LEASE

BY AND BETWEEN

ROCKVILLE METRO PLAZA I, L.L.C.

("LANDLORD")

AND

MONTGOMERY COUNTY, MARYLAND

("TENANT")

111 ROCKVILLE PIKE ROCKVILLE, MARYLAND

TABLE OF CONTENTS

		Page
1.	Terms	1
2.	Payment of Rent & Additional Rent	4
3.	[INTENTIONALLY OMITTED]	4
4.	Uses; Tenant Covenants	4
5.	Environmental Provisions; Recycling	. 5
6.	Late Charges; Interest.	8
7.	Repairs and Maintenance.	9
8.	Utilities and Services.	10
9.	Expense Increases.	11
10.	Increases in Real Estate Taxes.	15
11.	Additional Provisions; Operating Costs and Real Estate Taxes	16
12.	Tenant's Insurance.	17
13.	Landlord's Insurance	18
14.	Damage or Destruction.	19
15.	Machines and Equipment; Alterations and Additions: Removal of Fixtures	21
16.	Acceptance of Premises	24
17.	Tenant Improvements	24
18.	Access	24
19.	[INTENTIONALLY OMITTED]	25
20.	Indemnification	25
21.	Assignment and Subletting.	26
22.	Advertising	26
23.	Liens	26
24.	Default	27
25.	Subordination	29
26.	Surrender of Possession	30
27.	Non-waiver	30
28.	Holdover	30
29.	Condemnation	30
30.	Notices	32
31.	Mortgagee Protection	32
32.	[INTENTIONALLY OMITTED]	33
33.	Brokers	33
34.	Landlord's Liability and Default.	33
35.	Estoppel Certificates	34
36.	[INTENTIONALLY OMITTED]	34
37.	Transfer of Landlord's Interest	34
38.	Right to Perform	35
39.	Substituted Premises	35
40.	Sales and Auctions	35
41.	No Access to Roof	
42.	Security	36
43.	Authority of Tenant	

TABLE OF CONTENTS (Cont'd.)

		Page
No Accord o	or Satisfaction	36
Parking		36
[INTENTIO	NALLY OMITTED]	40
Waiver of Ju	ıry Trial	40
Right of Firs	st Offer	41
BIT A	Legal Description of Land	
BIT B	Location and Dimensions of Premises	•
BIT C	Construction Exhibit	
DULE C-1	Base Building/Tenant Improvement Work	
BIT D	Declaration of Lease Commencement	
BITE	Rules and Regulations	
BIT F	Initial Cleaning Specifications	
BIT G	Form Estoppel Certificate	
	Modification Parking General Pro [INTENTIC Waiver of Ju Renewal Te Montgomery Right of First BIT A BIT B BIT C DULE C-1 BIT D BIT E BIT F	BIT B Location and Dimensions of Premises BIT C Construction Exhibit DULE C-1 Base Building/Tenant Improvement Work BIT D Declaration of Lease Commencement BIT E Rules and Regulations BIT F Initial Cleaning Specifications

LEASE

THIS LEASE is made this day of April, 2005, by and between ROCKVILLE METRO PLAZA I, L.L.C., a Maryland limited liability company ("Landlord"), and MONTGOMERY COUNTY, MARYLAND, a political subdivision of the State of Maryland ("Tenant").

RECITALS:

Landlord, for and in consideration of the rents and all other charges and payments hereunder and of the covenants, agreements, terms, provisions and conditions to be kept and performed hereunder by Tenant, grants and conveys to Tenant, and Tenant hereby hires and takes from Landlord, a leasehold interest in the premises described below (the "Premises"), subject to all matters hereinafter set forth and upon and subject to the covenants, agreements, terms, provisions and conditions of this Lease for the term hereinafter stated.

NOW THEREFORE, Landlord and Tenant hereby agree to the following:

1. Terms.

- 1.1 Premises. The "Premises" demised by this Lease are approximately Thirteen Thousand Thirteen (13,013) rentable square feet of space on the eighth (8th) floor of the building located at 111 Rockville Pike, Rockville, Maryland (the "Building"), together with a nonexclusive right to use parking and other common areas. The land upon which the Building is situated, which is described in **Exhibit A** attached hereto and incorporated herein by reference, shall be referred to hereinafter as the "Land." The location and dimensions of the Premises are shown on **Exhibit B**, attached hereto and incorporated herein by reference. No easement for light or air is incorporated in the Premises. The rentable area of the Building is approximately 225,720 square feet. Both the Premises and the Building shall be measured and verified by Landlord's architect in accordance with the ANSI/BOMA Z65.1-1996 Method of Measurement.
- 1.2 <u>Tenant's Share</u>. "Tenant's Share" shall mean a fraction, the numerator of which is the total rentable square footage of the Premises, and the denominator of which is the total rentable square footage of the Building. Tenant's Share as of the date of execution of this Lease is 5.77%, (calculated as 13,013/225,720). Tenant's Share shall be adjusted for changes in or a remeasurement of the total rentable square footage of the Premises and/or Building, including without limitation changes which may result from any condemnation or other taking of a portion of the Building.
- 1.3 Lease Term. The term of this Lease (the "Term" or "Lease Term") shall commence on the Commencement Date, as defined in Section 1.4, below, and shall expire one hundred twenty (120) full calendar months thereafter (the "Lease Expiration Date"); provided that if the Commencement Date is a date other than the first day of a calendar month, the Lease Term shall commence on the Commencement Date and run for the number of months set forth above beginning on the first day of the first calendar month following the Commencement Date.

- 1.4 Commencement Date. The "Commencement Date", currently anticipated to be on or about August 1, 2005, shall be the earlier of (i) the date upon which Landlord's Work (as defined in Exhibit C attached hereto and made a part hereof) is "Substantially Completed", as such term is defined below, except to the extent modified by operation of the remedial provisions of Exhibit C, and (ii) the date upon which Tenant occupies the Premises for the conduct of its business. Notwithstanding the foregoing, for purposes of this Lease, the term "Commencement Date" shall also mean any adjusted Commencement Date which may be established pursuant to the provisions of this Lease. Landlord and Tenant hereby agree to execute a Declaration, in the form attached hereto as Exhibit D, to confirm the Commencement Date. Tenant's failure to execute said Declaration shall not affect the Commencement Date, or the Lease Expiration Date, as the same may be determined by the terms of this Lease. For purposes hereof, the term "Substantial Completion" shall mean that (1) Landlord's Work has been completed in accordance with the Approved Plans (as defined in Exhibit C), other than (A) special, non-standard items that require an unacceptably long lead time for procurement and/or installation, and (B) "punch list" items and other minor defects which will not unreasonably interfere with Tenant's ability to lawfully take occupancy of the Premises or to conduct its business therein; and (2) Landlord has obtained all governmental inspection and other approvals capable of being obtained by Landlord in connection with Landlord's Work prior to the performance of the installation by Tenant of its trade fixtures, furniture and equipment (including without limitation a permanent or temporary certificate of use and occupancy or its equivalent permitting Tenant to lawfully occupy the Premises, unless the same cannot be obtained by Landlord because of any incomplete work undertaken by Tenant, or because the same cannot be obtained prior to Tenant's installation of its trade fixtures, furniture and equipment or because such installation is in violation of any applicable legal or code requirements, in which event the non-issuance of such permanent or temporary non-residential use permit or its equivalent shall not affect the status of the Premises as "Substantially Complete").
- 1.5 Rent. The base rent payable by Tenant hereunder ("Base Rent") is set forth in this Section 1.5, below. In addition to the Base Rent, Tenant shall pay (as additional rent) Tenant's Share of Expense Increases (as described in Section 9) and Tax Increases (as described in Section 10), and any other increases in Base Rent described in this Section 1.5, below, all of which shall be deemed additional rent due under this Lease. The combination of Base Rent and additional rent as described in this Section 1.5 is sometimes collectively referred to in this Lease as "Rent." Base Rent shall be payable monthly, in advance, on first day of each calendar month of the Term, without prior notice, demand, deduction or offset.

1.5.1 The annual and monthly payments of Base Rent for the Premises (which monthly payments may be referred to herein as "Monthly Rent") shall be as follows:

Months	Annual Base Rent Per Square Foot	Annual Base Rent	Monthly Base Rent
1 to 12	\$29.00	\$377,377.00	\$31,448.08
13-24	\$29.80	\$387,787.40	\$32,315.62
25-36	\$30.62	\$398,458.06	\$33,204.84
37 to 48	\$31.46	\$409,388.98	\$34,115.75
49 to 60	\$32.32	\$420,580.16	\$35,048.35
61 to 72	\$33.21	\$432,161.73	\$36,013.48

Months	Annual Base Rent Per Square Foot	Annual Base Rent	Monthly Base Rent
73 to 84	\$34.13	\$444,133.69	\$37,011.14
85-96	\$35.06	\$456,235.78	\$38,019.65
97 – 108	\$36.03	\$468,858.39	\$39,071.53
109 – 120	\$37.02	\$481,741.26	\$40,145.11

- 1.6 Additional Rent. Any sum owed or reimbursable by Tenant to Landlord under this Lease (excluding monthly Base Rent) shall be considered "additional rent" hereunder, and, except for items of additional rent for which demand is required pursuant to the express terms of this Lease, shall be payable without demand, set-off or deduction. The items of additional rent described in Section 1.5, above, shall be payable monthly, in advance, on first day of each calendar month of the Term, together with Tenant's monthly Base Rent payment.
- 1.7 <u>Notice Addresses</u>. Any notices under this Lease shall be governed by the terms of Section 30, below. The notice addresses of the parties are as follows:

If to Landlord:

c/o Foulger-Pratt Companies

9600 Blackwell Road

Suite 200

Rockville, Maryland 20850 Attn: Mr. Clayton F. Foulger

with a copy to:

Linowes and Blocher LLP

7200 Wisconsin Avenue, Suite 800 Bethesda, Maryland 20814-4842 Attention: Richard M. Zeidman, Esq.

If to Tenant:

101 Monroe Street

Office of Real Estate - 10th Floor Rockville, Maryland 20850

with a courtesy copy to:

101 Monroe Street

Office of the County Attorney- 3rd Floor

Rockville, Maryland 20850

Either party may, upon ten (10) days prior written notice to the other, designate a new address to which all notices hereunder shall be directed.

1.8 Rent Payment Address. Tenant shall send payments of Base Rent and additional rent hereunder to Landlord at the following address:

Foulger-Pratt Management Co. 9600 Blackwell Road - Suite 200 Rockville, Maryland 20850

Landlord may, upon ten (10) days prior written notice to Tenant, designate a new address to which all payments of Base Rent and additional rent hereunder shall be sent.

- 1.9 <u>Lease Year</u>. Each twelve (12) month period within the Lease Term shall be referred to herein as a "Lease Year." The first Lease Year shall commence on the Commencement Date and terminate on the last day of the twelfth full calendar month after such Commencement Date. Each subsequent Lease Year shall commence on the date immediately following the last day of the preceding Lease Year and shall continue for a period of twelve (12) full calendar months, except that the last Lease Year of the Lease Term shall terminate on the date this Lease expires or is otherwise terminated.
- 1.10 <u>Deed of Lease</u>. To the extent required under applicable law to make this Lease legally effective, this Lease shall constitute a deed of lease.
- 2. Payment of Rent & Additional Rent. Tenant shall pay Landlord the Rent due under this Lease in lawful money of the United States. Rent (including any monthly estimated payments for Tenant's Share of Expense Increases and Tax Increases payable in accordance with Section 9.3 of this Lease) shall be paid in advance on or before the first day of each month, at the address noted in Section 1.8, or to such other party or at such other place as Landlord may hereafter from time to time designate in writing. All other payments due under this Lease shall be paid no later than thirty (30) days after the date Landlord provides Tenant with a written request for payment which sets forth the amount due. Base Rent under this Lease for any partial month at the time when Rent first becomes due and payable shall be prorated based on the Base Rent in effect for the first month in which Base Rent is payable hereunder. In the event of any dispute concerning the computation of the amount of any additional rent due, Tenant shall pay the amount specified by Landlord pending the resolution of the dispute, provided such payment shall be without prejudice to Tenant's right to continue to challenge the disputed computation. In the event that Tenant successfully challenges the disputed computation, Landlord shall refund to Tenant the amount of any overpayment of such additional rent within thirty (30) days after the dispute is finally resolved.

3. [INTENTIONALLY OMITTED].

4. Uses; Tenant Covenants.

4.1 <u>Permitted Use</u>. The Premises are to be used for general office and administrative purposes only (the "Permitted Use") and for no other business or purpose.

4.2 Other General Use Covenants.

4.2.1 Tenant shall not commit or allow to be committed any waste upon the Premises, nor any public or private nuisance nor any other act which disturbs the quiet enjoyment of any other tenant in the Building. If any of the Tenant's office machines or equipment or other activities within the Premises involve unusual volume or vibration and disturb any other tenant in the Building, then Tenant shall provide adequate insulation, or take such other action, as may be necessary to eliminate the noise or disturbance.

- 4.2.2 Tenant will, at its own cost, promptly comply with and carry out all Requirements (defined below) to the extent that same apply to (i) the manner of Tenant's occupation or use of the Premises, (ii) the conduct of Tenant's business therein, or (iii) the construction of any improvements or alterations therein by (or at the request of) Tenant, other than Landlord's Work (as defined in Exhibit C hereto). The term "Requirements" shall mean all orders, requirements or conditions now or hereafter imposed upon Tenant by the ordinances, laws, rules, orders, and/or regulations (including without limitation all present and future laws, orders and regulations regarding recycling of trash and smoking in the workplace, and all building and life safety codes) of the State of Maryland and any other federal, state, or local governmental authority, or public or quasi-public authority, having jurisdiction over the Premises. The foregoing notwithstanding, to the extent that the Requirements relate to the compliance of the Premises (or any portion thereof) with applicable building codes, regulations, or laws which were in effect prior to the date hereof, the design or installation of the item(s) which require such modification was Landlord's responsibility under Exhibit C of this Lease, Landlord shall be responsible for the compliance of such item(s) with the Requirements. Tenant, at Tenant's cost, shall be responsible for ensuring that Tenant's policies and business operations with respect to the Premises comply with the requirements of Title III of the Americans With Disabilities Act of 1990, as amended ("ADA").
- 4.2.3 Tenant shall observe such reasonable rules and regulations as may be adopted and made available to Tenant by Landlord from time to time for the safety, care and cleanliness of the Premises or the Building and for the preservation of good order therein. The initial rules and regulations for the Building are attached as Exhibit E hereto and made a part hereof by this reference (as the same may be amended in accordance herewith, the "Rules and Regulations"). Landlord shall have the right from time to time to make reasonable modifications to the Rules and Regulations, provided (i) such modifications shall only be applicable to Tenant if communicated to Tenant in writing at least ten (10) days prior to the effective date of such modification, (ii) such modified Rules and Regulations shall not materially modify any economic obligations of Tenant hereunder, and (iii) in the event of any irreconcilable conflict between the terms of this Lease and the terms of the Rules and Regulations (as amended), the terms of this Lease shall be controlling. Landlord shall not be responsible to Tenant for the nonperformance of any of said rules and regulations by any other tenants or occupants of the Building.
- 4.2.4 No act shall be done or knowingly permitted by Tenant, or its agents, employees and/or contractors, in or about the Premises that is unlawful or that will increase the existing rate of insurance on the Building. To Landlord's knowledge, general office use is neither unlawful, nor will it result in any increase in the existing rate of insurance in the Building. In the event the existing rate of insurance is increased because of any breach by Tenant of this covenant, Tenant shall pay to Landlord any and all fines, penalties, and/or increases in insurance premiums resulting from such breach.

5. Environmental Provisions; Recycling.

5.1 General. Tenant agrees to comply with any and all Environmental Laws (defined below) in connection with Tenant's use of the Premises and any acts, omissions and other activities of Tenant in or on the Building and the Land. Neither Tenant nor its agents, employees

or contractors, shall cause or permit Hazardous Materials (as defined below) to be brought upon, kept or used in, on, or about the Premises except as otherwise permitted in this Section 5 and in strict compliance with all Environmental Laws.

