DEED OF LEASE

By And Between

Kingstowne Office T LP

("Landlord")

and

("Tenant")

For Premises in 5971 Kingstowne Village Parkway, Fairfax County, Virginia

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DEED OF LEASE

THIS DEED OF LEASE (this "Lease") is made as of the 31 day of OCIONO (the "Effective Date"), by and between Kingstowne Office T LP a Virginia limited partnership ("Landlord") and ("Tenant"), who agree as follows:

1. <u>Basic Lease Terms</u>. The following terms shall have the following meanings in this Lease:

a. Premises:

Approximately

rentable square feet of space,

located on the) floor of the Building (described in Section 1b, below), all as outlined on the floor plan

attached hereto as Exhibit A.

b. Building:

The Building having an address of 5971 Kingstowne Village Parkway in Kingstowne, Virginia (the "Building"), containing approximately 150,684 rentable square feet

of office space.

c. Commencement Date:

The anticipated commencement date shall be December 1st, 2006. The Term shall commence on the date (the "Lease Commencement Date") that is thirty (30) days after the later to occur of (i) Landlord delivering possession of the Premises to Tenant free of encumbrances in broom clean condition; (ii) Landlord delivering to Tenant a fully executed original copy of

the Lease Agreement and (iii) November 1, 2006.

Term:

Five (5) years (as more fully defined in Section 3 below)

d. Annual Base Rent:

Lease Year	Annual Base Rent	Monthly Base Ren
1		
2		ξ
3		-
4		
5		
[*subia	ect to escalation as provided for	or in this Leasel

- e. Base Year:
- f. Tenant's Pro Rata Share of

Operating Expenses: 5.1%*

Tenant's Pro Rata Share of Real Estate Taxes:

5.1%*

[*subject to adjustments provided for in this Lease]

g. Address for Notices:

To Landlord:

Kingstowne Office T LP

C/0 L

2900 Linden Lane, Suite 300 Silver Spring, Maryland 20910

Attention:

To Tenant (before occupancy):

To Tenant (after occupancy):

h. Security Deposit:

2. Premises.

a. <u>Premises</u>. In consideration of Tenant's agreement to pay the Annual Base Rent (hereinafter defined in Section 4.a) and Additional Rent (hereinafter defined in the opening paragraph of Section 4) and subject to the covenants and conditions hereinafter set forth, Landlord hereby leases to Tenant and Tenant hereby hires and leases from Landlord, upon the terms and conditions set forth herein, those certain premises described in Section 1a hereof and located in the Building (the "Premises"). The rentable square footage of the Premises has been determined in accordance with the BOMA Method of Measurement (rev. June 1996) ("BOMA"). The lease of the Premises to Tenant includes the right, together with other tenants of the Building and members of the public, to use the common public areas of the Land (hereinafter defined) and the Building, but includes no other rights not specifically set forth herein.

b. <u>Improvements</u>.

(i) Landlord shall deliver the Premises to Tenant in their "as-is" condition with all mechanical, electrical and plumbing systems in good working order and repair; provided, however, at Tenant's sole cost and expense, subject, however, to application of the Improvement Allowance (hereinafter defined in Paragraph C.2 of Exhibit B), the Tenant may perform the Tenant Improvements (hereinafter defined in Section A.2 of Exhibit B), all in accordance with the terms of, the Work Agreement attached hereto as Exhibit B (the "Work Agreement"). In the event that Landlord and Tenant have not finally agreed upon the scope and details of the Tenant Improvements as of the Effective Date, Tenant's submission to Landlord of any required plans and specifications detailing such work shall be subject to Landlord's written approval, not to be unreasonably withheld, conditioned or delayed, all in accordance with the Work Agreement. The Tenant Improvements shall be subject to Landlord's prior written approval, not to be unreasonably withheld, conditioned or delayed, and Tenant shall insure that all of the Tenant Improvements comply with all applicable building codes, laws and regulations (including without limitation the Americans With Disabilities Act), do not include any changes to or modifications of any of the mechanical, electrical, plumbing or other systems of the Building, and are otherwise constructed in strict accordance with the terms of the Work Agreement.



- (ii) The cost of all design, architectural and engineering work, demolition costs, construction costs, construction supervision, contractors' overhead and profit, licenses and permits, and all other costs and expenses incurred in connection with the Tenant Improvements shall be at Tenant's sole cost and expense, subject to the application of the Improvement Allowance. Landlord shall pay the Improvement Allowance as provided in the Work Agreement. All costs incurred in respect of the Tenant Improvements in excess of the Improvement Allowance shall be paid by Tenant.
- c. Acceptance. The taking of possession of the Premises by Tenant shall constitute an acknowledgment by Tenant that the Premises are in good condition, that Landlord has provided or constructed all improvements to be provided or constructed by Landlord in accordance with the Work Agreement and that all materials and labor provided by Landlord are satisfactory except as to any defects or incomplete work that are specified on the Punch List (as defined in the Work Agreement), which Punch List shall be delivered to Landlord by Tenant in accordance with the Work Agreement. Landlord agrees to complete promptly all Punch List items no later than sixty (60) days after the Commencement Date.

3. Term and Commencement of Term.

- Term. This Lease shall be in full force and effect from the Effective Date. The term of this Lease (the "Term") shall commence on the Commencement Date shown in Section 1c of this Lease and shall expire on the last day of the Fifth (5th) Lease Year (hereinafter defined) (the "Lease Expiration Date"), unless such Term is otherwise extended or terminated in accordance with the terms hereof. Notwithstanding the foregoing, and subject to the provisions of Section 3b hereof, the Commencement Date shall be the earlier of: (i) the date shown in Section 1c hereof, as such date may be extended pursuant to Section 3b below, or (ii) the date on which Tenant, or anyone claiming through or under Tenant, first commences use or occupancy of the Premises for purposes of conducting its business therein. As used herein, the term "Lease Year" means (a) each twelve (12)-month period commencing on the Commencement Date, except that if the Commencement Date does not occur on the first day of a calendar month, the first Lease Year shall commence on the Commencement Date and terminate on the last day of the twelfth (12th) full calendar month after the Commencement Date, and (b) each successive period of twelve (12) calendar months thereafter during the Term. Reference is made to the form of Declaration of Commencement Date (the "Declaration") attached hereto as Exhibit C. After the Commencement Date Landlord shall complete the Declaration and deliver the completed Declaration to Tenant. Within ten (10) business days after Tenant receives the completed Declaration from Landlord, Tenant shall fix any errors or execute and then return the Declaration to Landlord to confirm the Commencement Date, the Term and the actual number of rentable square feet in the Premises. Failure to execute the Declaration shall not affect the commencement or expiration of the Term.
- b. <u>Delays</u>. In the event that substantial completion (hereinafter defined) of the Tenant Improvements is delayed for any reason, this Lease shall remain in full force and effect and Tenant shall have no claim against Landlord by reason of any such delay. If such delay in substantial completion of the Tenant Improvements results from a cause other than Tenant Delay (defined in the Work Agreement), the date set forth in Section 1c, above, shall be extended to the date on which is the later of (i) Landlord tenders possession of the Premises to Tenant in broom clean condition, free of encumbrances; and (ii) Landlord delivers to Tenant a fully executed original Lease Agreement. Tenant's failure to meet its obligations with respect to the Tenant Improvements (including all obligations of Tenant under the terms of the Work Agreement) shall constitute a default under this Lease, entitling Landlord to pursue all of its remedies as provided under Section 16 hereof.
- Premises after the end of the third (3rd) lease year (the "Termination Date") by providing Landlord written notice of its intention to do so at least <u>nine (9) months</u> in advance (the "Notice Date"). Tenant shall pay to Landlord, no later than the Termination Date, a termination fee (the "Termination Fee") equal to the sum of the unamortized transaction costs, including the tenant improvements, leasing concessions, Landlord's attorney fees, and the leasing commissions. Upon Tenant's request, Landlord shall provide to Tenant, in writing, a detailed description of the actual and final accounting of the Termination Fee and calculation thereof.



4. Rent. Beginning on the Commencement Date, Tenant covenants and agrees to pay as Rent (hereinafter defined) for the Premises the following amounts set forth in this Section 4 and as otherwise provided in this Lease. "Additional Rent" shall mean such costs, expenses, charges and other payments to be made by (or on behalf of) Tenant to Landlord (or to a third party if required under this Lease), whether or not the same be designated as such. "Rent" or "rent" shall mean all Annual Base Rent (hereinafter defined) and Additional Rent due hereunder.

a. Annual Base Rent.

- (i) During each Lease Year Tenant shall pay the annual base rent in the amount set forth in Section 1d hereof (the "Annual Base Rent"). Annual Base Rent shall be payable in equal monthly installments (the "Monthly Base Rent").
- (ii) In addition to the payment of Annual Base Rent, Tenant shall be responsible for the payment of Tenant's Pass-Through Costs (hereinafter defined) pursuant to Section 4b hereof.
- (iii) All installments of Monthly Base Rent shall be payable in advance, with the first monthly installment due and payable upon execution of this Lease. If the Commencement Date shall be a day other than the first day of a calendar month, (1) the Annual Base Rent for the first Lease Year shall be an amount equal to the sum of (x) the amount of Monthly Base Rent for the partial month in which the Commencement Date occurs, plus (y) the amount of the Annual Base Rent set forth in Section 1d, above, and (2) Monthly Base Rent for such partial month shall be the prorated amount of the Monthly Base Rent payable hereunder during the first Lease Year, which proration shall be based upon the actual number of days of such partial month. The prorated Monthly Base Rent for such partial month shall be due and payable with the installment of the second (2nd) Monthly Base Rent payment (the first Monthly Base Rent payment being made upon execution of this Lease).

b. <u>Tenant's Pass-Through Costs.</u>

(i) As used in this Lease:

Subject to the terms and condition of the Building Operating Cost Addendum attached hereto "Operating Expenses" shall mean any and all reasonable and customary expenses, costs and disbursements (but not specific costs billed to and paid by specific tenants) of every kind and nature incurred by Landlord in connection with the ownership, management, operation, maintenance, servicing and repair of the Building and appurtenances thereto, including without limitation the garage and the common areas thereof, and the land underlying the Building (the "Land"), including but not limited to employees' wages, salaries, welfare and pension benefits and other fringe benefits; payroll taxes; telephone service; painting of common areas of the Building; exterminating service; detection and security services; concierge services; sewer rents and charges; premiums for fire and casualty, liability, rent, workmen's compensation, sprinkler, water damage and other insurance; repairs and maintenance; building supplies; uniforms and dry cleaning; snow removal; the cost of obtaining and providing electricity to the common areas of the Building; and water and other public utilities to all areas of the Building; trash removal; janitorial and cleaning supplies; and janitorial and cleaning services; window cleaning; service contracts for the maintenance of elevators, boilers, HVAC and other mechanical, plumbing and electrical equipment; shuttle bus service and maintenance; Kingstowne Towne Center REA Common Area Expenses; Kingstowne Commercial Owners Corporation (K.C.O.C) Fees; Kingstowne Lake Maintenance; Emergency Generator service and maintenance; fees for all licenses and permits required for the ownership and operation of the Land and the Building or B.P.O.L. required in Fairfax County; business license fees and taxes,; the rental value of the management office maintained in the Kingstowne building (provided such costs are included in the Base Year); all costs of operating, maintaining and replacing equipment in the health and fitness facility located in the Building; sales, use and personal property taxes payable in connection with tangible personal property and services purchased for the management, operation, maintenance, repair, cleaning, safety and administration of the Land and the Building; legal fees; accounting fees relating to the determination of Operating Expenses and the tenants' share thereof and the preparation of statements required by tenant's leases; management fees, whether or not paid to any person having an interest in or under common ownership with Landlord; purchase and installation of indoor plants in the common areas of the Building; and



landscaping maintenance and the purchase and replacement of landscaping services, plants and shrubbery. If Landlord makes an expenditure for a capital improvement to the Land and/or the Building by installing energy conservation or labor-saving devices to reduce Operating Expenses, or to comply with any law, ordinance or regulation pertaining to the Land and/or the Building, and if, under generally accepted accounting principles, such expenditure is not a current expense, then the cost thereof shall be amortized over a period equal to the useful life of such improvement, determined in accordance with generally accepted accounting principles, and the amortized costs allocated to each calendar year during the Term, together with an imputed interest amount calculated on the unamortized portion thereof using an interest rate of twelve percent (12%) per annum, shall be treated as an Operating Expense.

- Addendum attached hereto "Real Estate Taxes" shall mean all taxes, assessments and charges levied upon or with respect to the Land, the Building, and any improvements adjacent thereto (computed as payable in installments as permitted by law regardless of whether so paid), including without limitation vault rents, if any, any tax, fee or excise on rents, on the square footage of the Premises including the Fairfax County Business License Tax, on the act of entering into this Lease, on the occupancy of Tenant, on account of the rent hereunder or the business of renting space now or hereafter levied or assessed against Landlord by the United States of America or the state, county, city or town in which the Building are located, or any political subdivision, public corporation, district or other political or public entity; and shall also include any other tax to the extent that such tax is imposed in lieu of or in addition to such Real Estate Taxes. Reasonable legal fees, costs and disbursements incurred by Landlord in connection with any proceedings for appeal or reduction of any Real Estate Taxes shall also be considered Real Estate Taxes for the year in question.
- (3) "Tenant's Pro Rata Share of Operating Expenses," as of the date hereof, shall be as provided in Section 1f, representing the ratio that the rentable area of the Premises bears to the total rentable area of office space in the Building. If either the rentable area of the Premises or the total rentable area of the Building shall be increased or decreased, as reasonably determined by Landlord, Tenant's Pro Rata Share of Operating Expenses shall be adjusted accordingly.
- (4) "Tenant's Pro Rata Share of Real Estate Taxes," as of the date hereof, shall be as provided in Section 1f, representing the ratio that the area of the Premises bears to the total rentable area of the Building. If either the rentable area of the Premises or the total rentable area of the Building shall be increased or decreased, as reasonably determined by Landlord, Tenant's Pro Rata Share of Real Estate Taxes shall be adjusted accordingly.
 - (5) "Base Year" means calendar year 2007.
- (ii) If, in any calendar year during the Term, the total amount of Operating Expenses for the Building exceeds the amount of Operating Expenses in the Base Year, then Tenant shall pay to Landlord, as Additional Rent, an amount which is the product of (1) the amount of such increase in Operating Expenses, multiplied by (2) Tenant's Pro Rata Share of Operating Expenses. Tenant's Pro Rata Share of Operating Expenses. Tenant's Pro Rata Share of Operating Expenses for the full calendar year by a fraction, the numerator of which is the number of days during such calendar year falling within the Term and the denominator of which is three hundred sixty five (365). If in any calendar year during the Term, the amount of Real Estate Taxes exceeds the amount of Real Estate Taxes for the Base Year, then Tenant shall pay, as Additional Rent, an amount which is the product of (x) the amount of such increase in Real Estate Taxes, multiplied by (y) Tenant's Pro Rata Share of Real Estate Taxes. Tenant's Pro Rata Share of Real Estate Taxes. Tenant's Pro Rata Share of Real Estate Taxes for the full calendar year by a fraction, the numerator of which is the number of days during such calendar year falling within the Term and the denominator of which is three hundred sixty five (365).
- (iii) If at any time during the Base Year, or during any subsequent calendar year ("Subsequent Year"), less than ninety-five percent (95%) of the total rentable square feet of office space in the Building is occupied by tenants, the amount of Operating Expenses for the Base Year, or for any



such Subsequent Year, as the case may be, shall be deemed to be the amount of Operating Expenses as reasonably estimated by Landlord that would have been incurred if the percentage of occupancy of the Building during the Base Year or any such Subsequent Year was ninety-five percent (95%). If at any time during any calendar year, any part of the Building is leased to a tenant (hereinafter referred to as a "Special Tenant") who, in accordance with the terms of its lease, provides its own utilities, cleaning or janitorial services or other services or is not otherwise required to pay a share of Operating Expenses in accordance with the methodology set forth in this Section 4c, and Landlord does not incur the cost of such services, Operating Expenses for such calendar year shall be increased by the additional costs for cleaning and janitorial services and such other applicable expenses as reasonably estimated by Landlord that would have been incurred by Landlord if Landlord had furnished and paid for cleaning and janitorial services and such other services for the space occupied by the Special Tenant, or if Landlord had included such costs in "operating expenses" as defined in the Special Tenant's lease. In no event shall Landlord allocate more than one hundred percent (100%) of actual costs incurred in calculating expenses for any year other than the Base Year.

