and (e) income or franchise taxes (collectively the "Excluded Items"). Operating Expenses shall also not include Real Estate Taxes (as defined in (D) below).
- (C) If the Real Estate Taxes increase during any calendar year after the Base Year, Tenant shall pay to Landlord, as additional rent, Tenant's Proportionate Share of the increases in such Real Estate Taxes. The amount of such percentage to be paid by Tenant for any calendar year shall be the percentage of the calendar year that the Demised Premises were leased by Tenant.
- (D) The term "Real Estate Taxes" shall mean (i) any and all real estate taxes and ad valorem taxes, surcharges, special assessments and impositions, general and special, ordinary and extraordinary,

foreseen or unforeseen, of any kind levied, assessed, or imposed against the Building or land upon which the Building is located thereon, and (ii) expenses (including reasonable attorneys' fees, appraisers' fees and expert witness fees) incurred in reviewing, protesting or seeking a reduction of Real Estate Taxes or any assessment related thereto.

- (E) If there is any change by the taxing body in the period for which any of the Real Estate Taxes are levied, assessed or imposed, Landlord shall have the right, in its sole but reasonable discretion, to make appropriate adjustments with respect to computing Real Estate Taxes for the Base Year and increases in Real Estate Taxes. If Landlord's contest of Real Estate Taxes for the Base Year results in a decrease in Real Estate Taxes for such Base Year, the Real Estate Taxes for the Base Year shall mean the amount incurred following such contest, and Landlord shall have the right to bill Tenant for prior underpayments of Real Estate Taxes thereby resulting.
- (F) Landlord shall notify Tenant prior to the beginning of calendar year 2013 and each calendar year thereafter of Landlord's good faith estimate of the amount of Operating Expenses (the "Estimated Operating Expenses") and the amount of Real Estate Taxes (the "Estimated Real Estate Taxes") that Landlord likely will incur for the Building during the coming calendar year, and pursuant to Paragraph (G) hereof, shall advise Tenant of the amount of its Estimated Payments (as defined below) for the coming calendar year. Thereafter, if Landlord determines that, because of unexpected increases in Operating Expenses or Real Estate Taxes or other reasons, Landlord's prior estimate of Operating Expenses and/or Real Estate Taxes is too low, then Landlord shall have the right to provide a new statement of Estimated Operating Expenses and/or Estimated Real Estate Taxes and to revise accordingly the Estimated Payments due from Tenant for such calendar year or the balance thereof, and Tenant shall thereafter pay such revised monthly Estimated Payments based on such new statement.
- (G) Tenant shall pay to Landlord, as additional rent, an amount equal to the sum of (i) one-twelfth (1112th) of Tenant's Proportionate Share of the amount by which the Estimated Operating Expenses exceed the Operating Expenses for the Base Year, and (ii) one-twelfth (!/12th) of Tenant's Proportionate Share of the amount by which Estimated Real Estate Taxes exceed the Real Estate Taxes for the Base Year (collectively the "Estimated Payments"). The components of the Estimated Payments described in clauses (i), and (ii) of the preceding sentence shall be calculated independently without reference to one another. Tenant shall commence to make its first Estimated Payments on the first day of January, 2013. Thereafter, Tenant shall make its Estimated Payments on the first day of each calendar month. Tenant shall pay the same amount of the Estimated Payments until the amount is adjusted, effective the next succeeding January 1, based upon Landlord's good faith determination of the Estimated Operating Expenses and Estimated Real Estate Taxes for the following calendar year.
- (H) After the expiration of each calendar year, Landlord shall determine any increase in the Operating Expenses and Real Estate Taxes for such calendar year over the Operating Expenses and Real Estate Taxes for the Base Year. The Operating Expenses and Real Estate Taxes for each calendar year shall be those actually incurred; provided, however, that if the Building was not at least ninety-five percent (95%) occupied during the entire calendar year on a monthly weighted average basis, the Operating Expenses shall be adjusted to project the Operating Expenses as if the Building were ninetyfive percent (95%) occupied on a monthly weighted average basis. The parties have agreed that the categories of expenses to be so adjusted in such event shall be limited to (i) electricity, (ii) nighttime janitorial service, (iii) water and sewer charges, and (iv) (if and so long as the management fee varies proportionately with the gross income of the Building) the management fee. Notwithstanding the foregoing, wherever Tenant and/or any other tenant of space within the Building has agreed in its lease or otherwise to provide any item of Building services partially or entirely at its own expense, or wherever in Landlord's judgment any such significant item of expense is not incurred with respect to or for the benefit of all of the net rentable space within the Building, in allocating the Operating Expenses pursuant to the foregoing provisions of this Section, Landlord shall make an appropriate adjustment, using generally accepted accounting principles, so as to avoid allocating to Tenant or to such other tenant (as the case may be) those Operating Expenses covering such Building services already being provided by Tenant or

by such other tenant at its own expense, or to avoid allocating to all of the net rentable space within the Building those Operating Expenses incurred only with respect to a portion thereof, as aforesaid.

- (I) Landlord shall submit to Tenant a statement setting forth Landlord's determination of (i) any increases in Operating Expenses and Real Estate Taxes over the Operating Expenses and Real Estate Taxes, respectively for the Base Year; (ii) Tenant's proportionate share of such increases; and (iii) Tenant's net obligation for such Operating Expenses and Real Estate Taxes for the calendar year ("Tenant's Net Obligation") which reflects the credit of Tenant's Estimated Payments for Estimated Operating Expenses and Estimated Real Estate Taxes during the prior calendar year. In computing Tenant's Net Obligation, Tenant's obligations with respect to each of (y) increases in Operating Expenses and (z) increases in Real Estate Taxes, shall be computed independently without reference to one another. Within thirty (30) days after the delivery of such statement (including any statement delivered after the expiration or earlier termination of this Lease), Tenant shall pay Landlord the full stated amount of Tenant's Net Obligation. If the aggregate amount of Tenant's Estimated Payments during the prior calendar year exceeds Tenant's proportionate share of (i) the increases in Operating Expenses, and (ii) the increases in Real Estate Taxes, the excess, at Landlord's option, shall be refunded to Tenant or credited to Tenant's next Estimated Payment(s), until such excess is fully refunded to Tenant or credited to Tenant as provided above.
- 7. ANNUAL RENT RATE ESCALATIONS The annual rent rate for the Demised Premises (the "Annual Rent Rate") as of the Commencement Date is Twenty-Nine and 50/100 Dollars (\$29.50) per rentable square foot, and the Annual Rent Rate (as then adjusted pursuant to this section) shall be increased annually during the term of this Lease in accordance with the following provisions of this section of this Lease. Effective on first (1' day of the Second Lease Year and on the first (1' day of each Lease Year thereafter during the term of this Lease, the then effective Annual Rent Rate shall be increased by multiplying the then effective Annual Rent Rate by 1.03, and the Annual Rent Rate as adjusted pursuant to this section shall become the new Annual Rent Rate for purposes of determining the Monthly Rent payable under this Lease. At all times during the term of this Lease, Monthly Rent shall be equal to the quotient of(a) the then effective Annual Rent Rate (as adjusted pursuant to this section) multiplied by the number of square feet of rentable area of the Demised Premises, divided by (b) twelve (12). Based upon the above escalations, the Annual Rent Rate and Monthly Rent during the term of this Lease shall be as follows:

'i ease I r <	••Aaj iiaIReJitRak,	.f Ami .ilRenlJ	. MliftthJy.Jl¢1i.t .
1	\$29.50	\$51,035.00	\$4,252.92
2	\$30.39	\$52,574.70	\$4,381.23
3	\$31.30	\$54,149.00	\$4,512.42
4	\$32.24	\$55,775.20	\$4,647.93

8. PARKING In connection with Tenant's leasing of the Demised Premises, Tenant shall be entitled to an allocation of up to three (3) monthly contracts for the use by Tenant and its employees of unreserved parking spaces in the appurtenant parking garage serving the Building provided that Tenant notifies the parking facility operator (the "Operator") and Landlord in writing of its desire to obtain all or a specified number of said parking contracts, and Tenant enters into said contracts with the Operator within thirty (30) days after the Commencement Date. All of said allocation of said parking contracts shall be for the use by Tenant and its employees. The monthly rate to be paid by Tenant shall be the prevailing standard monthly rate charged to other monthly parking customers, said rate to increase and decrease as the prevailing standard monthly parking rate for other monthly parking customers increases and decreases from time to time. Tenant agrees to cooperate with the Operator, Landlord, and other tenants in the use of the parking garage. Landlord reserves the right in its absolute and sole discretion to coordinate with the Operator in order to allocate and assign parking spaces among Landlord and other tenants, and to reconfigure the parking area and modify the existing ingress and egress from the parking area as the Operator and Landlord shall deem appropriate.

Tenant shall be directly responsible to Landlord for the payment of any and all fees or charges thereunder, and Landlord shall be under no olbiation to pay the Operator for said parking contracts. The specific terms of the parking arrangement shall be as set forth in an agreement entered into between Tenant and the Operator. The parking contracts shall contain the same terms and conditions as are usually contained in such contracts with other monthly parking customers of the Operator. In the event Tenant fails to execute with the Operator the monthly parking contracts within the thirty (30) day period, or subsequently relinquishes in any manner its parking contracts, Landlord shall be under no obligation to seek restoration of the relinquished contracts on Tenant's behalf or to waive Tenant's failure to execute said contracts prior to expiration of the applicable thirty (30) day period. Subject to reasonable rules and regulations of the Operator, Tenant and its employees shall be entitled to access to the parking garage twenty-four (24) hours per day, seven (7) days per week. The parking garage provided for herein is provided solely for the accommodation of Tenant, and Landlord assumes no responsibility or liability of any kind whatsoever from any cause with respect to the automobile parking areas, including adjoining streets, sidewalks, driveways and passageways, or the use thereof by Tenant and its employees, customers, agents, contractors or invitees, and Tenant agrees to indemnify and hold harmless Landlord from any claims, suits, liabilities, losses, damages or costs, including without limitation attorneys fees, arising in any manner from the use or presence upon any such parking areas of Tenant, its employees, customers, agents, contractors or invitees.

### 9. ASSIGNMENT AND SUBLETTING

(A) Tenant may not assign or otherwise transfer this Lease, or sublet (including permitting occupancy or use by another party) the Demised Premises, or any part thereof, without first obtaining Landlord's written consent thereto, which consent may be given or withheld in Landlord's sole and absolute discretion. If Tenant proposes to make any such transfer of this Lease or to sublet of all or any portion of the Demised Premises, Tenant shall provide Landlord with thirty (30) days prior written notice of Tenant's intention to assign this Lease or sublet all or any part of the Demised Premises. Such notice to Landlord shall include or be accompanied by the following: (i) the name and address of the proposed assignee or subtenant, (ii) the nature and character of the business of the proposed assignee or subtenant, (iii) financial information (including financial statements) of the proposed assignee or subtenant, and (iv) a copy of the proposed sublet or assignment agreement. In the event Tenant seeks permission to sublease a part of the Demised Premises, the notice shall also identify the area of the Demised Premises Tenant seeks to sublease. Within thirty (30) days after receipt of said notice of intent to assign or sublease, Landlord: (a) shall have the option (i) to elect to terminate this Lease, if Tenant desires to assign this Lease, or (ii) to terminate this Lease with regard to that portion of the Demised Premises which Tenant seeks to sublet, or alternately to sublet that portion of the Demised Premises from Tenant for the term which Tenant desires to sublet that portion of the Demised Premises, at the rate and upon the same terms and conditions as Tenant is leasing the Demised Premises from Landlord; or (b) shall notify Tenant of any objections Landlord may have to the proposed assignment or sublease, specifying the objections so that, if appropriate, Tenant has an opportunity to address Landlord's concerns. Landlord may exercise the option by giving Tenant written notice of its election to exercise the option within said thirty (30) day period.