- 5.2 <u>Tenant's Obligations with Respect to Hazardous Materials</u>. During the Term of this Lease, Tenant covenants with Landlord as follows:
- 5.2.1 The Premises will not, as the result of any acts or omissions of Tenant, contain any hazardous materials, hazardous wastes, hazardous, controlled or toxic substances, or any pollutant or contaminant, or related materials defined in or controlled pursuant to any and all federal, state and local laws, rules and regulations or orders pertaining to health, the environment and/or Hazardous Materials (collectively, "Environmental Laws") (the substances described above being hereinafter collectively referred to as "Hazardous Materials").
- 5.2.2 Tenant (A) shall comply in the operation of its business, and in its use and occupancy of the Premises, with all Environmental Laws, (B) shall not store, utilize, generate, treat, transport or dispose of (or permit or acquiesce in the storage, utilization, generation, transportation, treatment or disposal of) any Hazardous Materials on or from the Premises, and (C) shall cause its employees, agents, contractors, assignees, sublessees and licensees to comply with the representations, warranties and covenants herein contained. For all purposes of this Section 5, references to "Tenant" shall be deemed to include acts and omissions committed by Tenant and Tenant's agents, employees, contractors, subcontractors, assignees, sublessees and licensees.
- 5.2.3 If Tenant obtains knowledge of the actual or suspected release of Hazardous Materials ("Release") during the Term in or about the Premises, or any pending or threatened regulatory actions known to Tenant, or any claims made by any governmental authority or third party, relating to any Hazardous Materials or Release on or from, the Premises then Tenant shall promptly notify Landlord of the same and shall promptly furnish Landlord with copies of any correspondence or legal pleadings or documents in connection therewith. Tenant and its successors and assigns shall indemnify Landlord from, for and against any and all loss, cost, claim, demand, damage, liability and expense (including reasonable attorneys', experts' and consultants' fees and costs) of whatever kind or nature incurred and/or paid by Landlord by reason of new contamination of the Premises caused by Tenant. If Tenant shall fail to proceed promptly with the removal or remediation of any Hazardous Materials or Releases thereof caused by Tenant, or if Tenant shall otherwise fail to comply with Environmental Laws, the same shall constitute a Default under Section 24 hereof, and Landlord may, but shall not be obligated to, do whatever is necessary to eliminate such Hazardous Materials from the Premises or otherwise comply with Environmental Laws, and the cost thereof shall be borne by Tenant and thereupon become immediately due and payable as additional rent hereunder. Tenant shall give to Landlord and its agents and employees access to the Premises for such purposes and hereby specifically grants to Landlord a license to remove the Hazardous Materials and otherwise comply with such applicable laws, rules, regulations or orders, acting either in its own name or in the name of the Tenant pursuant to this Section.

- 5.2.4 Tenant hereby indemnifies and holds Landlord and each of its shareholders, subsidiaries, affiliates, officers, directors, partners, employees, agents and trustees, and any receiver, trustee or other fiduciary appointed for the Building, harmless from, against, for and in respect of, any and all damages, losses, settlement payments, obligations, liabilities, claims, actions or causes of actions, encumbrances, fines, penalties, and costs and expenses suffered, sustained, incurred or required to be paid by any such indemnified party (including, without limitation, reasonable fees and disbursements of attorneys, engineers, laboratories, contractors and consultants) because of, or arising out of or relating to (A) the violation by Tenant of any of its covenants under this Section 5, and (B) any Environmental Liabilities (as hereinbelow defined) in connection with the Premises for which Tenant is responsible under the For purposes of this indemnification clause, terms of this Section 5 of the Lease. "Environmental Liabilities" shall include all costs and liabilities with respect to the future presence, removal, utilization, generation, storage, transportation, disposal or treatment of any Hazardous Materials or any Release of Hazardous Materials. The foregoing indemnification and the responsibilities of Tenant under this Section 5 shall survive the termination or expiration of this Lease.
- 5.2.5 Upon expiration of the Term, Tenant shall deliver the Premises to Landlord free of any and all Hazardous Materials and any liens, encumbrances and restrictions relating to Environmental Liabilities, to the extent Tenant was otherwise responsible therefor.
- 5.3 <u>Permitted Materials</u>. Notwithstanding Section 5.2 to the contrary, Tenant shall be permitted to temporarily store reasonable amounts of Hazardous Materials that are used in the ordinary course of Tenant's operation of the Permitted Use (the "Permitted Materials") provided such Permitted Materials are properly used, stored and disposed of in a manner and location meeting the requirements of all Environmental Laws.
- 5.4 Landlord's Covenants. If, during the Lease Term, (a) Landlord introduces Hazardous Materials in, on or under the Building or Land, or otherwise violates the requirements of any Environmental Laws, or (b) Hazardous Materials contamination in, on or under the Building or the Land which existed prior to Tenant's taking occupancy of the Premises is discovered, and in either case, such contamination is not the responsibility of Tenant pursuant to this Section 5, then as between Landlord and Tenant, Landlord shall be responsible for making a prompt assessment of the scope and nature of the problem, and for taking remedial action, in conjunction (if appropriate) with applicable federal, state or local authorities; and in the event the presence of such Hazardous Materials was caused by Landlord, or its authorized agents, employees or contractors, Landlord shall be responsible for the cost to remediate any such contamination and/or correct any such violation, and for all fines, penalties and other actual damages arising therefrom. The foregoing is without prejudice to Landlord's right to seek recovery of damages or losses from the parties at fault in any Hazardous Materials Release.
- 5.5 <u>Recycling Regulations</u>. Tenant shall comply 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 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.

6. Late Charges; Interest.

- Late Charge. Tenant hereby acknowledges that late payment to Landlord of Base Rent or additional rent will cause Landlord to incur administrative costs and loss of investment income not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. If any Base Rent payment or any payment of Tenant's Share of Expense Increases or Tenant's Share of Tax Increases due from Tenant is not received by Landlord or Landlord's designated agent within five (5) business days after the date due, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of such overdue amount; provided, however, Landlord agrees to waive the first (1st) such late charge arising during any Lease Year during the Term, up to a maximum of three (3) such waivers during the Term, provided that Landlord receives such overdue Base Rent or Tenant's Share of Expense Increases or Tenant's Share of Tax Increases, as the case may be, within fifteen (15) days after the date Landlord provides Tenant with a written notice that such payment is overdue. If any other payment of Rent due from Tenant under this Lease is not received by Landlord or Landlord's designated agent within the time period provided for such payment in Section 2 above, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of such overdue amount; provided, however, Landlord agrees to waive the first (1st) such late charge arising during any Lease Year during the Term, up to a maximum of three (3) such waivers during the Term, provided that Landlord receives such overdue payment of Rent within thirty (30) days after the date Landlord provides Tenant with a written notice that such payment of Rent is overdue. The parties hereby agree that such late charges represent a fair and reasonable estimate of the administrative cost that Landlord will incur by reason of Tenant's late payment. Landlord's acceptance of such late charges shall not constitute a waiver of Tenant's Default with respect to such overdue amount or estop Landlord from exercising any of the other rights and remedies granted hereunder.
- 6.2 <u>Interest.</u> In addition to the administrative late charge provided for under Section 6.1, above, if any Base Rent or additional rent due from Tenant to Landlord is not paid within ten (10) business days after the date due (if Tenant was not assessed a late charge by virtue of such late payment) or thirty (30) days after the date due (if Tenant was assessed a late charge by virtue of such late payment), such unpaid amount shall bear interest from the date originally due until the date paid at an annual rate of interest (the "Default Rate") equal to the lesser of (a) the Prime Rate plus five percent (5%) or (b) the highest annual rate of interest permitted under applicable law. Landlord's acceptance of such interest shall not constitute a waiver of Tenant's Default with respect to such overdue amount or estop Landlord from exercising any of the other rights and remedies granted hereunder. The term "Prime Rate" shall mean the "Prime Rate" of interest as published from time to time in the Wall Street Journal, or if not so published, then the "Prime Rate" as established from time to time by the bank in which Landlord maintains its bank accounts with respect to the Building.

7. Repairs and Maintenance.

- 7.1 Landlord's Responsibilities. Landlord shall maintain or cause to be maintained, and after receiving notice or actual knowledge of the need for repair, shall repair and/or replace (as necessary) all structural and non-structural portions of the Building Systems (as hereafter defined), Common Areas (as hereafter defined) and Structural Elements (as hereafter defined), provided that, to the extent any of such maintenance or repairs is rendered necessary by the acts or omissions of Tenant, its agents, employees or independent contractors, Tenant shall be obligated to reimburse Landlord for all reasonable, actual costs sustained by Landlord in connection therewith to the extent such costs are not covered by the fire and casualty insurance maintained, or required to be maintained, by Landlord on the Building, which reimbursement shall be due no later than fifteen (15) days after Landlord's written demand. For the purposes of this Section 7, "Building Systems" shall mean the mechanical, electrical, plumbing, elevator, sprinkler, and HVAC systems serving the Building and located outside of the confines of the Premises; "Common Areas" shall mean those areas of the Building which are available for the non-exclusive use of any tenant of the Building, including without limitation parking areas, lobbies, elevators, restrooms, stairs, corridors, janitor's closets, and electrical and telephone closets; and "Structural Elements" shall mean the structural components of the Building's base building improvements, including structural components which integrate with the interior tenant improvements within the Premises, including without limitation the roof, foundations, exterior structural walls and other load-bearing elements of the Building.
- 7.2 <u>Tenant's Responsibilities</u>. Except for (i) repairs to Building Systems, Common Areas and Structural Elements, (ii) warranty repairs related to Landlord's Work (if any), (iii) janitorial and cleaning services to the extent provided by or through Landlord under Section 8.1, below, and (iv) repairs to the interior of the Premises to the extent the same are rendered necessary by the acts or omissions of Landlord and its agents, employees and independent contractors, and are not covered by the fire and casualty insurance maintained, or required to be maintained, by Tenant under this Lease, Tenant shall be responsible (at Tenant's sole expense) for repairs and maintenance to the interior of the Premises.
- 7.3 Notification Requirements. Landlord shall be under no obligation to inspect the Premises. Tenant shall promptly report to Landlord by facsimile transmission, and confirm in a writing delivered to Landlord by hand delivery or by U.S. Mail, any defective condition in the Premises actually known to Tenant which Landlord is required to repair, and failure to so report such defects shall excuse any delay by Landlord in commencing and completing such repair to the extent the same would otherwise be Landlord's responsibility under this Lease. In addition, if Tenant fails to report a defective condition within the Premises promptly, and such failure results in any incremental additional damage to the Premises, the Building or any personal property in the Building, Tenant shall be responsible for the cost of repairing such incremental additional damage to the extent such damage results from such failure by Tenant.
- 7.4 <u>Expenses</u>. All expenses incurred by Landlord pursuant to this Section 7 (to the extent not payable directly by Tenant as above provided) will be included within "Operating Costs" as defined in Section 9, below, to the extent not excluded under Section 9.6.

8. Utilities and Services.

Hours of Service. From 8:00 a.m. to 6:00 p.m. on weekdays and from 9:00 a.m. 8.1 to 1:00 p.m. on Saturday (collectively "Normal Business Hours") (excluding the following holidays: New Year's Day, Martin Luther King, Jr. Day (as observed), President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Christmas Day and any holiday designated as such by an Executive Order of the President of the United States or by Act of Congress, herein collectively referred to as "Holidays"), Landlord shall furnish (i) hot and cold water to common area restrooms, (ii) electrical service to the Premises, and heating and/or air conditioning service to the Premises as is applicable, (iii) cleaning and janitorial services as specified in the Landlord's cleaning specifications for the Building as established from time to time (Monday through Friday, excluding holidays) (Landlord's cleaning specifications for the Building as in existence as of the date hereof being attached hereto as Exhibit F); (iv) subject to the terms hereof, access to the Building 24 hours a day, 365 days a year, including holidays, (v) elevator service comprised of at least one elevator to service the Building at all times. The cost of all of the foregoing services furnished by Landlord shall constitute Operating Costs and shall be payable as provided in Section 9 of this Lease.

The foregoing provisions of this Section 8.1 notwithstanding, Landlord shall have the right, without being in violation of its obligation as set forth above to provide access to the Premises, to restrict access to the Building and/or the Premises at any time and from time to time as a result of any threat of national crisis, including, but not limited to during the declaration of war or insurrection, during times of national threat of biological, chemical or similar warfare, or threatened use of the United States mail for the delivery thereof; or any Homeland Security emergency declared by the Federal, State or County government or other applicable authority. During any such period, Landlord shall have the absolute right, in its sole and absolute discretion, to restrict access to Tenant and any or all of Tenant's invitees, guests, contractors, agents and others, to install surveillance or similar equipment, to require Tenant and all persons entering the Building to carry and/or display identification cards bearing such detail as Landlord may prescribe, to restrict or alter mail and overnight delivery procedures, and/or to enact such other restrictions as Landlord deems necessary or appropriate under the circumstances or as required by law or order declaring an emergency and if any such declaration requires Tenant and Tenant's employees, invitees, guests, contractors and agents to remain in the Premises until the emergency situation abates or as part of an emergency evacuation plan, Landlord will provide utilities and other services hereunder to the Premises for the duration of the order or declaration.

8.2 Additional HVAC Service. If requested by Tenant, Landlord shall furnish HVAC service at times other than Normal Business Hours at the cost of such service as established from time to time by Landlord, based on Landlord's actual cost to provide such service. The cost of providing such service for the initial Lease Year of this Lease is expected to be \$30.00 per hour based upon the space initially leased by Tenant hereunder (provided that if the Premises falls within more than one Building zone, the foregoing cost shall be on a per hour, per zone basis). If the quantity or kind of utilities or services furnished by Landlord to the Premises to meet Tenant's requirements is excessive or abnormal relative to the utilities and services consumed by office tenants generally, Tenant shall reimburse Landlord upon written

demand with adequate supporting documentation for the additional cost resulting from Tenant's excessive or abnormal consumption.

- 8.3 Additional Provisions. Except as specifically provided in Section 8.4, below, Landlord shall not be liable to Tenant for any loss, injury or damage to property, or loss of income or other business loss, caused by or resulting from any variation, interruption, or failure of such services due to any cause whatsoever, or from failure to make any repairs or perform any maintenance. In addition, Landlord shall not be liable to Tenant for (a) any damage to the Premises, (b) any loss, damage or injury to any property therein or thereon, (c) any claims for the interruption of or loss to Tenant's business or (d) for any indirect damages or consequential losses, to the extent occasioned by bursting, rupture, leakage or overflow of any plumbing or other pipes, other water leakage or flooding, or other similar causes in, above, upon or about the Premises or the Building. If any public utility or governmental body shall require Landlord or Tenant to restrict the consumption of any utility or reduce any service to the Premises or the Building, Landlord and Tenant shall comply with such requirements, without any abatement or reduction of the Base Rent, additional rent or other sums payable by Tenant hereunder.
- 8.4 <u>Interruption in Services.</u> Notwithstanding any provision of Section 8.3, above, to the contrary, in the event that (i) the supply of hot and cold water, HVAC service, electrical service, and/or (if applicable) elevator service for a minimum of one (1) elevator (each an "Essential Service") to the Premises is interrupted as a result of the negligence or acts of Landlord, or its agents, employees or contractors (and not as a result of any cause beyond Landlord's reasonable control, such as a general electrical outage or blackout), and (ii) such interruption continues for a period exceeding three (3) consecutive business days after Tenant first notifies Landlord of such interruption in writing sent by facsimile (with a confirmation delivered to Landlord by U.S. Mail), and (iii) as a result thereof Tenant is unable to and does not in fact conduct business from the Premises or any applicable portion thereof, then from and after such third (3rd) consecutive business day, Tenant shall be entitled to abate its Base Rent and additional rent obligations hereunder as to the Premises or portion thereof which is not usable (and is in fact not used) until such time as the applicable Essential Service is restored. The foregoing shall constitute Tenant's sole and exclusive remedy in the event of an interruption of services to the Premises.

9. Expense Increases.

- 9.1 <u>Defined</u>. Tenant shall pay Tenant's Share of an amount (hereinafter referred to as "Expense Increases") equal to the difference between:
 - (A) Operating Costs (defined in Section 9.5, below) for such calendar year; and
 - (B) Operating Costs for the Operating Costs Base Year (defined in Section 9.2, below).
- 9.2 <u>Base Year</u>. For all purposes hereof, the "Operating Costs Base Year" shall be the 2005 calendar year.