- During the month of December, 2007 and thereafter during the month of December of each Lease Year, Landlord shall use reasonable efforts to furnish to Tenant a statement of Landlord's estimate of Tenant's Pass-Through Costs (as hereinafter defined) for the next calendar year. "Tenant's Pass-Through Costs" shall be an amount equal to the sum of (1) Tenant's Pro Rata Share of Operating Expenses multiplied by the difference between Operating Expenses incurred during any calendar year during the Term, and Operating Expenses incurred in the Base Year; plus (2) Tenant's Pro Rata Share of Real Estate Taxes multiplied by the difference between Real Estate Taxes for any calendar year during the Term and Real Estate Taxes incurred during the Base Year. Such statement shall show with reasonable back up and categorized information the amount and calculation of Tenant's Pass-Through Costs, if any, payable by Tenant for such calendar year pursuant to this Section 4c on the basis of Landlord's estimate. Commencing on January 1, 2008, and continuing on each monthly rent payment date thereafter until further adjustment pursuant to this Section 4c(iv), Tenant shall pay to Landlord onetwelfth (1/12) of the amount of said estimated Tenant's Pass-Through Costs. Within one hundred twenty (120) days after the expiration of each calendar year during the Term, Landlord shall furnish to Tenant a statement (the "Expense Statement") showing the actual Operating Expenses and Real Estate Taxes for such calendar year. The Expense Statement shall be conclusive and binding on Tenant, unless objected to in writing by Tenant within one hundred eighty (180) days following Tenant's receipt thereof. In case of an underpayment, Tenant shall, within thirty (30) days after the receipt of such statement, pay to Landlord an amount equal to such underpayment. In case of an overpayment, Landlord shall credit the next monthly rental payment(s) by Tenant with an amount equal to such overpayment. Additionally, if this Lease shall have expired, Landlord shall apply such excess against any sums due from Tenant to Landlord and shall refund any remainder to Tenant within ninety (90) days following the end of the Calendar Year in which the termination date occurs.
- (v) All monies received from Tenant as Tenant's Pass-Through Costs shall be received by Landlord to pay Operating Expenses and Real Estate Taxes of the Building and the Land. Notwithstanding the foregoing, Landlord shall have the right to commingle Tenant's Pass-Through Costs with other funds collected by Landlord.
- (vi) Tenant's obligation to pay Tenant's Pass-Through Costs pursuant to the provisions of this Section 4c shall survive the expiration or other termination of this Lease with respect to any period during the Term hereof and with respect to any holdover period of occupancy following the expiration of the Term.
- c. Payment of Rent. All Rent shall be paid in lawful money of the United States of America without deduction, diminution, set-off, counterclaim or prior notice or demand, at the office of Landlord as provided in Section 1g hereof or at such other place as Landlord may hereafter designate in writing, on the first day of every calendar month during the Term. All such payments shall be made by good checks payable to Landlord or such other person, firm or corporation as Landlord may hereafter designate in writing. No payment by Tenant or receipt and acceptance by Landlord of a lesser amount than the Monthly Base Rent or Additional Rent shall be deemed to be other than partial payment of the full amount then due and payable; nor shall any endorsement or statement on any check or any letter accompanying any check, payment of Rent or other payment, be deemed an accord and satisfaction; and the Landlord

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may accept, but is not obligated to accept, such partial payment without prejudice to the Landlord's right to recover the balance due and payable or to pursue any other remedy provided in this Lease or by law. If Landlord shall at any time or times accept Rent after it becomes due and payable, such acceptance shall not excuse a subsequent delay or constitute a waiver of Landlord's rights hereunder. Any Rent owed by Tenant to Landlord, including without limitation Annual Base Rent, Additional Rent, Tenant's Pass-Through Costs and Late Charges, which is not paid within five (5) days after written notice from Landlord that such payment is past due shall bear interest from the due date at a rate equal to the prime rate on corporate loans quoted in the Wall Street Journal (the "Prime Rate") plus four percent (4%). In addition, if any amount of Rent required to be paid by Tenant to Landlord under the terms of this Lease is not paid within five (5) days after written notice from Landlord that such payment is past due, then in addition to paying the amount of Rent then due, Tenant shall pay to Landlord a late charge (the "Late Charge") equal to five percent (5%) of the amount of Rent then required to be paid. Notwithstanding the foregoing, the Landlord shall not be required to provide written notice of any payment of Annual Base Rent, Additional Rent, Tenant's Pass-Through Costs and Late Charges more than 2 times during any calendar year falling within the Term. Payment of such Late Charge will not excuse the untimely payment of Rent. In the event Tenant makes any payment of Rent by check and said check is returned by the bank unpaid, Tenant shall pay to Landlord the sum of One Hundred Dollars (\$100.00) to cover the costs and expenses of processing the returned check, in addition to the Rent payment and any other charges provided for herein. Any interest, Late Charge and other amounts charged hereunder shall constitute Additional Rent.

distribution or furnishing of electricity and/or water to the Premises if such services may feasibly be furnished directly to Tenant by the utility company supplying same. In the event of any such election by Landlord: (i) Landlord agrees to give reasonable advance notice of such discontinuance to Tenant; (ii) Landlord agrees to permit Tenant to receive electricity and/or water directly from the utilities supplying such service to the Building and to permit the existing feeders, risers, wiring, pipes and other facilities serving the Premises to be used by Tenant for such purpose to the extent they are suitable and safely capable of carrying Tenant's requirements; (iii) Landlord agrees to pay such charges and costs, if any, as such public utility may impose in connection with the installation of Tenant's meters; and (iv) the amount of Additional Rent payable in respect to the Operating Expenses shall be decreased appropriately to reflect such discontinuance. This Lease shall remain in full force and effect and such discontinuance shall not constitute an actual or constructive eviction, in whole or in part, or relieve Tenant from any of its obligations under this Lease.

5. Intentionally Omitted

6. Use.

Tenant shall use and occupy the Premises for general office and meeting use and use permitted by law, and for no other purposes. Tenant shall not use the Premises or allow the Premises to be used for any other purpose without the prior written consent of the Landlord. Landlord warrants that as of the Commencement Date the Premises comply with all laws, codes, rules, orders, ordinances, directions, regulation, and requirements of federal, state, county, and municipal authorities, in force with respect to the condition, use, occupation, or operation of the Premises, or the conduct of Tenant's business therein, including without limitation the Americans With Disabilities Act and all applicable zoning and environmental laws and regulations. Tenant, at Tenant's expense, shall comply with all laws, codes, rules, orders, ordinances, directions, regulation, and requirements of federal, state, county, and municipal authorities, now in force or which may hereafter be in force, which shall impose any duty upon Tenant with respect to the condition, maintenance, use, occupation, operation or alteration of the Premises, or the conduct of Tenant's business therein, including without limitation the Americans With Disabilities Act and all applicable zoning, recycling and environmental laws and regulations. Tenant hereby agrees to indemnify and hold harmless Landlord and its agents, officers, directors and employees from and against any cost, damage, claim, liability and expense (including attorneys' fees) arising out of claims or suits brought by third parties against Landlord, its agents, officers, directors and employees alleging or relating to the failure of the Premises to comply with the terms of the Americans With Disabilities Act or any other



law or regulation applicable to the Premises and/or its occupancy by Tenant. Landlord, at Landlord's expense, shall comply with all laws, codes, rules, orders, ordinances, directions, regulation, and requirements of federal, state, county, and municipal authorities, now in force or which may hereafter be in force, which shall impose any duty upon Landlord with respect to the condition, maintenance, use, occupation, operation or alteration of the Building, including without limitation the Americans With Disabilities Act and all applicable zoning, recycling and environmental laws and regulations. Landlord hereby agrees to indemnify and hold harmless Tenant and its agents, officers, directors and employees from and against any cost, damage, claim, liability and expense (including attorneys' fees) arising out of claims or suits brought by third parties against Tenant, its agents, officers, directors and employees alleging or relating to the failure of the Building to comply with the terms of the Americans With Disabilities Act or any other law or regulation applicable to the Building. Tenant shall not use or permit the Premises or any part thereof to be used in any manner that constitutes waste, nuisance or unreasonable disturbances to other tenants of the Building or for any disorderly, unlawful or hazardous purpose and will not store or maintain therein any hazardous, toxic or highly combustible items other than usual and customary office supplies intended for Tenant's use and in such event, only in such amounts as permitted by applicable law. Tenant covenants not to change Tenant's use of the Premises without the prior written approval of Landlord.

- Tenant shall not put the Premises to any use, the effect of which use is reasonably likely to cause cancellation of any insurance covering the Premises or the Building, or an increase in the premium rates for such insurance. Landlord shall notify Tenant in writing of any such use or act that may cause cancellation of any insurance covering the Premises or Building or an increase in Landlord's premium for any such insurance and provide Tenant a reasonable opportunity to cure. In the event that Tenant performs or commits any such act, the effect of which is to raise the premium rates for such insurance, Tenant shall pay Landlord the amount of the additional premium, as Additional Rent payable by Tenant upon demand therefor by Landlord. The Premises shall not be knowingly used for any illegal purpose or in violation of any regulation of any governmental body or the regulations or directives of Landlord's insurance carriers, or in any manner which interferes with the quiet enjoyment of any other tenant of the Building. Tenant will not install or operate in the Premises any electrical or other equipment, other than such equipment as is commonly used in modern offices (specifically excluding mainframe computers), without first obtaining the prior written consent of Landlord, not to be unreasonably withheld or delayed, who may condition such consent upon the payment by Tenant of Additional Rent in compensation for excess consumption of water, electricity and/or other utilities, excess wiring and other similar requirements, and any changes, replacements or additions to any base building system, as may be occasioned by the operation of said equipment or machinery.
- c. Tenant agrees to maintain the Premises, and the Tenant Improvements and other Alterations (hereinafter defined) therein, in good order, repair and condition during the Term at Tenant's sole cost and expense, and Tenant will, at the expiration or other termination of the Term, surrender and deliver the same and all keys, locks and other fixtures connected therewith (excepting only Tenant's personal property) in good order, repair and condition, as the same shall be at the Commencement Date, except as repaired, rebuilt, restored, altered, renovated, improved or added to pursuant to this Lease, and except for ordinary wear and tear. Any and all damage or injury to the Premises (including, but not limited to, the Tenant Improvements), the Building or the Land caused by Tenant, or by any employee, agent, contractor, assignee, subtenant, invitee or customer of Tenant shall be promptly reported to Landlord and repaired by Tenant at Tenant's sole cost; provided, however, that after written notice to Tenant with a reasonable opportunity for Tenant to cure the Landlord shall have the option of repairing any such damage, in which case Tenant shall reimburse Landlord for all reasonable and customary costs incurred by Landlord in respect thereof as Additional Rent within fifteen (15) days after Tenant receives Landlord's written notice of such costs.
- d. Tenant shall not place a load upon the floor of the Premises exceeding the designated floor load capacity of the Building (e.g. 100 pounds per square foot: 80 pounds per square foot, live load, and 20 pounds per square foot, dead load) without Landlord's prior written consent. Business machines, mechanical equipment and materials belonging to Tenant which cause vibration, noise, cold, heat or fumes that may be transmitted to the Building or to any other leased space therein to such a degree as to be objectionable to Landlord or to any other tenant in the Building shall be placed, maintained, isolated,



stored and/or vented by Tenant at its sole expense so as to absorb and prevent such vibration, noise, cold, heat or fumes.

7. Assignment and Subletting.

- a. Tenant shall not, without the prior written consent of Landlord (which consent shall not be unreasonably withheld, conditioned or delayed except as expressly set forth below) in each instance: (i) assign or otherwise transfer this Lease or any of Tenant's rights hereunder, (ii) sublet the Premises or any part thereof, or permit the use of the Premises or any part thereof by any persons other than Tenant or its employees, subcontractors, agents and invitees, or (iii) permit the assignment or other transfer of this Lease or any of Tenant's rights hereunder by operation of law. Landlord's consent to a proposed assignment or sublease shall not be unreasonably withheld, conditioned or delayed, provided Landlord determines that the proposed assignee or subtenant (A) is of a type and quality consistent with the first-class nature of the Building, (B)intentionally omitted, (C) is not a party by whom any suit or action could be defended on the ground of sovereign immunity or diplomatic immunity and (D) will not impose any additional material burden upon Landlord in the operation of the Building (to an extent greater than the burden to which Landlord would have been had Tenant continued to use such part of the Premises). In addition, the following conditions must be satisfied at the time Tenant requests Landlord's consent to an assignment or sublease:
- (i) No Event of Default (hereinafter defined) exists and no event has occurred which, with notice and/or the passage of time, would constitute an Event of Default if not cured within the time, including any applicable grace period, specified herein;
- (ii) Two (2) or more monetary defaults (whether or not timely cured by Tenant) shall not have occurred during the prior twelve (12) months, whether or not timely cured;
- (iii) Landlord receives at least thirty (30) days' prior written notice of Tenant's intention to assign this Lease or sublet any portion of the Premises;
- (iv) The proposed use of the Premises is permitted under the terms of this Lease and will not violate any other agreement affecting the Premises or the Building;
- (v) Tenant submits to Landlord at least thirty (30) days prior to the proposed date of subletting or assignment whatever information Landlord reasonably requests in order to permit Landlord to make a judgment on the proposed subletting or assignment, including without limitation the name, business experience, financial history, net worth and business references of the proposed assignee or subtenant (and each of its principals), an in-depth description of the transaction, and the consideration delivered to Tenant for the assignment or sublease; and
- (vi) The proposed assignee or subtenant is not a tenant who, within the three (3) months prior to Tenant's request, has talked to Landlord or its brokers or agents about the possibility of leasing comparable space in the Building;
 - (vii) intentionally omitted; and
- (viii) Tenant has paid to Landlord an administrative fee in the amount of Five Hundred Dollars (\$500.00) which shall be retained by Landlord whether or not such consent is granted.
- b. All proposed subleases and assignments shall contain, inter alia, the following provisions: (i) any such assignment or sublease shall include an assumption by the assignee or subtenant, from and after the effective date of such assignment or sublease, of the performance and observance of the covenants and conditions to be performed and observed on the part of Tenant as contained in this Lease, and (ii) any such sublease or assignment shall specify that this Lease or sublease shall not be further assigned nor the Premises further sublet without the Landlord's prior written consent. The consent by Landlord to any assignment, transfer or subletting to any person or entity shall not be construed as a waiver or release of Tenant from any provision of this Lease, unless expressly agreed to in writing by Landlord (it being understood that Tenant shall remain primarily liable as a principal and not as a guarantor or surety), nor shall the collection or acceptance of rent from any such assignee, transferee, subtenant or occupant constitute a waiver or release of Tenant from any such provision.

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- c. In the event that Tenant assigns this Lease or sublets all or any portion of the Premises, Tenant shall pay to Landlord as Additional Rent an amount equal to the difference between (i) all sums paid to Tenant or its agent by or on behalf of such assignee or subtenant under the assignment or sublease less all reasonable and customary expenses incurred by Tenant in the assignment or sublease (including, but not limited to, leasing commissions, renovation allowances, and inducements and concessions provided to any subtenant or assignee), first recovered, and (ii) the Annual Base Rent and Additional Rent paid by Tenant under this Lease and attributable to the portion of the Premises assigned or sublet.
- d. For purposes of this Section, a transfer, conveyance, grant or pledge, directly or indirectly, in one or more transactions, of an interest in Tenant (whether stock, partnership interest or other form of ownership or control, or the issuance of new interests) by which an aggregate of more than twenty-five percent (25%) of the beneficial interest in Tenant shall be vested in a party or parties who are not holders of such interest(s) as of the date hereof) shall be deemed an assignment of this Lease; provided, however, that this limitation shall not apply to any corporation, all of the outstanding voting stock of which is listed on a national securities exchange as defined in the Securities Exchange Act of 1934. The merger or consolidation of Tenant into or with any other entity, the sale of all or substantially all of Tenant's assets, or the dissolution of Tenant shall each be deemed to be an assignment within the meaning of this Section.
- e. Notwithstanding the foregoing, provided that an Event of Default is not then occurring hereunder, the use of the Premises by a subsidiary or affiliate of Tenant, or a joint venture or partnership in which Tenant (or its affiliate or subsidiary) is a general partner shall not constitute a subletting requiring Landlord's prior approval; provided however that Tenant shall give Landlord at least ten (10) days' prior written notice of such intended use. Tenant shall be responsible hereunder to Landlord for the conduct of all individuals who are using its Premises exactly as though they were employees of Tenant.
- f. Any assignment or subletting not in conformance with the terms of this Lease shall be void ab initio and shall, subject to the provisions of Section 16, constitute a default under the Lease.
- g. Upon receipt of the notice referred to in Section 7a(iii), above, Landlord, in writing within Fifteen (15) business days, may, at its option, in lieu of approving or rejecting the proposed assignment or subletting (and if rejected the Landlord shall advise to its reasons and what is required for approval), exercise all or any of the following rights by written notice to Tenant of Landlord's intent to do so within fifteen (15) business days of Landlord's receipt of Tenant's notice:
- (i) with respect to a proposed assignment of this Lease, the right to terminate this Lease on the effective date of proposed assignment as though it were the Lease Expiration Date;
 - (ii) Intentionally Omitted;
 - (iii) intentionally omitted; or
 - (iv) Intentionally Omitted.
- h. If Landlord exercises any of its options under Section 7g, above, Landlord may then lease (or sublease) the Premises or any portion thereof to Tenant's proposed assignee or subtenant, as the case may be, without any liability whatsoever to Tenant.
- Lease or sublease of all the Premises, any and all option rights, rights of first refusal, rights of first negotiation, and expansion rights shall terminate, it being understood that any and all such rights are personal to Tenant (and not to any assignee or subtenant) and are not appurtenant to the Premises or this Lease. Further, Tenant shall not have the right to exercise any such rights unless Tenant (and not any assignee or subtenant of Tenant) shall be in occupancy of the Premises at the time of the exercise of any such right. In addition to the administrative fee described in Section 7a(ix), above, Tenant shall reimburse Landlord for its reasonable attorneys' fees and other third party expenses incurred in reviewing any requested consent whether or not such consent is granted. Tenant shall not collaterally assign, mortgage, pledge, hypothecate or otherwise encumber this Lease or any of Tenant's rights hereunder without the prior written consent of Landlord, which consent Landlord may withhold in its sole discretion.



- j. Notwithstanding any consent by Landlord to an assignment or subletting, Tenant shall remain primarily liable for the performance of all covenants and obligations contained in this Lease. Each approved assignee or subtenant shall also automatically become liable for the obligations of Tenant hereunder. Landlord shall be permitted to enforce the provisions of this Lease directly against Tenant and/or against any assignee or sublessee without proceeding in any way against any other person. Collection or acceptance of Annual Base Rent or Additional Rent from any such assignee, subtenant or occupant shall not constitute a waiver or release of Tenant from the terms of any covenant or obligation contained in this Lease, nor shall such collection or acceptance in any way be construed to relieve Tenant from obtaining the prior written consent of Landlord to such assignment or subletting or any subsequent assignment or subletting.
- k. Notwithstanding the foregoing provisions of this Section 7, provided this Lease is in full force and effect, Tenant may assign or sublease part or all of the Premises without Landlord's consent to a "Permitted Transfer" defined as: (i) any corporation or partnership that controls, is controlled by, or is under common control with Tenant; or (ii) any corporation resulting from the merger or consolidation with Tenant or to any entity that acquires all of Tenant's assets as a going concern of the business that is being conducted on the Premises, as long as the assignee or Subtenant is a bona fide entity and assumes the obligations of Tenant, and continues the same use as permitted hereunder; provided, Landlord must be given written notice of any such assignment or subletting. The Permitted Transfer's current financial condition, as revealed by its most recent financial statements, must demonstrate that the Subtenant's or assignee's net worth is at least equal to Tenant's net worth at the time of the assignment or sublease.

8. Improvements and Fixtures.

- Tenant shall neither make nor allow any alterations, decorations, replacements, changes, additions or improvements (collectively referred to as "Alterations") to the Premises or any part thereof that will or may affect the mechanical, electrical, plumbing, HVAC or other systems or the exterior or structure of the Building, without the prior written consent of Landlord, which shall not be unreasonably withheld or delayed. Tenant shall not make or allow any other kind of Alterations to the Premises or any part thereof without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. All of such Alterations, structural or otherwise, must conform to all rules and regulations established from time to time by Landlord, must be performed in a good and workmanlike manner, must comply with all applicable building codes, laws and regulations (including without limitation the Americans With Disabilities Act), shall not require any changes to or modifications of any of the mechanical, electrical, plumbing, HVAC or other systems or the exterior or structure of the Building unless so approved by Landlord, and shall otherwise be constructed in strict accordance with the terms and conditions of this Section 8. Prior to undertaking any Alterations in the Premises, Tenant shall furnish to Landlord duplicate original policies or certificates thereof of worker's compensation insurance (covering all persons to be employed by Tenant, and Tenant's contractors and subcontractors in connection with such Alteration), builder's allrisk insurance, and comprehensive public liability insurance (including property damage coverage) in such form, with such companies, for such periods and in such amounts as Landlord may reasonably require, naming Landlord and its agents, and any mortgagee as additional insureds.
- b. It is understood and agreed by Landlord and Tenant that any Alterations undertaken in the Premises shall be constructed at Tenant's sole expense. The costs of Alterations shall include without limitation the cost of all required architectural work, engineering studies, materials, supplies, plans, permits and insurance. If requested by Landlord, Tenant shall provide to Landlord satisfactory evidence of Tenant's ability to pay for such Alterations. No consent by Landlord to any Alterations shall be deemed to be an agreement or consent by Landlord os subject Landlord's interest in the Premises, the Building or the Land to any mechanic's or materialman's liens which may be filled in respect to such Alterations made by or on behalf of Tenant. If Landlord gives its consent as specified in Section 8a above, Landlord may impose as a condition to such consent such requirements as Landlord may deem necessary or desirable, in its sole discretion exercised in good faith without prejudice, including without limitation the right to approve the plans and specifications for any work, supervision of the work by Landlord or its agents or by Landlord's architect or contractor and the right to impose requirements as to the manner in which or the time or times at which work may be performed. Landlord shall also have the

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right to approve the contractor or contractors who shall perform any Alterations, repairs in, to or about the Premises and to post notices of non-responsibility and similar notices, as appropriate. In addition, immediately after completion of any Alterations, Tenant shall assign to Landlord any and all warranties applicable to such Alterations and shall provide Landlord with as-built plans of the Premises depicting such Alterations.