(B) The effective date of termination, or the effective date of commencement of the sublease to Landlord, shall be mutually agreed upon by Landlord and Tenant. If the parties cannot agree upon a termination date or upon a sublease commencement date, the termination date or sublease commencement date shall be the date that is sixty (60) days after the date Landlord received the notice that Tenant desired to assign this Lease or sublet all or any portion of the Demised Premises. Upon termination, all of the rights and obligations of Landlord and Tenant under the terms of this Lease shall be terminated, or terminated with regard to that portion of the Demised Premises that Tenant notified Landlord that Tenant desired to sublet, except that Tenant shall continue to be obligated to pay rent and all other charges for the Demised Premises which accrue to the date of termination. In the event of a termination of this Lease with regard to a portion of the Demised Premises, Tenant shall reimburse Landlord, as additional rent hereunder, for the full costs incurred by Landlord to construct a demising wall between the portion of the

Demised Premises for which this Lease is being terminated and the remaining portion of the Demised Premises and any other physical adjustments necessary for such two portions to be separate and independent suites.

- (C) If Landlord does not exercise its option to terminate or sublet or notify Tenant of any objections as set out in Section 9(A) above, and provided Tenant is not then in default of this Lease, Tenant may assign this Lease or sublet all or any part of the Demised Premises within one hundred twenty (120) days after the date that the thirty (30) day period referenced above expires. Tenant shall be required, however, to obtain Landlord's prior written consent to any assignee or any subtenant, which consent may be withheld at Landlord's sole and absolute discretion. In the event that Tenant fails to present to Landlord any sublease or assignment agreement, fully executed by the parties hereto, within said one hundred twenty (120) day period, Tenant may not assign this Lease or sublet the Demised Premises without first affording Landlord the option to terminate or sublease as previously provided for in this section. The form of documentation implementing any assignment or subletting shall be subject to Landlord's reasonable approval.
- (D) In the event of any approved sublease or assignment by Tenant hereunder, all profits to be made by Tenant in connection therewith shall be paid to Landlord, as additional rent, as and when received by Tenant. For purposes of determining "profits" realized by Tenant, Tenant shall be entitled to deduct from the gross profits direct costs and expenses incurred by Tenant in connection with any such sublease or assignment, including but not limited to brokerage commissions, rental abatement, and the reasonable cost of subtenant tenant improvements or tenant improvement allowances, but only if and to the extent such costs and expenses are actually and reasonably incurred by Tenant.
- (E) Tenant shall reimburse to Landlord, as additional rent, all costs and expenses, including reasonable attorney's fees, which Landlord incurs by reason of or in connection with any assignment, sublease, or leasehold mortgage proposed or granted by Tenant (whether or not permitted under this Lease), and all negotiations and actions with respect thereto, together with a processing fee of Five Hundred and Zero/100 Dollars (\$500.00) per assignment, sublease, or leasehold mortgage proposed or granted by Tenant, such additional rent to be due and payable within fifteen (15) days of receipt of a statement of such costs and expenses from Landlord.
- (F) No assignment of this Lease shall be effectuated by operation of law or otherwise without the prior written consent of Landlord. For the purposes of this Lease, (i) the transfer of fifty percent (50%) or more of the ownership interest of Tenant or the transfer and/or issuance of more than fifty percent (50%) of the voting stock of Tenant, if Tenant is not a publicly held corporation, to any persons or entities that are not owners or stockholders of Tenant on the date of execution of this Lease, or (ii) the sale, transfer or other conveyance of all or substantially all of Tenant's assets, shall be deemed an assignment of this Lease thereby giving Landlord the right to consent to such transaction and/or the option to terminate this Lease as provided above.
- (G) Notwithstanding the foregoing provisions of this section, Tenant has the right to assign this Lease or sublet the Demised Premises in whole or in part to any subsidiary or affiliate upon giving Landlord ten (10) business days' prior written notice of such assignment or subleasing. Such an assignment or sublease shall not trigger Landlord's right to terminate this Lease or subsequently require Landlord's consent to any assignee or subtenant. A "subsidiary" of Tenant shall mean any corporation not less than fifty percent (50%) of whose outstanding voting stock shall, at the time, be owned, directly or indirectly, by Tenant. An "affiliate" of Tenant shall mean any corporation which, directly or indirectly, controls or is controlled by or is under common control with Tenant. For purpose of the definition of "affiliate," the word "controf" (including "controlled by" and "under common control with"), as used with respect to any corporation, partnership, or association, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policy of a particular corporation, partnership or association, whether through the ownership of voting securities or by contract or otherwise.

- (H) Notwithstanding any other provision of this Lease to the contrary, Tenant shall have no right to transfer, assign, sublet, enter into license or concession agreements, or mortgage or hypothecate this Lease or Tenant's interest in the Demised Premises or any part thereof to a foreign government or to any individual or entity whereby enforcement of the obligations of Tenant under this Lease might be limited by sovereign immunity. Any such attempted transfer, assignment, subletting, license or concession agreement mortgage or hypothecation shall be void and confer no rights on such foreign government or individual or entity. Additionally, Tenant shall not market the Demised Premises, or any portion thereof, for assignment or sublease without providing Landlord with prior written notice thereof.
- (I) The consent by Landlord to any assignment or subletting to any party other than Landlord, including a subsidiary or affiliate, shall not be construed as a waiver or release of Tenant from the terms of any covenant or obligation under this Lease. Landlord's collection or acceptance of rent from any assignee of Tenant shall not constitute a waiver or release of Tenant of any covenant or obligation contained in this Lease, nor shall any such assignment or subletting be construed to relieve Tenant from giving Landlord said thirty (30) days notice or from obtaining the consent in writing of Landlord to any further assignment or subletting. In the event that Tenant is in default of any term or provision of this Lease, Tenant hereby assigns to Landlord the rent due from any subtenant of Tenant and hereby authorizes and directs each such subtenant, upon notice from Landlord, to pay said rent directly to Landlord, the collection or acceptance of rent from any subtenant in such instance not to constitute a waiver or release of Tenant of any covenant or obligation contained in this Lease.
- (J) Tenant shall not mortgage or encumber this Lease without the prior written consent of Landlord, which such consent may be withheld at Landlord's sole discretion.
- (K) Without limiting Landlord's right under this Section 9 to withhold its consent to an assignment or sublease by Tenant, and regardless of whether Landlord shall have consented to any such assignment or sublease, neither Tenant nor any other person having an interest in the possession, use or occupancy of the Demised Premises or any part thereof shall enter into any lease, sublease, license, concession, assignment or other transfer or agreement for possession, use or occupancy of all or any portion of the Demised Premises which provides for rental or other payment for such use, occupancy or utilization based, in whole or in part, on the net income or profits derived by any person or entity from the space so leased, used or occupied, and any such purported lease, sublease, license, concession, assignment or other transfer or agreement shall be absolutely void and ineffective as a conveyance of any right or interest in the possession, use or occupancy of all or any part of the Demised Premises. There shall be no deduction from the rental payable under any sublease or other transfer nor from the amount thereof passed on to any person or entity, for any expenses or costs related in any way to the subleasing or transfer of such space.

## 10. ALTERATIONS

(A) Tenant shall make no alterations, installations, additions or improvements (hereinafter collectively called "Alterations") in or to the Demised Premises or the Building without Landlord's prior written consent. Consent by Landlord to Tenant's Alterations shall not be unreasonably withheld, except that Landlord may withhold its consent for any reason with regard to requested Alterations by Tenant which could (i) affect the structure of the Building or the mechanical, plumbing or electrical systems of the Building, or (ii) cause the imposition of additional costs or obligations on Landlord. Notwithstanding anything to the contrary in this Section 10(A), Tenant shall have the right after giving thirty (30) days prior written notice to Landlord, but without the necessity of obtaining Landlord's consent, to recarpet, repaint or make nonstructural, cosmetic Alterations in and to the Demised Premises provided the same are not visible from outside the Demised Premises, do not require the issuance of a building permit to perform pursuant to Applicable Laws, and do not materially affect the Building's structure or the Building's mechanical, electrical, plumbing or life safety systems ("Cosmetic Alterations") and provided the cost of any such Cosmetic Alterations does not exceed Ten Thousand and 00/100 Dollars (\$10,000) in value for any single project or series of related projects in any given Lease Year. Tenant, at its sole cost and expense, shall submit to Landlord, for its prior review and written approval, complete architectural

design drawings and complete mechanical, electrical and plumbing working/engineering drawings for all Alterations proposed by Tenant to be made in or to the Demised Premises. Landlord's approval of such drawings shall in no event relieve Tenant of the sole responsibility for the design of Alterations. Accordingly, notwithstanding Landlord's review and approval of such drawings, Landlord shall have no responsibility or liability whatsoever for any errors or omissions contained in the drawings, or to verify dimensions or conditions, or for the quality, design or compliance with applicable laws of any improvements described therein or constructed in the Demised Premises, and Tenant hereby waives all claims against Landlord relating to, or arising out of the design and construction of Alterations. If any Alterations are made without the prior written consent of Landlord, Landlord may correct or remove the same, and Tenant shall be liable for any and all expenses incurred by Landlord in the performance of this work. All Alterations shall be made (a) at Tenant's sole expense; (b) at such times and in such manner as Landlord may designate; (c) in a good, workmanlike, first-class and prompt manner; (d) using new materials only; (e) in accordance with Landlord's construction regulations (as the same may be modified or amended from time to time); (f) in accordance with all applicable legal requirements and the requirements of any insurance company insuring the Building; and (g) only by such contractors or mechanics as are approved in writing by Landlord. Approval of contractors or mechanics by Landlord, which approval may not be unreasonably withheld, shall be based upon the contractors or mechanics being properly licensed, their financial posture, experience and past job performance. Landlord reserves the right to charge Tenant a construction oversight fee (not to exceed two percent (2%) of the cost of purchasing and installing such Alterations) for any Alterations undertaken by Tenant. Prior to the commencement of any Alterations in the Demised Premises, Tenant shall submit to Landlord copies of all permits required in connection therewith, and upon the completion of any Alterations, Tenant, at its expense, shall furnish to Landlord a set of the "as-built" plans for such Alterations constructed or installed in the Demised Premises in both paper and electronic format.

#### (B) Intentionally Omitted.

- (C) All Alterations to the Demised Premises, whether made by Landlord or Tenant, and whether at Landlord's or Tenant's expense, or the joint expense of Landlord and Tenant, shall be and remain the property of Landlord. Any replacements of any property or improvements of Landlord, whether made at Tenant's expense or otherwise, shall be and remain the property of Landlord.
- (D) Landlord, at the expiration or earlier termination of the term of this Lease, may elect to require Tenant to remove all or any part of the Alterations made in or to the Demised Premises and to restore the Demised Premises to a condition no less than the Building-standard level as specified in Exhibit B. unless Landlord fails to require the removal of any such Alterations in writing at the time Landlord consents to such Alterations. Notwithstanding the foregoing, Tenant shall not be required to remove any of Landlord's Work at the expiration or earlier termination of the t= of this Lease. If Landlord fails to designate any such removal requirement at the time of approval of the Alterations, then Landlord waives the right to do so. Removal of Tenant's Alterations and restoration of the Demised Premises shall be at Tenant's sole cost and expense, and Tenant agrees, at Landlord's election, (i) to repair any damage caused by said removal and to restore the Demised Premises to a condition no less than the Building-standard level as identified in Exhibit B. or (ii) pay Landlord, as additional rent, for all costs incurred by Landlord to undertake such repairs and restoration. Without limiting the foregoing, Tenant shall remove at Tenant's expense, under all circumstances, wiring of any kind installed by or for the benefit of Tenant (including, without limitation, all telephone and data cabling) at the expiration or earlier termination of the term of this Lease.
- (E) Tenant shall remove all of Tenant's property at the expiration or earlier termination of this Lease. In the event Tenant does not remove Tenant's property at the expiration or earlier termination of this Lease, such property shall become the property of Landlord.
- (F) In the event Tenant fails to remove its property or the Alterations requested to be removed by Landlord on or before the expiration, or earlier termination, of the term of this Lease, then Landlord may

remove such property and Alterations from the Demised Premises at Tenant's expense, and Tenant hereby agrees to pay to Landlord, as additional rent, the cost of such removal together with any and all damages which Landlord may suffer and sustain by reason of the failure of Tenant to remove the same. Said amount of additional rent shall be due and payable upon receipt by Tenant of a written statement of costs and damages from Landlord.