- 9.3 Estimated Payments. Commencing on January 1, 2006, and for each calendar year thereafter during the Term, Tenant shall make monthly installment payments on an estimated basis toward Tenant's Share of Expense Increases, in an amount equal to one-twelfth (1/12) of Landlord's estimate of the Tenant's Share of Expense Increases for the then-current calendar year. The foregoing estimate(s) shall be based on Landlord's reasonable estimate of Expense Increases for such calendar year. Landlord shall endeavor to communicate such estimate to Tenant on or before the date Landlord provides Tenant with the Expense Statement referenced in Section 9.4, below, provided that until Landlord provides such estimate to Tenant, Tenant's estimated payments will be based upon the prior year's estimate.
- Annual Reconciliation. Within approximately one hundred twenty (120) days after the end of each calendar year after the Operating Costs Base Year, Landlord shall provide to Tenant a statement (the "Expense Statement") setting forth Operating Costs for such calendar year and Tenant's Share of Expense Increases for such year, calculated in accordance with Section 9.1, above. Within fifteen (15) days after the delivery of such Expense Statement, Tenant shall pay to Landlord any deficiency between (a) the amount shown as Tenant's Share of Expense Increases for such calendar year, and (b) any payments made by Tenant thereto in accordance with Section 9.3, above. If the payments made by Tenant pursuant to Section 9.3 exceed the amount shown in the Expense Statement as Tenant's Share of Expense Increases for such calendar year, the excess amount shall be applied against the next payment(s) of Base Rent or additional rent coming due hereunder, unless the Lease shall have expired, in which event Landlord shall refund such excess at the time of its delivery of the Expense Statement.
- 9.5 Operating Costs. The term "Operating Costs" shall mean any and all expenses incurred by Landlord in connection with the operation, management, maintenance and repair of the Building and the Land (as defined in Section 1.1 above), and all easements, rights and appurtenances thereto, but excluding the expenses identified in Section 9.6, below. Operating Costs shall include (by way of illustration and not in limitation):
- (a) the cost of the personal property used in conjunction with the Building, it being understood that in the case of any personal property that is used in both the Building and any other properties owned by Landlord, Landlord shall equitably allocate the cost of such personal property among the properties to which such personal property is used and Operating Costs shall exclude the portion of such cost not equitably allocated to the Building;
- (b) subject to Section 9.5(l), below, costs to repair and maintain the Building, Land, Building Systems, Common Areas and Premises (but excluding repairs to Structural Elements, which shall be Landlord's sole responsibility, and which are hereinafter referred to as "Structural Repairs");
- (c) all expenses paid or incurred by Landlord and surcharges imposed against the Building for electricity, water, gas, sewer, oil, and other utility services, including electricity provided to the HVAC units which serve the Building, including without limitation any HVAC units which serve those areas of the Building (including the Premises) which are leased and/or leaseable to tenants (including Tenant);

- (d) any other costs and expenses incurred in connection with the provision of the utilities and services set forth in Section 8, above, including without limitation the maintenance, repair and replacement of the Building Systems furnishing such utilities and/or services;
 - (e) the cost of Building supplies and materials;
- (f) the cost of cleaning and janitorial services in or about the Premises, the Building (including without limitation common areas) and the Land (as defined in Section 1.1 above);
 - (g) the cost of window glass replacement, repair and cleaning;
- (h) the cost of repair and maintenance of the grounds, including costs of landscaping, gardening and planting, including service or management contracts with independent contractors, and including security and energy management services and costs;
- (i) costs to achieve day-to-day compliance with any governmental laws, rules, orders or regulations in the operation of the Building and the provision of services hereunder:
 - (j) utility taxes;
- (k) the amount of compensation (including employment taxes, fringe benefits, salaries, wages, medical, surgical, and general welfare benefits such as health, accident and group life insurance, pension payments, payroll taxes, and worker's compensation insurance) paid for all persons who perform duties in connection with the operation, management, maintenance and repair of the Building, including building engineers, custodial staff and similar operating personnel, and including the Building property manager, but excluding any executives or other employees of Landlord or its property management firm who are above the level of property manager;
- **(1)** any capital expenditures incurred to reduce Costs of Electricity or Operating Costs, to comply with any governmental law, order, regulation or other legal requirement enacted after the date of this Lease, to replace existing equipment and machinery necessary to the day to day operation of the Building, or which are capital replacements (i.e., replacements of common area or common usage Building components and systems in lieu of capital repairs otherwise required to be made thereto, but excluding capital replacements made in lieu of Structural Repairs), provided that (i) each such capital expenditures shall be amortized on a monthly basis over the useful life thereof (not to exceed one hundred twenty (120) months) at an interest rate of twelve percent (12%) per annum, and the amount recoverable by Landlord as an Operating Cost in each year of the Term thereafter occurring (including the year in which such expenditure is made) shall equal the sum of all such amortization payments payable during each such year, and (ii) with respect to any capital expenditure which is incurred solely to reduce Costs of Electricity and/or other Operating Costs, the amount otherwise recoverable under clause 9.5(l)(i), above, shall be further limited by the amount of such reduction which is achieved in each applicable year.

- (m) cost of premiums for casualty, liability, elevator, workman's compensation, boiler and machinery, sprinkler leakage, rent loss, use and occupancy and other insurance;
 - (n) license, permit and inspection fees;
 - (o) property management fees;
 - (p) vault space rentals and public space rentals, if any;
 - (q) the cost of ordinary compliance with Environmental Laws;
- (r) personal property taxes which may be assessed against personal property which is used in the management, operation, and/or maintenance of the Building;
- (s) the cost of operating any fitness facility, conference facility, transportation service, concierge service, or other similar amenity furnished generally to tenants of the Building;
- (t) the cost of trash removal, including all costs incurred in connection with waste product recycling pursuant to Section 5.5 (except to the extent any such costs are charged directly to the tenants);
- (u) any local and state governmental or quasi-governmental surcharges or special charges assessed in connection with the operation and maintenance of the Building;
 - (v) the cost of uniforms and dry cleaning for on-site Building personnel;
 - (w) the cost of snow and ice removal or prevention;
- (x) the cost of telephone, telegraph, postage, stationery supplies and other materials and expenses required for the routine operation of the Building;
- (y) environmental remediation costs for the common or public areas of the Building, but only to the extent that the need for such remediation is not caused by Landlord, its agents or employees; and
- (z) equitable assessments for project-wide common area services, it being understood that in the case of any services that are provided to the Building and to other properties owned by Landlord, Landlord shall equitably allocate the cost of such services among the properties to which such services are provided and Operating Costs shall exclude the portion of the cost of such services not equitably allocated to the Building.
- 9.6 Exclusions. Notwithstanding the foregoing, Operating Costs shall not include any of the following: (1) capital expenditures, except those set forth in item 9.5 (1), above; (2) costs of any special services rendered to individual tenants (including Tenant), for which a special, separate charge shall be made; (3) painting, redecorating or other similar work which

Landlord performs for specific tenants, the expenses of which are required to be paid by such tenants or, if paid by Landlord, do not arise out of necessary repairs recoverable under Section 9.5; (4) Real Estate Taxes (as defined in Section 10); (5) depreciation or amortization of costs required to be capitalized in accordance with generally accepted accounting practices (except as set forth in Section 9.5(1), above); (6) ground rent, if in the future Landlord's interest in the Land is derived solely from a ground lease; (7) interest and amortization of funds borrowed by Landlord (except as specifically provided above); (8) leasing commissions, and advertising, legal, space planning and construction expenses, incurred in procuring, negotiating leases with, and installing leasehold improvements for, tenants or prospective tenants of the Building; (9) salaries, wages, or other compensation paid to officers or executives of Landlord (or Landlord's property management firm) in their capacities as officers and executives; (10) and any other expenses for which Landlord actually receives direct reimbursement from insurance, condemnation awards, other tenants or any other source, excluding general payments of Expense Increases pursuant to this Section 9 by Tenant and other tenants of the Building.

Further Adjustment. In the event Landlord shall furnish any utility or service 9.7 which is included in the definition of Operating Costs to less than ninety-five percent (95%) of the rentable area of the Building because (i) the average occupancy level of the Building for the Operating Costs Base Year and/or any subsequent calendar year was not ninety-five percent (95%) or more of full occupancy, (ii) any such utility or service is not required by or provided to one or more of the tenants or occupants of the Building, and such tenant(s) is (are) not required to contribute its(their) proportionate share thereof, or (iii) any tenant or occupant is itself obtaining or providing any such utility or services directly, then the Operating Costs for such year (including the Operating Costs Base Year) shall be adjusted to include all additional costs, expenses and disbursements that Landlord reasonably determines would have been incurred had the Building been ninety-five percent (95%) occupied during the year in question and such utilities and services provided to all tenants. The intent of this Section 9.7 is to ensure that the reimbursement of all Operating Costs is fair and equitably allocated among the tenants receiving such utilities and services. In the calculation of Operating Costs hereunder, no expense shall be charged more than once.

10. Increases in Real Estate Taxes.

- 10.1 <u>Defined</u>. For each calendar year or portion thereof during the Term, Tenant shall pay as additional rent to Landlord, without diminution, set-off or deduction, Tenant's Share of an amount (hereinafter referred to as "Tax Increases") equal to the difference between:
- (A) Real Estate Taxes (defined in Section 10.5, below) payable with respect to such calendar year; and
- (B) Real Estate Taxes payable with respect to the Real Estate Tax Base Year (defined in Section 10.2, below).
- 10.2 <u>Base Year</u>. For all purposes hereof, the "Real Estate Tax Base Year" shall be the 2005 calendar year.

- 10.3 <u>Estimated Payments</u>. Tenant shall make monthly installment payments toward Tenant's Share of Tax Increases on an estimated basis, based on Landlord's reasonable estimate of Tax Increases for such calendar year. Commencing on January 1, 2006, and on the first day of each month thereafter during the Term, Tenant shall pay Landlord one-twelfth (1/12) of Landlord's estimate of Tenant's Share of Tax Increases for the then-current calendar year.
- 10.4 Annual Reconciliation. Within one hundred twenty (120) days after the end of each calendar year after the Real Estate Tax Base Year, Landlord shall provide to Tenant a statement (the "Tax Statement") setting forth the total Real Estate Taxes for such calendar year and Tenant's Share of Tax Increases for the applicable year. Within thirty (30) days after the delivery of such Tax Statement, Tenant shall pay to Landlord any deficiency between the amount shown as Tenant's Share of Tax Increases for such calendar year and the estimated payments made by Tenant toward such amount in accordance with Section 10.3, above. In the case of excess estimated payments, the excess shall be applied against estimated payments of Real Estate Taxes for the subsequent calendar year, unless the Lease shall have expired, in which event Landlord shall refund such excess, without interest, with the delivery of the Tax Statement.
- 10.5 Real Estate Taxes. For purposes of this Lease, "Real Estate Taxes" shall mean all taxes and assessments, general or special, ordinary or extraordinary, foreseen or unforeseen, assessed, levied or imposed upon the Land (as defined in Section 1.1. above) and/or the Building, or assessed, levied or imposed upon the fixtures, machinery, equipment or systems in, upon or used in connection with the operation of the Land and/or the Building under the current or any future taxation or assessment system or modification of, supplement to, or substitute for such system. Real Estate Taxes (a) shall include all reasonable expenses (including, but not limited to, reasonable attorneys' fees, disbursements and actual costs) incurred by Landlord in obtaining or attempting to obtain a reduction of such taxes, rates or assessments, including any reasonable legal fees and costs incurred in connection with contesting or appealing the amounts or the imposition of any Real Estate Taxes, and (b) shall exclude any franchise, capital stock, capital, rent, income, profit or similar tax or charge. Landlord shall pay any special assessment by installments to the extent it has the right to do so, and in such event, Real Estate Taxes shall include such installments and interest paid on the unpaid balance of the assessment.

11. Additional Provisions; Operating Costs and Real Estate Taxes.

11.1 Partial Year; End of Term. To the extent Real Estate Taxes, and/or any items of Operating Costs, cannot more accurately be determined for any partial calendar year of the Term by a method other than proration, the parties agree that such determination shall be made by multiplying the amount thereof for the full calendar year by a fraction, the numerator of which is the number of days during such partial calendar year falling within the Term and the denominator of which is 365. If this Lease terminates on a day other than the last day of a calendar year, the amount of any adjustment to Tenant's Share of Expense Increases and Tax Increases with respect to the calendar year in which such termination occurs shall be prorated on the basis which the number of days from the commencement of such calendar year to and including such termination date bears to 365; and any amount payable by Landlord to Tenant or Tenant to Landlord with respect to such adjustment shall be payable within thirty (30) days after

delivery by Landlord to Tenant of the Expense Statement or Tax Statement, as the case may be, with respect to such calendar year.

11.2 Other Taxes. In addition to Tenant's Share of both Expense Increases and Tax Increases: (a) Tenant shall pay to Landlord (in accordance with Section 1.5, above) Tenant's Share of any taxes imposed upon the Premises, the Building, the Land or the rents payable hereunder in the nature of a sales or use tax or other levy (but not including any income or franchise tax, net profits tax, estate tax, inheritance tax or payroll tax); and (b) Tenant shall pay, prior to delinquency, all personal property taxes, if any, payable with respect to all property of Tenant located in the Premises or the Building and shall provide promptly, upon request of Landlord, written proof of such payment.

11.3 [INTENTIONALLY OMITTED].

- 11.4 <u>Multi-Project Operating Costs</u>. The Building may in the future be a part of a larger project or development, and as such, Landlord shall have the right (but not the obligation) to allocate to the Building an equitable portion of those Operating Costs which are incurred with respect to the project as a whole. By way of example, landscaping costs for a multi-building project shall be allocated on an appropriate basis between all tenantable buildings in the project.
- 11.5 Tenant's Right to Inspect. Landlord shall maintain at all times during the term of this Lease, within the Metropolitan Washington, D.C. area, full, complete and accurate books of account and records with respect to Operating Costs, and shall retain such books and records, as well as such other documents as are customarily maintained by Landlord and reasonably necessary to properly authenticate the Operating Costs. Upon reasonable notice from Tenant, Landlord shall make available at such place as Landlord may designate, for Tenant's inspection (or inspection performed by Tenant's accountant and/or consultants) Landlord's books and records relating to the Operating Costs for the immediately preceding year. In the event that Tenant's inspection discloses that Landlord's billings to Tenant for increased Operating Costs exceeded the actual Operating Costs attributable to Tenant, then Landlord shall refund the difference and, in the event Landlord's billings exceeded by five percent (5%) the actual Operating Costs attributable to Tenant, Landlord will pay Tenant for the reasonable expense incurred for an independent third-party in performing such inspection, in an amount not to exceed \$2,000.00, and in any event exclusive of any portion thereof in the nature of a contingency or other "success" fee.

12. Tenant's Insurance.

12.1 <u>Coverage Requirements</u>. Tenant shall during the Term of this Lease, procure at its expense and keep in force the following insurance: (i) Commercial general liability insurance naming the Landlord and Landlord's managing agent as additional insureds against any and all claims for bodily injury and property damage occurring in or about the Premises. Such insurance shall have bodily injury limits of Two Hundred Thousand Dollars (\$200,000) for injury to one person and Five Hundred Thousand Dollars (\$500,000) per occurrence, and property damage insurance with a limit of Two Hundred Thousand Dollars (\$200,000). Such liability insurance shall be primary and not contributing to any insurance available to Landlord and Landlord's

insurance shall be in excess thereto. In no event shall the limits of such insurance be considered as limiting the liability of Tenant under this Lease; (ii) personal property insurance insuring all equipment, trade fixtures, inventory, fixtures and personal property located within the Premises for perils covered by the causes of loss -- special form (all risk) and in addition, coverage for flood, earthquake and boiler and machinery (if applicable), which insurance shall be written on a replacement cost basis in an amount equal to one hundred percent (100%) of the full replacement value of the aggregate of the foregoing; (iii) unless exempt, workers' compensation insurance in accordance with statutory laws and employers' liability insurance with a limit of not less than One Hundred Thousand Dollars (\$100,000) per employee and Five Hundred Thousand Dollars (\$500,000) per occurrence and (iv) such other insurance as may be required by Landlord's beneficiaries or mortgagees of any deed of trust or mortgage encumbering the Premises, or as is reasonable and customary for first class office buildings in the area in which the Building is located.

- Tenant shall be with companies rated A:X or better in the most current issue of Best's Insurance Reports, and licensed to do business in the state in which the Premises are located and domiciled in the USA. Except as provided in Section 12.1, above, any deductible amounts under any insurance policies required hereunder shall not exceed One Thousand Dollars (\$1,000). Evidence of insurance (certificates and copies of the policies may be required) shall be delivered to Landlord prior to the first to occur of (i) thirty (30) days following the Effective Date, and (ii) the Commencement Date. Each policy of insurance shall provide notification to Landlord at least thirty (30) days prior to any cancellation or modification. Tenant shall have the right to provide insurance coverage which it is obligated to carry pursuant to the terms hereof in a blanket policy, provided such blanket policy expressly affords coverage to the Premises and to Landlord as required by this Lease.
- 12.3 <u>Self-Insurance.</u> Notwithstanding any other provision of this Lease to the contrary, for so long as Montgomery County, Maryland remains the "Tenant" under this Lease, or for so long as any entity to whom this Lease has been assigned in accordance with the express terms of this Lease is insured under the "County Self-Insurance Program" (as defined below), Tenant shall have the right to self-insure in accordance with the provisions of the Montgomery County Self-Insurance Program") that are set forth in Section 20-37 of the <u>Montgomery County Code</u> 2004, as amended.
- 13. Landlord's Insurance. At all times during the Lease Term, Landlord will maintain (a) a policy of special form (all risk) property damage insurance covering the Building, in an amount equal to the full insurable replacement value of the Building (less foundations and footers), and (b) commercial general liability and property damage insurance in an amount determined by Landlord in its sole but reasonable discretion, but in no event with limits of less than One Million Dollars (\$1,000,000). Landlord shall provide Tenant with copies of certificates of insurance for such coverage within thirty (30) days following the Effective Date and promptly following any renewal of, or change to, such insurance policies. Landlord's policy of liability insurance shall name Tenant as an additional insured. Landlord's policy of property insurance shall be endorsed with a demolition and clearing clause, extra expense and loss of use coverages with a sub-limit of Two Million Dollars (\$2,000,000) and shall name Tenant as a loss payee as Tenant's interest

may appear. Landlord shall also have the right to obtain such other types and amounts of insurance coverage on the Building and Landlord's liability in connection with the Building as Landlord determines is customary or advisable for a first class office building in the Rockville, Maryland metropolitan area. Tenant acknowledges and agrees that all premiums for insurance obtained by Landlord pursuant to this Section 13 shall be included within "Operating Costs," as such term is defined in Section 9, above.