- c. Tenant shall keep the Premises free from any liens arising out of any work performed on, or materials furnished to, the Premises, or arising from any other obligation incurred by Tenant. If any mechanic's or materialmen's lien is filed against the Premises, the Building and/or the Land for work claimed to have been done for or materials claimed to have been furnished to Tenant, such lien shall be discharged by Tenant within ten (10) days thereafter, at Tenant's sole cost and expense, by the payment thereof or by filing any bond required by law. If Tenant shall fail to timely discharge any such mechanic's or materialman's lien, Landlord may, at its option, discharge the same and treat the cost thereof as Additional Rent payable with the installment of rent next becoming due; it being expressly covenanted and agreed that such discharge by Landlord shall not be deemed to waive or release the default of Tenant in not discharging the same. Tenant shall indemnify and hold harmless Landlord, the Premises and the Building from and against any and all expenses, liens, claims, actions or damages to person or property in connection with any such lien or the performance of such work or the furnishing of such materials. Tenant shall be obligated to, and Landlord reserves the right to, post and maintain on the Premises at any time such notices as shall in the reasonable judgment of Landlord be necessary to protect Landlord against liability for all such liens or actions.
- d. Any Alterations of any kind to the Premises or any part thereof, except Tenant's furniture and moveable trade fixtures, shall at once become part of the realty and belong to Landlord and shall be surrendered with the Premises, as a part thereof, at the end of the Term hereof; provided, however, that Landlord may, by written notice to Tenant at the time Landlord is requested to approve the Alterations, require Tenant to remove any Alterations and to repair any damage to the Premises caused by such removal, all at Tenant's sole expense. Any article of personal property, including business and trade fixtures, not attached to or built into the Premises, which were installed or placed in the Premises by Tenant at its sole expense, shall be and remain the property of Tenant and may be removed by Tenant at any time during the Term as long as Tenant is not in default hereunder and provided that Tenant repairs any damage to the Premises or the Building caused by such removal.

9. <u>Utilities and Services</u>.

Landlord shall furnish the following utilities and services during normal business hours (i.e., Monday through Friday 8:00 a.m. to 6:00 p.m., and Saturday 9:00 a.m. to 12:00 p.m., excluding Holidays (hereinafter defined)): electric current (for lighting and operation of normal office machines and equipment); water; lavatory supplies; heat and air-conditioning during the appropriate seasons of the year as reasonably required; elevator service; and trash removal, cleaning and char service (after normal business hours Monday through Friday, excluding Holidays). The building hours are also Monday through Friday 8:00 a.m. to 6:00 p.m., and Saturday 9:00 a.m. to 12:00 p.m., excluding Holidays: As used herein, the term "Holidays" shall mean New Year's Day, Martin Luther King's Birthday, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Thanksgiving Day and Christmas Day. At times other than the normal business hours and days aforesaid, central air conditioning and heating shall be provided to Tenant upon at least twenty-four (24) hours' prior notice from Tenant, and per hour) established by upon payment thereafter by Tenant of the hourly charge (currently Landlord for each hour (or a portion thereof) of after-hours usage. All building standard light bulbs and tubes in the Premises shall be replaced as part of Operating Expenses. In addition, Landlord may impose a reasonable additional charge for any additional or unusual services required to be provided by Landlord to Tenant because of the carelessness of Tenant, the nature of Tenant's business or the removal of any refuse and rubbish from the Premises except for discarded material placed in wastepaper baskets and left for emptying as an incident to Tenant's normal cleaning of the Premises. In the event that Landlord must temporarily suspend or curtail services because of accident and repair, Landlord shall have no liability to Tenant for such suspension or curtailment or due to any restrictions on use arising therefrom or relating thereto, and Landlord shall proceed diligently to restore such service. No interruption or malfunction of any such services shall constitute an actual or constructive eviction or disturbance of Tenant's use and possession of the Premises, the Building or the parking garage or



parking areas in or around the Building or constitute a breach by Landlord of any of its obligations hereunder or render Landlord liable for damages or entitle Tenant to be relieved from any of Tenant's obligations hereunder (including the obligation to pay rent) or grant Tenant any right of setoff or claim against Landlord or constitute a constructive or other eviction of Tenant. In the event of any such interruption, Landlord shall use reasonable diligence to restore such services. Notwithstanding the foregoing, should Landlord fail to furnish any Utility or Service in accordance with Section 9 for five (5) consecutive business days then based on gross negligence or willful misconduct by Landlord, Tenant shall be entitled, as its sole and exclusive remedy, to an abatement of the Monthly Rent payable hereunder for the period beginning on the day after such five (5) business day period ends and continuing until the date such service resumes.

- Tenant will not, without the prior written consent of Landlord, use any apparatus or device in the Premises, including without limitation electric data processing machines, punch card machines and machines using current in excess of 220 volts which will in any way increase the amount of the electricity or water which would otherwise be furnished or supplied for the intended use of the Premises under this Section 9; and Tenant will not connect to electric current any apparatus or device for the purpose of using electric current or water, except through existing electrical outlets in the Premises or water pipes. If Tenant shall require water or electricity in excess of that which would otherwise be furnished or supplied for the intended use of the Premises, Tenant shall first secure the written consent of Landlord for the use thereof, which consent Landlord shall not unreasonably withhold or delay. Landlord may condition its consent upon the requirement that a water meter or electric current meter be installed in the Premises, so as to measure the amount of water and electric current consumed for any such excess use. The cost of such meters and installation, maintenance and repair thereof, the cost of any such excess utility use as shown by said meter, the cost of any new or additional utility installations, including without limitation wiring and plumbing, resulting from such excess utility use, and the cost of any additional expenses incurred in keeping count of such excess utility use shall be paid by Tenant within fifteen (15) days of written demand by Landlord or, if Tenant is billed separately therefor, promptly upon receipt of a bill for same. Whenever heat generating machines or equipment are used in the Premises which affect the temperature otherwise maintained by the air conditioning system, Landlord reserves the right to install supplementary air conditioning units in the Premises and the cost thereof, including the cost of installation, operation and maintenance thereof, shall be paid by Tenant to Landlord upon demand by Landlord.
- Tenant shall have the right to install and operate in the Premises personal computers and other electrically-operated office equipment normally used in modern offices. Tenant shall not install equipment of any kind or nature whatsoever nor engage in any practice or use 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, electrical system, floor load capacities, or other mechanical or structural system of the Premises or the Building without first obtaining the prior written consent of Landlord, which consent may be conditioned upon, but not limited to, Tenant first securing at its expense additional capacity for any said service in the Building; provided, however, Tenant shall be responsible for paying for any excess utility consumption arising from any such change, replacement, use or addition, such payments to be based on Landlord's reasonable estimate or, at Landlord's option, a submeter or similar device to measure such usage (said device to be installed at Tenant's expense). Supplemental HVAC equipment and electricity serving computer server rooms shall be metered for electricity and billed to tenant monthly along with other devices which are in excess of 110 volts. Additionally, in the event that Landlord reasonably determines that Tenant's electrical consumption exceeds standard office use, Tenant shall pay the amount of such excess electrical consumption, as reasonably determined by Landlord, within thirty (30) days after demand therefor. Machines, equipment and materials belonging to Tenant which cause vibration, noise, cold, heat, fumes or odors that may be transmitted outside of the Premises to such a degree as to be objectionable to Landlord in Landlord's sole opinion or to any other tenant in the Building shall be treated by Tenant at its sole expense so as to eliminate such objectionable condition, and shall not be allowed to operate until such time as the objectionable condition is remedied to Landlord's satisfaction.
- d. Tenant shall comply, at its sole cost and expense, with all orders, requirements and conditions now or hereafter imposed by any ordinances, laws, orders and/or regulations (hereinafter



collectively called "regulations") of any governmental body having jurisdiction over the Premises or the Building, whether required of Landlord or otherwise, regarding the collection, sorting, separation and recycling of waste products, garbage, refuse and trash (hereinafter collectively called "waste products") including but not limited to the separation of such waste products into receptacles reasonably approved by Landlord and the removal of such receptacles in accordance with any collection schedules prescribed by such regulations. Landlord reserves the right (i) to refuse to accept from Tenant any waste products that are not prepared for collection in accordance with any such regulations, (ii) to require Tenant to arrange for non-conforming waste product collection at Tenant's sole cost and expense, utilizing a contractor reasonably satisfactory to Landlord, and (iii) to require Tenant to pay all costs, expenses, fines, penalties, or damages that may be imposed on Landlord or Tenant by reason of Tenant's failure to comply with any such regulations. Notwithstanding the foregoing, if Tenant is unable to comply with Landlord's standard procedures regarding the internal collection, sorting, separation and recycling of waste products, Landlord shall use reasonable efforts to arrange for alternative procedures for Tenant, and Tenant shall pay Landlord all additional costs incurred by Landlord with respect thereto.

- e. Electronic Access. Landlord shall provide an electronic access system with computerized card access at the front entrance of the Building. Tenant shall have access to the Premises 24 hours per day, 365 days per year. Landlord shall not be responsible for the quality, action or inaction of the Building access system or for any damage or injury to Tenant, its employees, invitees or others, or their property, resulting from any failure, action or inaction of the Building access system. Landlord shall provide to Tenant on or before the Lease Commencement Date a reasonable number of access cards or keys (up to a maximum amount of 25 cards) for Tenant's then current employees at no additional charge to Tenant. Additional keys or cards may be obtained upon written request delivered by Tenant to Landlord. Tenant shall pay to Landlord the actual cost incurred by Landlord to obtain such additional cards.
- Supplemental HVAC. Tenant, at Tenant's sole cost and expense, shall have the right to f. install supplementary HVAC equipment (the "HVAC Equipment") on the roof of the Building in a location designated by Landlord, provided that the exact dimensions, weight, location, and installation procedures for such equipment are approved by Landlord prior to such installation. Throughout the Term, Tenant shall (i) ensure that the HVAC Equipment complies with all applicable laws, statutes and ordinances; (ii) cause engineers, reasonably acceptable to Landlord to inspect such HVAC Equipment at least once yearly to insure that such equipment is functioning properly; (iii) maintain the HVAC Equipment good order and repair; (iv) maintain insurance coverages with respect thereto; (v) maintain all permits and governmental approvals necessary, if any, for the operation of the HVAC Equipment. Tenant shall be liable for and shall pay the cost of any repairs to the roof necessitated by the installation, maintenance and removal of the HVAC Equipment, which costs are hereby deemed to be Additional Rent hereunder, and provided further however, that upon the expiration or termination of this Lease, the HVAC Equipment shall be removed, at Landlord's option, by Tenant at Tenant's sole cost and risk. The HVAC Equipment shall, at Tenant's sole cost and expense, be sub-metered and Tenant shall reimburse to Landlord as Additional Rent the cost charged by the electric utility company to Landlord for the electricity consumed in connection with the HVAC Equipment. Tenant's or tenant's agents or contractors entry upon the roof to install, maintain or remove the HVAC Equipment shall be at their respective sole risk and Tenant shall indemnify and hold Landlord harmless from any claims for personal injury or property damage arising from such entry by Tenant or Tenant's agents. Tenant shall be responsible for all electrical costs and maintenance associated with the existing supplemental HVAC in the Premises as well as any supplemental HVAC that Tenant wishes to install. Tenant shall be responsible for electrical costs associated with the LAN Room which is currently sub-metered.

10. Rights of Landlord.

- Landlord reserves the following rights:
 - (i) To change the name of the Building without notice or liability to Tenant;
- (ii) To approve or disapprove the design, location, number, size and color of all signs or lettering on the Premises or visible from the exterior of the Premises;



- (iii) To have pass keys and/or access cards to the Premises;
- (iv) To grant to anyone the exclusive right to conduct any particular lawful business or undertaking in the Building;
- (v) To enter the Premises at any reasonable time for inspection or at any time in the event of any emergency; to supply any service to be provided by Landlord here or to permit its mortgagee to do so; to submit the Premises during the last six (6) months of the Term to prospective purchasers or tenants; to post notices of non-responsibility, to affix and display "For Rent" signs; and to make repairs, alterations, additions or improvements to the Premises or the Building provided that best efforts are used to do so after hours and to minimize disruption to Tenant's business; and
- (vi) To approve the design, location, number, size and color of all signs located on the interior of the Building. No exterior Building signage is permitted.
- Without limiting the generality of the provisions of Section 10a, above, at any time during the Term of this Lease, Landlord shall have the right to remove, alter, improve, renovate or rebuild the common areas of the Building (including but not limited to the lobby, hallways and corridors thereof), and to have access to the Premises if required for any installation, repair, replacement, alteration, improvement or rebuilding of other tenants' premises and/or the common areas of the Building (including the lobby, hallways and corridors thereof), and to repair and maintain any mechanical, electrical, water, sprinkler, plumbing, heating, air conditioning and ventilating systems, at any time during the Term of this Lease. In connection with making any such installations, repairs, replacements, alterations, additions and improvements under the terms of this Section 10, Landlord shall have the right to access through the Premises as well as the right to take into and upon and through the Premises or any other part of the Building, all materials that may be required to make any such repairs, replacements, alterations, additions or improvements, as well as the right in the course of such work to temporarily close entrances, doors, corridors, elevators or other facilities located in the Building or temporarily to cease the operations of any services or facilities therein or to take portion(s) of the Premises reasonably necessary in connection with such work, without being deemed or held guilty of an eviction of Tenant; provided, however that Landlord agrees to use all reasonable efforts not to interfere with or interrupt Tenant's business operation in the Premises. Landlord shall have the right to install, use and maintain pipes and conduits in and through the Premises, including without limitation telephone and computer installations, provided that they do not permanently materially adversely affect Tenant's access to or use of the Premises.

c. Intentionally Omitted.

- d. Except for cases of gross negligence or willful misconduct Landlord shall not be liable to Tenant for any expense, injury, loss or damage resulting from Landlord's exercise of any rights under this Section 10, all claims against Landlord for any and all such liability being hereby expressly released by Tenant. Except for cases of gross negligence or willful misconduct Landlord shall not be liable for damages to Tenant's property, business or person to Tenant by reason of interference with the business of Tenant or inconvenience or annoyance to Tenant or the customers of Tenant. The Rent reserved herein shall not abate while the Landlord's rights under this Section 10 are exercised, and Tenant shall not be entitled to any set-off or counterclaims for damages of any kind against Landlord by reason thereof, all such claims being hereby expressly released by Tenant.
- e. Landlord shall have the right to use any and all means which Landlord may deem proper to open all of the doors in, upon and about the Premises, excluding Tenant's vaults and safes, in any emergency in order to obtain entry to the Premises. Any entry to the Premises obtained by Landlord by any of said means shall not be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion thereof.

11. Liability.

a. Except for cases of gross negligence or willful misconduct Landlord and its agents, officers, directors and employees assume no liability or responsibility whatsoever with respect to the conduct or operation of the business to be conducted in the Premises and shall have no liability for any claim of loss of business or interruption of operations (or any claim related thereto). Except for cases of gross negligence or willful misconduct Landlord and its agents, officers, directors and employees shall not

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be liable for any accident to or injury to any person or persons or property in or about the Premises which are caused by the conduct and operation of said business or by virtue of equipment or property of Tenant in said Premises. Tenant agrees to hold Landford and its agents, officers, directors and employees harmless against all such claims, except to the extent resulting from Landlord's willful misconduct. Landlord and its agents, officer, directors and employees shall not be liable to Tenant, its employees, agents, business invitees, licensees, customers, clients, family members or guests for any damage, compensation or claim arising out of or related to managing the Premises or the Building, repairing any portion of the Premises or the Building, the interruption in the use of the Premises, accident or damage resulting from the use or operation (by Landlord and its agents, officers, directors and employees, Tenant, or any other person or persons whatsoever) or failure of elevators, or heating, cooling, electrical or plumbing equipment or apparatus, or the termination of this Lease by reason of the destruction of the Premises, or from any fire, robbery, theft, mysterious disappearance and/or any other casualty, or from any leakage in any part of portion of the Premises or the Building, or from water, rain or snow that may leak into or flow from any part of the Premises or the Building, or from any other cause whatsoever, unless occasioned by the willful misconduct of Landlord. In no event shall Landlord be liable for punitive or consequential damages, nor shall Landlord be liable with respect to utilities furnished to the Premises, or the lack of any utilities. Any goods, property or personal effects, stored or placed by Tenant in or about the Premises or in the Building, shall be at the sole risk of Tenant, and Landlord and its agents, officers, directors and employees shall not in any manner be held responsible therefor, except if such injury or damage results from Landlord's willful misconduct. The agents and employees of Landlord are prohibited from receiving any packages or other articles delivered to the Building for Tenant, and if any such agent or employee receives any such package or articles, such agent or employee shall be the agent of Tenant for such purposes and not of Landlord.

- b. Tenant hereby agrees to indemnify and hold Landlord and its agents, officers, directors and employees harmless from and against any cost, damage, claim, liability or expense (including reasonable attorneys' fees) incurred by or claimed against Landlord and its agents, officers, directors and employees, directly or indirectly, as a result of or in any way arising from (i) Tenant's use and occupancy of the Premises or in any other manner which relates to the business of Tenant, including, but not limited to, any cost, damage, claim, liability or expense arising from any violation of any zoning, health, environmental or other law, ordinance, order, rule or regulation of any governmental body or agency; (ii) the gross negligence or willful misconduct of Tenant, its officers, directors, employees and agents; (iii) any default, breach or violation of this Lease by Tenant; or (iv) injury or death to individuals or damage to property sustained in or about the Premises.
- c. Landlord agrees to indemnify and hold Tenant harmless from and against any cost, damage, claim, liability or expense (including reasonable attorneys' fees) (collectively, a "loss") attributable to loss of life or injury to person and which arise from the willful or negligent acts of Landlord, its agents and employees.

12. <u>Insurance</u>.