# II. <u>LIENS</u>

- (A) If any mechanics' or other lien is filed against the Demised Premises, or the Building of which the Demised Premises are a part, for work, labor, services, or materials, done for or supplied to or claimed to have been done for or supplied to Tenant, such lien shall be discharged by Tenant, at its sole cost and expense, within ten (I 0) days from the date Tenant receives written demand from Landlord to discharge said lien, by the payment thereof or by filing any bond required by law. If Tenant shall fail to discharge any such lien, Landlord may, at its option, discharge the same and treat the cost thereof as additional rent, due and payable upon receipt by Tenant of a written statement of costs from Landlord. It is hereby expressly covenanted and agreed that such discharge of any lien by Landlord shall not be deemed to waive or release Tenant from its default under this Lease for failing to discharge the same.
- (B) Tenant will indemnify and hold harmless Landlord from and against any and all claims, damages and expenses incurred by Landlord, arising from any liens placed against the Demised Premises or the Building and the land upon which it is situated, as a result of Tenant undertaking construction work in the Demised Premises at its own cost and under its own control and direction, or making any Alterations to the Demised Premises.

#### 12. MAINTENANCE BY TENANT

- (A) Tenant shall keep the Demised Premises and the fixtures and equipment therein in clean, safe and sanitary condition, shall take good care thereof, and shall suffer no waste or injury thereto. At the expiration or earlier termination of the term of this Lease, Tenant shall surrender the Demised Premises broom clean and in the same order and condition in which they were on the Commencement Date, ordinary wear and tear and damage by the elements, fire and other insured casualty excepted.
- (B) To the extent that Tenant's use or uses of the Demised Premises or Tenant's manner of operation creates a need or requirement under applicable statute, ordinance or regulation of any governmental authority to modify or alter the Demised Premises, supporting facilities, or access thereto, or the manner of operation, maintenance and repair thereof, Tenant shall be fully responsible for the costs to undertake such changes, and to obtain approval from Landlord pursuant to the section of this Lease entitled "ALTERATIONS" to undertake such changes.

### 13. SIGNS AND ADVERTISEMENTS

- (A) No sign, advertisement or notice shall be inscribed, painted, affixed or displayed on any part of the outside or the inside of the Building, except with Landlord's prior written consent and then only in such place, number, size, color and style (i.e., Building standard lettering) as is authorized by Landlord. If any such sign, advertisement or notice is exhibited without first obtaining Landlord's written consent, Landlord shall have the right to remove the same, and Tenant shall be liable for any and all expenses incurred by Landlord by said removal, as additional rent.
- (B) Landlord agrees to display Tenant's name on the Building directory in the size and style of lettering used by Landlord, at Landlord's expense. Tenant may display its name at the main entry door of the Demised Premises in Building standard location, color, size and style of lettering, at Landlord's expense. Any changes to Tenant's directory or suite entry signage shall be at Tenant's expense.
- (C) Landlord shall have the right to prohibit any published advertisement of Tenant which in its opinion tends to impair the reputation of the Building or its desirability as a high-quality office building, and, upon written notice from Landlord, Tenant shall immediately refrain from and discontinue any such advertisement.

14. <u>DELIVERIES AND MOVING OF TENANT'S PROPERTY</u> No furniture, equipment or other bulky matter of any description shall be received into the Building or carried in the elevators except in the manner and during the times approved by Landlord. Tenant shall obtain Landlord's determination prior to moving said property into the Building. All moving of furniture, equipment and other material within the public areas shall be under the direct control and supervision of Landlord who shall, however, not be responsible for any damage to or charges for moving the same. Landlord shall have the sole right to determine the load capacities of the elevators of the Building and to determine if Tenant's property can be safely transported in the elevators. Tenant agrees promptly to remove from the sidewalks adjacent to the Building any of Tenant's furniture, equipment or other material there delivered or deposited.

## 15. TENANT'S EQUIPMENT

- (A) Tenant will not install or operate in the Demised Premises any electrically operated equipment or other machinery, other than typewriters, word processing machines, personal desktop computers, adding machines, radios, televisions, tape recorders, dictaphones, bookkeeping machines, copying machines, clocks, and other business machines and equipment normally employed for general office use which do not require high electricity consumption for operation, without first obtaining the prior written consent of Landlord, who may condition such consent upon payment by Tenant of additional rent as compensation for additional consumption of electricity and/or other utility services. Such additional rent shall be in addition to Tenant's obligations, pursuant to the section of this Lease entitled, "OPERATING EXPENSES AND REAL ESTATE TAXES," to pay its proportionate share of increases in Operating Expenses.
- (B) If any or all of Tenant's equipment requires electricity consumption in excess of the capacity of the electrical system installed by Landlord in the Demised Premises, all additional transformers, distribution panels and wiring that may be required to provide the amount of electricity required for Tenant's equipment shall be installed by Landlord at the cost and expense of Tenant. If Tenant's equipment requires more than 110 volts or causes Tenant's consumption of electricity to exceed an average of five (5) watts per rentable square foot, or if such equipment is to be consistently operated beyond the normal Building hours of 8:00 a.m. to 6:00 p.m., Monday through Friday, and 8:00 a.m. to 1:00 p.m. on Saturday, Landlord may install at its option (i) a separate electric meter for the Demised Premises at Tenant's sole cost and expense, or (ii) a separate meter for the specific equipment that is causing Tenant's excessive consumption of electricity at Tenant's sole cost and expense. In the event Landlord installs a separate meter for the Demised Premises, Tenant shall then pay the cost of electricity it consumes as recorded by such meter directly to the electric company, and an appropriate adjustment shall be made to Tenant's proportionate share of Operating Expenses to reflect Tenant's reduced consumption of electricity because of such separate metering of the Demised Premises. In the event Landlord separately meters the specific equipment, Tenant shall be billed periodically by Landlord based upon such consumption and no adjustment shall be made to Tenant's proportionate share of Operating Expenses.
- (C) Tenant shall not install any equipment of any kind or nature whatsoever which will or may necessitate any changes, replacements or additions to, or in the use of, the water system, heating system, plumbing system, air-conditioning system, or electrical system of the Demised Premises or the Building without first obtaining the prior written consent of Landlord. Business machines and mechanical equipment belonging to Tenant which cause noise or vibration that may be transmitted to the structure of the Building or to any space therein to such a degree as to be objectionable to Landlord or to any tenant in the Building shall be installed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other devices sufficient to eliminate such noise and vibration.
- (D) Landlord shall have the right to prescribe the weight and position of all heavy equipment and fixtures, including, but not limited to, data processing equipment, record and file systems, and safes which Tenant intends to install or locate within the Demised Premises. Tenant shall obtain Landlord's prior review and approval before installing or locating heavy equipment and fixtures in the Demised

Premises, and if installation or location of such equipment or fixtures, in Landlord's opinion, requires structural modifications or reinforcement of any portion of the Demised-Premises or the Building, Tenant agrees to reimburse Landlord, as additional rent, for any and all costs incurred by Landlord to make such required modifications or reinforcements, and such modifications or reinforcements shall be completed prior to Tenant installing or locating such equipment or fixtures in the Demised Premises. Tenant shall reimburse Landlord within thirty (30) days of receipt of any statement setting forth those costs.

#### 16. SERVICES AND UTILITIES

- (A) Landlord shall provide the following utilities and services:
- (1) Hot and cold water and lavatory supplies, it being understood and agreed that hot and cold water shall be furnished by Landlord only at those points of supply provided for general use of other tenants in the Building.
- (2) Automatically operated elevator service at all times.
- (3) Cleaning and char services, as specified in <u>Exhibit E</u>, after normal business hours, Monday through Friday of each week, except on the holidays listed in subparagraph (4) below.
- Heat and air-conditioning in season, Monday through Friday from 8:00 a.m. to 6:00 p.m. (4) and on Saturday from 8:00 a.m. to 1:00 p.m., except for the following holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Fourth of July, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day, and any other national holiday promulgated by a Presidential Executive Order or Congressional Act. Landlord shall provide heat and air-conditioning at times in addition to those specified in the preceding sentence at Tenant's expense, provided Tenant gives Landlord notice prior to 1:00 p.m. on a business day in the case of after-hours service on that business day and prior to 3:00 p.m. on the immediately preceding business day in the case of after-hours service on a Saturday, a Sunday or a holiday. Landlord shall charge Tenant for said after-hours services the same rate it charges other tenants. Landlord reserves the right, in its sole discretion, to increase the hourly charge for said after-hours service, but in no event shall the rate per hour charged Tenant be more than the rate per hour charged other tenants. In the event the same after-hours service is also requested by other tenants of the Building in addition to Tenant, the charge therefor to each tenant requesting such after-hours service shall be prorated among all requesting tenants based upon the respective square footages of each of the demised premises of the tenants requesting such after-hours service.
- (5) Maintenance, painting and electric lighting service for all public areas and special service areas in the Building.
- (6) A controlled-access system to the Building comparable to other first-class office buildings in the city or county where the Building is located.
- (7) Electricity and proper electrical facilities to furnish sufficient electricity for equipment of Tenant installed pursuant to the section of this Lease entitled, "TENANT'S EQUIPMENT."
- (B) In the event any public utility supplying energy requires, or government law, regulation, executive or administrative order results in a requirement, that Landlord or Tenant must reduce, or maintain at a certain level, the consumption of electricity for the Demised Premises or Building, which affects the heating, air-conditioning, lighting, or hours of operation of the Demised Premises or Building, Landlord and Tenant shall each adhere to and abide by said laws, regulations or executive orders without any reduction in rent.

- (C) Landlord's inability to furnish, to any extent, these defined services, or any cessation thereof, resulting from, but not limited to, any causes including entry for inspections, repairs, alterations, improvements and installations by Landlord, its agents, employees or contractors pursuant to the section of this Lease entitled "ENTRY FOR INSPECTIONS, REPAIRS AND INSTALLATION," or from renovation, redecoration or rehabilitation of any area of the Building, including the lobby, or any of the surrounding public spaces, shall not render Landlord liable for damages to either person or property, nor be construed as an eviction of Tenant, nor work an abatement of any portion of rent, nor relieve Tenant from fulfillment of any covenant or agreement hereof. Should any of the Building equipment or machinery cease to function properly for any cause, Landlord shall use reasonable diligence to repair the same promptly, but Tenant shall have no claim for damages or for a rebate of any portion of rent on account of any interruptions in any services occasioned thereby or resulting therefrom.
- (D) Subject to reasonable limitations necessary for the maintenance, repair and replacement of the Building and except in the event of an emergency, Tenant shall have access to the Demised Premises with not less than one (1) operating elevator servicing the Demised Premises, the Building and the Building's parking areas, to the extent that Tenant has contracted with the Operator for monthly parking contracts in the parking garage pursuant to Section 8 of this Lease, twenty-four (24) hours per day, three hundred sixty-five (365) days per year (366 days if it is a leap year). Notwithstanding the foregoing, Tenant acknowledges and agrees that hazardous conditions and circumstances beyond Landlord's control may prevent access to the Demised Premises from time to time.
- 17. TENANT'S RESPONSIBILITY FOR DAMAGE Except as provided for in the section of this Lease entitled, "ALL RISK COVERAGE INSURANCE," any and all injury, breakage or damage to the Demised Premises or the Building arising from any cause done by Tenant or its agents, subtenants, licensees, contractors, servants, employees and visitors, or by individuals and persons making deliveries to or from the Demised Premises shall be repaired by Landlord at the sole expense of Tenant. Payment of the cost of such repairs by Tenant shall be due as additional rent with the next installment of Monthly Rent that comes due at least fifteen (15) days after Tenant receives a bill for such repairs from Landlord. This provision shall not be in limitation of any other rights and remedies which Landlord has or may have in such circumstances.