14. Damage or Destruction.

14.1 Damage Repair.

- 14.1.1 If the Premises shall be destroyed or rendered untenantable, either wholly or in part, by fire or other casualty, then, unless this Lease is terminated for reasons permitted pursuant to Sections 14.2 and/or 14.5, below, Landlord shall, within thirty (30) days after the date of such casualty, provide Tenant with Landlord's good faith written estimate (the "Estimate") of how long it will take to repair or restore the Premises.
- 14.1.2 If the Estimate indicates that Landlord will require less than one hundred eighty (180) days to perform such repairs or restoration plus any additional time necessary to effectuate a satisfactory settlement with any insurance company so long as the total period of time for insurance settlement and repair or restoration does not exceed two hundred ten (210) days after the date of such casualty), then this Lease shall continue in full force and effect, and Landlord shall, promptly after adjusting the insurance claim and obtaining governmental approvals for reconstruction, commence and diligently prosecute to completion the restoration of the Premises to their condition immediately prior to such casualty, subject to Section 14.4 below and subject to Force Majeure (as defined in Section 47.8, below) or delay caused by Tenant. Pending substantial completion of such restoration, the Base Rent shall be abated in the same proportion as the untenantable portion of the Premises bears to the whole thereof.
- 14.1.3 If Landlord indicates within the Estimate that it will require in excess of one hundred eighty (180) days to fully repair or restore the Premises in accordance herewith (or, when taking into account the time necessary to effectuate a satisfactory settlement with any insurance company, if settlement with the insurance company and repair or restoration cannot be completed within two hundred ten (210) days after the date of such casualty), then within thirty (30) days after Landlord delivers Tenant the Estimate, either Landlord or Tenant shall have the right to terminate this Lease by written notice to the other, which termination shall be effective as of the date of such notice of termination, and all liabilities and obligations of Landlord and Tenant thereafter accruing shall terminate and be of no legal force and effect.
- 14.1.4 If neither party elects to terminate the Lease, as aforesaid, and Landlord fails or declines to exercise any other termination right pursuant to this Section 14, Landlord shall, promptly after adjusting the insurance claim and obtaining governmental approvals for reconstruction, commence and diligently prosecute to completion the restoration of the Premises to their condition immediately prior to such casualty, subject to Section 14.4 below and subject to Force Majeure (as defined herein) or delay caused by Tenant. If such restoration is not substantially completed within two hundred ten (210) days after the date of the casualty (or such

longer period as was referenced in the Estimate, if applicable), then for a period of up to thirty (30) days after the expiration of such period (but in all events no later than the date Landlord substantially completes its restoration of the Premises), Tenant shall have the right to terminate this Lease upon thirty (30) days prior written notice to Landlord. The provisions of this Section are in lieu of any statutory termination provisions allowable in the event of casualty damage.

- 14.2 <u>Termination for Material or Uninsured Damages</u>. If (i) the Building shall be materially destroyed or damaged to the extent that the restoration of such, in Landlord's judgment, is not economical or feasible, or (ii) the Building shall be materially destroyed or damaged by any casualty other than a casualty covered by the insurance policies required to be maintained by Landlord hereunder, notwithstanding that the Premises may be unaffected directly by such destruction or damage, or (iii) Landlord's mortgagee (if any) requires that the proceeds of insurance be applied to reduce any amounts outstanding under such mortgage, then in any such event, Landlord may, at its election, terminate this Lease by notice in writing to Tenant within thirty (30) days after such destruction or damage. Such notice shall be effective thirty (30) days after receipt thereof by Tenant.
- 14.3 <u>Business Interruption</u>. Other than rental abatement as and to the extent provided in Section 14.1, no damages, compensation or claim shall be payable by Landlord for inconvenience or loss of business arising from interruption of business, repair or restoration of the Building or the Premises.
- 14.4 Repairs. Landlord's repair obligations, if any, shall be limited to restoration of improvements which are covered by the insurance policies required to be maintained by Landlord hereunder. Tenant acknowledges that any such repairs or restorations shall be subject to applicable laws and governmental requirements, the requirements of Landlord's mortgagee (if any), and to delay in the process of adjusting any insurance claim associated therewith (which delay shall not extend beyond the date which is two hundred ten (210) days following the date of such casualty); and neither delays resulting from any of the foregoing nor modifications to the Building or to the interior of the Premises occurring by virtue of the application of such requirements shall constitute a breach of this Lease by Landlord as long as Landlord uses reasonable efforts to commence and complete such repairs and restorations in a timely fashion consistent with the pre-existing condition of the applicable improvements.
- 14.5 End of Term Casualty. Anything herein to the contrary notwithstanding, if the Premises are destroyed or damaged during the last eighteen (18) months of the Lease Term, then either Landlord or Tenant shall have the right to terminate this Lease upon thirty (30) days prior written notice to the other, which termination shall be effective on the thirtieth (30th) day after the other party's receipt of such notice. Such notice must be delivered within thirty (30) days after such casualty, or shall be deemed waived.
- 14.6 <u>Relocation to Interim Space</u>. If all or part of the Premises is damaged or destroyed by fire or other casualty and neither party elects to exercise its termination right hereunder (or if no termination rights are triggered), then Landlord shall have the option, to be exercised by delivering written notice to Tenant within thirty (30) days after the date of such casualty, to relocate Tenant to available space in the Building which in Tenant's reasonable

judgment is comparable to the Premises (the "Interim Space") for the period during which the Premises are repaired or restored, provided that (i) Landlord shall pay the reasonable and actual costs to move Tenant's moveable fixtures, furniture and equipment into the Interim Space, and out of the Interim Space when the Premises is repaired, (ii) the square footage of the Interim Space shall not be less than ninety percent (90%) of the square footage of the Premises unless Tenant agrees otherwise, (iii) the Interim Space shall be suitable in Tenant's reasonable judgment for the conduct and operation of Tenant's business, and (iv) upon occupancy of the Interim Space, Tenant shall pay Landlord Base Rent and additional rent for the Interim Space as set forth in this Lease, which shall be adjusted to reflect the square footage of the Interim Space; however, in no event shall the Base Rent and additional rent for the Interim Space exceed the Base Rent and additional rent for the Premises. If Landlord exercises the foregoing option, Tenant shall relocate from the Premises to the Interim Space within thirty (30) days after receipt of Landlord's notice; and Tenant shall relocate from the Interim Space to the reconstructed Premises within thirty (30) days after Landlord notifies Tenant that the repair of the Premises has been substantially completed.

15. Machines and Equipment; Alterations and Additions: Removal of Fixtures.

Floor Load, and Excessive Noise, Vibration, and Electrical Usage. Tenant shall not, without Landlord's prior consent, place a load upon the floor of the Premises which exceeds the maximum live load per square foot which Landlord (or Landlord's architect or engineer) determines (in its good faith professional judgment) is appropriate for the Building. Tenant will notify Landlord prior to the installation of any high-density filing systems, or any unusually heavy equipment or machinery, in the Premises, and all such installations shall be subject to Landlord's reasonable 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 expense) so as to absorb and prevent such vibration, noise, cold, heat or fumes. Except as may otherwise be provided in Exhibit C hereto, Landlord shall not be required to supply electrical current for equipment that requires more than 110 volts, and Tenant will not install or operate in the Premises any electrical or other equipment whose electrical energy consumption exceeds that of normal office use, without first obtaining the prior consent in writing of Landlord, who may condition such consent upon the payment by Tenant of additional rent to compensate (at cost) for excess consumption of water and/or electricity, increases to the capacity of Building Systems, and other similar requirements. All changes, replacements or additions to any Building Systems which may be necessitated by the installation and operation of such electrical equipment and/or machinery by Tenant shall be subject to Landlord's consent, and shall be performed under Landlord's direction at Tenant's expense.

15.2 <u>Alterations: Generally.</u> Tenant may make cosmetic alterations (i.e., repainting, replacement of carpeting, installation of wall covering, etc.) to the Premises without Landlord's consent, provided that Landlord is notified in writing prior to commencement of any such cosmetic alterations and the same do not require the issuance of any permit, and do not effect Building Systems or Structural Elements. All other alterations, additions and improvements

proposed to be made to the Premises by Tenant (hereinafter, "Alterations") shall be subject to Landlord's prior written approval, in accordance with the standards hereafter set forth. In the case of Alterations which are structural or visible from the exterior of the Premises, such approval may be withheld or conditioned in Landlord's sole, absolute, and subjective discretion. In the case of all other Alterations, such consent may not be unreasonably withheld, conditioned, or delayed. Without limitation, it shall not be unreasonable for Landlord to deny its consent to any Alterations (a) which would diminish the value of the leasehold improvements to the Premises in more than a de minimis amount, (b) which would adversely affect any Building Systems, (c) which would adversely affect the Structural Elements, (d) which would impose on Landlord any special maintenance, repair, or replacement obligations not within the scope of those expressly provided for herein, or (e) which would constitute "non-standard office improvements," meaning improvements which are unusual or extraordinary for standard office usage, including circular rooms, vault areas, areas involving special electrical or fire suppression systems, etc. The foregoing notwithstanding, (i) Landlord will not withhold its consent to a proposed Alteration solely on the basis described in clause (d) if Tenant agrees, at the time of its request for approval or notice of such Alterations, to pay all costs associated with Landlord's meeting the additional obligations described in clause (d), and (ii) Landlord will not withhold its consent to a proposed Alteration solely on the basis described in clause (e) if Tenant agrees, at the time of its request for approval or notice of such Alterations, to remove such Alteration(s) and restore the Premises to its condition prior to the installation thereof, at Tenant's sole expense, upon the expiration or sooner termination of this Lease. All Alterations (including without limitation cosmetic alterations) shall be made (1) at Tenant's sole expense, (2) according to plans and specifications approved in writing by Landlord (to the extent Landlord's consent is required), (3) in compliance with all applicable laws, (4) by a licensed contractor, and (5) in a good and workmanlike manner conforming in quality and design with the Premises existing as of the Commencement Date. In addition, except for any Alterations which Landlord requires Tenant to remove as a pre-condition to the installation thereof, and except for Tenant's movable office partitions, furniture, and trade fixtures, all Alterations (including without limitation cosmetic alterations) made by Tenant shall at once become a part of the realty and shall be surrendered with the Premises.

Term, Tenant shall, at Tenant's expense, diligently remove all Alterations made by Tenant after the Commencement Date and designated by Landlord or agreed to by Tenant, as the case may be, to be removed at the time of Landlord's approval or Tenant's request for approval or notice thereof (or otherwise required to be removed by Tenant pursuant to Exhibit C). Tenant shall repair any damage to the Premises caused by such removal and, except as otherwise provided herein, restore the applicable portion of the Premises to its condition prior to such Alteration. Tenant shall remove all of its movable property and trade fixtures at the expiration or earlier termination of this Lease, and shall pay to Landlord the cost of repairing any damage to the Premises or Building resulting from such removal. In no event shall Tenant remove any portion of Landlord's Work except in connection with a permitted Alteration hereunder. All items of Tenant's movable property, trade fixtures and personal property that are not removed from the Premises or the Building by Tenant at the termination of this Lease (or at any time when Landlord has the right of reentry due to a Tenant Default) shall be deemed abandoned and become the exclusive property of Landlord, without further notice to or demand upon Tenant.

Tenant's obligations under these Sections 15.2 and 15.3 shall survive the expiration or termination of this Lease.

15.4 Additional Covenants Regarding Alterations.

15.4.1 Tenant shall be responsible for and shall pay when due all costs associated with the preparation of plans and the performance of Alterations, and the same shall be performed in a lien-free, first-class, and good and workmanlike manner, and in accordance with applicable codes and requirements, including the requirements of the ADA (as defined in Section 4.2.2 above). In the event that (a) Tenant shall fail to pay the costs associated with Alterations on a timely basis; (b) as a result of such failure, a statutory and/or common law lien is asserted against the Premises or the Building; and (c) Tenant shall fail, within thirty (30) days after notice of such assertion, to cause (by payment, posting of a proper bond, or otherwise) such lien to be released of record, the same shall constitute a Default by Tenant for all purposes of this Lease, and Landlord shall have the right (but not the obligation), at Tenant's expense, to cause such lien to be released of record. Unless otherwise approved by Landlord, Tenant shall only use new, first-class materials in connection with Alterations. All contractors and subcontractors performing any work on behalf of Tenant within the Premises shall be subject to Landlord's approval, licensed to do business in Montgomery County, Maryland, and for work involving a cost in excess of \$10,000, shall be bonded (or at Landlord's sole option, bondable).

15.4.2 Tenant shall ensure that all contractors and subcontractors performing Alterations are insured in amounts required by law and reasonably acceptable to Landlord. Alterations may not commence, nor may Tenant permit its contractors and subcontractors to commence or continue any such work, until all required insurance has been obtained, and, if Landlord requests, until certificates of such insurance have been delivered to Landlord. Such insurance policies shall name the Landlord, Landlord's property manager, and Landlord's mortgagee(s) as additional insureds. Such certificates of insurance shall provide that no change or cancellation of such insurance coverage shall be undertaken without thirty (30) days' prior written notice to Landlord. In the event Tenant employs a contractor or subcontractor to perform all or part of any Alterations, Tenant shall purchase, or cause its contractor to carry, General Contractor's and Subcontractor's Required Minimum Coverages and Limits of Liability as follows, which coverages shall be in amounts required by law and reasonably acceptable to Landlord and in addition to any and all insurance required to be procured by Tenant pursuant to the terms of this Lease: Worker's Compensation, Employer's Liability Insurance, any insurance required by any Employee Benefit Act (or similar statute), Comprehensive General Liability Insurance (including Contractor's Protective Liability), Comprehensive Automotive Liability Insurance, and Builder's Risk insurance.

15.4.3 Tenant agrees that Landlord and its agents and managers will have the right to inspect any Alterations made by Tenant's contractor(s) and subcontractor(s), and Tenant agrees to cooperate with Landlord to facilitate such inspections. In the performance of Alterations in accordance with this Lease, Tenant shall cause its contractor to use reasonable and diligent efforts not to interfere with ongoing operations in the Building. Tenant's contractor shall be responsible for all utility costs associated with the performance of Alterations and shall either supply its own electricity and other utilities, or shall reimburse Landlord for all utility

consumption associated with such work. Tenant shall cause its contractor(s) to keep all construction areas clean and free of trash and debris and shall otherwise comply with any other reasonable rules and regulations established by Landlord with regard to construction activities within the Building. Tenant's construction contract shall indemnify Tenant and Landlord from damages, losses and expenses associated with the acts and omissions of Tenant's contractor, its agents, employees and subcontractors. To the extent that any Alterations involve construction work which affects any exterior portions of the Building or Common Areas, Landlord may impose additional requirements as a condition of its approval of such Alterations to ensure that Tenant restores all affected areas of the Building's exterior and/or common areas to their original condition upon completion and otherwise protects and restores all affected work areas within the Building (including any portions of the Common Areas of the Building) utilized or affected in performing such Alterations.