- a. Tenant shall maintain at all times during the Term hereof and at its sole cost and expense, broad-form commercial general liability insurance for bodily injury and property damage naming Landlord as an additional insured, in such amounts as are adequate to protect Landlord and Landlord's managing agents against liability for injury to or death of any person in connection with the use, operation or condition of the Premises. Such insurance at all times shall be in an amount of not less than Two Million Dollars (\$2,000,000) combined single limit aggregate for bodily injury or death or damage to property & Five Hundred Thousand Dollars (\$500,000) Fire Legal Liability Insurance. If, in the opinion of the insurance broker retained by Landlord, the amount of public liability and property damage insurance coverage at any time during the Term is not adequate, Tenant shall increase the insurance coverage as required by Landlord's insurance broker. In no event shall the limits of such policy be considered as limiting the liability of Tenant under this Lease.
- b. Tenant shall at all times during the Term hereof maintain in effect policies of insurance covering the Leasehold Improvements (including any Alterations, additions or improvements as may be made by Tenant after the Commencement Date), plate glass, trade fixtures, merchandise and all other personal property from time to time in or on the Premises, in an amount not less than one hundred

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percent (100%) of their actual replacement cost, providing protection against all risks covered by standard form of "Fire and Extended Coverage Insurance," together with insurance against vandalism and malicious mischief. Tenant shall also maintain at its sole cost and expense workman's compensation insurance in the maximum amount required by law. All policies of fire and/or extended coverage or other insurance covering the Premises or the contents thereof obtained by Tenant shall contain a clause or endorsement providing in substance that (i) such insurance shall not be prejudiced if the insureds thereunder have waived in whole or in part the right of recovery from any person or persons prior to the date and time of loss or damage, if any, and (ii) the insurer waives any rights of subrogation against Landlord.

- All insurance required to be carried by Tenant shall be issued by responsible insurance companies, qualified to do business in the Commonwealth of Virginia and reasonably acceptable to Landlord. Each policy shall name Landlord, Landlord's mortgagee and the property management company retained by Landlord at the Building, as additional insureds, and shall contain a provision that the same may not be cancelled or reduced without providing Landlord not less than thirty (30) days' prior written notice. Copies of all policies or, at Landlord's option, certificates of insurance (ACCORD 27 only) evidencing the existence and amounts of said insurance shall be delivered to Landlord no later than five (5) days prior to the Commencement Date, and renewals thereof shall be delivered to Landlord at least ten (10) days prior to the expiration of any such policy. If Tenant fails to adhere to the requirements of this Section 12, Landlord may order such insurance and charge the cost thereof to Tenant, which amount shall be deemed Additional Rent hereunder and shall be payable by Tenant upon demand. Tenant's failure to provide and keep in force the aforementioned insurance shall be regarded as a material default hereunder, entitling Landlord to exercise any or all of the remedies provided in this Lease. Any policy may be carried under so-called "blanket coverage" form of insurance policies. Tenant shall obtain and furnish evidence to Landlord of the waiver by Tenant's insurance carriers of any right of subrogation against Landlord and Landlord's management company at the Building.
- d. Notwithstanding any other provision of this Lease to the contrary, Landlord and Tenant agree that in the event that the Building, the Premises or the contents thereof are damaged or destroyed by fire or other casualty, each party hereto waives its rights, if any, against the other party with respect to such damage or destruction to the extent such damage or destruction is covered under the property insurance policy(ies) of the party waiving such rights (or would have been covered had the party waiving such rights carried the property insurance required hereunder to be carried by such party); provided however, if any fire or other casualty caused by Tenant shall have damaged or destroyed any part of the Building or the contents thereof, Tenant shall be responsible for any deductible amount under Landlord's property insurance policy(ies).

13. Fire or Casualty.

- a. If the Premises or any part thereof shall be damaged by fire or any other cause, Tenant shall give prompt notice thereof to Landlord. If, in the judgment of Landlord's architect, restoration of the Premises is feasible within a period of nine (9) months from the date of the damage, and provided such damage was not caused by Tenant, its agents, servants or invitees, Landlord shall restore the Premises to the extent of the Tenant Improvements set forth in the Work Agreement, provided that adequate insurance proceeds are made available to Landlord. Tenant agrees to make all proceeds of Tenant's insurance policies available to Landlord in accordance with Tenant's insurance obligations set forth in Section 12, above. In addition, Tenant shall repair and restore, at Tenant's sole expense, all furniture, fixtures and other property of Tenant located in the Premises prior to such casualty. If the Premises are unusable, in whole or in part, during such restoration, the Monthly Base Rent and Additional Rent hereunder shall be abated to the extent and for the period that the Premises are unusable; provided, however, that if such damage or destruction shall result from the gross negligence or willful misconduct of Tenant, its employees, agents or invitees, Tenant shall not be entitled to any abatement of Monthly Base Rent or Additional Rent.
- b. If restoration is not feasible in the sole judgment of Landlord's architect within the aforesaid nine (9) month period, Landlord shall so notify Tenant, and Landlord and Tenant shall each have the right to terminate this Lease by giving written notice thereof to the other party within sixty (60) days after the occurrence of such damage, in which event this Lease and the tenancy hereunder shall



terminate as of the date of such damage or destruction and the Monthly Base Rent and Additional Rent will be apportioned as of the date of such damage or destruction. If neither party exercises its right of termination, the Premises shall be restored as provided above.

- c. In case the Building is so severely damaged by fire or other casualty (although the Premises may not be affected) that Landlord shall decide in its sole discretion not to rebuild or reconstruct such Building, then this Lease and the tenancy hereunder shall terminate on the date of such casualty.
- 14. <u>Eminent Domain</u>. If the Premises or any part thereof shall be taken by any governmental or quasi-governmental authority pursuant to the power of eminent domain, Tenant shall make no claim for compensation in such proceedings that would otherwise diminish the Landlord's claim and shall have no right to participate in any of Landlord's condemnation proceedings under any statutes, laws or ordinances of the Commonwealth of Virginia. All sums awarded or agreed upon between Landlord and the condemning authority for the taking of the interest of Landlord or Tenant, whether as damages or as compensation, will be the property of Landlord. In the event of such taking, Rent shall be paid to the date of vesting of title in the condemning authority.

15. Subordination and Estoppel Certificates.

- This Lease shall be subject and subordinate at all times to all ground or underlying leases which now exist or may hereafter be executed affecting the Building or any part thereof or the Land, and to the lien of any first lien mortgages or deeds of trust in any amount or amounts whatsoever now or hereafter placed on or against the Building or any part thereof or the Land, or on or against Landlord's interest or estate therein or on or against any ground or underlying lease without the necessity of having further instruments on the part of Tenant to effect such subordination. Upon request of Landlord, Tenant will execute any further written instrument necessary to subordinate its rights hereunder to any such underlying leases or liens provided such instrument recognizes this lease and provides a non-disturbance agreement. If, at any time, or from time to time during the Term, any mortgagee shall require that this Lease have priority over the lien of such mortgage, this Lease shall have priority over the lien of such mortgage and all renewals, modifications, replacements, consolidations and extensions thereof and all advances made thereunder and interest thereon, and if requests by such mortgagee. Tenant shall, within ten (10) days after receipt of a request therefor from Landlord, execute, acknowledge and deliver any and all documents and instruments confirming the priority of this Lease. In any event, however, this Lease shall not become subject or subordinate to the lien of any subordinate mortgage, and Tenant shall not execute any subordination documents or instruments for any subordinate mortgagee, without the written consent of the first mortgagee.
- b. In the event of (i) a transfer of Landlord's interest in the Building, (ii) the termination of any ground or underlying lease of the Building, or the Land, or both, or (iii) the purchase or other acquisition of the Building, or Landlord's interest therein in a foreclosure sale or by deed in lieu of foreclosure under any mortgage or deed of trust, or pursuant to a power of sale contained in any mortgage or deed of trust, then in any of such events Tenant hereby agrees to, attorn to and recognize the transferee or purchaser of Landlord's interest or the interest of the lessor under the terminated ground or underlying lease, as the case may be, as "Landlord" under this Lease for the balance then remaining of the Term, such attornment to be automatic and shall require no further action on the part of any party and thereafter this Lease shall continue as a direct lease between such person or entity, as "Landlord," and Tenant, as "Tenant," except that such lessor, transferee or purchaser shall recognize this Lease, not disturb Tenant's tenancy hereunder and not be liable for any act or omission of Landlord before such transfer or before such person's succession to title, nor be subject to any offset, defense or counterclaim accruing before such transfer or before such person's succession to title, nor be bound by any payment of Monthly Base Rent or Additional Rent before such transfer or before such person's succession to title for more than one month in advance.
- c. Tenant agrees, at any time, and from time to time, upon not less than twenty (20) days' prior notice by Landlord, to execute, acknowledge and deliver to Landlord, a statement in writing certifying that (i) this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); (ii) after the Commencement Date that the Term of the Lease has commenced and the full rental is now accruing hereunder; (iii) Tenant has accepted possession of the Premises and is presently occupying the same or if not the

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reasons as to why; (iv) all improvements required by the terms of the Lease to be made by Landlord have been completed and all tenant improvement allowances have been paid in full or if not what issues may be outstanding; (v) there are no offsets, counterclaims, abatements or defenses against or with respect to the payment of any rent or other charges due under the Lease; (vi) no rent under the Lease has been paid more than thirty (30) days in advance of its due date; (vii) to the best of the knowledge of the Tenant, Landlord is not in default in the performance of any covenant, agreement, provision or condition contained in the Lease or, if so, specifying each such default of which Tenant may have knowledge; (vii) the address for notices to be sent to Tenant; (ix) the only security deposit tendered by Tenant, if any, is as set forth in the Lease, and such security deposit, if any, has been paid to Landlord; and (x) any other reasonable and customary information requested by Landlord or any mortgagee or ground lessor of the Building and/or the Land it being intended that any such statement delivered pursuant hereto may be relied upon by any prospective purchaser or lessee of the Building or any part thereof, any mortgagee or prospective mortgagee thereof, any prospective assignee of any mortgage thereof, any ground lessor or prospective ground lessor of the Land and/or the Building, or any prospective assignee of any such ground lease. Tenant also agrees to execute and deliver from time to time such estoppel certificates as an institutional lender may require with respect to this Lease.

16. Default and Remedies.

- a. If Tenant shall (i) fail to pay any installment of Monthly Base Rent, although no legal or formal demand has been made therefor, within five (5) days after written notice from Landlord that it is past due, or (ii) fail to make any payment of Additional Rent or any other payment required by the terms and provisions hereof, within five (5) days after written notice or demand therefor, or (iii) except for a Permitted Transfer, convey, assign, mortgage or sublet this Lease, the Premises or any part thereof, or Tenant's interest therein, or attempt any of the foregoing, without the prior written consent of Landlord; or (iv) abandon the Premises for a period of ten (10) consecutive calendar days; or (v) commit or suffer to exist an Event of Bankruptcy (hereinafter defined), or (vi) fail to maintain the insurance coverage required by Section 12, above, or (vii) violate or fail to perform any of the other terms, conditions, covenants, or agreements herein made by Tenant and fails to cure such default within fifteen (15) calendar days after written notice, provided, however, that if the nature of Tenant's failure is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be in default if it begins such cure within the fifteen (15) day period described above and thereafter diligently prosecutes such cure to completion; then there shall be deemed to have been committed an "Event of Default".
- b. In the event of any Event of Default by Tenant as defined in Section 16a, Landlord may at any time thereafter, without notice and demand and without limiting Landlord in the exercise of any other right or remedy which Landlord may have by reason of such default or breach do any of the following:
- (i) Landlord may terminate this Lease, by giving written notice of such termination to Tenant, whereupon this Lease shall automatically cease and terminate and Tenant shall be immediately obligated to quit the Premises. Any other notice to quit or notice of Landlord's intention to re-enter the Premises is hereby expressly waived. If Landlord elects to terminate this Lease, everything contained in this Lease on the part of Landlord to be done and performed shall cease without prejudice, subject, however, to the right of Landlord to recover from Tenant all rent and any other sums accrued up to the time of termination or recovery of possession by Landlord, whichever is later.
- possession of the Premises 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 this Lease is terminated or Landlord recovers possession of the Premises before the expiration of the Term by reason of Tenant's Event of Default as hereinabove provided, or if Tenant shall abandon the Premises before the Lease Expiration Date Landlord shall have the option to take reasonable steps to relet the Premises for such rent and upon such terms as are not unreasonable under the circumstances and, if the full rental reserved under this Lease (and any of the costs, expenses or damages indicated below) shall not be realized by Landlord, Tenant shall be liable for all damages sustained by Landlord, including without limitation deficiency in rent during any period of vacancy or otherwise; the costs of removing and storing the property of Tenant or of any other occupant; the then-remaining unamortized portion of the Improvement Allowance described in the Work Agreement; all

reasonable expenses incurred by Landlord in enforcing Landlord's remedies, including without limitation reasonable attorneys' fees and Late Charges as provided herein, and advertising, brokerage fees and expenses of placing the Premises in first class rentable condition. Landlord, in putting the Premises in good order or preparing the same for rerental may, at Landlord's option, make such alterations, repairs, or replacements in the Premises as Landlord, in its sole judgment, considers advisable and necessary for the purpose of reletting the Premises, and the making of such alterations, repairs, or replacements shall not operate or be construed to release Tenant from liability hereunder as aforesaid.

- Any damage or loss of rent sustained by Landlord may be recovered by Landlord, at Landlord's option, at the time of termination of this Lease, 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 in a single proceeding deferred until the expiration of the Term (in which event Tenant hereby agrees that the cause of action shall not be deemed to have accrued until the date of expiration of said Term) or in a single proceeding prior to either the time of reletting or the expiration of the Term. If the Landlord elects to repossess the Premises without terminating this Lease, then Tenant shall be liable for and shall pay to Landlord all Rent and other indebtedness accrued to the date of such repossession, plus Rent required to be paid by Tenant to Landlord during the remainder of this Lease until the date of expiration of the Term, diminished by any net sums thereafter received by Landlord through reletting the Premises during such period (after deducting expenses incurred by Landlord as provided in Section 16b(ii), above). In no event shall Tenant be entitled to any excess of any Rent obtained by reletting over and above the Rent herein reserved. Actions to collect amounts due from Tenant as provided in this Section 16(a)(iii) may be brought from time to time, on one or more occasions, without the necessity of Landlord's waiting until expiration of this Lease term. Upon termination of this Lease or repossession of the Premises following a default hereunder, Landlord shall have no obligation to relet or attempt to relet the Premises or any portion thereof or to collect rental after reletting; and in the event of reletting Landlord may relet the whole or any portion of the Premises for any period, to any tenant, and for any use and purpose on such terms and at such rentals as Landlord in its exclusive judgment may determine.
- c. Notwithstanding the foregoing, if Landlord terminates this Lease pursuant to Section 16b(i), above, Landlord shall be entitled to recover from Tenant, and Tenant shall pay to Landlord on demand, as and for liquidated and agreed final damages for Tenant's default, an amount equal to the difference between (i) all Monthly Base Rent, Additional Rent and other sums which would be payable under this Lease from the date of such demand (or, if it is earlier, the date to which Tenant shall have satisfied in full its obligations under Section 16b(ii), above) for what would be the then unexpired Term in the absence of such termination, and (ii) the fair market rental value of the Premises over the same period (net of all expenses and all vacancy periods reasonably projected by Landlord to be incurred in connection with the reletting of the Premises), with such differential discounted at the rate of five percent (5%) per annum. Nothing herein shall be construed to affect or prejudice Landlord's right to prove, and claim in full, unpaid Rent or any other amounts accrued prior to termination of this Lease.
- d. Notwithstanding anything herein to the contrary, upon the occurrence of an Event of Default hereunder, Landlord, with or without terminating the Lease, may immediately reenter and take possession of the Premises and evict Tenant therefrom, with legal process, using such force as may be necessary, without being liable for or guilty of trespass, forcible entry or any other tort. Landlord's right to exercise such "self-help" remedy shall be in addition to, and not in limitation of, Landlord's other rights and remedies hereunder for a breach by Tenant of its obligations under the Lease.
 - e. Intentionally Omitted.
- f. Landlord and Tenant shall and each does hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease or its termination, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises or any claim of injury or damage and any emergency statutory or any other statutory remedy. In the event Landlord commences any summary proceeding for nonpayment of Rent or Additional Rent, or commences any other action or proceeding against Tenant in connection with this Lease, Tenant will interpose no counterclaim of whatever nature or description in any such proceeding.

- g. In the event of a breach by Tenant of any of the covenants or provisions hereof, Landlord shall have the right of injunction and the right to invoke any remedy allowed at law or in equity as if reentry, summary proceedings and other remedies were not provided for herein.
- h. In the event of any default by Landlord, Tenant's exclusive remedy shall be an action for damages (Tenant hereby waiving the benefit of any laws granting Tenant a lien upon the property of Landlord or upon Rent due Landlord), but prior to any such action Tenant will give Landlord notice specifying such default with particularity, and Landlord shall have thirty (30) days after receipt of such notice in which to cure any such default; provided, however, that if such default cannot, by its nature, be cured within such period, Landlord shall not be deemed in default if Landlord shall within such period commence to cure such default and shall diligently prosecute the same to completion. Unless and until Landlord fails so to cure any default after notice, Tenant shall have no remedy or cause of action by reason thereof. All obligations of Landlord hereunder will be construed as covenants, not conditions; all such obligations will be binding upon Landlord only during the period of its ownership of the Building and not thereafter; and no default or alleged default by Landlord shall relieve or delay performance by Tenant of its obligations to continue to pay Annual Base Rent and Additional Rent hereunder as and when the same shall be due.

17. Bankruptcy.

- a. For purposes of this Lease, the following shall be deemed "Events of Bankruptcy": (i) if a receiver or custodian is appointed for any or all of Tenant's property or assets, or if there is instituted a foreclosure action on any of Tenant's property; or (ii) if Tenant files a voluntary petition under 11 U.S.C. Article 101 et seq., as amended (the "Bankruptcy Code"), or under the insolvency laws of any jurisdiction (the "Insolvency Laws"); or (iii) if there is filed an involuntary petition against Tenant as the subject debtor under the Bankruptcy Code or Insolvency Laws, which is not dismissed within thirty (30) days of filing; or (iv) if Tenant makes or consents to an assignment of its assets, in whole or in part, for the benefit of creditors, or a common law composition of creditors; or (v) if Tenant generally is not paying its debts as its debts become due.
- b. Upon the occurrence of an Event of Bankruptcy, Landlord, at its option and sole discretion, may terminate this Lease by written notice to Tenant (subject, however, to applicable provisions of the Bankruptcy Code or Insolvency Laws during the pendency of any action thereunder). If this Lease is terminated under this Section 17, Tenant shall immediately surrender and vacate the Premises, waives all statutory or other notice to quit, and agrees that Landlord shall have all rights and remedies against Tenant provided in Section 16 in case of an Event of Default by Tenant.
- If Tenant becomes the subject debtor in a case pending under the Bankruptcy Code (the "Bankruptcy Case"), Landlord's right to terminate this Lease under this Section 17 shall be subject to the applicable rights (if any) of the debtor-in-possession or the debtor's trustee in bankruptcy (collectively, the "Trustee") to assume or assign this Lease as then provided for in the Bankruptcy Code, however, the Trustee must give to Landlord, and Landlord must receive, proper written notice of the Trustee's assumption or rejection of this Lease, within sixty (60) days (or such other applicable period as is provided pursuant to the Bankruptcy Code, it being agreed that sixty (60) days is a reasonable period of time for election of an assumption or rejection of this Lease) after the commencement of the Bankruptcy Case; it being agreed that failure of the Trustee to give notice of such assumption hereof within said period shall conclusively and irrevocably constitute the Trustee's rejection of this Lease and waiver of any right of the Trustee to assume or assign this Lease. The Trustee shall not have the right to assume or assign this Lease unless said Trustee (i) promptly and fully cures all defaults under this Lease, (ii) promptly and fully compensates Landlord and any third party (including other tenants) for all monetary damages incurred as a result of such default, and (iii) provides to Landlord "adequate assurance of future performance." Landlord and Tenant (which term may include the debtor or any permitted assignee of debtor) hereby agree in advance that "adequate assurance of performance" as used in this paragraph, shall mean that all of the following minimum criteria must be met: (1) the source of Monthly Base Rent, Additional Rent, and other consideration due under this Lease, and the financial condition and operating performance of Tenant, and its guarantor, if any, shall be similar to the financial condition and operating performance of Tenant as of the Lease Commencement Date; (2) Trustee or Tenant must pay to Landlord all Monthly Base Rent and Additional Rent payable by Tenant hereunder in advance, and (3)

Trustee or Tenant must agree (by writing delivered to Landlord) that the use of the Premises shall be used only for the permitted use as stated in this Lease, and that any assumption or assignment of this Lease is subject to all of the provisions thereof and will not violate or affect the rights or agreements of any other tenants or occupants in the Building or of Landlord (including any mortgage or other financing agreement for the Building. The criteria stated above are not intended to be exhaustive or all-inclusive and Landlord may determine that the circumstances of Tenant or of this Lease require other or further assurances of future performance. In the event Tenant is unable to: (a) cure its defaults, (b) reimburse Landlord for its monetary damages, (c) pay the Monthly Base Rent and Additional Rent due under this Lease on time, or (d) meet that criteria and obligations imposed by (1) through (5), above, then Tenant hereby agrees in advance that it has not met its burden to provide adequate assurance of future performance, and this Lease may be terminated by Landlord in accordance with Section 17b, above.