# 18. ENTRY FOR INSPECTIONS, REPAIRS AND INSTALLATIONS

- (A) Tenant shall permit Landlord, or its agents, employees or contractors, upon twenty-four (24) hours notice to Tenant (except in the event of an emergency in which case only reasonable notice under the circumstances shall be required), to enter the Demised Premises at all reasonable times and in a reasonable manner, without charge to Landlord or diminution of Monthly Rent payable by Tenant, to examine, inspect and protect the Building, and to make such repairs as in the judgment of Landlord may be deemed necessary to maintain or protect the Building, or to exhibit the same to prospective tenants during the last one hundred eighty (180) days of the term of this Lease. Landlord shall use reasonable efforts to minimize interference to Tenant's business when making repairs, but Landlord shall not be required to perform the repairs at a time other than during normal working hours. Landlord acknowledges that the Demised Premises will be a secure facility and, except in the event of an emergency, Tenant reserves the right to be present and accompany Landlord, its agents, contractors or other invitees at any time they are in the Demised Premises, consistent with Tenant's obligations to the United States Goverrunent.
- (B) In the event of an emergency, Landlord may enter the Demised Premises without notice and make whatever repairs are necessary to protect the Building. In such a situation, Landlord shall use commercially reasonable efforts to notify Tenant as soon as practicable so that Tenant can comply with its obligations to the United States Governuent.
- (C) Tenant shall permit Landlord, or its agents, employees or contractors, upon no less than ten (10) days prior written notice to Tenant, to enter the Demised Premises at reasonable times and in a reasonable manner, without charge to Landlord or diminution of Monthly Rent payable by Tenant, to make installations related to the construction of pre-occupancy tenant work being performed by Landlord

for other tenants of the Building, to make repairs, alterations and improvements arising due to repairs, alterations and improvements to any areas adjoining the Demised Premises, to erect, use and maintain pipes and conduits in and through the Demised Premises, or to make installations, improvements and repairs to utility services of the Building located in or about the Demised Premises. Landlord shall use reasonable efforts to minimize interferences with Tenant's business operations, but except in unusual circumstances, Landlord shall not be required to perform such work at a time other than normal working hours.

19. <u>INSURANCE RATING</u> Tenant shall not conduct or permit to be conducted any activity, or place any equipment or property in or about the Demised Premises that will increase in any way the rate of All Risk Coverage insurance or other insurance on the Building, unless consented to by Landlord. Landlord's consent may be conditioned upon Tenant's payment of any costs arising directly or indirectly from such increase. If any increase in the rate of All Risk Coverage insurance or other insurance on the Building is stated by any insurance company or by the applicable Insurance Rating Bureau to be due to Tenant's activity, equipment or property in or about the Demised Premises, said statement shall be conclusive evidence that the increase in such rate is due to such activity, equipment or property and, as a result thereof, Tenant shall be liable for such increase. Any such rate increase and related costs incurred by Landlord shall be deemed additional rent due and payable by Tenant to Landlord upon receipt by Tenant of a written statement of the rate increase and costs. Tenant ruay contest, at its sole cost and expense, any insurance rate increase, provided such action by Tenant will not adversely affect the insurance coverage of Landlord.

# 20. <u>INDEMNITY AND PUBLIC LIABILITY INSURANCE</u>

- (A) Subject to the provisions of Section 22 (ALL RISK COVERAGE INSURANCE) below, Tenant shall indenrnify and save harmless Landlord and its Agent from any and all liability, damage, expense, cause of action, suits, claims, judgments and cost of defense arising from injury to person or personal property in and on the Demised Premises, or upon any adjoining sidewalks or public areas of the Building, which arise out of the use and occupancy of the Demised Premises or the act, failure to act or negligence of Tenant, its agents, contractors, employees, subtenants or licensees.
- (B) In order to assure such indemnity, Tenant shall, at its sole cost, carry and keep in full force and effect at all times during the term of this Lease, a commercial comprehensive general liability policy with a single limit of at least Two Million Dollars (\$2,000,000.00) including coverage for bodily injury, property damage and personal injury liability.
- (C) Tenant shall also carry and maintain at its sole cost and expense excess liability and umbrella coverage with a limit of liability of no less than \$4,000,000 per occurrence and \$4,000,000 general aggregate. Such coverage shall provide protection against bodily injury, property damage, contractual liability and personal injury loss.
- 21. <u>WORKER'S COMPENSATION INSURANCE</u> Tenant shall carry and keep in full force and effect at all times during the term of this Lease, at its sole cost, worker's compensation or similar insurance in form and amounts required by law. Such insurance shall contain waiver of subrogation provisions in favor of Landlord and its management agent.
- 22. <u>ALL RISK COVERAGE INSURANCE</u> Landlord shall obtain and maintain All Risk Coverage insurance covering the Building and the Building-standard tenant improvements to the level specified in <u>Exhibit B.</u> Tenant shall obtain and maintain throughout the term of this Lease and any extension periods All Risk Coverage insurance insuring against damage to and loss of Tenant's Alterations and tenant improvements (above the level of the Building-standard tenant improvements as specified in <u>Exhibit B</u>), fixtures, equipment, furnitnre, and all other personal property in and about the Demised Premises. Landlord and Tenant hereby release each other and waive any claims they may have against the other for loss or damage to the Building, Demised Premises, tenant improvements, fixtures, equipment and/or any other personal property arising from a risk insured against under the All Risk Coverage insurance policies to be carried by Landlord and Tenant, as required above, even though such loss or damage was caused by the negligence of Landlord, Tenant, or their respective agents or employees (or any combination thereof), except

for the amount of the deductible under said policies. Landlord and Tenant agree to obtain and maintain throughout the term of this Lease endorsements to their respective All Risk Coverage policies waiving the right of subrogation of their insurance companies against the other party and its agents and employees. Except to the extent expressly provided herein, nothing contained in this Lease shall relieve Landlord or Tenant of any liability to each other or to their insurance carriers which Landlord or Tenant may have under law or the provisions of this Lease in connection with any damage to the Building, Demised Premises, tenant improvements, fixtures, equipment, furniture, and all other personal property, by fire or other casualty.

## 23. TENANT'S CONTRACTOR'S INSURANCE

- (A) Tenant shall require any contractor of Tenant performing work on the Demised Premises to carry and maintain, at no expense to Landlord:
  - (I) commercial comprehensive general liability insurance, including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage endorsement and contractor's protective liability coverage, to afford protection with limits, for each occurrence, of not less than One Million Dollars (\$1,000,000.00) with respect to personal injury, death, or property damage; and
  - (2) worker's compensation or similar insurance in form and amounts required by law.
  - (3) Excess liability or umbrella insurance written on a per occurrence basis with policy limits of no less than Two Million Dollars (\$2,000,000) per occurrence and Two Million Dollars (\$2,000,000) general aggregate.

# 24. REQUIREMENTS FOR TENANT'S INSURANCE POLICIES

- (A) The company or companies writing any insurance which Tenant is required to carry and maintain or cause to be carried or maintained pursuant to this Lease as well as the form of such insurance shall at all times be subject to Landlord's approval and any such company or companies shall be a good and responsible insurance company, licensed to do business in the Commonwealth of Virginia. Tenant's public liability and All Risk Coverage insurance policies and certificates evidencing such insurance shall name Landlord and its Agent as additional insured and shall also contain a provision by which the insurer agrees that such policy shall not be cancelled except after thirty (30) days written notice to Landlord. Tenant agrees to provide to Landlord prior to taking possession of the Demised Premises the certificates evidencing such insurance; Landlord may withhold delivery of the Demised Premises without delaying the Commencement Date, or triggering any abatement of rent, if Tenant fails to provide Landlord with these certificates.
- (B) Any insurance carried or to be carried by Tenant hereunder shall be primary over any policy that might be carried by Landlord. If Tenant shall fail to perform any of its obligations regarding the acquisition and maintenance of insurance, Landlord may perform the same and the cost of same shall be deemed additional rent, payable upon Landlord's demand.

#### 25. LIABILITY FOR DAMAGE TO PERSONAL PROPERTY AND PERSON

(A) All personal property of Tenant, its employees, agents, subtenants, business invitees, licensees, customers, clients, family members, guests or trespassers, in and on the Demised Premises shall be and remain in and on the Demised Premises and the Building at the sole risk of said parties and Landlord shall not be liable to any such person or party for any damage to, or loss of personal property thereof, including loss or damage arising from, (a) any act, including theft, or any failure to act, of any other persons, (b) the leaking of the roof, (c) the bursting, rupture, leaking or overflowing of water, sewer or steam pipes, (d) the rupture or leaking of heating or plumbing fixtures, including security and protective systems, (e) short-circuiting or malfunction of electrical wires or fixtures, including security and protective systems or (f) the failure of the heating or air-conditioning systems. Landlord shall also not be liable for the interruption or loss to Tenant's business arising from any of the above-described acts or causes. Tenant specifically agrees to save Landlord harmless in all such cases.

(B) Landlord shall not be liable for any personal injury to Tenant, Tenant's employees, agents, subtenants, business invitees, licensees, customers, clients, family members, guests or trespassers arising from the use, occupancy and condition of the Demised Premises or the Building, unless such party establishes that there has been negligence or a willful act or failure to act on the part of Landlord, its agents or employees.

#### 26. DAMAGE TO THE BUILDING AND/OR THE DEMISED PREMISES

(A) If the Demised Premises is damaged by fire or other casualty insured against by Landlord's All Risk Coverage insurance policy covering the Building, and the Demised Premises can be fully repaired, in Landlord's opinion, within 180 days from the date of the insured risk, Landlord, at Landlord's expense, shall repair such damage, provided, however, Landlord shall have no obligation to repair any damage to, or to replace, Tenant's non-building standard tenant improvements or any other property located in the Demised Premises. Except as otherwise provided herein, if the entire Demised Premises is rendered untenantable by reason of the insured risk, then Monthly Rent shall abate for the period from the date such damage to the date when Landlord has completed repairs to the Demised Premises as specified above, and if only a portion of the Demised Premises is so rendered untenantable, then Monthly Rent shall abate for such period in the proportion which the area of the portion of the Demised Premises so rendered untenantable bears to the total area of the Demised Premises, provided, however, if, prior to the date when such repairs have been completed, any portion of the Demised Premises so damaged shall be rendered tenantable and shall be used or occupied by Tenant or any person claiming through or under Tenant, then the amount by which the Monthly Rent shall abate shall be equitably apportioned for the period from the date of any such use or occupancy to the date when such repairs are completed. No compensation or claim or reduction of rent will be allowed or paid by Landlord by reason of inconvenience, annoyance, or injury to business arising from the necessity of repairing the Demised Premises or any portion of the Building of which they are a part.

(B) Notwithstanding the foregoing, if, prior to or during the term of this Lease, (i) the Demised Premises is so damaged that, in Landlord's opinion, the Demised Premises cannot be fully repaired within 180 days from the date the damage occurred, or (ii) the Building is so damaged that, in Landlord's opinion, substantial repair or reconstruction of the Building shall be required (whether or not the Demised Premises is damaged or rendered untenantable), then, in any of such events, Landlord, at its option, may give to Tenant, within sixty (60) days after such fire or other casualty, a thirty (30) days notice of termination of this Lease and, in the event such notice is given, this Lease shall terminate (whether or not the term shall have commenced) upon the expiration of such thirty (30) days with the same effect as if the date of expiration of such thirty (30) days were the date definitely fixed for expiration of the term of this Lease, and the then-applicable Monthly Rent shall be apportioned as of such date, including any rent abatement as provided above.