- 15.4.4 Tenant shall provide to Landlord copies of all applications for permits, copies of all governmental inspection reports and/or certificates, and any and all notices or violations communicated to Tenant or its contractors by applicable governmental authorities, promptly upon receipt and/or submission thereof, as the case may be. Tenant agrees to comply (or to cause its contractors to comply) with all applicable federal, state and local laws, regulations and ordinances in the performance of Alterations, and to promptly rectify any violations of such laws caused by the acts or omission of Tenant, its employees, agents and/or contractors, and Tenant shall be responsible for any non-compliance by Tenant or its agents, employees and contractors. Tenant and its contractor performing Alterations shall (a) provide copies of warranties for Alterations and the materials and equipment which are incorporated into the Building and Premises in connection therewith, (b) provide to Landlord all operating and maintenance manuals for all equipment and materials incorporated into the Building and/or Premises as part of any Alterations, and (c) either assign to Landlord, or enforce on Landlord's behalf, all such warranties to the extent repairs and/or maintenance on warranted items would be covered by such warranties and are otherwise Landlord's responsibility under this Lease.
- 16. Acceptance of Premises. Landlord shall tender, and Tenant shall accept possession of the Premises in accordance with the terms of Exhibit C attached hereto. All provisions regarding delivery of possession of the Premises, construction of leasehold improvements to the Premises (if any) are set forth in Exhibit C. In no event shall Tenant have any claim against Landlord for losses or damages due to delays in obtaining final approvals or in achieving the Substantial Completion of Tenant's Work or occupancy of the Premises, except as set forth in Exhibit C.
- 17. <u>Tenant Improvements</u>. Any initial improvements to be performed by Tenant to the Premises shall be treated as Alterations to the Premises and thus governed by Article 15, above, to the extent not specifically addressed as Landlord's Work in Exhibit C hereto.
- 18. Access. Tenant shall permit Landlord and its agents to enter the Premises at all reasonable times and (except in cases of Emergency, as defined herein) upon reasonable prior notice, not to exceed two (2) business days: to inspect the same; to show the Premises to prospective tenants, or interested parties such as prospective lenders and purchasers; to exercise its rights under Section 48; to clean, repair, after or improve the Premises or the Building; to

discharge Tenant's obligations when Tenant has failed to do so within any applicable grace period provided for herein; to post notices of non-responsibility and similar notices and "For Sale" or "For Lease" signs upon or adjacent to the Building and to place "For Lease" signs upon or adjacent to the Premises at any time within the twelve (12) month period prior to the expiration of the Lease Term or at any time after the Premises has been vacated by Tenant; or for any other legitimate business purpose. Tenant shall permit Landlord and its agents to enter the Premises at any time, and without notice, in the event of an Emergency. When reasonably necessary, Landlord may temporarily close entrances, doors, corridors, elevators or other facilities without liability to Tenant by reason of such closure. Landlord, in the exercise of all of its rights under this Section 18, shall use commercially reasonable efforts to minimize disruption of Tenant's use and occupancy of the Premises.

19. [INTENTIONALLY OMITTED].

20. Indemnification.

- 20.1 Tenant's Indemnity. Provided that Landlord provides to Tenant within thirty (30) days following receipt by Landlord a copy of any notice of claims as to which Landlord will rely on this indemnification, Tenant shall indemnify and hold harmless Landlord, its agents, employees, officers, directors, members and shareholders from and against any and all claims, actions, damages, liability and expense in connection with loss of life, bodily injury and/or damage to property arising from or out of any occurrence upon or at the Premises, or the occupancy or use by Tenant of the Premises or any part thereof, or the Tenant's use of the areas exterior to the Premises provided by Landlord for the comfort and convenience of Tenant, its agents, contractors, or employees, excepting claims arising out of the actions of the Landlord or occasioned wholly or in part, to such extent, by any acts or omissions of Tenant, its agents, and employees. Tenant shall indemnify Landlord against any penalty, damage or charge incurred or imposed by reason of Tenant's violation of any law or ordinance. This indemnification shall survive termination of this Lease. This provision shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries or death to third parties or to the property of third parties to the extent caused by the negligence of Landlord, or its officers, contractors, licensees, agents, employees or invitees. Notwithstanding anything contained hereinabove, any indemnification given by Tenant under this Lease is subject to the notice requirements and damages limitations specified in the Local Government Tort Claims Act, Md. Code Ann. Cts. & Jud. Proc. §§ 5-301 et seq. (2002 Repl. Vol.); Md. Code Ann. Art. 25A, § 1A (2003 Repl. Vol.); and Md. Code Ann., Cts. & Jud. Proc., § 5-509 (2002 Repl. Vol.), all as amended from time to time.
- 20.2 <u>Landlord's Indemnity</u>. Provided that Tenant provides to Landlord within thirty (30) days following receipt by Tenant a copy of any notice of claims as to which Tenant will rely on this indemnification, Landlord shall indemnify and hold harmless Tenant, its agents and employees from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence upon or at the Premises, or the occupancy or use by Landlord of the Premises or any part thereof including exterior areas, occasioned wholly or in part, to such extent, by any act or omission of Landlord, its agents, contractors, or employees, excepting claims arising out of the

acts or omissions of the Tenant, its agents, and employees. Landlord shall indemnify Lessee against any penalty, damage or charge incurred or imposed by reason of Landlord's violation of any law or ordinance. This indemnification shall survive termination of this Lease. This provision shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries or death to third parties or to the property of third parties to the extent caused by the negligence of Tenant, or its contractors, licensees, agents, employees or invitees, or by the acts or omission of any other tenants or occupants of the Building.

21. Assignment and Subletting.

Tenant shall not assign, encumber, mortgage, pledge, license, hypothecate or otherwise transfer the Premises or this Lease, or sublease all or any part of the Premises, or permit the use or occupancy of the Premises by any party other than Tenant, provided, however, that Tenant may license the Conference and Visitors Bureau, its contractor, to occupy up to 2,000 rentable square feet of the Premises during the Term.

22. Advertising.

- 22.1 Generally. Except as provided below, Tenant shall not display any sign, graphics, notice, picture, or poster, or any advertising matter whatsoever, anywhere in or about the Premises or the Building at places visible from anywhere outside of or at the entrance to the Premises without first obtaining Landlord's written consent thereto, which Landlord may grant or withhold in its sole discretion. All signage, including interior and exterior signage, shall be at Tenant's sole expense, and subject to compliance with all applicable laws. Tenant shall be responsible to maintain any permitted signs and remove the same at Lease termination. In addition, upon the expiration or earlier termination of this Lease, all exterior signs identifying Tenant shall be removed by Tenant at Tenant's sole expense, and the affected portions of the Building shall be restored by Tenant. If Tenant shall fail to maintain or remove its signs, as aforesaid, Landlord may do so at Tenant's cost. Tenant shall be responsible to Landlord for any damage caused by the installation, use, maintenance or removal of any such signs.
- 22.2 <u>Signage Program/Permitted Signage</u>. Notwithstanding Section 22.1 to the contrary, lobby and suite identification signage shall be permitted in accordance with applicable legal requirements and the Landlord's overall signage program for the Building, subject to Landlord's approval which shall not be unreasonably withheld (in light of Landlord's overall signage program for the Building). On or before the Commencement Date, Landlord will install one standard suite entry sign outside of Tenant's Premises. In addition, Landlord will permit Tenant to use up to five (5) directory identification lines on that portion of the Building's lobby directory located in the main lobby of the Building. Any changes or modifications to the initial suite entry signage or initial directory panels provided by Landlord shall be made by Landlord at Tenant's expense.
- 23. <u>Liens</u>. Tenant shall keep the Premises and the Building free from any liens arising out of any work performed, materials ordered or obligations incurred by or on behalf of Tenant, and Tenant hereby agrees to indemnify and hold Landlord harmless from any liability, cost or expense for such liens. Tenant shall cause any such lien imposed to be released of record by

payment or posting of a bond sufficient to remove such lien from the applicable record within thirty (30) days after the earlier of notice of intent to impose the lien or written request by Landlord. If Tenant fails to cause any such lien to be released or removed of record within the prescribed thirty (30) day period, Landlord may do so at Tenant's expense, and Tenant shall reimburse Landlord for such amount, including reasonable attorneys' fees and costs.

24. Default.

- 24.1 <u>Tenant's Default</u>. A default under this Lease by Tenant ("Default") shall exist if any of the following occurs:
- 24.1.1 If Tenant fails to pay Base Rent, additional rent or any other sum required to be paid hereunder within five (5) business days after written notice from Landlord that such payment was due, but was not paid as of the due date (provided, however, if Landlord has delivered three (3) such notices to Tenant in any twelve (12) month period, then any subsequent failure to pay Base Rent, additional rent or any other sum required to be paid to Landlord hereunder on or before the due date for such payment shall constitute a Default by Tenant without requirement of such five (5) day notice and opportunity to cure); or
- 24.1.2 If Tenant fails to perform any material term, covenant or condition of this Lease except those requiring the payment of money to Landlord as set forth in Section 24.1.1 above, and Tenant fails to cure such breach within thirty (30) days after written notice from Landlord where such breach could reasonably be cured within such thirty (30) day period; provided, however, that where such failure could not reasonably be cured within the thirty (30) day period, Tenant shall not be considered in Default if it commences such performance within the thirty (30) day period and diligently thereafter prosecutes the same to completion, such grace period not to exceed a maximum of sixty (60) days in the aggregate. If any provisions of this Lease calls for a shorter or different grace period than that set forth above, then such other provision shall control over this provision.
- 24.1.3 If Tenant or any guarantor of this Lease shall (i) make an assignment for the benefit of creditors, (ii) acquiesce in a petition in any court in any bankruptcy, reorganization, composition, extension or insolvency proceedings, (iii) seek, consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or of any guarantor of this Lease and of all or any part of Tenant's or such guarantor's property, (iv) file a petition seeking an order for relief under the Bankruptcy Code, as now or hereafter amended or supplemented, or by filing any petition under any other present or future federal, state or other statute or law for the same or similar relief, or (v) fail to win the dismissal, discontinuation or vacating of any involuntary bankruptcy proceeding within sixty (60) days after such proceeding is initiated.
- 24.2 <u>Remedies</u>. Upon a Default (as defined in Section 24.1 above), Landlord shall have the following remedies, in addition to all other rights and remedies provided by law or otherwise provided in this Lease, any one or more of which Landlord may resort cumulatively, consecutively, or in the alternative:

- 24.2.1 Landlord may continue this Lease in full force and effect, and this Lease shall continue in full force and effect as long as Landlord does not terminate this Lease, and Landlord shall have the right to collect Base Rent, additional rent and other charges when due.
- 24.2.2 Landlord may terminate this Lease at any time by giving written notice to that effect, in which event Landlord will use commercially reasonable efforts to relet the Premises or any part thereof. Upon the giving of a notice of the termination of this Lease, this Lease (and all of Tenant's rights hereunder) shall immediately terminate, provided that, without limitation, Tenant's obligation to pay Base Rent and Tenant's Share of Expense Increases and Tax Increases (as well as any damages otherwise payable under this Section 24), shall survive any such termination and shall not be extinguished thereby. Upon such termination, Tenant shall surrender and vacate the Premises in the condition required by Section 26, and Landlord may reenter and take possession of the Premises and all the remaining improvements or property and eject Tenant or any of the Tenant's subtenants, licensees, assignees or other person or persons claiming any right under or through Tenant or eject some and not others or eject none. This Lease may also be terminated by a judgment specifically providing for termination. termination under this section shall not release Tenant from the payment of any sum then due Landlord or from any claim for damages or Base Rent, additional rent or other sum previously accrued or thereafter accruing against Tenant, all of which shall expressly survive such termination. Upon such termination, Tenant may be liable to Landlord for all costs Landlord incurs in attempting to relet the Premises or any part thereof, including, without limitation, broker's commissions, expenses of cleaning and redecorating the Premises required by the reletting and like costs. Reletting may be for a period shorter or longer than the remaining Lease Term. No act by Landlord other than giving written notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a constructive or other termination of Tenant's right to possession or of this Lease, either of which may be effected solely by a judgment for possession entered by a court of competent jurisdiction: Upon termination, Landlord has the right to bring an action seeking to recover from Tenant as damages:
- (a) The worth at the time of award of Base Rent, additional rent and other sums due and payable which had been earned at the time of termination and has not been paid; plus
- (b) The worth at the time of award of the amount of Base Rent, additional rent and other sums due and payable which would have been payable after termination until the time of award and has not been paid; plus
- (c) The amount of unpaid Base Rent, additional rent and other sums which would have been payable for the balance of the Lease Term after the time of award, less any amounts received by Landlord upon any reletting after deduction of reasonable reletting expenses incurred by Landlord.

The "worth at the time of award" of the amounts referred to in Sections 24.2.2(a) and (b) is computed by allowing interest at the rate of eight percent (8%) per annum on the unpaid rent and other sums due and payable from the termination date through the date of award

24.2.3 [INTENTIONALLY OMITTED].

- 24.2.4 Tenant, on its own behalf and on behalf of all persons claiming through or under Tenant, including all creditors, does hereby specifically waive and surrender any and all rights and privileges, so far as is permitted by law, which Tenant and all such persons might otherwise have under any present or future law (1) to the service of any notice to quit or of Landlord's intention to re-enter or to institute legal proceedings, which notice may otherwise be required to be given, except the foregoing shall not waive any notices required under Section 24.1, above (if any); (2) to redeem re-enter or repossess the Premises after Tenant's right of possession has been terminated by Landlord; (3) to restore the operation of this Lease, with respect to any dispossession of Tenant by judgment or warrant of any court or judge, or any re-entry by Landlord, or any expiration or termination of this Lease, whether such dispossession, re-entry, expiration or termination shall be by operation of law or pursuant to the provisions of this Lease, or (4) to the benefit of any law which exempts property from liability for debt or for distress for rent.
- 25. Subordination. This Lease and any extensions, renewals, replacements or modifications thereof are and shall at all times be and remain subject and subordinate to the lien of any mortgage, deed of trust and all other security documents now or hereafter securing payment of any indebtedness of Landlord with respect to the Premises, ground lease or underlying lease now or hereafter in force against the Premises, and to all advances made or hereafter to be made upon the security thereof and to any increases, renewals, modifications, substitutions, replacements, consolidations and extensions thereof. Although the foregoing subordination shall be selfeffectuating, Tenant shall execute and return to Landlord any documentation requested by Landlord consistent with this Section 25 in order to confirm the foregoing subordination, within ten (10) business days after Landlord's written request. If Tenant fails to provide Landlord with such subordination documents within ten (10) business days after Landlord's written request, Landlord will send a second written request to Tenant and if Tenant fails to provide Landlord with such subordination documents within five (5) business days after Landlord's second request, the same shall constitute a Default by Tenant hereunder without requirement of any further notice or right to cure. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by the Landlord covering the Premises, Tenant shall attorn to the purchaser at any such foreclosure, or to the grantee of a deed in lieu of foreclosure, and recognize such purchaser or grantee as the Landlord under this Lease, provided such purchaser assumes, either expressly or by operation of law, the obligations of "Landlord" arising under this Lease after the date title to the Land and Building is transferred to such purchaser or grantee. Tenant agrees that no mortgagee or successor to such mortgagee shall be (i) bound by any payment of Base Rent or additional rent for more than one (1) month in advance, (ii) bound by any amendment or modification of this Lease made without the consent of Landlord's mortgagee or such successor in interest, (iii) liable for damages for any breach, act or omission of any prior landlord, (iv) bound to effect or pay for any construction for Tenant's occupancy, (v) subject to any claim of offset or defenses that

Tenant may have against any prior landlord and which have accrued prior to the date that such mortgagee or successor takes legal title to the Land and the Building, or (vi) liable for the return of any security deposit, unless such security deposit has been physically received by such mortgagee. Any such mortgagee shall have the right, at any time, to subordinate to this Lease any instrument to which this Lease is otherwise subordinated by operation of this Section 25.

- 26. Surrender of Possession. Upon expiration of the Lease Term, Tenant shall promptly and peacefully surrender the Premises to Landlord, broom clean and free of all of its furniture, movable fixtures and equipment and otherwise in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable use and wear and tear and damage by casualty not caused by Tenant and condemnation excepted, all to the reasonable satisfaction of Landlord. If the Premises are not surrendered as and when aforesaid, and in accordance with the terms of this Lease, Tenant shall indemnify Landlord against all claims, losses, damages (excluding consequential and punitive damages), costs, expenses (including reasonable attorneys' fees) and liabilities resulting from the delay by Tenant in so surrendering the same. This indemnification shall survive termination of this Lease.
- 27. <u>Non-waiver</u>. Waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition(s), or any subsequent breach of the same or any other 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 preceding breach at the time of acceptance of such Rent.
- 28. <u>Holdover</u>. If Tenant shall, without the written consent of Landlord, hold over after the expiration of the Lease Term, Tenant shall be deemed to be a month-to-month tenant, which tenancy may be terminated immediately by Landlord as provided by applicable state law. During such holdover tenancy, Tenant agrees to pay Landlord, on the first (1st) day of each calendar month during such holdover tenancy, a monthly occupancy charge equal to one hundred fifty percent (150%) of the monthly installment of Base Rent payable by Tenant for the last full month of the Lease Term then ending, plus one hundred percent (100%) of Tenant's Share of Operating Costs and any other additional rent that accrues under this Lease during the period of such holdover.