- 18. Payment of Tenant's Obligations by Landlord and Unpaid Rent. All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense. If Tenant shall fail to pay any sum of money, other than Rent, required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue beyond written notice from Landlord and any applicable grace period set forth in this Lease, Landlord may, without waiving or releasing Tenant from any of its obligations hereunder, make any such payment or perform any such other required act on Tenant's part. All sums so paid by Landlord, and all necessary incidental costs, together with interest thereon at four percentage points (4%) over the Prime Rate then in effect, from the date of such payment by Landlord, shall be payable by Tenant to Landlord as Additional Rent hereunder, on demand, and Tenant covenants and agrees to pay any such sums. Landlord shall have (in addition to any other right or remedy of Landlord hereunder or at law) the same rights and remedies in the event of the nonpayment thereof by Tenant as in the case of default by Tenant in the payment of Additional Rent.
- 19. <u>Voluntary Surrender</u>. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the sole option of Landlord, terminate all or any existing subleases or subtenancies, or may, at the sole option of Landlord, operate as an assignment to Landlord of any or all such subleases or subtenancies; provided however, that if Landlord elects to treat such termination as an assignment of any such sublease, Landlord shall have no obligation or liability to the subtenant thereunder for any claim, damage or injury which accrued prior to the date of surrender or mutual cancellation hereunder.
- 20. Abandonment of Personal Property. Upon the expiration of the Term or earlier termination of this Lease, Tenant shall forthwith remove Tenant's goods and effects and those of any other persons claiming through or under Tenant, or subtenancies assigned to it, and quit and deliver the Premises to the Landlord peaceably and quietly. Goods and effects not removed by Tenant after termination of this Lease (or within forty-eight (48) hours after termination) shall be considered abandoned. Landlord shall give Tenant notice of right to reclaim abandoned property pursuant to applicable local law and may thereafter dispose of the same as Landlord deems expedient, including public or private sale and/or storage in a public warehouse or elsewhere at the sole cost, and for the account, of Tenant, and Tenant shall promptly upon demand reimburse Landlord for any expenses incurred by Landlord in connection therewith, including reasonable attorneys' fees.
- 21. <u>Hold-Over</u>. If Tenant shall not immediately surrender the Premises at the expiration of the Term then Tenant shall, by virtue of the provisions of this Section 21, become a tenant by the month. In such event Tenant shall be required to pay 150% of the amount of the Monthly Base Rent then in effect and as subsequently escalated in accordance with the provisions hereof, together with all Additional Rent in effect during the last month of the Term commencing said monthly tenancy with the first day next after the end of the Term; and said Tenant, as a month-to-month tenant, shall be subject to all of the conditions and covenants of this Lease as though the same had originally been a monthly tenancy, except as otherwise provided above with respect to the payment of Rent. Each party hereto shall give to the other at least thirty (30) days' written notice to quit the Premises, except in the event of non-payment of Rent provided for herein when due, or of the breach of any other covenant by the said Tenant, in which event, Tenant shall not be entitled to any notice to quit, the usual thirty (30) days' notice to quit being expressly waived; provided, however, that in the event that Tenant shall hold over after expiration of the Term, and if Landlord shall desire to regain possession of said Premises promptly at the expiration of the Term, then

at any time prior to the acceptance of the Rent by Landlord from Tenant, as a monthly tenant hereunder, Landlord, at its election or option, may reenter and take possession of the Premises forthwith, with due process, or by any legal action or process in the Commonwealth of Virginia.

22. Intentionally Omitted

23. Parking.

- a. Tenant shall be provided, without charge, 3.3 parking spaces per 1,000 rentable square feet of the Premises then being leased by Tenant. Such parking space shall be located in the parking garage apart of the Building for use by Tenant's employees, agents and guests. Access cards shall be provided to Tenant at the Landlord's sole cost and expense up to the amount outlined in Section 9 (e), additional cards or lost cards shall cost \$25.00 per card.
- b. Tenant agrees that it and its employees shall observe reasonable safety precautions in the use of the parking garage, and shall at all times abide by all rules and regulations promulgated by Landlord or the parking operator governing the use of the parking garage. Tenant understands and agrees that Landlord does not assume any responsibility for any damage or loss to any automobiles parked in the garage or on the surface parking lots, or to any personal property located therein or thereon, or for any injury sustained by any person in or about the garage.
- 24. Notices. Any and all notices or demands required or permitted herein shall be in writing and served (a) personally, by certified mail, return receipt requested, (b) by certified mail, return receipt requested or (c) by guaranteed overnight courier, at the addresses provided in Section 1g above. If served personally, service shall be conclusively deemed made at the time of such delivery. If served by certified mail, service shall be conclusively deemed made forty-eight (48) hours after the deposit thereof in the United States mail, postage prepaid, pursuant to this Section 24. If served by overnight courier, service shall be conclusively deemed made one (1) business day after deposit with such courier. Either party may specify a different address according to the terms of this Section 24.
- 25. Brokers. Landlord and Tenant recognize (collectively, the "Brokers") as the sole brokers with respect to this Lease and Landlord agrees to be responsible for the payment of any leasing commissions owed to the aforesaid Brokers in accordance with the terms of separate commission agreements entered into between Landlord and each of said Brokers. Landlord and Tenant each represents and warrants to the other that, except for the Brokers, no other broker has been employed in carrying on any negotiations relating to this Lease and shall each indemnify and hold harmless the other from any claim for brokerage or other commission arising from or out of any breach of the foregoing representation and warranty.

26. Environmental Concerns.

- a. Tenant, its agents, employees, contractors or invites shall not (i) cause or permit any Hazardous Materials (hereinafter defined) to be brought upon, stored, used or disposed on, in or about the Premises and/or the Building, or (ii) knowingly permit the release, discharge, spill or emission of any Hazardous Material in or from the Premises.
- b. Tenant hereby agrees that it is and shall be fully responsible for all costs, expenses, damages or liabilities (including, but not limited to those incurred by Landlord and/or its mortgagee) which may occur from the use, storage, disposal, release, spill, discharge or emissions of Hazardous Materials by Tenant whether or not the same may be permitted by this Lease. Tenant shall defend, indemnify and hold harmless Landlord, its mortgagee and its agents from and against any claims, demands, administrative orders, judicial orders, penalties, fines, liabilities, settlements, damages, costs or expenses (including, without limitation, reasonable attorney and consultant fees, court costs and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to the use, storage, disposal, release, discharge, spill or emission of any Hazardous Material, or the violation of any Environmental Laws, by Tenant, its agents, employees, contractors or invites in the Premises. The provisions of this Section 26 shall be in addition to any other obligations and liabilities Tenant may have to Landlord at law or in equity and shall survive the transactions contemplated herein or any termination of this Lease.

- c. As used in this Lease, the term "Hazardous Materials" shall include, without limitation:
- (i) Those substances included within the definitions of "hazardous substances", "hazardous materials," toxic substances," or "solid waste" in the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. §9601 et seq.) ("CERCLA"), as amended by Superfund Amendments and Reauthorization Act of 1986 ("SARA"), the Resource Conservation and Recovery Act of 1976 ("RCRA"), and the Hazardous Materials Transportation Act, and in the regulations promulgated pursuant to said laws, all as amended;
- (ii) Those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (of any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto); and
- (iii) Any material, waste or substance which is (A) petroleum, (B) asbestos, (C) polychlorinated biphenyl, (D) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. §1251 et seq. (33 U.S.C. §1321) or listed pursuant to Section of the Clean Water Act (33 U.S.C. §1317); (E) flammable explosives; or (F) radioactive materials.
- (iv) All federal, state or local laws, statutes, regulations, rules, ordinances, codes, standards, orders, licenses and permits of any governmental authority or issued or promulgated thereunder shall be referred to as the "Environmental Laws."
- (v) Landlord represents and warrants that to the best of its knowledge, the air within the Premises, and any associated common area, is free of friable asbestos or any other Hazardous Materials whose presence in such air would violate any applicable federal, state or local law, ordinance or regulation, and Landlord agrees to use commercially reasonable efforts to ensure that the air within the Premises and any associated common area remains free of such Hazardous Materials throughout the Term of this Lease and any extension thereof.

27. Intentionally Omitted.

- 28. Rules and Regulations. Tenant shall at all times comply with the rules and regulations set forth in Exhibit D attached hereto and with any reasonable additions thereto, uniformly applied to all Tenants, and modifications thereof adopted from time to time by Landlord; Tenant shall be given five (5) days' written notice of any such additions and modifications. Each such rule or regulation shall be deemed to be a covenant of this Lease to be performed and observed by Tenant.
- 29. Quiet Enjoyment. Landlord covenants that, if Tenant is not in default hereunder, Tenant shall at all times during the Term peaceably and quietly have, hold and enjoy the Premises without disturbance from Landlord, subject to the terms of this Lease and to the rights of the parties presently or hereinafter secured by any deed of trust or mortgage against the Building.

30. Miscellaneous Provisions.

- a. Time is of the essence with respect to all of Tenant's obligations under this Lease.
- b. The waiver by Landlord or Tenant of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition of any prior or subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any prior breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such prior breach at the time of acceptance of such rent.
- c. In the event of any action or proceeding brought by either party against the other under this Lease, the prevailing party shall be entitled to recover from the other party the fees of its attorneys in such action or proceeding in such amount as the court may judge to be reasonable for such attorneys' fees.
- d. Except as expressly otherwise provided in this Lease, all of the provisions of this Lease shall bind and inure to the benefit of the parties hereto and to their heirs, successors, representatives, executors, administrators, transferees and assigns. The term "Landlord," as used herein, shall mean only the owner of the Building and the Land or of a lease of the Building and the Land, at the time in question,

so that in the event of any transfer or transfers of title to the Building and the Land, or of Landlord's interest in a lease of the Building and the Land, the transferor shall be and hereby is relieved and freed of all obligations of Landlord under this Lease accruing before such transfer, and it shall be deemed, without further agreement, that such transferee has assumed and agreed to perform and observe all obligations of Landlord herein during the period it is the holder of Landlord's interest under this Lease.

- e. At Landlord's request, Tenant will execute a memorandum of this Lease in recordable form setting forth such provisions hereof as Landlord deems desirable. Further, at Landlord's request, Tenant shall acknowledge before a notary public its execution of this Lease, so that this Lease shall be in form for recording. The cost of recording this Lease or memorandum thereof shall be borne by Tenant.
- f. Notwithstanding any provision to the contrary herein, Tenant shall look solely to the estate and property of Landlord in and to the Land and the Building in the event of any claim against Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant, or Tenant's use of the Premises, and Tenant agrees that the liability of Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant, or Tenant's use of the Premises, shall be limited to such estate and property of Landlord in and to the Land and the Building. No properties or assets of Landlord other than the estate and property of Landlord in and to the Building and no property owned by any partner of Landlord shall be subject to levy, execution or other enforcement procedures for the satisfaction of any judgment (or other judicial process) or for the satisfaction of any other remedy of Tenant arising out of or in connection with this Lease, the relationship of Landlord and Tenant or Tenant's use of the Premises.
- g. Landlord and Landlord's agents have made no representations or promises with respect to the Building, the Land or the Premises except as herein expressly set forth.
- h. Landlord and Tenant, with the exception of payment of Base Rent and Additional Rent, shall be excused from performing an obligation or undertaking provided for in this Lease so long as such performance is prevented or delayed, retarded or hindered by an Act of God, force majeure, fire, earthquake, flood, explosion, action of the elements, war, terrorism, invasion, insurrection, riot, mob violence, sabotage, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, a taking by eminent domain, requisition, laws orders of government, or of civil, military or naval authorities, or any other cause whether similar or dissimilar to the foregoing, not within the reasonable control of Landlord or Tenant.
- i. Tenant hereby elects domicile at the Premises for the purpose of service of all notices, writs of summons or other legal documents or process in any suit, action or proceeding which Landlord or any mortgagee may undertake under this Lease.
- j. Landlord shall not be liable to Tenant for any damage caused by other tenants or persons in the Building or caused by operations of others in the construction of any private, public or quasi-public work.
- k. If in this Lease it is provided that Landlord's consent or approval as to any matter will not be unreasonably withheld, and it is established by a court or body having final jurisdiction thereover that Landlord has been unreasonable, the sole effect of such finding shall be that Landlord shall be deemed to have given its consent or approval, but Landlord shall not be liable to Tenant in any respect for money damages or expenses incurred by Tenant by reason of Landlord having withheld its consent. Nothing contained in this paragraph shall be deemed to limit Landlord's right to give or withhold consent unless such limitation is expressly contained in the paragraph to which such consent pertains.
- If any governmental entity or authority hereafter imposes a tax or assessment upon or against any of the rent or other charges payable by Tenant to Landlord hereunder (whether such tax takes the form of a lease tax, sales tax or other tax), Tenant shall be responsible for the timely payment thereof. Unless Landlord and Tenant otherwise agree in writing with respect to the payment thereof, Tenant shall pay the applicable tax to Landlord in monthly installments on the date upon which Tenant pays to Landlord the installments of Monthly Base Rent due under this Lease.

- m. This Lease and the Exhibits hereto constitute the entire agreement between the parties, and supersedes any prior agreements or understandings between them. This Lease is not effective until executed and delivered by Landlord and Tenant and approved by any current mortgagee of the Building and/or the Land. The provisions of this Lease may not be modified in any way except by written agreement signed by both parties.
- n. This Lease shall be subject to and construed in accordance with the laws of the Commonwealth of Virginia.
- o. In the event Landlord or Tenant is required or elects to take legal action against the other party to enforce the provisions of this Lease, then the prevailing party in such action shall be entitled to collect from the other party its costs and expenses incurred in connection with the legal action (including, without limitation, reasonable attorneys' fees and court costs).

31. Right of First Negotiation For Expansion Space.

- In the event space on the First (1st) or Second (2nd) floors is reasonably anticipated by Landlord to become vacant and freely available for Landlord to lease to Tenant during the end of the existing tenants Lease Year (after the expiration or earlier termination of any initial letting of any such space, including any renewal or extension periods for such letting) except as provided below, Landlord shall provide Tenant with written notice ("Availability Notice") of the availability of such space (the "Expansion Space"). Provided that (i) no Event of Default has occurred in the prior twelve (12) months, (ii) no event has occurred which with the passage of time or the giving of notice (or both) would be deemed a default if not cured within the applicable cure period, (iii) Tenant has not assigned this Lease and is then occupying fifty percent (50%) of the Premises, (iv) as of the Takeover Date (hereinafter defined), at least two (2) years remain on the Term of this Lease, and (v) Tenant provides to Landlord written notice ("Expansion Notice"), within ten (10) days after receipt of Landlord's Availability Notice, of Tenant's desire to expand the Premises into the Expansion Space, Tenant shall have the first opportunity (the "Right of First Opportunity") to negotiate with Landlord, for the thirty (30) day period immediately following Tenant's delivery of such Expansion Notice, the terms on which it will lease the Expansion Space and secure an amendment (the "Expansion Amendment") executed and delivered by Landlord and Tenant evidencing such terms. The basis of such negotiation shall be ninety-five percent (95%) of the Fair Market Rental Rate (defined in Section 22) for comparable space in the Kingstowne area of the County of Fairfax, Virginia. In the event that Landlord and Tenant fail to agree on the Annual Base Rent and tenant concessions, if any, for the Expansion Space within such thirty (30) day period, then either Landlord or Tenant shall be entitled to elect to proceed with the binding arbitration process set forth below by delivering written notice of such election to the other party within fifteen (15) days after the expiration of the Expansion Negotiation Period. If either party timely elects to proceed with binding arbitration, then the Annual Base Rent payable for the Expansion Space and the tenant concessions, if any, for the Expansion Space shall be ninety-five percent (95%) of the Fair Market Rental Rate, then applicable to comparable space in the Kingstowne area of the County of Fairfax, Virginia, as determined by binding arbitration in accordance with the provisions of Sections 31b, c, and d hereof. In the event that (i) neither Landlord nor Tenant timely elects to proceed with binding arbitration, or (ii) any of the conditions set forth in the third sentence of this Section 32 are not satisfied at any time from the date that Landlord provides the Availability Notice to Tenant, then Tenant's first opportunity to lease the Expansion Space and all other rights of Tenant pursuant to this Section 31 shall terminate, and Landlord shall have the right to lease any space in the Building to any other person or entity upon any terms and conditions which Landlord desires, in its sole discretion. Time is of the essence with respect to this Section 31.
- b. Within fifteen (15) days after either party first delivers notice to the other party of its election to proceed to binding arbitration, Landlord and Tenant shall each select a real estate broker or salesperson ("broker") (based on the criteria set forth in Section 31c of this Section 31). Within twenty (20) days of their selection, each broker shall make a written determination of the Fair Market Rental Rate shall be in writing and expressed in terms of dollars per square foot of the Expansion Space. The party appointing each broker shall be obligated, promptly after receipt of the valuation report prepared by the broker

appointed by such party, to deliver a copy of such valuation report to the other party. If the Fair Market Rental Rate determination (on a net effective basis) of the broker designated by Landlord is within five percent (5%) of the Fair Market Rental Rate determination (on a net effective basis) of the broker designated by Tenant, then the Annual Base Rent for the Expansion Space shall be based on the average of the two Annual Base Rent determinations for the Expansion Space. If the Fair Market Rental Rate determinations of these two brokers vary by more than five percent (5%), then a third broker shall be selected by the initial two brokers within fifteen (15) business days after the initial two valuation reports have been delivered to the parties (the third broker also having the qualifications set forth in Section 31c below). If a third broker is appointed, the third broker shall review the valuation reports of the initial two brokers and, shall select the one of the initial two valuation reports that best reflects such Fair Market Rental Rate. The third broker shall promptly deliver a report of his determination to each of the parties. The determination of the Fair Market Rental Rate for the Expansion Space pursuant to this Section 31b shall be final and binding upon Landlord and Tenant. The expenses of each of the first two brokers appointed under this Section 31b shall be borne by the party appointing such broker. The expenses of the third broker appointed under this Section 31b shall be paid one-half (1/2) by Landlord and one-half (1/2) by Tenant.