#### 27. DEFAULTOFTENANT

(A) This Lease shall, at the option of Landlord, cease and terminate if (i) Tenant fails to pay rent, including any installment of Monthly Rent, or any sums, charges, expenses and costs of any kind or nature identified in this Lease as additional rent, although no legal or formal demand has been made, and such failure to pay rent continues for a period of five (5) days after written notice addressed to Tenant has been delivered by Landlord to the Demised Premises; or (ii) Tenant violates or fails to perform any of the other conditions, covenants or agreements of this Lease made by Tenant, and any violation or failure to perform any of those conditions, covenants or agreements continues for a period of ten (10) days after written notice thereof has been delivered by Landlord to Tenant, or, in cases where the violation or failure to perform cannot be corrected within ten (10) days, Tenant does not begin to correct the violation or failure to perform within ten (10) days after receiving Landlord's written notice and/or Tenant thereafter does not diligently pursue the correction of the violation or failure to perform; or (iii) Tenant abandons the Demised Premises (which for purposes of this Lease is vacancy of the Demised Premises coupled with non-payment ofrent, including any installment of Monthly Rent, or any sums, charges, expenses and

costs of any kind or nature identified in this Lease as additional rent, when due) (Tenant failures and actions described in the foregoing items (i), (ii) and (iii) being hereinafter referred to, in each case, as an "Event of Default'). Any said violation or failure to perform or to pay any rent, if left uncorrected, shall operate as a notice to quit, any further notice to quit or notice of Landlord's intention to re-enter being hereby expressly waived. Landlord may thereafter proceed to recover possession under and by virtue of the provisions of the laws of the jurisdiction in which the Building is located or by such other proceedings, including re-entry and possession, as may be applicable. If Landlord elects to terminate this Lease, everything herein contained on the part of Landlord to be done and performed shall cease without prejudice to the right of Landlord to recover from Tenant all rent accruing up to and through the date of termination of this Lease or the date of recovery of possession of the Demised Premises by Landlord, whichever is later. Should this Lease be terminated before the expiration of the term of this Lease by reason of an Event of Default as hereinabove provided, or if Tenant abandons the Demised Premises before the expiration or termination of the term of this Lease, the Demised Premises may be relet by Landlord for such rent and upon such terms as are not unreasonable under the circumstances, and, if the full rent hereinabove provided is not realized by Landlord, Tenant shall be liable for all damages sustained by Landlord, including, without limitation, deficiency in rent, reasonable attorneys' fees, brokerage fees, and expenses of placing the Demised Premises in first-class rentable condition as necessary to accomplish re-letting. Any damage or loss of rent sustained by Landlord (including any deficiency between the rent reserved pursuant to the reletting and the rent reserved under this Lease, accelerated to the date of reletting) may be recovered by Landlord, at Landlord's option, at the time of the reletting, or in separate actions, from time to time, as said damage shall have been made more easily ascertainable by successive relettings, or, at Landlord's option, may be deferred until the expiration of the term of this Lease, in which event the cause of action shall not be deemed to have accrued until the date of expiration of said term. The provisions contained in this section shall be in addition to and shall not prevent the enforcement of any claim Landlord may have against Tenant for anticipatory breach of the unexpired term of this Lease.

- (B) Upon the occurrence of an Event of Default, Landlord shall have the right, at any time, at its option, to require Tenant to pay to Landlord, on demand, as liquidated and agreed final damages in lieu of Tenant's liability under Section 27(A) (other than for Tenant's liability for tenant improvements, attorneys' and brokerage fees), an amount equal to the Monthly Rent and additional rent for Operating Expenses and Real Estate Taxes, computed on the basis of the then-current annual rate of Monthly Rent and such additional rent and all fixed and determinable increases in Monthly Rent, which would have been payable from the date of such demand to the date when this Lease would have expired, if it had not been terminated, as discounted to the date of such demand at an annual rate of interest equal to the then-current yield on actively traded U.S. Treasury bonds with IO-year maturities, as published in the Federal Reserve Statistical Release for the week prior to the date of such termination. Upon payment of such liquidated and agreed final damages, Tenant shall be released from all further liability under this Lease with respect to the period after the date of such demand except for those obligations of Tenant that survive the expiration or earlier termination of this Lease.
- 28. <u>REPEATED DEFAULTS</u> If Tenant is in default of this Lease for the same or substantially the same reason more than twice during any twelve (12) month period during the term of this Lease, then, at Landlord's election, same shall constitute an Event of Default and Tenant shall not have any right to cure such repeated default, the terms and conditions of the section of this Lease entitled, "DEFAULT OF TENANT," notwithstanding. In the event of Landlord's election not to allow a cure of a repeated default, Landlord shall have all of the rights provided for in that section of this Lease for an uncured default.
- 29. <u>WAIVER</u> If Landlord institutes legal or administrative proceedings against Tenant and a compromise or settlement thereof is made, the same shall not constitute a waiver of Tenant's obligations to comply with any covenant, agreement or condition, nor of any of Landlord's rights hereunder. No waiver by Landlord of any breach of any covenant, condition, or agreement specified herein shall operate as an invalidation or as a continual waiver of snch covenant, condition or agreement itself, or of any subsequent

breach thereof No payment by Tenant or receipt by Landlord (or any party designated by Landlord to receive any payments ofrent) of a lesser amount than the amount ofrent due Landlord shall be deemed to be other than on account of the earliest stipulated rent. In addition, no endorsement or statement on any check or letter accompanying a check for payment of such rent shall be deemed an accord and satisfaction. Landlord, or any party designated by Landlord, may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or to pursue any other remedy provided for in this Lease or in the governing law of the jurisdiction in which the Building is located. No re-entry by Landlord, and no acceptance by Landlord of keys from Tenant, shall be considered an acceptance of a surrender of this Lease.

## 30. <u>SUBORDINATION</u>

- (A) This Lease is subject and subordinate to the lien of all and any mortgages (which term "mortgages" shall include both construction and permanent financing and shall include deeds of trust and similar security instruments) which may now or hereafter encumber or otherwise affect the real estate (including the Building) of which the Demised Premises is a part, or Landlord's leasehold interest therein, and to all and any renewals, extensions, modifications, recastings or refinancings thereof. In confirmation of such subordination, Tenant shall, at Landlord's request, promptly execute any requisite or appropriate certificate or other document. Tenant hereby constitutes and appoints Landlord as Tenant's attorney-infact to execute any such certificate or other document for or on behalf of Tenant if Tenant does not execute said certificate or document within ten (10) business days after receipt thereof.
- (B) Tenant agrees that in the event that any proceedings are brought for the foreclosure of any such mortgage, Tenant shall attom to the purchaser at such foreclosure sale, if requested to do so by such purchaser. Tenant shall also recognize such purchaser as Landlord under this Lease. Tenant waives the provisions of any statute or rule of law, now or hereafter in effect, which may give or purport to give Tenant any right to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event that any such foreclosure proceeding is prosecuted or completed.
- (C) If the Building, the Demised Premises or any part respectively thereof is at any time subject to a mortgage or a deed of trust or other similar instrument, and this Lease or the rents are assigned to such mortgagee, trustee or beneficiary, and Tenant is given written notice thereof, including the post office address of such assignee, then Tenant may not terminate this Lease for any default on the part of Landlord without first giving written notice by certified or registered mail, return receipt requested, to such Assignee, Attention: Mortgage Loan Department. The notice shall specify the default in reasonable detail, and afford such assignee a reasonable opportunity to make performance, at its election, for and on behalf of Landlord.

# 31. <u>CONDEMNATION</u>

- (A) If the whole or a substantial part of the Demised Premises or the Building is condemned or acquired in lieu of condemnation by any governmental authority for any public or quasi-public use or purpose, then the term of this Lease shall cease and terminate as of the date when title vests in such governmental authority. Tenant shall have no claim against Landlord or the condemning authority for any portion of the amount of the conderunation award or settlement that Tenant claims as its damages arising from such condemnation or acquisition, or for the value of any unexpired term of this Lease. Tenant may make a separate claim against the condemning authority for a separate award for the value of any of Tenant's tangible personal property and trade fixtures, for moving and relocation expenses and for such business damages and/or consequential damages as may be allowed by law, provided the same shall not diminish the amount of Landlord's award.
- (B) If less than a substantial part of the Demised Premises is condemned or acquired in lieu of condemnation by any governmental authority for any public or quasi-public use or purpose, the rent shall be equitably adjusted on the date when title vests in such governmental authority and this Lease shall otherwise continue in full force and effect. For purposes of this section, a "substantial part of the Demised Premises" shall be considered to have been taken if twenty-five percent (25%) or more of the Demised Premises is condemned or acquired in lieu of condemnation, or if less than twenty-five percent

(25%) of the Demised Premises is taken and the portion of the Demised Premises taken renders the entire Demised Premises W1tenantable for the conduct of Tenant's business.

- (C) If twenty-five percent (25%) or more of the Building is condemned (whether or not the Demised Premises shall have been condemned) and Landlord elects to demolish the remainder of the Building, Landlord shall terminate this Lease.
- 32. <u>RULES AND REGULATIONS</u> Tenant, its agents and employees shall abide by and observe the rules and regulations attached hereto as <u>Exhibit C</u> and such other reasonable rules and regulations as may be promulgated from time to time by Landlord for the operation and maintenance of the Building, provided a copy thereof is sent to Tenant. Nothing contained in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce such rules and regulations, or the terms, conditions or covenants contained in any other lease as against any other tenant, and Landlord shall not be liable to Tenant for violation of the same by any other tenant, any other tenant's employees, agents, business invitees, licensees, customers, clients, family members or guests. Landlord shall not discriminate against Tenant in the enforcement of any rule or regulation.
- 33. RIGHT OF LANDLORD TO CURE TENANT'S DEFAULT If Tenant defaults in the making of any payment to any third party, or doing any act required to be made or done by Tenant relating to the Demised Premises (including the performance of Tenant's obligations Wlder this Lease), and such failure continues Wlcured past the expiration of applicable notice and cure periods, then Landlord may, but shall not be required to, make such payment or do such act, and the amoWlt of the expense thereof, if made or done by Landlord, with interest thereon at a rate equal to two (2) percentage points above the then applicable Wall Street Journal Prime Rate (U.S. money center commercial banks) or its successor publication (or in the absence thereof, such similar rate as Landlord may reasonably designate) (hereinafter the "Prime Rate"), accruing from the date paid by Landlord, shall be paid by Tenant to Landlord and shall constitute additional rent hereillider due and payable by Tenant upon receipt of a written statement of costs from Landlord. The making of such payment or the doing of such act by Landlord shall not operate as a waiver or cure of Tenant's default, nor shall it prevent Landlord from the pursuit of any remedy to which Landlord would otherwise be entitled.
- 34. <u>LATE CHARGES</u> If Tenant fails to pay any installment of rent, including Monthly Rent, additional rent, costs of tenant work (if any), or other charges to be paid by Tenant pursuant to this Lease, within ten (10) days after the same becomes due and payable, Tenant shall be obligated to pay to Landlord a late charge equal to five percent (5%) of any rent or other charge not paid when due. In addition, any installments of Monthly Rent, additional rent, costs of tenant work (if any) or other charges to be paid by Tenant pursuant to this Lease which are not paid by Tenant within ten (10) days after the same becomes due and payable shall bear interest at a rate equal to five (5) percentage points above the then Prime Rate, accruing from the date such installment or payment became due and payable to the date of payment thereof by Tenant. Such interest shall constitute additional rent due and payable to Landlord by Tenant upon the date of payment of the delinquent payment referenced above.
- 35. BANKRUPTCY If Tenant or any guarantor of this Lease shall become bankrupt or insolvent, or file any debtor proceedings or if Tenant or any guarantor shall take or have taken against either party in any court pursuant to any statute either of the United States or of any court pursuant to any statute either of the United States or of any State a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Tenant's or any such guarantor's property, or if Tenant or any such guarantor makes an assignment for the benefit of creditors, or petitions for or enters into an arrangement, then this Lease shall, at the option of Landlord, terminate and Landlord, in addition to any other rights or remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the Demised Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the accoW1t of Tenant, all without service of notice or resort to legal process and without being deemed gnilty of trespass, or becoming liable for any loss or damage which may be occasioned thereby.

- 36. <u>NO PARTNERSHIP</u> Nothing contained in this Lease shall be deemed or construed to create a partnership or joint venture of or between Landlord and Tenant, or to create any other relationship between the parties hereto other than that of Landlord or Tenant.
- 37. NO REPRESENTATIONS BY LANDLORD Neither Landlord nor any agent or employee of Landlord has made any representations or promises with respect to the Demised Premises or the Building except as herein expressly set forth, and no rights, privileges, easements or licenses are acquired by Tenant except as herein expressly set forth. Tenant, by taking possession of the Demised Premises, shall accept the same in the then "as is" condition, except for latent defects and punch list items. Taking of possession of the Demised Premises by Tenant shall be conclusive evidence that the Demised Premises and the Building are in good and satisfactory condition at the time of such taking of possession, as provided for in Exhibit D, subject to punch list items and any latent structural defects to the base Building not caused by Tenant or by anyone claiming through Tenant that are identified by Tenant in writing to Landlord within ninety (90) days after the Commencement Date (which latent defects Landlord shall promptly repair after such written notice from Tenant).