29. Condemnation.

- **29.1** <u>Definitions</u>. The terms "eminent domain," "condemnation," and "taken," and the like in this Section 29 include takings for public or quasi-public use, and sales under threat of condemnation and purchases in place of condemnation by any authority authorized to exercise the power of eminent domain.
- 29.2 <u>Taking</u>. "Taking" shall mean and refer to the acquisition or taking of property (or any right, title or interest therein) by any governmental or quasi-governmental authority acting under power of condemnation or eminent domain, and shall encompass contested as well as uncontested takings as long as initiated by the applicable governmental or quasi-governmental authority. If the whole of the Premises is temporarily taken for a period in excess of thirty (30) days, or is permanently taken, in either case by virtue of a Taking, this Lease shall automatically

terminate as of the date title vests in the condemning authority, and Tenant shall pay all Base Rent, additional rent, and other payments up to that date. If (a) twenty percent (20%) or more of the Premises is permanently taken by virtue of a Taking, or (b) in the case of a Taking of less than twenty percent (20%) of the Premises, Tenant is unable to make reasonable use of the balance of the Premises remaining after the Taking, as determined by Tenant in its reasonable, good faith discretion, or (c) access to the Building or Premises by Tenant is, by virtue of a Taking, permanently denied, or (d) if free parking is provided for under this Lease, the parking ratio for the Building is, by virtue of a Taking of any parking areas serving the Building. permanently reduced to a ratio which fails to meet applicable code requirements after taking into account any portion of the Building taken and any reasonable substitute parking provided by Landlord in lieu of the parking areas so taken, then Landlord and Tenant shall each have the right (to be exercised by written notice to the other within sixty (60) days after receipt of notice of said taking) to terminate this Lease effective upon the date when possession of the applicable portion of the Land and/or Building is taken thereunder pursuant to such Taking. If neither party elects to terminate this Lease, as aforesaid, then Landlord shall diligently, and within a reasonable time, after title vests in the condemning authority, repair and restore, at Landlord's expense, the portion not taken so as to render same into an architectural whole to the extent reasonably practicable, and, if any portion of the Premises is taken, thereafter the Base Rent (and Tenant's Share) shall be reduced (on a per square foot basis) in proportion to the portion of the Premises taken. If there is a temporary Taking involving the Premises or Building, or if a Taking of other portions of the Building or common areas does not deny Tenant access to the Building and Premises, or if less than twenty percent (20%) of the Premises is permanently taken by a Taking and Tenant is able to make reasonable use of the balance of the Premises as determined by Tenant in its reasonable good faith discretion, then this Lease shall not terminate, and Landlord shall, as soon as reasonably practicable thereafter, repair and restore, at its own expense, the portion not taken so as to render same into an architectural whole to the fullest extent reasonably practicable. If any portion of the Premises was permanently taken, then the Base Rent (and Tenant's Share) shall be reduced (on a per square foot basis) in proportion to the portion of the Premises taken, commencing on the date Tenant is deprived of the use of such portion of the Premises. If any portion of the Premises was temporarily taken, then the Base Rent (and Tenant's Share) shall be reduced (on a per square foot basis) in proportion to the portion of the Premises taken for the period of such temporary taking, that is, from the date upon which Tenant is deprived of the use of such portion of the Premises until the date Tenant is restored to the use of such portion of the Premises.

29.3 Award. Landlord reserves all rights to damages to the Premises or the Building, or arising out of the loss of any leasehold interest in the Building or the Premises created hereby, arising in connection with any partial or entire taking by eminent domain or condemnation. Tenant hereby assigns to Landlord any right Tenant may have to such damages or award, and Tenant shall make no claim against Landlord or the condemning authority for damages for termination of Tenant's leasehold interest or for interference with Tenant's business as a result of such taking. The foregoing notwithstanding, Tenant shall have the right to claim and recover from the condemning authority separate compensation for any loss which Tenant may incur for Tenant's moving expenses, business interruption or taking of Tenant's personal property (but specifically excluding any leasehold interest in the Building or the Premises) under the then applicable eminent domain code.

- 29.4 Mortgagee Rights. Tenant acknowledges that Landlord's right to any condemnation award may be subject to the rights of Landlord's mortgagee (if any) in and to such award under the mortgage or deed of trust (if any) which encumbers the Building and the Premises. Accordingly, Landlord's obligation to repair and restore, as set forth in Section 29, above, shall be subject to the requirements of Landlord's mortgagee with regard thereto, and the time within which such obligation must be satisfied (not to exceed sixty (60) additional days) shall be adjusted as reasonably necessary to reflect delays occasioned by the exercise by the mortgagee of such mortgagee's rights.
- 30. <u>Notices</u>. All notices and demands which may be required or permitted to be given to either party hereunder shall be in writing, and shall be delivered personally or sent by United States certified mail, postage prepaid, return receipt requested, or by Federal Express or other reputable overnight carrier, to the following addresses:

If to Landlord:

c/o Foulger-Pratt Companies

9600 Blackwell Road

Suite 200

Rockville, Maryland 20850 Attn: Mr. Clayton Foulger

with a copy to:

Linowes and Blocher LLP

7200 Wisconsin Avenue, Suite 800 Bethesda, Maryland 20814-4842 Attention: Richard M. Zeidman, Esq.

If to Tenant:

101 Monroe Street

Office of Real Estate- 10th Floor Rockville, Maryland 20850

with a courtesy copy to:

101 Monroe Street

Office of the County Attorney- 3rd Floor

Rockville, Maryland 20850

and to such other person (including Landlord's mortgagee) or place as each party may from time to time designate in a notice to the other. Notice shall be deemed given upon the earlier of actual receipt or refusal of delivery.

31. Mortgagee Protection. Tenant agrees to simultaneously give Landlord's mortgagee, by registered mail, a copy of any notice of default or termination served upon the Landlord, provided that Landlord has theretofore provided Tenant with written notice of the name and address of such mortgagee. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagee(s) and/or trust deed holder(s) shall have an additional thirty (30) days within which to have the right (but not the obligation) to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary (not to exceed sixty (60) additional days) if within such thirty (30) days any mortgagee and/or trust deed holder(s) has commenced and is diligently

pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings, if necessary to effect such cure), in which event Tenant shall not have the right to pursue any claim against Landlord, such mortgagee and/or such trust deed holder(s), including but not limited to any claim of actual or constructive eviction, so long as such remedies are being so diligently pursued and Tenant is regularly advised of the progress of the same.

32. [INTENTIONALLY OMITTED].

33. <u>Brokers</u>. Tenant represents and warrants to Landlord that neither it nor its officers or agents, nor anyone acting on its behalf, has dealt with any real estate broker other than CB Richard Ellis (on behalf of Landlord) ("Broker") in the negotiating or making of this Lease.

34. Landlord's Liability and Default.

- No Personal Liability. Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of the Landlord are made and intended not for the purpose of binding Landlord personally or the assets of Landlord generally, but are made and intended to bind only the Landlord's interest in the Premises, the Building and the Land, as the same may, from time to time, be encumbered, and no personal liability shall at any time be asserted or enforceable against Landlord's stockholders, officers or partners or their respective heirs, legal representatives, successors and assigns on account of the Lease or on account of any covenant, undertaking or agreement of Landlord in this Lease. Accordingly, and notwithstanding any other provisions of this Lease to the contrary, Tenant shall look solely to Landlord's interest in the Premises and Building, and not to any other or separate business or non-business assets of Landlord, or any partner, shareholder, member, officer or representative of Landlord, for the satisfaction of any claim brought by Tenant against Landlord, and if Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed, and as a consequence of such default Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only (i) out of the proceeds of sale received upon levy against the right, title and interest of Landlord in the Building and/or (ii) to the extent not encumbered by a secured creditor, out of the rents or other incomes receivable by Landlord from the property of which the Premises are a part. In addition, in no event shall Landlord be in default of this Lease unless Tenant notifies Landlord of the precise nature of the alleged breach by Landlord, and Landlord fails to cure such breach within fifteen (15) days after the date of Landlord's receipt of such notice (provided that if the alleged breach is of such a nature that it cannot reasonably be cured within such fifteen (15) day period, then Landlord shall not be in default if Landlord commences a cure within such fifteen (15) day period and diligently thereafter prosecutes such cure to completion). Nothing in this Section shall be construed as a waiver by Tenant of any claims that Tenant, as a matter of law, may have against persons other than Landlord.
- 34.2 <u>Notice and Cure.</u> In no event shall Landlord be in default of this Lease unless Tenant notifies Landlord of the precise nature of the alleged breach by Landlord, and Landlord fails to cure such breach within fifteen (15) days after the date of Landlord's receipt of such notice (or such longer period as may be set forth herein); provided that if the alleged breach is of

such a nature that it cannot reasonably be cured within such fifteen (15) day period, then Landlord shall not be in default if Landlord commences a cure within such fifteen (15) day period and diligently thereafter prosecutes such cure to completion within no more than sixty (60) additional days and advises Tenant periodically of its progress in curing the same.

- 34.3 <u>Rights and Remedies: Generally.</u> In the event of a default by Landlord after expiration of applicable cure periods, Tenant shall be entitled to pursue all rights and remedies available at law or in equity except as limited by this Lease, and in all events excluding consequential damages. In addition, in no event shall Tenant have any right to terminate this Lease by virtue of any uncured default by Landlord, except as permitted by applicable law. Tenant shall use commercially reasonable efforts to mitigate its damages in the event of any default by Landlord hereunder.
- 35. Estoppel Certificates. Tenant shall, from time to time, within twenty (20) days of Landlord's written request, execute, acknowledge and deliver to Landlord or its designee a written statement stating: the date the Lease was executed and the date it expires; the date the Tenant entered occupancy of the Premises; the amount of Base Rent, additional rent and other charges due hereunder and the date to which such amounts have been paid; that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way (or specifying the date and terms of any agreement so affecting this Lease); that this Lease represents the entire agreement between the parties as to this leasing (or identifying any such other agreements); that all conditions under this Lease to be performed by the Landlord have been satisfied (or specifying any such conditions that have not been satisfied); that all required contributions by Landlord to Tenant on account of Tenant's improvements have been received (or specifying any such contributions that have not been received); and that on the date of such certificate Tenant has no knowledge of any existing defenses or offset which the Tenant has against the enforcement of this Lease by the Landlord (or specifying any such defenses or offsets); that no Rent has been paid more than one (1) month in advance (or, if so, the amount thereof); that no security has been deposited with Landlord (or, if so, the amount thereof); and/or any other matters evidencing the status of the Lease as may be reasonably required either by a lender or prospective lender with respect to any loan to Landlord secured or to be secured by a deed of trust or mortgage against the Building, or by a purchaser or prospective purchaser of the Building, Landlord's interest therein or Landlord's ownership interests, which written statement shall be in substantially the same form as Exhibit G attached hereto and made a part hereof by this reference. It is intended that any such statement delivered pursuant to this paragraph may be relied upon by a prospective purchaser of Landlord's interest or a mortgagee of Landlord's interest or assignee of any mortgage upon Landlord's interest in the Building. If Tenant fails to respond within twenty (20) days after receipt by Tenant of a written request by Landlord as herein provided, Tenant shall be deemed to have given such certificate as above provided without modification and shall be deemed to have admitted the accuracy of any information supplied by Landlord to a prospective purchaser or mortgagee.

36. [INTENTIONALLY OMITTED].

37. <u>Transfer of Landlord's Interest.</u> In the event of any transfer(s) of Landlord's interest in the Premises or the Building, other than a transfer for security purposes only, the transferor

shall be automatically relieved of any and all obligations and liabilities on the part of Landlord accruing from and after the date of such transfer, to the extent such obligations are assumed by the transferee either expressly or by operation of law, and Tenant agrees to attorn to the transferee as Landlord hereunder. Landlord shall use its best efforts to notify Tenant of any such transfer promptly following the effective date of any such transfer.

- 38. Right to Perform. If Tenant shall fail to make any payment or perform any other act on its part to be performed hereunder, and such failure is not cured within the grace or cure period provided for herein, Landlord may, but shall not be obligated to, perform any such obligation of Tenant, and to recover from Tenant, as additional rent hereunder, the reasonable and actual costs incurred by Landlord in performing such obligation, which costs shall be payable within thirty (30) days after Landlord's written demand thereof accompanied by reasonable substantiation thereof. Notwithstanding the foregoing, or any other notice and cure period set forth herein, Landlord may exercise its rights under this Section 38 without any prior notice or upon such shorter notice than otherwise required hereunder and as may be reasonable under the circumstances in the event of any one or more of the following circumstances is present: (i) there exists a reasonable risk of prosecution of Landlord unless such obligation is performed sooner than the stated cure period, (ii) there exists an imminent possibility of danger to the health or safety of the Landlord, the Tenant, Tenant's invitees, or any other occupants of, or visitors to, the Building, unless such obligation is performed sooner than the stated cure period, and/or (iii) the Tenant has failed to obtain insurance required by this Lease, or such insurance has been canceled by the insurer without being timely replaced by Tenant, as required herein. Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of the nonpayment of sums due under this section as in the case of Default by Tenant in the payment of Rent. All sums paid by Landlord and all penalties, interest and costs in connection therewith, shall be due and payable by Tenant together with interest thereon at the Default Rate, which shall be calculated from the date upon which Tenant is notified in writing of the expenditure until the date of payment.
- 39. <u>Substituted Premises</u>. Landlord shall have the right at any time, upon giving Tenant not less than thirty (30) days' notice in writing, to provide and furnish Tenant with space elsewhere in the Building of approximately the same size as the Premises and to place Tenant in such space. In the event of any such relocation of Tenant, Landlord shall pay for Tenant's reasonable moving and relocation costs. Should Tenant refuse to permit Landlord to move Tenant to such new space by the end of such thirty (30) day period, Landlord in such event shall have the right to forthwith cancel and terminate this Lease. If Landlord moves Tenant to such new space, this Lease and each and all of its terms, covenants and conditions shall remain in full force and effect and be deemed applicable to such new space, and such new space shall thereafter be deemed to be the "Premises."
- 40. <u>Sales and Auctions</u>. Tenant may not display or sell merchandise outside the exterior walls and doorways of the Premises and may not use such areas for storage. Tenant agrees not to install any exterior lighting, amplifiers or similar devices in or about the Premises. Tenant shall not conduct or permit to be conducted any sale by auction in, upon or from the Premises whether said auction be voluntary, involuntary, pursuant to any assignment for the payment of creditors or pursuant to any bankruptcy or other insolvency proceedings.

- 41. No Access to Roof. Except as and solely to the extent expressly set forth in this Lease, Tenant shall have no right of access to the roof of the Premises or the Building and shall not install, repair or replace any aerial, fan, air conditioner or other device on the roof of the Premises or the Building without the prior written consent of Landlord.
- 42. Security. Tenant hereby agrees to the exercise by Landlord and its agents and employees, within their sole discretion, of such security measures as Landlord deems necessary for the Building. Tenant may install a security system within the Premises, provided such system and its installation (i) shall be subject to Landlord's prior written approval, which shall not be unreasonably withheld (provided it shall not be unreasonable for Landlord to deny consent to any system which is not compatible with the building's overall security and fire safety and life safety systems), (ii) shall be in accordance with all applicable legal requirements (iii) shall be performed at Tenant's sole expense, and shall otherwise be installed in accordance with the provisions governing Alterations under this Lease or the provisions governing Tenant's Work under Exhibit C hereto. Nothing contained in this Section 42 shall be construed or deemed to obligate Landlord to provide any particular form or amount of security with respect to the Premises or the Building or on behalf of Tenant or any other occupant of or visitor to the Premises or the Building.
- 43. <u>Authority of Tenant</u>. The individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant and that this Lease is binding upon Tenant.
- 44. No Accord or Satisfaction. Unless otherwise expressly agreed to in writing by the parties hereto, no payment by Tenant or receipt by Landlord of a lesser amount than the Rent and other sums due hereunder shall be deemed to be other than on account of the earliest rent or other sums due, nor shall any endorsement or statement on any check or accompanying any check or payment be deemed an accord and satisfaction; and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or other sum and to pursue any other remedy provided in this Lease.
- 45. <u>Modification for Lender</u>. If in connection with obtaining financing for the Building or any portion thereof, Landlord's lender shall request reasonable modifications to this Lease as a condition to such financing, or as a condition to such Lender's approval of this Lease, Tenant shall not unreasonably withhold, delay, or defer its consent to such modification provided such modifications do not materially adversely affect Tenant's rights hereunder and are not contrary to Federal, State, County and local laws and regulations.
- 46. Parking. Subject to the terms hereof, and such reasonable rules and regulations as may be established for the Building's parking structure from time to time, Tenant shall have the right to park in the Building parking facilities in common with other tenants of the Building upon such terms and conditions, including the imposition of such reasonable parking charge as may be established by Landlord from time to time during the term of this Lease. Tenant agrees not to overburden the parking facilities and agrees to cooperate with Landlord and other tenants in use of the parking facilities. Tenant shall be entitled, on a first come first served basis, to lease up to 2.5 parking spaces for each one thousand (1,000) square feet of net rentable area in the Premises

(rounded up) through Landlord's parking operator. The charge for such parking shall be Seventy-Five 00/100 Dollars (\$75.00) per space per month for non-reserved parking, on a first come first serve basis and One Hundred Twenty-Five Dollars (\$125.00) per space per month for reserved parking for the first Lease Year, and thereafter shall be adjusted to the market rate then being charged by Landlord for such spaces, as further adjusted from time to time. Landlord shall retain the absolute right (i) to allocate and assign parking spaces among some or all of the tenants of the Building (and Tenant shall comply with any such parking assignments), (ii) to reconfigure the parking area, and/or (iii) to modify the existing ingress to and egress from the parking area as Landlord shall deem appropriate, as long as access to such area is maintained after such modification is completed.