- c. The real estate brokers selected by Landlord and Tenant shall have the following qualifications: (i) must be a independent and licensed real estate broker or salesperson in the Commonwealth of Virginia; (ii) must have a minimum of ten (10) years' experience in commercial office leasing in Northern Virginia; (iii) must be an active salesperson or broker in Northern Virginia and known for commercial office expertise; (iv) must have experience representing both landlords and tenants; (v) in the case of the third broker only, is not then representing either Landlord or Tenant; and (vi) in the case of the third broker only, shall not have been involved in any disputes with Landlord, Tenant or any of the other brokers. In the event that real estate brokers with the qualifications described in this Section 31c are unavailable, qualified consultants with similar qualifications may be substitutes.
- d. An amendment modifying this Lease to set forth the Base Rent for the Expansion Space shall be executed by Landlord and Tenant within ten (10) days of the later of (i) the parties' agreement; or, if applicable, within ten (10) days of the determination of the Base Rent by the brokers pursuant to Section 31b; and within ten (10) days following Landlord's delivery to Tenant of final amendment satisfactory to both Tenant and Landlord.
- e. If Tenant leases the Expansion Space, within the time and in the manner provided in this Section 31, then as of the Takeover Date (as defined below), the following shall apply:
- (i) the Expansion Space shall be added to, and become a part of, the Premises, and Tenant's lease thereof shall be governed by all of the provisions of this Lease, which shall continue in full force and effect and be applicable to the Expansion Space;
- (ii) the rentable square footage of the Premises shall be increased by the rentable square footage of the Expansion Space, as determined by Landlord's architect in accordance with BOMA (in use on the Takeover Date);
- (iii) Tenant shall commence paying Rent based upon the newly increased rentable square footage of the Premises;
- (iv) the Base Rent per square foot of the rentable square footage of the Expansion Space shall be equal to the amount set forth in the Expansion Amendment;
- (v) the Expansion Space shall be delivered to Tenant "as is" condition, broom clean and free of encumbrances; and
- (vi) the Takeover Date shall be the date the initial tenant's lease of Expansion Space has expired and Landlord has delivered such space to Tenant.

- f. Notwithstanding anything to the contrary contained in this Section 31, Landlord and Tenant agree that the foregoing right of first negotiation is subject to any and all contractual obligations of Landlord in leases existing as of the date that all of the space in the Building has been initially leased, including without limitation any expansion rights, renewal rights and rights of first negotiation or refusal possessed by any tenant in the Building. In addition, the foregoing right of first opportunity shall be personal to _______, inc. and any Permitted Transfer and can not be exercised by any assignee, subtenant or any other person or entity.
- h. In the event that Tenant leases the Expansion Space from Landlord within the time and manner provided in this Section 32, and Landlord is unable to deliver possession of such space to Tenant for any reason or condition beyond Landlord's control, including, without limitation, the failure of an existing tenant to vacate such space, Landlord, its agents and employees, shall not be liable or responsible for any claims, damages or liabilities in connection therewith or by reason thereof.

IN WITNESS WHEREOF, duly authorized representatives of Landlord and Tenant have executed this Deed of Lease under seal on the day and year first above written.

LANDLORD:

ATTEST:

KINGSTOWNE OFFICE T LP, a Virginia limited partnership

By: Halle & Halle Inc., a Maryland corporation, General Partner

By____ Name: Title:

TENANT:

WITNESS/ATTEST:

By Name: Title:

LIST OF EXHIBITS

EXHIBIT A: Floor Plan of Premises

EXHIBIT B: Work Agreement

EXHIBIT C: Declaration of Commencement Date

EXHIBIT D: Rules and Regulations

EXHIBIT A FLOOR PLAN OF PREMISES

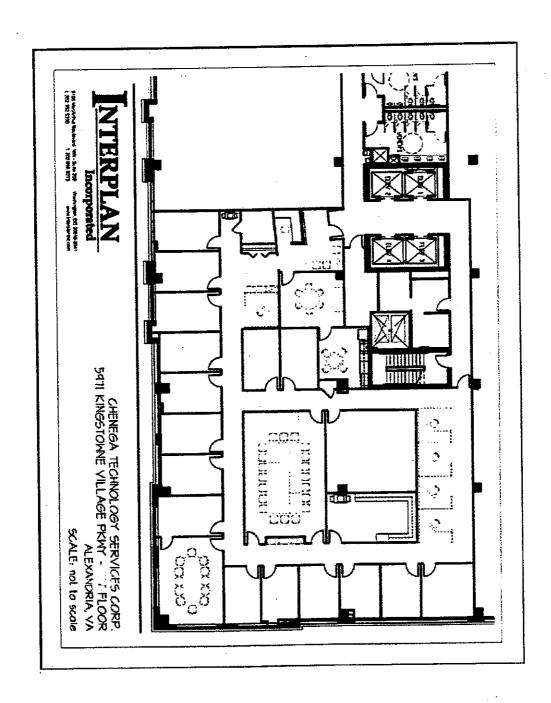


EXHIBIT B

WORK AGREEMENT

This Work Agreement (the "Work Agreement") is attached to and made a part of that certain
Deed of Lease (the "Lease") dated
Virginia limited partnership, as landlord ("Landlord") and " as tenant ("Tenant) for
the premises (the "Premises") described therein in the building known as 5911 Kingstowne Village
Parkway (the "Building"). It is the intent of this Work Agreement that Tenant snall be permitted freedom in
the design and layout of the Premises, consistent with applicable building codes and requirements of law,
including without limitation the Americans With Disabilities Act, and with sound architectural and
construction practice in first-class office buildings. Capitalized terms not otherwise defined in this work
Agreement shall have the meanings set forth in the Lease. In the event of any conflict between the terms
hereof and the terms of the Lease, the terms hereof shall prevail for the purposes of design and
construction of the Tenant Improvements.

A. Leasehold improvements.

- 1. Landlord Improvements. Landlord shall deliver the space in the "AS-IS" condition, broom clean and free of encumbrances with all mechanical, electrical and plumbing systems in good working order and repair.
- 2. Tenant Improvements. Tenant shall furnish and install in the Premises in accordance with the terms of this Work Agreement, the improvements set forth in the Tenant's Plans (hereinafter defined) which require approval and consent by Landlord in accordance with Paragraph B-2 below (the "Tenant Improvements"). The costs of all design, space planning, and architectural and engineering work for or in connection with the Tenant Improvements as required by law, including without limitation all drawings, plans, specifications, permits or other approvals relating thereto, and all insurance, bonds and other requirements and conditions hereunder, and all costs of demolition and construction of the Tenant Improvements, including supervision thereof, shall be at Tenant's sole cost and expense, subject to the application of the Improvement Allowance in accordance with the terms of this Work Agreement. Tenant Improvements shall use at minimum all "Required Standards for Tenant Improvements" outlined in Schedule B-5 unless otherwise approved by Landlord in writing.

B. Plans and Specifications

1. Space Planner. If necessary, Tenant shall retain the services of a space planner that shall be reasonably approved by Landlord (the "Space Planner"), who will design the modifications, if any, to the Premises and prepare the required Contract Documents (hereinafter defined). The Space Planner shall meet with the Construction Supervisor (hereinafter defined) from time to time to obtain information about the Building and to insure that the improvements envisioned in the Contract Documents do not interfere with and/or adversely affect the Building or any systems therein. The Space Planner and the mechanical, electrical, plumbing and structural engineers designated by Tenant (collectively the "Engineers"), shall prepare all plans and specifications described in Paragraph B.2, below, in conformity with the base Building plans and systems, and the Space Planner shall coordinate its plans and specifications with the Engineers and the Construction Supervisor. All fees of the Space Planner and the Engineers shall be borne solely by Tenant, subject to application of the Improvement Allowance as hereinafter provided.

2. Time Schedule.

a. Tenant shall furnish to Landlord for its review and approval a proposed detailed space plan or description of cosmetic improvements not requiring a Space Planner or construction permit for the Tenant Improvements (the "Space Plan") prepared by the Tenant in cases of cosmetic changes only or Space Planner, in consultation with the Construction Supervisor and the Engineers. The Space

Plan shall contain the information and otherwise comply with the requirements therefor described in **Schedule B-2** attached hereto. Landlord shall advise Tenant of Landlord's approval or disapproval of the Space Plan within five business (5) days after Tenant submits the Space Plan to Landlord. Tenant shall revise the proposed Space Plan to meet Landlord's objections, if any, and resubmit the Space Plan to Landlord for its review and approval within three (3) days after Landlord notifies Tenant of Landlord's objections, if any.

- Within ten (10) days following Landlord's approval of the Space Plan, Tenant shall furnish to Landlord for its review and approval, all architectural plans, working drawings and specifications (the "Contract Documents") necessary and sufficient (i) for the construction of the Tenant Improvements in accordance with the Space Plan; and (ii) to enable the Contractor (hereinafter defined) to obtain a building permit for the construction of the Tenant Improvements. In the case of cosmetic changes only Tenant shall only submit it's list of finishes and the rest of this Section Exhibit B B.2 shall not be applicable unless space changes are made on a future date. The Contract Documents shall contain the information and otherwise comply with the requirements therefore described in Schedule B-3 attached hereto. Landlord shall advise Tenant of Landlord's approval or disapproval of the Contract Documents, or any of them, within five (5) business days after Tenant submits the Contract Documents to Landlord. Tenant shall revise the Contract Documents to meet Landlord's objections, if any, and resubmit the Contract Documents to Landlord for its review and approval within five (5) business days after Landlord notifies Tenant of Landlord's objections, if any. Notwithstanding anything herein to the contrary, approval by Landlord of the Contract Documents shall not constitute an assurance by Landlord that the Contract Documents: (A) satisfy applicable code requirements; (B) are sufficient to enable the Contractor to obtain a building permit for the undertaking of the Tenant Improvements in the Premises; or (C) will not interfere with, and/or otherwise adversely affect, base Building systems; provided, however, that if the Contract Documents must be revised for such reasons, or otherwise, such revisions shall be at Tenant's cost and any delay arising in connection therewith shall constitute a "Tenant Delay" (hereinafter defined).
- c. The Space Plan and the Contract Documents are referred to collectively herein as the "Tenant's Plans."
- d. The Tenant's Plans shall be prepared in accordance with a AutoCAD or convertible DXF format for working drawings in conformity with the base Building plans and systems and with information furnished by and in coordination with the Construction Supervisor and Engineers. Tenant's Plan shall comply with all applicable building codes, laws and regulations (including without limitation the Americans With Disabilities Act), shall not interfere with or require any changes that the Tenant is not willing to pay for to the base Building's HVAC, mechanical, electrical, plumbing, life safety or other systems or to other Building operations or functions, and shall not unreasonably increase maintenance or utility charges for operating the Building in excess of the standard requirements for normal first-class office buildings in the Fairfax County, Virginia area.
- 3. Base Building Changes. If Tenant requests work to be done in the Premises or for the benefit of the Premises that necessitates revisions or changes in the design or construction of the base Building or Building systems, any such changes shall be subject to prior written approval of Landlord, in its sole but reasonable discretion, and Tenant shall be responsible for all costs and delays resulting from such design revisions or construction changes, including architectural and engineering charges, and any special permits or fees attributed thereto.

4. Changes.

a. In the event that Tenant requests any changes to the Space Plans or Contract Documents after Landlord has approved same, or if it is determined that the Contract Documents prepared in accordance with the Space Plan deviate from the requirements of applicable law or interfere with, and/or otherwise adversely affect, base Building systems, Tenant shall be responsible, subject to application of the Improvement Allowance, for all costs and expenses and for all delay resulting therefrom, including without limitation costs or expenses relating to (i) any additional architectural or engineering services and related design expenses, (ii) any changes to materials in process of fabrication,

(iii) cancellation or modification of supply or fabricating contracts, or (iv) removal or alteration of work or plans completed or in process.

- b. No changes shall be made to the Contract Documents without the prior written approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed except to the extent such change affects the base Building or Building systems; provided, however, that Landlord shall not be obligated to approve any such change or modification which, in Landlord's reasonable opinion, will cause any cost or expense to Landlord in the performance of the Tenant Improvements. Landlord shall not be responsible for delay in occupancy by Tenant, nor shall the Commencement Date be delayed, because of any changes to the Space Plan or the Contract Documents after approval by Landlord, or because of delay caused by or attributable to any deviation from applicable code requirements contained in the Contract Documents.
- 5. Deadlines. Tenant and Landlord acknowledge that it is vital that both parties meet all of the schedule deadlines set forth herein in order to allow the Tenant Improvements to be substantially completed within the contemplated time frame. The foregoing deadlines are required to be met even if certain deadlines occur prior to the date the Lease is executed.

C. Cost of Tenant Improvements

- 1. Construction Costs. All costs of design and construction of the Tenant Improvements, including without limitation the costs of all space planning, architectural and engineering work related thereto, all governmental and quasi-governmental approvals and permits required therefor, all demolition costs, all direct and indirect construction costs, insurance, bonds and other requirements, any changes and the Construction Supervision Fee (collectively, "Construction Costs"), shall be borne by Tenant, subject, however, to the application of the Improvement Allowance described in Paragraph C.2 below, not previously disbursed pursuant to this Work Agreement (the "Available Allowance").
- 2. Improvement Allowance. Provided that Tenant has fully performed all of its obligations under this Work Agreement and the Lease. I and/ord agrees to provide to Tenant an allowance (the "Improvement Allowance") in the amount of per rentable square foot of the Premises (or to be applied solely to the Construction Costs. Subject to the provisions of Paragraph C.3, below, the Construction Costs shall be paid by Landlord to the extent of, and shall be deducted by Landlord from, the Available Allowance, as invoices therefor are rendered to Landlord as and when Construction Costs are actually incurred by Tenant; provided, however, that Landlord shall have received partial lien waivers and such other documentation as Landlord may reasonably require from the party requesting such payment. In addition, if Tenant does not expend all of the Improvement Allowance for costs permitted hereunder, the unused portion of the Improvement Allowance shall be retained by Landlord for use by Tenant at a future date.
- 3. Costs Exceeding Available Allowance. All Construction Costs in excess of the Available Allowance shall be paid by Tenant. In the event that the sum of the contract price for construction of the Tenant Improvements (as modified from time to time by change orders) plus any other estimated Construction Costs, including without limitation the Construction Supervision Fee exceeds the Available Allowance ("Excess Cost"), then Tenant shall pay such Excess Cost. All Construction Costs outstanding upon exhaustion of the Improvement Allowance shall be borne exclusively by Tenant, and Tenant agrees to indemnify Landlord from and against any such costs. All amounts payable by Tenant pursuant to this Work Agreement shall be deemed to be Additional Rent for purposes of the Lease. If required by Landlord, Tenant shall provide evidence satisfactory to Landlord that Tenant has sufficient funds available to pay all Construction Costs in excess of the Improvement Allowance.

D. Construction

1. Selection of General Contractor. Tenant may select it's own project manager and general contractor and Landlord shall not directly charge to Tenant, nor charge against the Base Improvement Allowance or against the Additional Improvement Allowance, any amount related to

supervisory fees, CM fees, or any other process management fees related to t construction of the Demised Premises.

- 2. Construction Supervision. All Tenant Improvements shall be performed by the Contractor selected in accordance with this Work Agreement. Tenant shall hire it's own Project Manager and/or General Contractor for construction of the Demised Premises subject to Landlord's reasonable approval.
- 3. Tenant Inspection. Landlord is authorized by Tenant to make periodic inspections of the Premises during construction during reasonable business hours.
- E. Acceptance of Premises. Approximately one (1) day prior to the delivery of possession of the Premises to Tenant, Landlord, Tenant and the Contractor shall make an inspection of the Premises to determine that the mechanical, electrical and plumbing systems are in good working order and repaird and to prepare a "Punch List" of work requiring correction or completion by Landlord. Subject to Unavoidable Delays, Landlord shall correct or complete all Punch List items within thirty (30) days after the Commencement Date.
- F. Contractor's Rules and Regulations. Tenant's contractors, subcontractors and vendors may not enter the Building to perform any work or installations prior to the Commencement Date without Landlord's prior written consent: If Landlord consents to such entry, each contractor, subcontractor or vendor shall observe all rules and regulations (the "Construction Rules and Regulations") promulgated by Landlord in connection with the performance of work in the Building, attached hereto as Schedule,B-4.

Tenants Agent. Tenant

G. Tenants Agent. Tenant hereby designates by

whose address is
telephone number is
to act as Tenant's agent to purposes or authorizing and executing any and all documents, workletters or other writings and changes thereto needed to effect this Work Agreement, and any and all changes, additions or deletions to the work contemplated herein, and Landlord shall have the right to rely on any documents executed by such authorized party.

LIST OF SCHEDULES

Schedule B-1 Landlord Improvements

Schedule B-2 Requirements for Space Plan

Schedule B-3 Requirements for Contract Documents

Schedule B-4 Construction Rules and Regulations

Schedule B-5 Required Standards for Tenant Improvements

SCHEDULE B-1 LANDLORD IMPROVEMENTS

AS-IS

SCHEDULE B-2

REQUIREMENTS FOR SPACE PLAN

Floor plans, together with related information for mechanical, electrical and plumbing design work, showing partition arrangement and reflected ceiling plans (three (3) sets), including without limitation the following information:

- a. identify the location of conference rooms and density of occupancy;
- b. indicate the density of occupancy for all rooms;
- identify the location of any food service areas or vending equipment rooms;
- d. identify areas, if any, requiring twenty-four (24) hour air conditioning;
- e. indicate those partitions that are to extend from floor to underside of structural slab above or require special acoustical treatment;
- f. identify the location of rooms for, and layout of, telephone equipment other than building core telephone closet;
- identify the locations and types of plumbing required for toilets (other than core facilities), sinks, drinking fountains, etc.;
- h. intentionally omitted;
- indicate the layouts for specially installed equipment, including computer and duplicating equipment, the size and capacity of mechanical and electrical services required and heat rejection of the equipment;
- j. indicate the dimensioned location of: (A) electrical receptacles (one hundred twenty (120) volts), including receptacles for wall clocks, and telephone outlets and their respective locations (wall or floor), (B) electrical receptacles for use in the operation of Tenant's business equipment which requires two hundred eight (208) volts or separate electrical circuits, (C) electronic calculating and CRT systems, etc., and (D) special audio-visual requirements;
- k. indicate proposed layout of sprinkler and other life safety and fire protection equipment, including any special equipment and raised flooring;
- indicate the swing of each door;
- m. indicate a schedule for doors and frames, complete with hardware, if applicable; and
- n. indicate any special file systems to be installed.