# 38. <u>BROK.ER AND AGENT</u>

- (A) Landlord and Tenant each represent and warrant one to another that, except as hereinafter set forth, neither of them has employed any broker in carrying on the negotiations, or had any dealings with any broker, relating to this Lease. Tenant represents that it has employed Simpson Properties, Ltd. as its broker; Landlord represents that it has employed Cassidy Turley Washington LLC as its broker, and further agrees to pay the commissions accruing to each identified broker pursuant to certain outside agreement(s). Landlord shall indemnify and hold Tenant harmless, and Tenant shall indemnify and hold Landlord harmless, from and against any claim or claims for brokerage or other commission arising from or out of any breach of the foregoing representation and warranty by the respective indemnitors.
- (B) Landlord appoints and Tenant recognizes, until such time as Landlord otherwise notifies Tenant in writing, Preferred Offices Properties, LLC as Landlord's management agent (referred to in this Lease as "Agent") for the management and operations of the Building including issuance and receipt of all notices and the instituting and processing all legal actions on behalf of Landlord under this Lease.
- (C) Landlord appoints and Tenant recognizes, until such time as Landlord otherwise notifies Tenant in writing, Colin J. Smith, 8405 Greensboro Drive, Suite 100, McLean, Virginia 22102, as Landlord's registered agent for the receipt of process and other matters required by law.
- 39. <u>WAIVER OF JURY TRIAL</u> Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on or with respect to any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant hereunder, Tenant's use or occupancy of the Demised Premises, and/or any claim of injury or damage.
- 40. <u>ENFORCEMENT OF LEASE</u> In the event Landlord is required or elects to take or defend against legal action to enforce against Tenant the performance of Tenant's obligations under this Lease or to defend Landlord's rights under this Lease, then Tenant shall inunediately reimburse Landlord for all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by Landlord in its successful prosecution or defense of that legal action. In the event Tenant is required or elects to take or defend against legal action to enforce against Landlord the performance of Landlord's obligations under this Lease or to defend Tenant's rights under this Lease, then Landlord shall inunediately reimburse Tenant for all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by Tenant in its successful prosecution or defense of that legal action. No provision of this Lease shall be construed against or interpreted to the disadvantage of either Landlord or Tenant by any court or other governmental or judicial authority by reason of such party having or being deemed to have drafted, structured or dictated such provision.

- 41. <u>NOTICES</u> All notices or other connunications hereunder, except for service of process, shall be in writing and shall be deemed duly given if delivered in person, by nationally-recognized connnercial delivery service, next business day delivery, by certified mail, return receipt requested; or by registered mail, postage prepaid: (i) if to Landlord, c/o Carr Properties, Attn: Virginia Lease Administration, at 1776 Eye Street, N.W., Suite 500, Washington, D.C. 20006, with a copy to Watt, Tieder, Hoffar & Fitzgerald, L.L.P., Attn: Colin J. Smith, Esq., 8405 Greensboro Drive, McLean, Virginia 22102; and (ii) if to Tenant, at 13890 Braddock Road, Suite 207, Centreville, VA 20121, prior to the Connnencement Date, and at the Demised Premises thereafter. The party to receive notices and the place notices are to be sent for either Landlord or Tenant may be changed by notice given pursuant to the provisions of this section.
- 42. ESTOPPEL CERTIFICATES Tenant agrees, at any time and from time to time, upon not less than five (5) days prior written notice by Landlord, to execute, acknowledge and deliver to Landlord a statement in writing (i) certifying that this Lease is umnodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified and stating the modifications), (ii) stating the dates to which the rent and other charges hereunder have been paid by Tenant, (iii) stating whether or not, to the best knowledge of Tenant, Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default of which Tenant may have knowledge, (iv) stating the address to which notices to Tenant should be sent and, if Tenant is a corporation, the name and address of its registered agent in the jurisdiction in which the Building is located, (v) agreeing not to pay Monthly Rent more than thirty (30) days in advance or to amend this Lease without the consent of any mortgage lender having a security interest in the Building, and (vi) stating as to such other matters or providing such other information as Landlord may request or require. Any such statement delivered pursuant hereto may be relied upon by any owner of the Building, any prospective purchaser of the Building, any mortgagee or prospective mortgagee of the Building or of Landlord's interest, or any prospective assignee of any such mortgage.

### 43. HOLDING OVER

- (A) In the event Tenant does not immediately surrender the Demised Premises on the date of expiration of the term of this Lease or any extension period thereof, Tenant shall, by virtue of this section of this Lease, become a tenant by the month and hereby agrees to pay to Landlord a Monthly Rent equal to one hundred fifty percent (150%) the amount of (i) the Monthly Rent in effect during the last month of the term of this Lease as it may have been extended, plus (ii) the one-twelfth (1112th) payment made with Monthly Rent pursuant to the section of this Lease entitled, "OPERATING EXPENSES AND REAL ESTATE TAXES." The month-to-month tenancy shall connnence with the first day next after the expiration of the term of this Lease. Tenant as a month-to-month tenant shall continue to be subject to all of the conditions and covenants of this Lease. Tenant shall give to Landlord at least thirty (30) days written notice of any intention to quit the Demised Premises. Tenant shall be entitled to thirty (30) days written notice to quit the Demised Premises, except in the event of nonpayment of the modified Monthly Rent in advance, in which event Tenant shall not be entitled to any notice to quit, the usual thirty (30) days notice to quit being hereby expressly waived.
- (B) Notwithstanding the foregoing, in the event Tenant holds over after the expiration of the term of this Lease or extension period thereof, and Landlord desires to regain possession of the Demised Premises promptly at the expiration of the term of this Lease or extension period thereof, then at any time prior to Landlord's acceptance of modified Monthly Rent from Tenant as a month to month tenant hereunder, Landlord, at its option, may forthwith re-enter and take possession of the Demised Premises without process, or by any legal process in force in the jurisdiction in which the Building is located.
- 44. <u>RIGHTS RESERVED BY LANDLORD</u> Landlord shall have the following rights, exercisable without notice to Tenant, without liability for damage or injury to property, person or business and without effecting an eviction, constructive or actual, or disturbances of Tenant's use or possession of the Demised Premises or giving rise to any claim for set-off, abatement of rent or otherwise:
  - (A) To change the Building's name or street address;

- (B) To affix, maintain and remove any and all signs on the exterior and interior of the Building;
- (C) To designate and approve, prior to installation, all window shades, blinds, drapes, awnings, window ventilators, lighting and other similar equipment to be installed by Tenant that may be visible from the exterior of the Demised Premises or the Building;
- (D) To decorate and make repairs, alterations, additions and improvements, whether structural or otherwise, in, to and about the Building and any part thereof, and, during the continuance of any of such work, to temporarily close doors, entry ways, and common areas in the Building and to interrupt or temporarily suspend Building services and facilities, all without affecting Tenant's obligations hereunder, so long as the Demised Premises remain tenantable;
- (E) To grant to anyone the exclusive right to conduct any business or render any service in the Building, provided Tenant is not thereby excluded from uses expressly permitted herein;
- (F) To alter, relocate, reconfigure and reduce the common areas of the Building, as long as the Demised Premises remain reasonably accessible;
- (G) To alter, relocate, reconfigure, reduce and withdraw the common areas located outside the Building, including parking facilities and access roads, as long as the Demised Premises remain reasonably accessible; and
- (H) To re-subdivide and reconfigure the boundaries of the parcel of land upon which the Building is located and to construct buildings or other improvements on such parcel of land and on adjoining parcels ofland.
- 45. <u>COVENANTS OF LANDLORD</u> Landlord covenants that it has the right to make this Lease for the term of this Lease aforesaid. Further Landlord covenants that if Tenant shall pay the rent and shall perform all of the covenants, agreements and conditions specified in this Lease to be performed by Tenant, Tenant shall, for the term of this Lease, freely, peaceably and quietly occupy and enjoy the full possession of the Demised Premises without molestation or hindrance by Landlord, its agents or employees, or by anyone claiming through Landlord. Entry in the Demised Premises for inspections, repairs, alterations, improvements and installations by Landlord, its agents, employees or contractors pursuant to the section of this Lease entitled "ENTRY FOR INSPECTIONS, REPAIRS AND INSTALLATIONS" and the exercise by Landlord of Landlord's rights reserved in the section of this Lease entitled "RIGHTS RESERVED BY LANDLORD" shall not constitute a breach by Landlord of this covenant, nor entitle Tenant to any abatement or reduction of rent. In addition, planned activities of Landlord, whether in the form of renovation, redecoration or rehabilitation of any area of the Building, including the lobby, and any of the surrounding public spaces by Landlord or in the form of organized activities, public or private, shall not be deemed violation by Landlord of Landlord's covenant of quiet enjoyment benefiting Tenant.
- 46. <u>LIEN FOR RENT</u> In consideration of the mutual benefits arising under this Lease, Tenant hereby grants to Landlord a lien on all property of Tenant now or hereafter placed in or upon the Demised Premises (except such part of any property as may be exchanged, replaced, or sold from time to time in the ordinary course of business operations or trade of Tenant), and such property shall be and remain subject to such lien of Landlord for payment of all rent and other sums agreed to be paid by Tenant herein. Said lien shall be in addition to and cumulative upon Landlord's liens provided by law. Said lien shall be second in priority to the rights of any lessor of, or the mortgagee of, any equipment or personal property under any equipment lease or mortgage, or the rights of the seller under any conditional sales contract. Tenant shall reimburse to Landlord, as additional rent, all costs and expenses, including reasonable attorney's fees, which Landlord incurs by reason of or in connection with any request for waiver of Landlord's lien hereunder or enforcement of Landlord's rights hereunder, such costs and expenses to be due and payable within fifteen (15) days of receipt of a statement of such costs and expenses from Landlord. Notwithstanding anything to the contrary in this Section 46, Landlord hereby consents to the subordination of the lien granted by this Section in favor of any purchase money lender or

working capital facility lender of Tenant. If requested by any such lender to execute and deliver a subordination agreement, such subordination agreement must be on a commercially reasonable form agreeable to Landlord, and Tenant shall pay all of Landlord's costs and expenses related to entering into such subordination agreement, such costs and expenses to be due and payable within fifteen (15) days of receipt of a statement of such costs and expenses from Landlord.

- 47. <u>LENDER APPROVAL</u> The terms and provisions of this Lease are contingent upon the consent of Landlord's current lender(s), if any. fu the event that Landlord does not provide Tenant with written notice of its lender's rejection of this Lease within fifteen (15) business days after the full execution and delivery of this Lease, such lender's consent shall be deemed to be granted and the foregoing contingency satisfied.
- 48. <u>RECORDATION</u> Tenant shall not record this Lease or any memorandum thereof without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion. All fees, costs, taxes and expenses in connection with the filing and recording of this Lease or any memorandum thereof shall be the sole obligation of Tenant.
- 49. <u>RULE AGAINST PERPETUITIES</u> If and to the extent that this Lease would, in the absence of the limitation imposed by this section, be invalid or unenforceable as being in violation of the rule against perpetuity or any other rule of law relating to the vesting of interests in property or the suspension of the power of alienation of property, then it is agreed that notwithstanding any other provision of this Lease, this Lease and any and all options, rights and privileges granted to Tenant thereunder, or in connection therewith shall terminate if not previously terminated, on the date which is twenty-one (21) years after the death of the last heir or issue, who are lives in being as of the date of this Lease, of the following named person: OliverT.

Carr, Jr.

50. <u>GENDER</u> Feminine or neuter pronouns shall be substituted for those of the masculine form, and the plural shall be substituted for the singular number, in any place or places herein in which the context may require such substitution or substitutions.