47. General Provisions.

- 47.1 <u>Acceptance</u>. The delivery of any draft of this Lease, including a so-called "execution draft," shall not constitute an offer of any kind, and this Lease shall only become effective and binding upon full execution hereof by Landlord and Tenant, and delivery of a signed copy by Landlord to Tenant.
- 47.2 <u>Joint Obligation</u>. If there be more than one Tenant, the obligations hereunder imposed shall be joint and several.
- 47.3 <u>Marginal Headings, Etc.</u> The marginal headings, Table of Contents, lease summary sheet and titles to the sections of this Lease are not a part of the Lease and shall have no effect upon the construction or interpretation of any part hereof.
- 47.4 <u>Choice of Law</u>. This Lease shall be governed by and construed in accordance with the laws of the State of Maryland (without regard to the choice of law and/or conflict of law principles applicable in such State).
- 47.5 <u>Successors and Assigns</u>. The covenants and conditions herein contained, subject to the provisions as to assignment, inure to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.
- 47.6 <u>Recordation</u>. Except to the extent otherwise required by law, neither Landlord nor Tenant shall record this Lease, but a short-form memorandum hereof may be recorded at the request of Landlord at Landlord's sole expense or at the request of Tenant at Tenant's sole expense.
- 47.7 Quiet Possession. Upon Tenant's paying the Rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the Lease Term hereof, free from any disturbance or molestation by Landlord, or anyone claiming by, through or under Landlord, but in all events subject to all the provisions of this Lease.
- 47.8 <u>Inability to Perform; Force Majeure</u>. This Lease and the obligations of the parties hereunder shall not be affected or impaired because the other party is unable to fulfill any of its obligations hereunder (or is delayed in doing so) to the extent such inability or delay is

caused by reason of war, civil unrest, strike, labor troubles, unusually inclement weather, unusual governmental delays, inability to procure services or materials despite reasonable efforts, third party delays, fire or other casualty, acts of God, Homeland Security declarations of emergency or any other cause(s) beyond the reasonable control of such party (which causes are referred to collectively herein as "Force Majeure"), provided (i) in no event shall any monetary obligations, including without limitation the Tenant's obligation to pay Base Rent or additional rent, be extended due to Force Majeure, (ii) in no event shall financial inability constitute a cause beyond the reasonable control of a party, and (iii) in order for any party hereto to claim the benefit of a delay due to Force Majeure, such party shall be required to use reasonable efforts to minimize the extent and duration of such delay, and to notify the other party of the existence and nature of the cause of such delay within a reasonable time after such delay first commences. Except as limited by the foregoing clauses (i), (ii) and (iii), any time specified non-monetary obligation of a party in this Lease shall be extended one day for each day of delay suffered by such party as a result of the occurrence of any Force Majeure.

- 47.9 <u>Partial Invalidity</u>. Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision(s) shall remain in full force and effect.
- 47.10 <u>Cumulative Remedies</u>. No remedy or election hereunder shall be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.
- 47.11 Entire Agreement. This Lease contains the entire agreement of the parties hereto and no representations, inducements, promises, or agreements, oral or otherwise, between the parties, not embodied herein, shall be of any force or effect, and any such representations, inducements, promises, and agreements are hereby merged herein.
- 47.12 <u>Survival</u>. All indemnities set forth in this Lease shall survive the expiration or earlier termination of this Lease.
- 47.13 Consents. If any provision of this Lease subjects any action, inaction, activity or other right or obligation of Tenant to the prior consent or approval of Landlord, Landlord shall be deemed to have the right to exercise its sole and unfettered discretion in determining whether to grant or deny such consent or approval, unless the provision in question states that Landlord's consent or approval "shall not be unreasonably withheld," in which event Landlord's consent shall be subject to Landlord's sole, but reasonable, discretion.
- 47.14 <u>Saving Clause</u>. In the event (but solely to the extent) the limitations on Landlord's liability set forth in Section 8.3 of this Lease would be held to be unenforceable or void in the absence of a modification holding the Landlord liable to Tenant or to another person for injury, loss, damage or liability arising from Landlord's omission, fault, negligence or other misconduct on or about the Premises, or other areas of the Building appurtenant thereto or used in connection therewith and not under Tenant's exclusive control, then such provision shall be deemed modified as and to the extent (but solely to the extent) necessary to render such provision enforceable under applicable law. The foregoing shall not affect the application of Section 34 of this Lease to limit the assets available for execution of any claim against Landlord.

- 47.15 <u>Reservation</u>. Nothing herein set forth shall be deemed or construed to restrict Landlord from making any modifications to any of the parking and/or common areas serving the Building and/or the Premises as of the date of execution hereof, and Landlord expressly reserves the right to make any modifications to such areas as Landlord may deem appropriate, including but not limited to, the addition or deletion of temporary and/or permanent improvements therein, and/or the conversion of areas now dedicated for the non-exclusive common use of tenants (including Tenant) to the exclusive use of one (1) or more tenants or licensees within the Building.
- 47.16 Keys. Landlord shall initially provide Tenant, without charge, nine (9) suite keys and security keys (to the extent the Building has a remote entry security system). The cost of any additional or replacement suite keys or security keys shall be reimbursed by Tenant to Landlord upon demand.
- 47.17 Rule Against Perpetuities. In order to ensure the compliance of this Lease with any rule against perpetuities that may be in force in the state in which the Premises are located, and without limiting or otherwise affecting Landlord's and Tenant's rights and obligations under this Lease, as stated in the other sections hereof, Landlord and Tenant agree that, irrespective of the reasons therefor in the event Tenant fails to take possession of the Premises and commence paying Base Rent hereunder within two (2) years after the date of execution of this Lease, then this Lease, and the obligations of the parties hereunder, shall be deemed to be null and void and of no further force and effect. Without affecting the specific timing requirements otherwise applicable thereto under this Lease, any and all options granted to Tenant under this Lease (including, without limitation, expansion, renewal, right of first refusal, right of first offer, and like options) must be exercised by Tenant, if at all, during the term of this Lease. Nothing contained in this Section 47.17 shall be construed to limit Landlord's right and remedies hereunder or otherwise with respect to the failure by Tenant to take possession of the Premises and/or commence paying Rent hereunder.

47.18 Certain Terminology.

- A. The terms "including," "includes" and terms of like import shall be interpreted to mean "including, but not limited to" and/or "includes, without limitation."
- B. The terms "herein", "hereunder", "hereinbelow", "above" and/or "below", and any terms of like import, shall be interpreted to mean this Lease as a whole, and not merely the Section, paragraph or subparagraph within which such term is set forth.
- C. As used in those provisions of this Lease where Tenant is agreeing to assume responsibility for certain conduct, actions and/or omissions of "Tenant," the term "Tenant" shall be construed to mean Tenant, and Tenant's agents, employees, contractors, subcontractors, assignees, sublessees and licensees.
- D. The term "Emergency" shall mean and refer to any situation or circumstance where there is an immediate or imminent risk of injury or death to persons or damage to property unless immediate action is taken to address such situation or circumstances,

as determined by the party invoking such term in good faith, or any state of emergency or Homeland Security emergency declared by any government with authority over the jurisdiction where the Premises is located.

48. [INTENTIONALLY OMITTED].

49. <u>Waiver of Jury Trial</u>. Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other on all matters arising out of this Lease, or the use and occupancy of the Premises.

50. Renewal Term.

- 50.1 Provided Tenant is not in Default of this Lease at the time its rights hereunder are to be exercised and occupies at least fifty percent (50%) of the Premises, Tenant shall have the option (the "Renewal Option") to extend the Lease Term for one (1) period of sixty (60) months (the "Renewal Term") provided Tenant gives written notice to Landlord of its election to exercise such Renewal Option (the "Renewal Notice") not less than twelve (12) months prior to the expiration of the last day of the initial Lease Term. Time is of the essence in this Section 50.
- 50.2 All terms and conditions of this Lease, including without limitation, all provisions governing the payment of Additional Rent, shall remain in full force and effect during the Renewal Term, except the Base Rent shall be as set forth below in this Section 50.
- 50.3 The Base Rent payable upon the commencement of the Renewal Term shall be equal to the then prevailing market rental rate (including base rental rate and annual escalation rate) applicable to renewal terms with respect to comparable space in comparable buildings in the vicinity of the Building at the time of the commencement of the Renewal Term as reasonably determined by Landlord but in any event not less than the Base Rent in effect during the immediately preceding Lease Year.

51. Montgomery County Required Provisions.

- 51.1 Landlord agrees to comply with the non-discrimination in employment policies in Montgomery County contracts as required by Section 27-19 of the Montgomery County Code 2004, as amended, as well as all other applicable state and federal laws and regulations regarding employment discrimination. The Landlord assures Tenant that in accordance with applicable law, it does not, and agrees that it will not, discriminate in any manner on the basis of race, color, religious creed, sex, martial status, national origin, ancestry, disability, sexual orientation or genetic status.
- 51.2 Landlord represents that it has not retained anyone to solicit or secure this Lease from Montgomery County, Maryland ("County"), upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for bona fide employees or bona fide established commercial, selling or leasing agencies maintained by the Landlord for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.

- 51.3 Landlord understands that unless authorized under Chapters 19A and 11B-52 of the Montgomery County Code 2004, as amended, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.
- 51A. Non-Appropriation. This Lease is subject to the appropriation of funds. If funds are not appropriated, for any reason whatsoever, the Lease will automatically terminate at 11:59 p.m. Eastern Time on June 30 of the calendar year in which the County does not appropriate funds. County shall give Landlord at least thirty (30) days written notice of the lack of appropriation. Neither the County nor the Landlord shall make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items. In such event the County shall immediately vacate the Leased Premises upon the expiration of such notice period, but in no event later than June 30 of the calendar year in which the County does not appropriate funds.

52. Right of First Offer.

- After the initial leasing of the Building, subject to the superior rights of existing tenants and provided that (i) there are at least three (3) full Lease Years remaining on the Lease Term, as the same may have been extended pursuant to Section 50 above prior to the date of delivery of the Availability Notice (hereinafter defined) and (ii) no Default of Tenant under this Lease has theretofore occurred, Tenant shall have the right of first offer to lease available additional space located on the eighth (8th) floor in the Building immediately contiguous to the Premises (the "Expansion Space") upon the terms set forth in this Section 52. In the event that at any time from time to time during the Term hereof Expansion Space becomes available (or is scheduled to become available) for lease, Landlord shall provide Tenant with written notice thereof (the "Availability Notice"), which Availability Notice shall state the commencement date for Tenant's occupancy of such Expansion Space. Only if Tenant desires to lease all or any portion of such Expansion Space (it being understood that if Tenant desires to Lease only a portion of such Expansion Space, such portion must be of a size and location such that the remainder of such offered space not leased by Tenant must be of a size, configuration and location so as to be "leaseable" to another tenant in Landlord's reasonable opinion), Tenant shall provide Landlord with written notice to that effect (the "Tenant Response Notice") within ten (10) business days after delivery of the Availability Notice. Tenant shall lease the Expansion Space for a term commencing on the commencement date listed in Landlord's Availability Notice and otherwise coterminous with the Lease Term for the initial Premises. The rent applicable to the Expansion Space shall be ninety-five percent (95%) of the fair market rate ("Expansion FMR") (including market escalation rates) applicable at the time of delivery of Tenant's Response Notice for new leases for similar premises in similar buildings of similar size, leased on an "as is", "where is" basis and having similar lengths of term in the Rockville, Maryland submarket. All other terms and conditions of the Lease shall be applicable to the Expansion Space.
- 52.2 Within ten (10) business days after Landlord receives Tenant's Response Notice exercising its right to lease the Expansion Space, Landlord will provide Tenant with a written notice (the "Expansion FMR Notice") indicating the base rental rate and annual escalation rate which Landlord in good faith believes represents the Expansion FMR for the Expansion Space.

If Tenant is in agreement with the base rental rate and annual escalation rate stated in the Expansion FMR Notice, Tenant shall so notify Landlord within ten (10) business days after its receipt thereof, in which case such base rental rate and annual escalation rate shall constitute the Expansion FMR for the Expansion Space within the meaning of this Section 52. If Tenant believes in good faith that the base rental rate and annual escalation rate stated by Landlord in the Expansion FMR Notice are in excess of actual Expansion FMR for the Premises, Tenant shall so notify Landlord in writing prior to the end of the ten (10) business day period after Tenant receives Landlord's Expansion FMR Notice, stating in its response (hereinafter referred to as "Tenant's Expansion Counterproposal") the base rental rate and annual escalation rate which Tenant in good faith believes represents the then current Expansion FMR for the Premises. If Tenant provides Tenant's Expansion Counterproposal to Landlord in a timely fashion, and Landlord agrees that the base rental rate and annual escalation rate stated in Tenant's Expansion Counterproposal represent the then-current Expansion FMR, Landlord shall so notify Tenant in writing within ten (10) business days after its receipt thereof, in which case such base rental rate and annual escalation rate shall constitute the Expansion FMR for the Expansion Space within the meaning of this Section 52. If either the Landlord or the Tenant fails to respond to the other's proposal within the time period provided above, or rejects the counterproposal of the other party, then the parties agree to submit the issue of what constitutes the appropriate Expansion FMR for the Expansion Space to determination using a "three broker method" as described in Section 52.3, below.

If the parties submit the issue of what constitutes the appropriate Expansion FMR for the Expansion Space to determination using a "three broker method", then the Base Rent and annual escalations applicable for the Expansion Space shall be equal to the Expansion FMR (including annual escalation rates) determined by a board of three (3) licensed real estate brokers, one of whom shall be named by Landlord, one by Tenant, and the two so appointed shall select the third. Each member of the board of brokers shall be licensed in the State of Maryland as a real estate broker, with a substantial familiarity in the field of commercial leasing in Rockville, Maryland, and having no less than ten (10) years experience in such field, and recognized as ethical and reputable within the field. Landlord and Tenant agree to make their appointments within five (5) business days after the earlier to occur of (i) the date which is ten (10) business days following the date upon which Tenant receives Landlord's Expansion FMR Notice, (ii) the date which is ten (10) business days after the date upon which Landlord receives Tenant's Expansion Counterproposal, or (iii) the date upon which Landlord notifies Tenant in writing of its rejection of Tenant's Expansion Counterproposal. The two (2) brokers selected by Landlord and Tenant shall select a third broker within ten (10) business days after they both have been appointed, and each broker, within ten (10) business days after the third broker is selected, shall submit his or her determination of the Expansion FMR and escalations. If either of the parties fail to select a broker within the aforesaid time periods, the broker selected by the other party shall select the other two (2) brokers to participate in the determination, each of which shall meet the selection criteria set forth above, and be affiliated with a different company from the first broker and from each other; and if the brokers selected by Landlord and Tenant are unable to reach agreement on the identity of the third broker within the applicable ten (10) business day period, then the third broker shall be designated (in compliance with the applicable criteria set forth above) by an agent of the Maryland Board of Realtors in office at such time. The Expansion FMR shall be the average of the amounts determined by the two brokers whose

determinations are closest in amount to each other (or if two brokers reach an identical determination, the determination of such two brokers), provided that if the two (2) most proximate determinations of Expansion FMR differ by more than five percent (5%), then the determination of Expansion FMR by such board of three brokers shall be null and void, and Landlord and Tenant shall, within five (5) business days thereafter, appoint a new board of three different real estate brokers meeting the above-stated criteria, who shall convene in accordance with the procedures and time frames set forth above in order to render a new determination, as if the first determination had never taken place. Landlord and Tenant shall each pay the fee of the broker selected by it, and they shall equally share the payment of the fee of the third broker. After the Expansion FMR for the Expansion Space has been established, the brokers shall immediately notify the parties in writing, and such determination shall be conclusive and binding upon the parties unless Tenant, within five (5) days following the date upon which such written determination is given, delivers written notice to Landlord that it has rescinded the exercise of its right to lease the Expansion Space. Time is of the essence with respect to Tenant's right to rescind its exercise of expansion rights hereunder.