REQUIREMENTS FOR CONTRACT DOCUMENTS

Final architectural detail and working drawings, finish schedules and related plans (three (3) reproducible sets) including without limitation the following information and/or meeting the following conditions:

- a. materials, colors and designs of wallcoverings, floor coverings and window coverings and finishes:
- b. paintings and decorative treatment required to complete all construction;
- c. complete, finished, detailed mechanical, electrical, plumbing and structural plans and specifications for the Tenant Improvements, including but not limited to the fire and life safety systems and all work necessary to connect any special or non-standard facilities to the Building's base mechanical systems;
- d. all final drawings and blueprints must be drawn to a scale of one-eighth (I/8) inch to one (I) foot. Any architect or designer acting for or on behalf of Tenant shall be deemed to be Tenant's agent and authorized to bind Tenant in all respects with respect to the design and construction of the Premises:
- e. for all new construction, Tenant shall purchase from Landlord (or its suppliers at market prices) and install in the Premises the following building standard equipment and materials: (1) ceiling tiles and suspension system, (2) diffusers, (3) doors (interior and exterior) and (4) door frames and hinges; and
- f. notwithstanding anything to the contrary set forth herein, in the Work Agreement or in the Lease, Tenant shall not request any work which would: (1) require changes to structural components of the Building or the exterior design of the Building; (2) N/A(3) not comply with all applicable laws, rules, regulations and requirements of any, governmental department having jurisdiction over the construction of the Building and/or the Premises, including specifically, but without limitation, the Americans With Disabilities Act; (4) be incompatible with the building plans filed with the appropriate governmental agency from which a building permit is obtained for the construction of the Tenant Improvements or with the occupancy of the Building as a first-class office building. Tenant shall not oppose or delay changes required by any governmental agency affecting the construction of the Building and/or the Tenant Improvements in the Premises.

CONSTRUCTION RULES AND REGULATIONS

- Tenant and/or the general contractor will supply Landlord with a copy of all permits prior to the start of any work.
- Tenant and/or the general contractor will post the building permit on a wall of the construction site while work is being performed.
- 3. Public area corridor, and carpet, is to be protected by plastic runners or a series of walk-off mats from the elevator to the suite under reconstruction.
- 4. Walk-off mats are to be provided at entrance doors.
- 5. Contractors will remove their trash and debris daily, or as often as necessary to maintain cleanliness in the building. Building trash containers are not to be used for construction debris. Landlord reserves the right to bill Tenant for any cost incurred to clean up debris left by the general contractor or any subcontractor. Further, the building staff is instructed to hold the driver's license of any employee of the contractor while using the freight elevator to ensure that all debris is removed from the elevator.
- No utilities (electricity, water, gas, plumbing) or services to the tenants are to be cut off or interrupted without first having requested, in writing, and secured, in writing, the permission of the Landlord.
- 7. No electrical services are to be put on the emergency circuit, without specific written approval from the Landlord.
- 8. When utility meters are installed, the general contractor must provide the property manager with a copy of the operating instructions for that particular meter.
- 9. The Landlord will be notified of all work schedules of all workmen on the job and will be notified, in writing, of names of those who may be working in the building after "normal" business hours.
- 10. Passenger elevators shall not be used for moving building materials and shall not be used for construction personnel except in the event of an emergency. The designated freight elevator is the only elevator to be used for moving materials and construction personnel. This elevator may be used only when it is completely protected as determined by Landlord's building engineer.
- 11. Contractors or personnel will use loading dock area for all deliveries and will not use loading dock for vehicle parking.
- 12. Contractors will be responsible for daily removal of waste foods, milk and soft drink containers, etc. to trash room and will not use any building trash receptacles but trash receptacles supplied by them.
- 13. No building materials are to enter the building by way of main lobby, and no materials are to be stored in any lobbies at any time.
- 14. Construction personnel are not to eat in the lobby or in front of building nor are they to congregate in the lobby or in front of building.
- 15. The Landlord is to be contacted by Tenant when work is completed for inspection. All damage to building will be determined at that time.

- 16. All key access, fire alarm work, or interruption of security hours must be arranged with the Landlord's building engineer.
- 17. There will be no radios allowed on job site.
- 18. All workers are required to wear a shirt, shoes, and full length trousers.
- 19. Protection of hallway carpets, wall coverings, and elevators from damage with masonite board, carpet, cardboard, or pads is required.
- 20. Public spaces corridors, elevators, bathrooms, lobby, etc. must be cleaned immediately after use. Construction debris or materials found in public areas will be removed at Tenant's cost.
- 21. There will be no smoking, eating, or open food containers in the elevators, carpeted areas or public lobbies.
- 22. There will be no yelling or boisterous activities.
- 23. All construction materials or debris must be stored within the project confines or in an approved lock-up.
- 24. There will be no alcohol or controlled substances allowed or tolerated.
- 25. The general contractor and Tenant shall be responsible for all loss of their materials and tools and shall hold Landlord harmless for such loss and from any damages or claims resulting from the work.

26. Halle General Construction Notes:

- a. GC is to provide full time qualified supervision on the job at all times.
- b. GWB corner bead shall be screwed on both sides 16"o.c..
- c. GWB shall be screwed in the field every 8"-10"o.c. and shall be screwed on the butt joints every 6"-8"o.c. This screw pattern is also to be maintained for both layers of double layer drywall.
- d. Drywall is to be finished (tape, block, skim, & sand) to the bottom of the board. Board is to be held up a ½" from the floor.
- e. A full point-up and complete sanding shall be performed between the prime coat and the finish coat of paint. Sanding is to be done with a vacuum attachment.
- f. All insulation shall be secured with glue stick and clips. Drywall screws, tacks, and wire tabs are not acceptable to hang insulation.
- g. All ceiling grid wall angles are to be screwed to studs, not drywall. Wall angles are to be neatly caulked to the wall, if not <u>tight</u> to the wall.
- h. All drop-in lights shall be separately hung, not secured to the ceiling grid.
- i. All wall track shall be secured 16"o.c. at the top & bottom.
- j. All wall studs shall be screwed to the top & bottom track on both sides(4 screws).
- k. GC is to contact Halle superintendent, for inspection, prior to closing in ANY walls.
- 1. All floors shall be properly prepped to receive final finish.
- m. Window sills and frames are to be protected during construction.
- n. Painting or varnishing is to be by brush and roller. Spraying must be approved by Halle.
- o. General Contractor is to protect <u>ALL</u> existing finished building surfaces inside and leading to their work area.
- p. All workers shall park where designated by Halle Enterprises, and shall use only the designated service doors and elevators.
- q. Dumpsters must have plywood under the rollers to protect the asphalt. GC is responsible for any damage to the parking lot, curb & gutter, etc.

r. Any work that will produce strong odors must be done so that it does not disrupt the operations of our tenants. Ventilation of odors to the exterior may be required. No gasoline powered equipment will be used inside of the building.

Loud work such as concrete cutting & hammer drilling must be done at times designated by

Halle.

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Z.

t. There is no smoking in any of our buildings.

u. Most keyed locks are to be on our master key system. Contact us for specific building details prior to ordering your locks.

The placement and location of supplemental HVAC units is to be coordinated with the Halle

building engineer.

w. LED fire/smoke indicators on base building VAV's are to be relocated from the unit to the new ceiling by GC. This is a GC responsibility item even if not noted on the plans.

Electrical work to electric panels and HVAC equipment is to be professionally infrared

tested. A certified report is to be provided to the building owner.

y. Sprinkler contractors are to protect the building common areas when draining sprinkler lines. Drain hoses are to be used and run to drains. Coordinate this with Halle, who can provide hoses.

All wiring outside of the tenant space is to be in hard conduit. This includes below slab, in

other tenant spaces, and on the roof.

zz. Strobes and horns are to be installed with end of the line resistor circuit. They are also to be clearly labeled as "end of line" on the device and on the as-built drawings.

REQUIRED STANDARDS FOR TENANT IMPROVEMENTS

(LANDLORD RESERVES THE RIGHT TO MODIFY THE REQUIRED STANDARDS)

Entry Door

Solid Core Wood Flush Doors (3'-0" x 8'-0")

Style: Plain sliced Cherry Premium (Manuf.- Mohawk)

Color: Stain Grade (Cherry) - Factory Finished to match existing

Entry Signage

Manuf.: Capitol Marking Products (703-892-2772)

Style: 4" or 8" x 8" Matte Black Background with raised Brushed

Silver Text and Logos if required, to match existing. Frame: Satin Aluminum Frame, to match existing.

Interior Doors

Solid or Hollow Core Wood Flush Doors (7'-0" height) Style: Plain sliced Cherry Premium (Manuf.- Mohawk)

Color. Stain Grade (Cherry) - Factory Finished to match existing.

Hardware

Lever: Best 9K Series, style 15D Finish: Satin Chromium Plated (626)

All hinges (NRP), flush bolts, strikes, etc. to be 626 finish.

Provide (2) gray silencers per door.

Lighting

Manuf.: Columbia

Type: 2x2 or 2x4 Recessed Parabolic Troffer with min. 4" deep parabolic louver (low irid. anod. aluminum), black reveal,

baked white enamel finish, and single elect. ballast (multiple

available).

Model: See attached sheet for specs

Acoustical Tile

Manuf.: Armstrong

Style: 2' x 2'x 3/4" (#589) Type: Beveled Tegular Cirrus

Armstrong Suprafine 9/16" Exposed Tee System

Window Blinds

Manuf.: Levolor Style: Newport Size: 1" Mini Blinds Color: 115 Dover

Carpet (Tenant)

Manuf.: Commercial Carpet Construction: Tufted Loop Pile

Yam Ply: 3 Ply

Tufted Yam Weight: 28 oz. / Sq. Yd.

(Tenant shall use equal or better quality carpet)

*Partitions

Interior Offices

Partitions consisting of 2-1/2" steel studs to underside of ceiling construction with one (1) layer of 1/2" gypsum board on each side.

Demising

(Multi-Tenant Floors)

Building standard rated demising partitions consisting of 2-1/2" or 3-5/8" steel studs to underside of slab above with one (1) layer of fire-rated (Type X) 1/2" gypsum board, each side taped and finished with 2-1/2" sound attenuation fire blanket for an improved sound transmission reduction rating (STC42). Fire safing sealant at top and bottom full length of wall and a continuous resilient

acoustic sealant where partition abuts exterior window mullions.

Telephone and data receptacles to be installed with cabling by Telephone/Data tenant's designated vendor using pull string provided in wall by

Tenant Improvement Contractor.

Rough in for water, waste, condensate and vent piping are located Plumbing

at wetstacks on each floor as detailed on the base building

drawings for additional connections required for special individual

plumbing requirements

Paint the entire premises using one (1) prime coat and one (1) **Painting** finish coat flat wall paint on all standard partitions and semi-gloss

on all paint grade doors and frames

CONTRACTOR AND SUBCONTRACTOR INSURANCE REQUIREMENTS

Prior to the commencement of any Tenant Work, Tenant's contractors shall provide a certificate of insurance to Landlord with the following minimum limits of liability and additional insureds:

- 1. Workers' Compensation and Statutory limits Employer's Liability.
- 2. Comprehensive General Liability (including Premises-Operations; Independent Contractors' Protective; Products and Completed Operations (two years); Broad Form Property Damage):
 - a: Bodily Injury:

\$1,000,000 each occurrence

\$1,000,000 aggregate

b: Property Damage (remove X,C,U exclusions):

\$1,000,000 each occurrence

\$1,000,000 aggregate

Contractual Liability (Hold Harmless coverage):

a: Bodily Injury:

\$1,000,000 each occurrence

b: Property Damage:

\$1,000,000 each occurrence

\$1,000,000 aggregate

3. Umbrella Excess Liability:

\$5,000,000 each occurrence and aggregate

- 4. Automobile Liability (including hired and non-owned coverage):
 - a: Bodily Injury:

\$1,000,000 each person

\$1,000,000 each accident

b: Property Damage:

\$1,000,000 each occurrence

5. Builders' Risk insurance in an amount at least equal to the total cost of the Tenant Work.

The certificate of insurance shall name the following as additional insureds (and any others with an insurable interest in the Project that Landlord may request):

- Northmarq
- 2. Kingstowne Office T LP
- 3. Halle and Halle Inc.

EXHIBIT C

DECLARATION OF COMMENCEMENT DATE

Kıngst ("Tenai	rowne C nt"), who	agree as follows:	partnership ("Landlord"), and
1. Landlord and Tenant entered into a Deed of Lease dated, 200, in which Landlord leased to Tenant and Tenant leased from Landlord certain Premises described therein in the office building located at, Virginia (the "Building"). All capitalized terms herein are as defined in the Lease.			
Pursuant to the Lease, Landlord and Tenant agreed to and do hereby confirm the following matters as of the Commencement Date of the Term:			
•	a.	the Commencement Date of the	Lease is;
	b.	the Lease Expiration Date of the	e Lease is;
	C.	the number of rentable square f	eet of the Premises is;
	d.	Tenant's Pro Rata Share of Ope	erating Expenses is%; and
	e.	Tenant's Pro Rata Share of Rea	al Estate Taxes is%.
3.	Tenant confirms that:		
	a.	it has accepted possession of the	ne Premises as provided in the Lease;
	b.	any work required to be perfor completed and/or furnished;	med or furnished by Landlord under the Lease has been
	C.	Landiord has fulfilled all of its of	oligations under the Lease as of the date hereof;
	d. → ,	except as follows:	effect and has not been modified, altered, or amended, ; and
	e.	there are no set-offs or credits a been paid except as provided b	against Rent, and no Security Deposit or prepaid Rent has y the Lease.
4. The provisions of this Declaration of Commencement Date shall inure to the benefit of, or bind, a the case may require, the parties and their respective successors and assigns, and to all mortgagees of the Building, subject to the restrictions on assignment and subleasing contained in the Lease, and are hereby attached to and made a part of this Lease.			
-			LANDLORD:
ATTEST:			KINGSTOWNE OFFICE T LP, a Virginia limited partnership
•			By: Halle & Halle Inc., a Maryland corporation, General Partner
			By Name: Title:
			TENANT:
WITN	ESS/AT	TEST:	
			Ву
	•		Name: Title:

EXHIBIT D

RULES & REGULATIONS

The following Rules and Regulations are subject to the Lease, and to the extent they may be inconsistent with the terms and conditions stated in the Lease, the Lease shall prevail.

- No part or the whole of the sidewalks, plaza areas, entrances, passages, courts, elevators, vestibules, stairways, corridors, or halls of the Land or Building shall be obstructed or encumbered by any Tenant or used for any purpose other than ingress and egress to and from the Demised Premises.
- 2. No awnings or other projections shall be attached to the outside walls or windows of the Building nor shall any improvements be erected on or placed upon the Property by any Tenant. Also, no security cameras, satellite dishes or any other equipment shall be erected or placed on the roof by any Tenant without the prior written consent of the Landlord. No curtains, blinds, shades, or screens (other than those furnished by Landlord as part of Landlord's work) 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.
- Except as provided for in the Lease, no sign, advertisement, object, notice, or other lettering shall be exhibited, inscribed, painted, or affixed on any part of the property visible from the outside of the Demised Premises by any Tenant or such signage as may be affixed to the interior of the Demised Premises unless approved by Landlord.
- 4. 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 (including, without limitation, coffee grounds) shall be thrown therein.
- 5. Except for normal cleaning fluids, and fluids for other office products and computer equipment, no Tenant shall bring or keep, or permit to be brought or kept, any inflammable, combustible, or explosive fluid, material, chemical, or substance in or about the Property.
- 6. Except as provided for in the Lease, and except for the hanging of art work, no Tenant shall mark, paint, drill into, or in any way deface, any part of the Building or the Demised Premises. No boring, cutting, or stringing of wires shall be permitted. No altering of any duct work, return/supply air grills or light fixtures shall be permitted without written consent of the Landlord.
- 7. No Tenant shall cause or permit any unusual or objectionable odors to emanate from the Demised Premises.
- 8. Neither the whole nor any part of the Demised Premises shall be used for the retail sale of merchandise, goods, or property.
- 9. No Tenant shall make, or permit to be made, any unseemly or disturbing noise or interfere with other tenants or occupants of the Building or neighboring buildings or premises whether by the use of any musical instrument, radio, television set, or other audio device, unmusical noise, whistling, singing or in any other way. Nothing shall be thrown out of any doors, windows, or skylights or down any passageways.
- 10. Except as provided for in the Lease, no additional locks or bolts of any kind shall be placed upon any of the doors or windows in the Demised Premises, or shall any changes be made in locks or the mechanism thereof. Each Tenant must, upon the termination of his tenancy, restore to Landlord all keys to offices and toilet rooms, either fumished to, or otherwise procured by, such Tenant, and in the event of the loss of any such keys, such Tenant shall pay Landlord the reasonable cost of replacement keys.
- 11. All carrying in or out of the Building or the Demised Premises of any safes, freight, furniture, or bulky matter of any description must take place during times coordinated with the Landlord's Operations Center or the Landlord's Building property manager. Landlord reserves the right to inspect only the exterior of all packaged freight for violation of any of these rules and regulations

- or the provisions of such Tenant's lease. No deliveries, move-ins or move-outs are permitted through Building entrance. All such activities must take place through the loading dock.
- 12. No Tenant shall use or occupy or permit any portion of the Demised Premises to be used or occupied as an employment bureau or for the storage, manufacture, or sale of liquor, narcotics or drugs, except for first aid purposes. No Tenant shall engage or pay any employees in the Building, except those actually working for such Tenant in the Building, nor advertise for laborers giving an address at the Building.
- 13. Intentionally Omitted.
- 14. Landlord reserves the right to control and operate the public portions of the Building and the public grounds and facilities of the property, so long as this is consistent with the terms of the Lease, as well as facilities furnished for the common use of the tenants, in such manner as it deems best for the benefit of the tenants generally, including, without limitation, the right to exclude from the Building, between the hours of 6 P.M. and 7 A.M. on business days, all day on Saturdays, Sundays and holidays, all persons who do not have authorization by Landlord or other suitable identification satisfactory to Landlord.
- 15. Each Tenant shall use reasonable efforts, before closing and leaving the Demised Premises at any time, to see that all entrance doors to the leased premises are locked.
- 16. The Demised Premises shall not be used, or permitted to be used, for lodging or sleeping or for any immoral or illegal purpose.
- 17. The requests of Tenants will be attended to only upon application at the office of Landlord. Building employees shall not be required to perform, and shall not be requested by any Tenant to perform, any work unless under specific instructions from the office of Landlord.
- 18. Canvassing, soliciting, and peddling in the Building or on the grounds are prohibited, and each Tenant shall cooperate in seeking their prevention.
- 19. There shall not be used in the Building, either by any Tenant or by its agents or contractors, in the delivery or receipt of merchandise, freight, or other matter, hand trucks or other means of conveyance except those equipped with rubber tires, rubber side guards, and such other safeguards as Landlord may require.
- 20. No animals of any kind shall be brought into or kept about the property by any Tenant, excluding "seeing-eye" dogs.
- 21. No Tenant shall place, or permit to be placed, on any part of the floor or floors of the Demised Premises a load exceeding the floor load per square foot which such floor was designed to carry and which is allowed by law.
- 22. No bicycles are permitted in the Building or to be attached to any part of the Building rails, doors, etc., except where Landlord designates.
- 23. No Building doors shall be propped open at any time, except for deliveries.
- 24. Landlord reserves the right, at any time and from time to time, to rescind, alter, or waive, in whole or in part, or add to, any of the Rules and Regulations when it is deemed necessary, desirable, or proper, in Landlord's judgment, or its best interests or for the best interests of the Tenants.
- 25. Tenant agrees to cooperate with Landlord's efforts to conserve energy.
- 26. Tenant agrees to utilize the Building's venetian blinds, if any, in such a manner as to assist Landlord in maintaining reasonably comfortable temperatures.
- 27. Except during deliveries, no vehicles shall be parked at any time in the loading zones, ramp areas or access roadway without the prior approval of Landlord.
- 28. Tenant shall contact Landlord immediately at the first sight of water leakage, fire, smoke or any unusual event whatsoever regardless of the existing condition or stage of such event. The foregoing Rules and Regulations are hereby agreed upon by Landlord and Tenant.