# **BENEFIT AND BURDEN**

- (A) The terms and provisions of this Lease shall be binding upon and shall inure to the benefit of the parties hereto and each of their respective representatives, successors and permitted assigns. Landlord may freely and fully assign its interest hereunder. fu the event of any sale or transfer of the Building by operation of law or otherwise by the party named as Landlord hereunder (or any subsequent successor, transferee or assignee), then said party, whose interest is thus sold or transferred shall be and is completely released and forever discharged from and with respect to all covenants, obligations and liabilities as Landlord hereunder after the date of such sale or transfer.
- (B) fu the event Landlord shall be in default under this Lease, and if as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment against the right, title and interest of Landlord in the Building as the same may then be constituted and encumbered and Landlord shall not be liable for any deficiency. fu no event shall Tenant have the right to levy execution against any property of Landlord other than its interests in the Building.
- 52. <u>GOVERNING LAW</u> This Lease and the rights and obligations of Landlord and Tenant hereunder shall be governed by the laws of the jurisdiction in which the Building is located.
- 53. <u>DEED OF LEASE</u> If and to the extent required under applicable law to make this Lease effective, this Lease shall constitute a deed oflease executed under seal.
- 54. <u>SAVINGS CLAUSE</u> If any provision of this Lease or the application thereof to any person or circumstance is to any extent held invalid, then the remainder of this Lease or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby, and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

- 55. CORPORATE TENANT If Tenant is or will be a corporation, the persons executing this Lease on behalf of Tenant hereby consent, represent and warrant that Tenant is a duly incorporated or a duly qualified (if a foreign corporation) corporation and authorized to do business in the Co=onwealth of Virginia; and that the person or persons executing this Lease on behalf of Tenant is an officer or are officers of Tenant, and that he or they as such officers are duly authorized to sign and execute this Lease. Upon request of Landlord to Tenant, Tenant shall deliver to Landlord documentation satisfactory to Landlord evidencing Tenant's compliance with the provisions of this Section. Simultaneously with the execution of this Lease by Tenant, Tenant shall provide Landlord with a current Certificate of Good Standing or Certificate of Status, as applicable, from the State of Tenant's incorporation or organization, as applicable, evidencing Tenant's current status. Further, Tenant agrees to promptly execute all necessary and reasonable applications or documents confirming such registration as requested by Landlord or its representatives, and required by the jurisdiction in which the Building is located, to permit the issuance of necessary permits and certificates for Tenant's use and occupancy of the Demised Premises. Any delay or failure by Tenant in submitting such application or document so executed shall not serve to delay the Co=encement Date or delay or waive Tenant's obligations to pay rent hereunder.
- 56. <u>JOINT AND SEVERAL LIABILITY</u> If two or more individuals, corporations, partnerships or other business associations or entities (or any combination of two or more thereof) shall sign this Lease as Tenant, the liability of each of them shall be joint and several. In like manner, if Tenant is a partnership or other business association or entity, the members of which are, by virtue of statute or general law, subject to personal liability, the liability of each individual who was, is or becomes a member of such partnership, association or other business entity at any time from the date of this Lease to and including the expiration or earlier termination of the term ofthis Lease, shall be joint and several.
- 57. <u>FINANCIAL STATEMENTS</u> Tenant agrees, at any time and from time to time upon not less than ten (10) days' prior written notice by Landlord, to deliver to Landlord the most current financial statements of Tenant, together with such other information regarding the financial condition of Tenant as Landlord may reasonably request. All statements of Tenant shall be certified by a corporate officer of Tenant or managing partner of Tenant, as applicable, as true and correct in all material respects. Landlord shall retain such statements in confidence, but may provide copies to any advisor, lender, potential lender, purchaser or potential purchaser in connection with a financing or potential fmancing or sale or potential sale of the Building or any interest therein or in Landlord, provided that Landlord informs such parties to hold such statements in confidence.
- ENVIRONMENTAL REQUIREMENTS Tenant, its agents, employees, subtenants, contractors, 58. invitees and guests shall not use any portion or all of the Demised Premises or the Building or land or other appurtenances thereto for the generation, treatment, storage or disposal of "hazardous materials," "hazardous waste," "hazardous substances" or "oif' (collectively "Materials") as such terms are defined under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., as amended, the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 et seq., as amended, and any and all other "environmental statutes" which regulate the use of hazardous and/or dangerous substances, and the regulations promulgated thereunder and any and all state and local laws, rules and regulations, without the express prior written consent of Landlord. Notwithstanding the foregoing, however, Tenant may use Materials in the ordinary course of business, provided that such use is in accordance with all applicable statutes, laws, rules and regulations, and any manufacturer instructions; and provided further that Tenant may not discharge any Materials in any public sewer or any drain and/or drainpipe leading or connected thereto. Tenant shall promptly give written notice to Landlord of any co=unication received by Tenant from any governmental authority or other person or entity concerning any complaint, investigation or inquiry regarding any use or discharge (or alleged use or alleged discharge) by Tenant of any Materials. Landlord shall have the right (but not the obligation) to conduct such investigations or tests (or both) as Landlord shall deem necessary with respect to any such complaint, investigation or inquiry, and Tenant, at its expense, shall take such action (or refrain from taking such action) as Landlord

may request in couuection with such investigations and tests by Landlord. Tenant shall indemnify, defend (with counsel selected by Landlord), and hold Landlord harmless from and against any such improper use or discharge (or both) by Tenant, including any costs of all necessary clean-up activities occasioned by Tenant's actions, whether during the term or after termination of this Lease.

- 59. <u>BUSINESS DAY/WORKING DAY</u> The terms "business day" and "working day" are terms describing each calendar day Monday through Friday except any holiday identified specifically or generically in the section of this Lease entitled, "SERVICES AND UTILITIES" falling on one of such calendar days.
- 60. <u>RELOCATION OF TENANT</u> It is understood and agreed that Landlord shall have the right, at its sole cost and expense, to relocate Tenant to other premises within the Building as Landlord deems necessary or advisable. Landlord shall provide written notice to Tenant ofrelocation no less than sixty (60) days prior to such relocation. Tenant agrees to execute within five (5) days of Landlord's request, a modification of this Lease documenting the change in location. All other terms and conditions of this Lease shall remain unchanged. In no event shall any relocation accomplished pursuant to this Section result in an increase in the Monthly Rent, Additional Rent or other sums payable under this Lease. In the event Tenant fails or refuses to relocate at the end of the aforesaid sixty (60)-day period, Landlord may terminate this Lease by giving Tenant ten (10) days written notice of termination.
- RENT FROM REAL PROPERTY Landlord and Tenant agree that all rent payable by Tenant to Landlord, which includes all sums, charges, or amounts of whatever nature to be paid by Tenant to Landlord in accordance with the provisions of this Lease, shall qualify as "rents from real property" within the meaning ofboth §512(b)(3) and §856(d) of the Internal Revenue Code ofl986, as amended (the "Code") and the U.S. Department of Treasury Regulations promulgated thereunder (the "Regulations"). In the event that Landlord, in its sole discretion, determines that there is any risk that all or part of any rent payment under this Lease shall not qualify as "rents from real property" for the purposes of §512(b)(3) or §856(d) of the Code and the Regulations promulgated thereunder, Tenant agrees to cooperate with Landlord by entering into such amendment or amendments as Landlord deems necessary to qualify all rent as "rents from real property"; provided, however, that any adjustments required pursuant to this Section 61 shall be made so as to produce the equivalent rent (in economic terms) payable prior to such adjustment.
- 62. OFAC CERTIFICATION Tenant certifies that (i) it is not acting, and shall not act, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other bauued or blocked person, entity, nation, or transaction pursuant to any law, order, rule or regulation and is enforced or administered by the Office of Foreign Assets Control; and (ii) it is not engaged in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of any such person, group, entity, or nation. Tenant shall defend, indemnify and hold harmless Landlord against all costs, expenses, liabilities, losses, damages, injunctions, suits, fines, penalties, claims, and demands, including reasonable attorneys' fees, arising out of any violation of or default in the covenants of this Section 62. The indemnification provisions of this Section 62 shall survive the expiration of the term of this Lease.
- 63. <u>FORCE MAJEURE.</u> If Landlord or Tenant is in any way delayed or prevented from performing any of its obligations under this Lease due to fire, act of God, governmental act or failure to act, strike, labor dispute, inability to procure materials, or any cause beyond such party's reasonable control (whether similar or dissimilar to the foregoing events) (collectively, a "Force Majeure Delay"), then the time for performance of such obligation shall be excused for the period of such delay or prevention and extended for a period equal to the period of such delay, interruption or prevention. Notwithstanding the foregoing, in no event shall any such Force Majeure Delay excuse, extend or in any way alter the time for performance by Tenant of its monetary obligations under this Lease, including without limitation, Tenant's obligation to pay Monthly Rent and additional rent for increases in Operating Expenses and Real Estate Taxes on the first (1st) day of each month hereunder, nor allow Tenant to holdover in the Demised Premises for any period after the expiration or earlier termination of this Lease.

- 64. <u>LIMITATION ON LIABILITY</u> Notwithstanding any other proVIs10n of this Lease, it is expressly understood and agreed that the total liability of Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant hereunder and/or Tenant's use of the Demised Premises, shall be limited to the estate of Landlord in the Building. No other property or assets of Landlord or any partner or owner of Landlord shall be subject to levy, execution, or other enforcement proceedings or other judicial process for the satisfaction of any judgment or any other right or remedy of Tenant arising out of or in connection with this Lease, the relationship of Landlord and Tenant hereunder and/or Tenant's use of the Demised Premises. In no event shall Landlord be liable for consequential damages.
- 65. ENTIRE AGREEMENT This Lease, together with Exhibits A, B, C, D and E attached hereto and made a part hereof, contains and embodies the entire agreement of the parties hereto, and no representations, inducements, or agreements, oral or otherwise, between the parties not contained and embodied in this Lease and said Exhibits shall be of any force or effect, and the same may not be modified, changed or tenninated in whole or in part in any manner other than by an agreement in writing duly signed by all parties hereto. The submission of an unsigned copy of this Lease document to Tenant shall not constitute an offer or option to lease the Demised Premises. This Lease shall become effective and binding only upon the execution and delivery thereof by both Landlord and Tenant.

**IN WITNESS WHEREOF,** Landlord and Tenant have caused this Lease to be signed as of the date first written above, in their names, under seal, by their duly authorized representatives and delivered as their act and deed, intending to be legally bound by its terms and provisions.

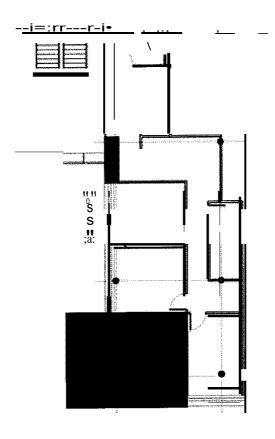
#### LANDLORD:

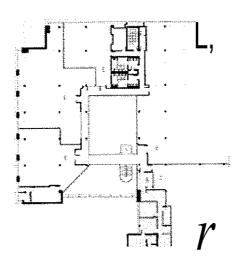
LAND	LUKD.
901 N. compar	PITT STREET, LLC, a Virginia limited liability by
By:	The Oliver Carr Company, its Manager
By: Name: Title:	seal)
TENA	NT:
UGL U	NICCO SECURE SERVICES INC., a Delaware tion
By: Name: Title:	1.seal]

# EXHIBIT "A"

# FLOOR PLAN, DEMISED PREMISES

(to be attached)





KEY PLAN

#### EXHIBIT "B"

#### SPECIFICATIONS FOR OFFICE SPACE

The following items are considered Building Standard for insurance purposes and for purposes of any restoration obligations of Tenant at the end of the term.