BUILDING OPERATING COST ADDENDUM

- 1. General Provisions.
- a. If there is any conflict or inconsistency between this Building Operating Cost Addendum ("BOCA") and the other provisions of the Lease, then the provisions of this BOCA shall control and govern the interpretation of the Lease.
- b. Inasmuch as the Lease may contain certain terminology that may not be identical to the terminology contained herein, the following terms are hereby deemed to have the same meaning and can be used interchangeably: Expenses, Direct Expenses, Operating Expenses, and Operating Costs; Taxes, Tax Expenses, Tax Costs, Property Taxes and Real Estate Taxes; Landlord and Lessor; Tenant and Lessee; Expense Year and Comparison Year; Tenant's Share and Tenant's Pro Rata Share; Building, Property, Project and Building/Project.
- c. Landlord shall utilize accounting records and procedures conforming to generally accepted accounting principles, consistently applied, with respect to all aspects of determining Tenant's Pro Rata Share of the Operating Costs and Real Estate Taxes.
- 2. Exclusions from Operating Costs. Notwithstanding anything to the contrary contained in the Lease, the following items shall be excluded from the calculation of Operating Costs and/or Real Estate Taxes, each as the case may be, as such applicable term(s) are defined by the Lease:
- Corporate Overhead All costs associated with the operation of the business of the entity which constitutes "Landlord" or "Landlord's managing agent" (as distinguished from the costs of the operations of the Building/Project) including, but not limited to, Landlord's or Landlord's managing agent's general corporate overhead and general administrative expenses, legal, risk management, and corporate and/or partnership accounting and legal costs, mortgages, debt costs or other financing charges, asset management fees, administrative fees, any costs that would normally be considered included in a management fee (e.g., property accounting charges, local area network ("LAN") and wide area network ("WAN") charges, travel expenses for company meetings or training, etc.), placement/recruiting fees/costs for employees whether they are assigned to the Building/Project or not, employee training programs, real estate licenses and other industry certifications, health/sports club dues, employee parking and transportation charges, tickets to special events, costs of any business licenses regardless if such costs are considered a form of Real Estate Tax, costs of defending any lawsuits, costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interests in the Building/Project, bad debt loss, rent loss or any reserves thereof, and costs incurred in connection with any disputes between Landlord and/or Landlord's management agent and their employees, tenants or occupants, and providers of goods and services to the Building/Project;
- b. Leasing Any cost relating to the marketing, solicitation, negotiation and execution of leases of space in the Building/Project, including without limitation, promotional and advertising expenses, commissions, finders fees, and referral fees, accounting, legal and other professional fees and expenses relating to the negotiation and preparation of any lease, license, sublease or other such document, costs of design, plans, permits, licenses, inspection, utilities, construction and clean up of tenant improvements to the Premises or the premises of other tenants or other occupants, the amount of any allowances or credits paid to or granted to tenants or other occupants of any such design or construction, and all other costs of alterations of space in the Building/Project leased to or occupied by other tenants or occupants;
- c. Executive / Unrelated Wages, salaries, fees, fringe benefits, and any other form of compensation paid to any executive employee of Landlord and/or Landlord's managing agent above the grade of Building Manager as such term is commonly understood in the property management industry, provided, however, all wages, salaries and other compensation otherwise allowed to be included in

Operating Costs shall also exclude any portion of such costs related to any employee's time devoted to other efforts unrelated to the maintenance and operation of the Building/Project;

- d. Competitively Bid/Arms Length Transactions Any amount paid by Landlord or Landlord's managing agent to a subsidiary or affiliate of Landlord or Landlord's managing agent, or to any party as a result of a non-competitive selection process, for management or other services to the Building/Project, or for supplies or other materials, to the extent the cost of such services, supplies, or materials exceed the cost that would have been paid had the services, supplies or materials been provided by parties unaffiliated with the Landlord or Landlord's managing agent on a competitive basis and are consistent with those incurred by similar buildings in the same metropolitan area in which the Building/Project is located:
- e. Ground Lease Any rental payments and related costs pursuant to any ground lease of land underlying all or any portion of the Building/Project, and any costs related to any reciprocal easement agreement, and/or covenant, condition and restriction agreement;
- f. Office & Parking Charges Any office rental and any parking charges, either actual or not, for the Landlord's and/or Landlord's managing agent's management, engineering, parking or other vendor personnel;
- g. Building Defects Any costs incurred in connection with the original design, construction, landscaping and clean-up of the Building/Project or any major changes to same, including but not limited to, additions or deletions of floors, renovations of the common areas (except as otherwise expressly permitted under this BOCA), correction of defects in design and/or construction of the Building/Project including defective equipment, replacement of major components which have reached the end of their useful life irrespective of whether the replacement may result in reducing the Operating Costs;
- Capital All costs of a capital nature, including, but not limited to, capital improvements, capital repairs, capital equipment, and capital tools, all as determined in accordance with generally accepted accounting principles, consistently applied, and sound management practices, except (i) any capital improvement made to the Building which actually reduces Operating Costs, amortized on a straight-line basis, including interest at the lesser of the interest rate actually paid by Landlord or 7.0% per annum, over the improvement's useful life in accordance with generally accepted accounting principles, provided, however, the annual amortization shall not exceed the annual amount of Operating Costs actually saved as a result of such capital improvement, or (ii) capital expenditures required by government regulation or law enacted after the Commencement Date, the amount of such costs to be amortized on a straight-line basis, with interest at the lesser of the interest rate actually paid by Landlord or 7.0% per annum, over the asset's useful life in accordance with generally accepted accounting principles, or (iii) any cost incurred which is not considered annual recurring routine maintenance but maintains the general appearance of the Building/Project (i.e., painting of the common areas, replacement of carpet in common areas, maintenance of stone/tile) the aggregate cost of which does not exceed \$50,000 in any calendar year with the amount of all such costs to be amortized on a straight-line basis over the useful life, with interest at the lesser of the interest rate actually paid by Landlord or 7.0% per annum. In no event shall the costs of replacing or retrofitting the heating, ventilation and air conditioning ("HVAC") system to comply with any of Sections 604-606 and/or 608 of the Clean Air Act be included in Operating Costs;
- i. Other Capital Rentals and other related expenses incurred in leasing air conditioning systems, elevators or other equipment, the cost of which if purchased would be excluded from Operating Costs as a capital cost, excepting from this exclusion equipment not affixed to the Building/Project which is used in providing janitorial or similar services and, further excepting from this exclusion such equipment rented or leased to remedy or ameliorate an emergency condition in the Building/Project;
- j. Building Codes/ADA Any cost incurred in connection with upgrading the Building/Project to comply with insurance requirements, life safety codes, ordinances, statutes, or other laws in effect prior to the Commencement Date, including without limitation the Americans With Disabilities Act (or similar laws,

statutes, ordinances or rules imposed by the State, County, City, or other agency where the Building/Project is located), including penalties or damages incurred as a result of non-compliance;

- k. Hazardous Material Any cost or expense related to monitoring, testing, removal, cleaning, abatement or remediation of any "hazardous material", including toxic mold, in or about the Building/Project or real property, and including, without limitation, hazardous substances in the ground water or soil;
- I. Telecommunications Any cost incurred in connection with modifying, removing, upgrading, replacing, repairing or maintaining the Building's/Project's telecommunication systems, including the purchase, installation and operation of any informational displays in the Building's/Project's elevators or lobbies:
- m. Reimbursements Any cost of any service or items sold or provided to tenants or other occupants for which Landlord or Landlord's managing agent has been or is entitled to be reimbursed by such tenants or other occupants for such service or has been or is entitled to be reimbursed by insurance or otherwise compensated by parties other than tenants of the Building/Project to include replacement of any item covered by a warranty;
- n. Benefits to Others Expenses in connection with services or other benefits which are provided to another tenant or occupant of the Building/Project and which do not benefit Tenant to include the repairs and maintenance of the common area of a multi-tenant floor (e.g. elevator lobby, restrooms and hallways) if Tenant is a full-floor tenant and such repairs and maintenance are not provided to Tenant;
- o. Real Estate Taxes Any increase of Real Estate Taxes and assessments due to any change in ownership including, but not limited to, the sale or any other form of full or partial transfer of title of the Building/Project or any part thereof, or due to the transfer of title of any leases in the Building/Project, or due to any renovation or new construction in the Building/Project or related facilities;
- p. Other Taxes Landlord's gross receipts taxes for the Building/Project, personal and corporate income taxes, inheritance and estate taxes, other business taxes and assessments, franchise, gift and transfer taxes, and all other Real Estate Taxes relating to a period payable or assessed outside the term of the Lease;
- q. Special Assessment Special assessments or special taxes initiated as a means of financing improvements to the Building/Project and the surrounding areas thereof;
- r. Parking If the revenues for the parking facilities of the Building/Project exceed the expenses for said parking facilities, all costs incurred in owning, operating, , including, but not limited to, all expenses for parking equipment, tickets, supplies, signs, claims insurance, cleaning, , business taxes, management fees and costs, structural maintenance, utilities, insurance of any form including property and liability, Real Estate Taxes, and the wages, salaries, employee benefits and taxes for personnel working in connection with any such parking facilities. If the revenues for the parking facilities of the Building/Project do not exceed the expenses for said facilities, then such costs may be included in Operating Costs but only to the extent that such costs exceed the total revenues of the parking facilities. If any entity receives free or abated parking while any other party is required to pay or does not receive free or abated parking, the full value of such free or abated parking shall be deemed revenue of the parking facilities for purposes hereof;
- s. Advertising/Promotion/Gifts All advertising and promotional costs including any form of entertainment expenses, dining expenses, any costs relating to tenant or vendor relation programs including flowers, gifts, luncheons, parties, and other social events but excluding any cost associated with life safety information services;

- t. Fines & Penalties Any fines, costs, late charges, liquidated damages, penalties, tax penalties or related interest charges, imposed on Landlord or Landlord's managing agent;
- u. Contributions/Dues/Subscriptions Any costs, fees, dues, contributions or similar expenses for political, charitable, industry association or similar organizations, as well as the cost of any newspaper, magazine, trade or other subscriptions, excepting the Building's/Project's annual membership dues in the local Building Owners and Managers Association ("BOMA");
- v. Art Costs, other than those incurred in ordinary maintenance and repair, for sculptures, paintings, fountains or other objects of art or the display of such items;
- w. Concessionaires Any compensation or benefits paid to or provided to clerks, attendants or other persons in commercial concessions operated by or on behalf of the Landlord;
- x. Insurance Costs incurred by Landlord for the repair of damage to the Building/Project caused by fire, windstorm, earthquake or other casualty, condemnation or eminent domain to include terrorism or environmental other than commercially reasonable deductibles not to exceed \$10,000 per occurrence;
- y. Other Insurance Any increase in the cost of Landlord's insurance caused by a specific use of another tenant or by Landlord;
- z. Reserves Any reserves of any kind.
- Operating Costs and Real Estate Tax Adjustments.
- Base/Comparison Year Adjustments. If the Building/Project is not at least ninety-five percent (95%) occupied during all or any portion of the Base Year or any Comparison Year, Landlord shall make an appropriate adjustment in accordance with industry standards and generally accepted accounting principles, consistently applied, to the Building/Project Operating Costs for such year to determine what the Building/Project Operating Costs would have been for such year if the Building/Project had been ninety-five percent (95%) occupied. Such gross up adjustments shall be made by Landlord by increasing those costs included in the Building/Project Operating Costs which, according to industry practice but depending on the specific situation of the Building/Project, vary based upon the level of occupancy of the Building/Project. In the event Landlord incurs costs associated with or relating to items, categories or subcategories of Operating Costs and/or Real Estate Taxes which were not part of Operating Costs and/or Real Estate Taxes during Tenant's entire Base Year, or expenses associated with increased levels or frequency of such services for such categories or subcategories, then Operating Costs and/or Real Estate Taxes for the Base Year shall be increased, including being grossed up to ninety-five percent (95%) level, by such costs or by such increased levels or frequency of services, as appropriate, as if such items, categories or subcategories of Operating Costs and/or Real Estate Taxes had been including in Operating Costs and/or Real Estate Taxes during the entire Base Year. The purpose of this provision is to give an "apples to apples" comparison from the Base Year to all Comparison Years.
- b. Real Estate Tax Adjustments. If the Building/Project is not fully assessed in the Base Year and any Comparison Years, then the Landlord shall adjust the subject year's Real Estate Tax Expense to reflect what such year's taxes would have been had the Building/Project been fully completed and assessed for tax purposes. If Landlord obtains a reduction in Real Estate Taxes for the Base Year, then such reduction will not reduce the amount for Real Estate Taxes for such Base Year for purposes of calculating Real Estate Taxes.
- c. Other Adjustments.

- (i.) Net Expenses Building/Project Operating Costs and Real Estate Taxes shall be "net" only and shall therefore be reduced by all cash discounts, trade discounts, quantity discounts, rebates, refunds, credits, or other amounts received by Landlord or Landlord's managing agent, including any such related amounts from tenants of the Building/Project, for its purchase of or provision of any goods, utilities, or services;
- (ii.) Partial Year Building/Project Operating Costs that cover a period of time not entirely within the Term of the Lease shall be prorated based on the actual number of days in the year;
- (iv.) Duplicate Charges Landlord shall not (i) profit by including items in Operating Costs and/or Real Estate Taxes that are otherwise also charged separately to others, or (ii) collect Operating Costs and/or Real Estate Taxes from Tenant and all other tenants/occupants in the Building/Project in an amount in excess of what Landlord actually incurred for the items included in Operating Costs;
- (v.) Utility Services If, during the Base Year, the Building/Project purchases electricity (or other utilities) on an interruptible rate program (which is designed to allow a reduction in the electrical load, for example, on a grid by curtailment of electrical usage in return for favorable electric rates), and, following the Base Year the Building/Project's participation in such program ceases for whatever reason, then from the date of the Building/Project's cessation of participation, Tenant's Base Year amount will be adjusted to reflect what electrical, or other utility, costs would have been if the Landlord did not participate in such an interruptible rate program during the entire Base Year.
- (vi.) Free Rent Adjustments If the management fee includable in Operating Costs is determined as a percentage of the Building's/Project's gross receipts or similar revenue basis, such revenues (including parking revenues and additional rent charges) shall be determined in accordance with FASB 13 such that uneven rental streams under the Building's/Project's leases shall be straight lined to average the rental rates paid during the respective lease terms.
- (vii.) Warranty In the event any portion of the Building/Project is covered by a warranty at any time during the Base Year, Landlord shall increase Operating Costs for the Base Year by such amount as Landlord would have incurred during the Base Year with respect to the items or matters covered by the subject warranty had such warranty not been in effect at the time during the Base Year.
- 4. Tenant's Lease Compliance Audit Rights.
- a. The payment by Tenant of any Tenant's Pro Rata Share of Building/Project Operating Costs and Real Estate Taxes amount pursuant to this Lease shall not preclude Tenant from questioning the accuracy of any statement provided by Landlord.
- b. Landlord shall provide to Tenant in substantial detail each year the calculations performed to determine Tenant's Share of Operating Costs for the Building/Project in accordance with the applicable provisions of the Lease and this BOCA. Landlord shall show the total Operating Costs by account for the Building/Project and all adjustments corresponding to the requirements as set forth herein. Landlord shall also provide in reasonable detail its calculation of Tenant's Pro Rata Share of Building/Project Operating Costs and Real Estate Taxes by setting forth the ratio of the Premises rentable square feet to the Building/Project rentable square feet. Landlord shall also provide the average Building/Project occupancy for such year.
- c. Tenant, or its authorized agent, shall have the right, at its own cost and expense (without requirement that Tenant pay Landlord's costs of complying with this provision), to inspect and/or audit Landlord's detailed records each year with respect to Building/Project Operating Costs and Real Estate Taxes, as well as all other rent payable by Tenant pursuant to the Lease for the Base Year and any Comparison Year to ensure the Landlord is complying with such Lease requirements. Pursuant to the

foregoing, Landlord shall be obligated to retain such records for Tenant's Base Year and all Comparison Years associated with this Lease, regardless of whether or not such periods were prior to Landlord's ownership of the Building/Project, until one (1) year following the termination of the Lease. Within fifteen (15) business days of Tenant's written notice to Landlord of its desire to review Landlord's books and records, Landlord shall forward to Tenant or Tenant's authorized representative a full and complete copy of the Building/Project's general ledger, and all escalation worksheets and their supporting documentation for each year being reviewed. General ledgers shall be the type printed from Landlord's particular computerized accounting system which reflect: (a) the full year's listing of expenses with such expenses listed under its applicable account (which account has its name and number clearly specified) and with each account's expenses summarized via account balances, (b) for each expense, the date of the expense, the payee/vendor, the amount (including debits and credits), and the transaction description (reflecting an explanation of what the expense was for), and (c) the various income accounts indicating the income items which were received and applied during the year. If, after the review of such documentation, Tenant desires additional information of Landlord's books and records including but not limited to, invoices paid by Landlord or service contracts, Landlord shall cooperate with Tenant making all pertinent records available to Tenant, Tenant's employees and agents for inspection. Tenant, Tenant's employees and agents, shall be entitled to make and retain photostatic copies of such records and further provided that Tenant keeps such copies confidential and does not show or distribute such copies to any other tenants in the Building/Project.

d. The results of such audit, as reasonably determined by both parties, shall be binding upon Landlord and Tenant. If such audit discloses that the amount paid by Tenant as Tenant's Pro Rata Share of Operating Costs and Real Estate Taxes for the Building/Project, or of other rental amount payable pursuant to the Lease, has been overstated by more than five percent (5%), then, in addition to immediately repaying such overpayment and associated interest to Tenant, Landlord shall also pay the costs incurred by Tenant in connection with such audit.