- I. <u>Partitioning:</u> Adequate interior partitioning to replace Tenant's existing design. This partitioning is to be constructed of 2½" steel study, and ½" gypsum wallboard, floor to ceiling.
- 2. <u>Painting:</u> Standard latex paint in standard building colors.
- 3. <u>Ceiling:</u> Acoustical tile ceiling.
- 4. <u>Doors:</u> One exterior door and frame per suite, to be constructed of solid wood. One complete interior door and frame with hardware will be provided on a ratio of one door per 150 square feet of rentable area. Interior doors will be wood with a painted finish, with painted metal frames.
- 5. <u>Window Covering:</u> Building standard blinds substantially similar to those theretofore in use.
- 6. <u>Floor Covering:</u> Building standard floor coverings substantially similar to those theretofore in **use.**
- 7. <u>Lighting:</u> Fully recessed fluorescent light fixtures with glare reducing diffusers, in amounts to provide adequate lighting at desk level.
- 8. <u>Telephone and Electrical Outlets:</u> One 120 V duplex wall electrical outlet per 150 square feet of rentable space, and one telephone wall outlet per 200 square feet of rentable space.
- 9. <u>Heating and Cooling System:</u> Building standard heating and cooling equipment for normal office use.

#### EXHIBIT "C"

### **RULES AND REGULATIONS**

- 1. The sidewalks, entrances, passages, courts, elevators, vestibules, stairways, corridors or halls or other parts of the Building not occupied by any tenant shall not be obstructed or encumbered by any tenant or used for any purpose other than ingress and egress to and from the Demised Premises; and if the Demised Premises are situated on the ground floor of the Building Tenant thereof shall, at said Tenant's own expense, keep the sidewalks and curb directly in front of said Demised Premises clean and free from ice and snow. Landlord shall have the right to control and operate the public portions of the Building, and the facilities furnished for the common use of the tenants, in such manner as Landlord deems best for the benefit of the tenants generally. No tenant shall permit the visit to the Demised Premises of persons in such numbers or under such conditions as to interfere with the use and enjoyment by other tenants of the entrances, corridors, elevators and other public portions or facilities of the Building.
- 2. No awnings or other projections shall be attached to the outside walls of the Building without the prior written consent of Landlord. No drapes, blinds, shades, or screens shall be attached to or hung in, or used in connection with any window or door of the Demised Premises, without the prior written consent of Landlord. Such awnings, projections, curtains, blinds, shades, screens or other fixtures must be of a quality, type, design and color, and attached in the manner approved by Landlord.
- 3. Except as otherwise provided in the body of the Lease, no sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any tenant on any part of the outside or inside of the Demised Premises or Building without the prior written consent of Landlord. In the event of the violation of the foregoing by any tenant, Landlord may remove same without any liability, and may charge the expense incurred by such removal to the tenant or tenants violating this rule. Interior signs on doors and directory tablet shall be inscribed, painted or affixed for each tenant by Landlord at the expense of such tenant, and shall be of a size, color and style acceptable to Landlord.
- 4. No showcases or other articles shall be put in front of or affixed to any part of the exterior of the Building, nor placed in the halls, corridors or vestibules without the prior written consent of Landlord.
- 5. The water and wash closets and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish, rags, or other substances shall be thrown therein. All damages resulting from any misuse of the fixtures shall be borne by tenant who, or whose servants, employees, agents, visitors or licensees, shall have caused the same.
- 6. There shall be no marking, painting, drilling into or in any way defacing any part of the Demised Premises or the Building. No boring, cutting or stringing of wires shall be permitted. Tenant shall not construct, maintain, use or operate within the Demised Premises or elsewhere within or on the outside of the Building, any electrical device, wiring or apparatus in connection with a loud speaker system or other sound system.
- 7. No bicycles, vehicles, animals, birds or pets of any kind shall be brought into or kept in or about the premises, and no cooking shall be done or permitted by any tenant on said premises. No tenant shall cause or permit any unusual or objectionable odors to be produced upon or permeate from the Demised Premises.
- 8. No space in the Building shall be used for manufacturing or for the sale of merchandise, goods or property of any kind at auction, nor shall any space leased for general office purposes be used for the storage of merchandise.

- 9. No tenant shall make, or permit to be made, any unseemly or disturbing noises or disturb or interfere with occupants of this or neighboring buildings or premises of those having business with them whether by the use of any musical instrument, radio, umnusical noise, whistling, singing, or in any other way. No tenant shall throw anything out of the doors or windows or down the corridors or stairs.
- 10. No inflammable, combustible or explosive fluid, chemical or substance shall be brought or kept upon the Demised Premises.
- 11. Except with Landlord's prior written consent, but subject to governmental restrictions applicable to Tenant and the operation of its business in the Demised Premises, no additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall any changes be made in existing locks or the mechanism thereof. The doors leading to the corridors or main halls shall be kept closed during business hours except as they may be used for ingress or egress. Each tenant shall, upon the termination of his tenancy, restore to Landlord all keys of stores, offices, storage, and toilet rooms either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys, so furnished, such tenant shall pay to Landlord the cost thereof.
- 12. All removals, or the carrying in or out of any safes, freight, furniture or bulky matter of any description must take place during the hours which Landlord or its Agent may determine from time to time. Landlord reserves the right to inspect all freight to be brought into the Building and to exclude from the Building all freight which violates any of these Rules and Regulations or the lease of which these Rules and Regulations are a part.
- 13. Any person employed by any tenant to do janitor work within the Demised Premises must obtain Landlord's consent and such person shall, while in the Building and outside of said Demised Premises, comply with all instructions issued by the Superintendent of the Building. No tenant shall engage or pay any employees on the Demised Premises, except those actually working for such tenant on said premises.
- 14. No tenant shall purchase spring water, ice, coffee, soft drinks, towels, or other like service, from any company or persons not approved by Landlord, which approval will not be unreasonably withheld or delayed.
- 15. Landlord shall have the right to prohibit any advertising by any tenant which, in Landlord's opinion, tends to impair the reputation of the Building or its desirability as a building for offices, and upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.
- 16. Landlord reserves the right to exclude from the Building at all times any person who is not known or does not properly identify himself to the Building management or watchman on duty. Landlord may at its option require the registration of all persons admitted to or leaving the Building (i) between the hours of 6:00 p.m. and 8:00 a.m., Monday through Friday, (ii) between the hours of 6:00 p.m. Friday and 8:00 a.m. Saturday, (iii) after 2:00 p.m. Saturday, and (iv) all day Sunday and on legal holidays. Each tenant shall be responsible for all persons for whom he authorizes entry into or exit out of the Building, and shall be liable to Landlord for all acts of such persons.
- 17. The Demised Premises shall not be used for lodging or sleeping or for any immoral or illegal purpose.
- 18. Each tenant, before closing and leaving the Demised Premises at any time, shall see that all windows are closed and all lights turned off.
- 19. The requirements of tenants will be attended to only upon application at the office of the Building. Employees shall not perform any work or do anything outside of their regular duties, unless under special instruction from the management of the Building.

- 20. Canvassing, soliciting and peddling in the Building is prolnbited and each tenant shall cooperate to prevent the same.
- 21. No water cooler, plumbing or electrical fixtures shall be installed by any tenant.
- 22. There shall not be used in any space, or in the public halls of the Building, either by any tenant or by jobbers or others, in the delivery or receipt of merchandise, any hand trucks, except those equipped with rubber tires and side guards.
- 23. Access plates to under floor conduits shall be left exposed. Where carpet is installed, carpet shall be cut around access plates. Where Tenant elects not to provide removable plates in its carpet for access into the under floor duct system, it shall be Tenant's responsibility to pay for the removal and replacement of the carpet for any access needed into the duct system at any time in the future.
- 24. Mats, trash or other objects shall not be placed in the public corridors.
- 25. Landlord does not maintain or clean suite finishes which are non-standard: such as kitchens, bathrooms, wallpaper, special lights, etc. However, should the need for repairs arise, Landlord will arrange for the work to be done at Tenant's expense.
- 26. Drapes installed by Tenant for its use which are visible from the exterior of the Building must be approved by Landlord in writing and be cleaned by Tenant.
- 27. Landlord will furnish and install light bulbs for the Building standard fluorescent or incandescent fixtures only. For special fixtures Tenant will stock his own bulbs, which will be installed by Landlord when so requested by Tenant.
- 28. Violation of these rules and regulations, or any amendments thereto, shall be sufficient cause for termination of the Lease at the option of Landlord, subject to applicable notice and opportunity to cure as provided for in the Lease.
- 29. Landlord may, upon request by any tenant, waive the compliance by such tenant of any of the foregoing rules and regulations, provided that (i) no waiver shall be effective unless signed by Landlord or Landlord's authorized agent, (ii) any such waiver shall not relieve such tenant from the obligation to comply with such rule or regulation in the future unless expressly consented to by Landlord, and (iii) no waiver granted to any tenant shall relieve any other tenant from the obligation of complying with the foregoing rules and regulations unless such other tenant has received a similar waiver in writing from Landlord.
- 30. The above rules and regulations or any further rules and regulations are for the exclusive benefit of and enforceable only by Landlord herein, and they shall not inure to the benefit of Tenant herein as against other tenants or in favor of other tenants as against Tenant herein; nor does Landlord warrant to enforce them against other tenants; provided, however, that Landlord, in any enforcement of the said rules and regulations, shall enforce them uniformly as to all tenants in the Building.

# EXHIBIT "D"

# CONFIRMATION AS TO DATE OF DELIVERY AND ACCEPTANCE OF POSSESSION OF DEMISED PREMISES

*	ated the day of August, 2011, entered into by ia limited liability company, as Landlord, and UGL orporation, as Tenant.
was accepted by Tenant in its "as is" condition punch list items and any latent structural defects t identified by Tenant in writing to Landlord within r the purpose of the Lease, the Commencement Date Rent Commencement Date is confirmed as <b>be</b>	ing 201_, and the Expiration Date ate of delivery and acceptance of possession of the
	ent m the Commonwealth of Virginia is at, and that ealth of Virginia.
TENANT:	LANDLORD:
UGL UNICCO SECURE SERVICES INC., a Delaware corporation	<b>901 N. PITT STREET, LLC,</b> a Virginia limited liability company
	By: The Oliver Carr Company, its manager
By:seal] Name: Title:	By[seal] Name: Title:

#### **EXHIBIT "E"**

#### SPECIFICATIONS FOR OFFICE CLEANING

**A. DEMISED PREMISES:** (Includes office areas, kitchens, stock rooms, Xerox (*i.e.*, photocopy) rooms and conference rooms.

#### Daily:

- 1. Collect trash.
- 2. Dust furniture, desks, machines, phones, file cabinets, window ledges, etc. (Papers left on desks will not be disturbed.)
- 3. Vacuum carpet; dry sweep resilient tile and wood floors, spot clean.
- 4. Spot clean walls, doors and partitions.

#### Monthly:

- 1. Recondition resilient tile floors.
- 2. Dust picture frames, charts, graphs, etc.
- 3. Vacuum air vents.

### Quarterly:

- 1. Clean partitions.
- 2. Dust vertical surfaces; walls, etc.

#### **B.** WINDOWS:

As Needed: Dust and clean venetian blinds.

#### C. DOORS & LIGHTS:

Daily: Turn off lights and check all doors on completion of work.

#### D. TRASH:

<u>Daily:</u> Deposit all trash in the designated area.

NOTE: Only trash placed in waste containers, or clearly marked "TRASH" will be removed.

### E. PRIVATE LAVATORIES AND KITCHENS:

Daily: Remove all trash, garbage and refuse.

### F. PUBLIC AREAS:

Lavatories:

## Daily:

- a. Clean and disinfect all toilet bowls, wash bowls and urinals.
- b. Resupply all dispensers.

As Needed: Wash or wipe all surfaces in rest rooms.

2. Corridors:

#### Daily:

- a. Collect trash.
- b. Vacuum carpet, dry sweep resilient tile and wood floors, spot clean.
- c. Spot clean walls and doors.
- d. Spot clean carpet.\*
- \* Where possible, spots and spills that are soluble and respond to standard spotting procedures will be removed.

Should Tenant install specialty items, other than typical "Building Standard" items, which will increase in any way the rate being charged by the cleaning contractor for the Demised Premises, Tenant shall be liable for such increases and will reimburse Landlord for any additional cost.