- 52.4 In the event Tenant fails to deliver a Tenant Response Notice to Landlord within the time period set forth above, or in the event Tenant otherwise fails to comply with the time periods set forth in this Section 52, Tenant's rights under this Section 52 shall terminate and be of no further force and effect and Landlord shall be free to lease the Expansion Space and any other space on the eighth (8th) floor of the Building to any third party on such terms and conditions as Landlord may determine in its sole discretion.
- 52.5 Effective as of the applicable commencement date for any Expansion Space, Tenant's Share shall be increased to an amount equal to (A) the square footage of the Premises plus the square footage of such Expansion Space, divided by (B) the total rentable square feet of the Building. Tenant agrees to accept the Expansion Space in its then current "as-is, where-is" condition existing as of the commencement date for such Expansion Space and understands and agrees that Landlord shall not be required to provide Tenant with any allowance, perform any work, supply any materials or incur any expense to prepare such space for Tenant's occupancy thereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease, in quadruplicate, as of the day and year first above written.

LANDLORD:

ROCKVILLE METRO PLAZA I, L.L.C., a Maryland limited liability company

By: F.P. Rockville, L.P., a Maryland limited partnership

By: Foulger Investments, Inc., a Maryland corpφration

Bh Cay & to

(Seal)

Name: Clayton F. Foulger Title: President

TENANT:

MONTGOMERY COUNTY, MARYLAND, a political subdivision of the State of Maryland

By: Seal (Seal

Name: Douglas M. Duncan Title: County Executive

APPROVED AS TO FORM AND LEGALITY

OFFICE OF COUNTY ATTORNEY

DATE 4/25/2009

STATE OF MARYLAND

COUNTY OF Enderick

On this April, 2005 before me, a Notary Public, personally appeared Clayton F. Foulger, who acknowledged himself to be the President of Foulger Investments, Inc., a corporation, and that he, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

In witness whereof, I hereunto set my hand and official seal.

Notary Public Million

My Commission Expires:

STATE OF MARYLAND

COUNTY OF Monty Ornery

Personally appeared before me, a Notary Public, in and for said county and state, on this 24th day of April, 2005, Douglas M. Duncan, known to me, or satisfactorily proven, to be the person whose name is subscribed to the within instrument and who acknowledges that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Notory Public

My Commission Expires:

June 1, 2006

EXHIBIT A LEGAL DESCRIPTION OF LAND

Being all that piece, parcel or tract of land situate, lying, and being in the Rockville Election District No. 4, Montgomery County, Maryland, being part of the property described in a Deed dated July 2, 1962 and recorded among the Land Records of the aforesaid County in Liber 2981 at Folio 528. Also being part of the property described in a Deed dated December 2, 1994 and recorded among the Land Records of the aforesaid County in Liber 13149 at Folio 87. Also being Lot 16-A as delineated on a Plat of Subdivision entitled "Ownership Lots 16-A and 16-B, a ownership plat of Lot 16, Block "B", City Center" and recorded among the land Records of the aforesaid County in Plat Book 194 at Plan 21143 and being more particularly described as follows.

Being for the same at a point on the westerly Right-of-Way of Rockville Pike (variable R/W) Maryland Route 355, as delineated on said Plat, said point also being the north corner of ownership Lot 16-B as delineated on said Plat, said point of beginning also being the east corner of Lot 4 as delineated on a Plat of subdivision entitled "Lot 4, City Center Subdivision", and recorded among the Land Records of the aforesaid County in Plat Book 77 at Plat 7741, thence running with division line of said lots south 57°14'56" West, 188.88 feet to the true point of beginning, thence running in, through, over and across as to include Lot 16-A the following:

- 1. South 32°45'06" East, 20.00 feet to a point; thence
- 2. North 57°14'54" East, 168.83 feet to a point; thence
- 3. South 32°36'20" East, 214.41 feet to a point; thence
- 4. South 57°14'54" West, 216.82 feet to a point; thence
- 5. North 32°36'20" West, 234.41 feet to a point; thence
- 6. North 57°14'56" East, 47.94 feet to the point of beginning containing a computed area of 47,448 square feet or 1.08926 acres of land.

Subject to any and all easements and/or rights of way of record.

EXHIBIT B LOCATION AND DIMENSIONS OF PREMISES

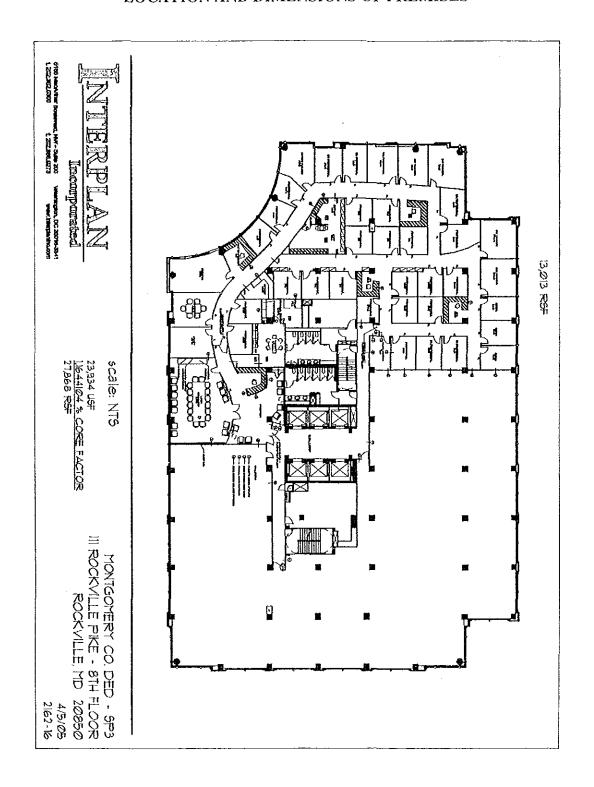


EXHIBIT C CONSTRUCTION EXHIBIT

1. <u>Base Building Improvements</u>. Prior to the date of the Lease to which this Exhibit C is an exhibit, Landlord, at Landlord's sole expense, has constructed the interior and exterior Base Building improvements and site improvements described in Schedule C-1 attached hereto and made a part hereof (collectively, the "Base Building Improvements", and Landlord's construction thereof, the "Base Building Work"). The Base Building Work and the Landlord's TI Work, described below, are collectively referred to as the "Landlord's Work".

2. <u>Landlord's TI Work.</u>

- 2.1 In addition to construction of the Base Building Improvements, Landlord shall be responsible for the construction of the Tenant's leasehold improvements within the Premises in accordance with the final Approved Plans that are to be prepared by the Tenant's architect and approved by Landlord in accordance with this Paragraph 2, below, such approval not to be unreasonably withheld, conditioned or delayed ("Landlord's TI Work"). The term Landlord's TI Work shall not include the Base Building Improvements. The cost of Landlord's TI Work shall be paid by Tenant, subject to an allowance granted by Landlord to Tenant hereunder, as more fully set forth in Paragraph 3.2, below.
- 2.2 Landlord's TI Work is intended to be completed and delivered to Tenant on or about August 1, 2005 (the "Anticipated Commencement Date"), in all cases subject to Force Majeure (as defined in the Lease) and Tenant Delays (as defined herein). Landlord projects that it can achieve Substantial Completion (as defined in the Lease) of Landlord's TI Work by such date provided final Approved Plans (hereinafter defined) have been agreed upon no later than fifty-five (55) days prior to the Anticipated Commencement Date and subject only to Tenant Delay (as hereinafter defined) and to delays caused by Force Majeure.
- 2.3 If not sooner completed, promptly after Lease execution, Tenant shall, at Tenant's sole expense (subject to the Allowance), cause its architects and/or engineers to prepare the following, which shall be delivered to Landlord no later than the dates set forth below for each, for Landlord's review and approval, in accordance with the standards and procedures hereafter set forth:
 - 2.3.1 Preliminary design intent drawings for the Premises suitable for pricing, and a space plan dated April 6, 2005, prepared by Interplan, Inc. showing the interior layout of the Premises and its integration with Building core areas and Base Building Improvements in sufficient detail to permit Landlord a reasonable opportunity to review and provide approval or comments regarding Tenant's proposed interior design, as hereafter provided (the "Proposed Space Plan") have been delivered to Landlord; and
 - 2.3.2 a complete list, to be delivered to Landlord together with the Proposed Space Plan, in tabular form, of Tenant's special equipment, including the quantities and locations of the following:

personal computers, special computer rooms and other equipment therein, electrical generators and uninterrupted power supply (UPS) equipment, continuously operating electric motors, copiers, grounding requirements, other special requirements for other heat-generating equipment, and any future load that Tenant requires or anticipates requiring. In addition to quantities and locations, Tenant shall provide the name, manufacturer, model number, weight, voltage, phase, full load amperage, watts or horsepower, heat output in BTU, plumbing connection requirements, and any special operating temperature and humidity requirements and any other special requirements for any other special equipment. Tenant shall also designate any areas of high density occupancy and any special light switching requirements. The foregoing listing is herein referred to as Tenant's "Load Letter".

Within ten (10) business days after receipt of the Proposed Space Plan and Tenant's Load Letter, Landlord will either approve same or provide Tenant with written comments thereto. Landlord's review shall be limited to items or matters (i) which affect or impact the exterior areas and/or exterior appearance of the Building, (ii) which affect or impact the structural components of the Building, or would otherwise affect or impact the structural integrity of the Building, (iii) which affect or impact any mechanical, electrical, plumbing, HVAC and/or life safety systems within the Building, (iv) which are intended to be integrated with Base Building Improvements, including Building common areas, elevator lobbies and floor core areas, or (v) which involve issues of compliance with applicable laws, regulations and codes, permitting or other administrative governmental requirements or any other applicable legal requirements (including ADA) (collectively "Legal Requirements"), and in all cases Landlord's consent shall not be unreasonably withheld, conditioned or delayed. If Landlord delivers any such comments to Tenant in writing within such ten (10) business day period, Tenant shall make, or cause its architect to make, such changes to the Proposed Space Plan and/or Tenant's Load Letter as may be necessary to address Landlord's comments, and will resubmit same to Landlord for final approval within five (5) business days after its receipt of such comments. If Landlord fails to deliver any such comments to Tenant in writing within such ten (10) business day period, then Landlord shall be deemed to have approved the Proposed Space Plan and Tenant's Load Letter. The process of submission, comment and resubmission shall continue in good faith and on an expeditious basis until Landlord and Tenant have achieved final approval of the Proposed Space Plan and Tenant's Load Letter (herein referred to, together, as the "Approved Space Plan"). After the first submission and resubmission, Landlord and Tenant agree to restrict further objections or disputes to matters which have not previously been agreed upon or accepted by the other party. Each party agrees that its failure to respond to a submission or resubmission within the above-referenced time frames shall constitute such party's acceptance of the submission or resubmission in question.

2.4 After the parties have reached agreement on the Approved Space Plan, Tenant shall, at Tenant's sole expense (subject to the Allowance), cause its architects and/or engineers to prepare complete architectural plans, construction drawings and mechanical, electrical and plumbing drawings ("MEP") for the Premises. Said plans, drawings and MEPs shall be submitted to Landlord in form sufficient for the permitting and construction of the Premises, and

the bidding of Landlord's TI Work (that is, in such form so that, if approved by Landlord without revision, the same would be sufficient for the permitting and construction of the Premises, and the bidding of Landlord's TI Work), and are hereinafter referred to as the "Drawings and Specifications". Tenant shall deliver the completed Drawings and Specifications to Landlord promptly after completion, and in all events on or before May 31, 2005.

- As soon as practicable after receipt of such Drawings and Specifications, but in no 2.5 event more than fifteen (15) business days after receipt thereof, Landlord shall return to Tenant such Drawings and Specifications with its written objections, suggested modifications and/or approval. As with Landlord's review of the Proposed Space Plan, Landlord's review shall be limited to items or matters to which Landlord is entitled to object to the Proposed Space Plan and/or Load Letter as is set forth above, and in all events Landlord's consent shall not be unreasonably withheld, conditioned or delayed. If Landlord's modifications are acceptable to Tenant, said Drawings and Specifications shall be revised by Tenant's architect to reflect the applicable changes, and the same shall be resubmitted to Landlord for written approval within five (5) business days after their receipt by Tenant. If, upon receipt of Landlord's proposed modifications to the Drawings and Specifications, Tenant wishes to take exception thereto, Tenant may do so within five (5) business days after the date upon which Tenant first received same. In such event, Tenant shall deliver revised Drawings and Specifications to Landlord prior to the expiration of such five (5) business day period, with a written explanation of Tenant's disagreement with Landlord, and Landlord shall grant its written approval or disapproval thereto, and/or state any further objections or proposed modifications, within ten (10) business days after receipt thereof. After the first submission and resubmission, Landlord and Tenant agree to restrict further objections or disputes to matters which have not previously been agreed upon or accepted by the other party. The parties shall, in all events, attempt to reach agreement as soon as possible, and in all events no less than fifty-five (55) days prior to the Anticipated Commencement Date. In addition, each party agrees that its failure to respond to a submission or resubmission within the above-referenced time frames shall constitute such party's acceptance of the submission or resubmission in question.
- 2.6 Upon Landlord and Tenant's final approval of the Drawings and Specifications, the same shall constitute the "Approved Plans", and the work shown on such final Drawings and Specifications shall be deemed "Landlord's TI Work" unless otherwise noted thereon.
- 2.7 Notwithstanding anything to the contrary contained herein, nothing herein contained shall be deemed to authorize Tenant to perform or require any alterations or revisions to the Base Building Improvements, such being subject to the approval of Landlord in all respects.

3. Performance of Landlord's TI Work.

3.1 Following final approval of the Approved Plans, Landlord shall obtain bids from three (3) general contractors acceptable to Landlord, one (1) of which shall be Foulger-Pratt Contracting, LLC. Landlord, in Landlord's sole and absolute discretion, shall select the general contractor to perform the Landlord TI Work ("General Contractor") and shall instruct the General Contractor, in a prompt, orderly and diligent fashion, to complete the bidding process

described below, apply for a building permit and upon issuance thereof, cause Landlord's TI Work to be completed, installed or performed, as the case may be, in accordance therewith, subject only to variations necessitated by the unavailability of specified materials and equipment, provided that Tenant received notice thereof and an opportunity to substitute items in replacement thereof. Landlord shall promptly submit for necessary building permits as set forth herein, and shall diligently pursue the processing thereof. Provided the General Contractor uses commercially reasonable efforts to obtain the building permit in a timely manner, any delay beyond five (5) weeks in obtaining a building permit from the City of Rockville shall be a force majeure event. Except as herein provided, and except as may be required by the permitting authority, no deviation from the Approved Plans shall be made by either party except by written change order approved by the other party, which approval shall not be unreasonably withheld or delayed. In the event Tenant requests or causes the need for any change orders with respect to Landlord's TI Work, the net cost of such change orders shall be paid for solely by Tenant, and any delays resulting therefrom, if any, shall constitute Tenant Delay hereunder. Landlord shall provide prompt notice to Tenant of any change order requested by Tenant which Landlord anticipates will cause a Tenant Delay. In the event any change orders requested by Tenant increase the cost of Landlord's TI Work or the Base Building Work, Tenant shall pay Landlord one hundred percent (100%) of the incremental additional cost associated with any such change orders (to the extent not paid for out of the Allowance provided for and defined herein) promptly following Landlord's demand and receipt by Tenant of evidence of the amount therefor.

3.2 Subject to application of the Allowance, Tenant shall bear financial responsibility for all hard and soft costs associated with the performance of Landlord's TI Work including (i) the architectural, engineering professional fees and blueprinting costs payable by Tenant to Tenant's architect and any other architects and engineers engaged in connection with its preparation of Approved Plans, as required under Section 2, above, any permitting costs, inspection fees and other governmental charges associated with Landlord's TI Work, and a construction supervision fee payable to Landlord in an amount equal to three percent (3%) of the total amount of Hard Costs (hereinafter defined) (the "Soft Costs"), and (ii) all costs of labor and materials for the installation of Landlord's TI Work (the "Hard Costs"). The total Soft Costs and Hard Costs of Landlord's TI Work, including any sums due by virtue of approved change orders, is herein referred to collectively as the "Costs". The Costs shall be fully disclosed to Tenant on a line-item basis with monthly updates. Tenant shall be entitled to receive from Landlord a credit (or, if Tenant performs Landlord's TI Work a payment upon the presentation of lien waivers and invoices reasonably satisfactory to Landlord) against the Costs (herein referred to as the "Allowance") up to an amount equal to the sum of (i) Thirty-Seven Dollars (\$37.00) multiplied by the total number of rentable square feet in the Premises plus, (ii) Sixty-Two Thousand Eight Hundred Ninety-Six and 17/100 Dollars (\$62,896.17) to be applied against Hard Costs to construct Landlord's TI Work within the Premises, and Soft Costs. In the event at any time the remaining Costs to be incurred to complete the Landlord's TI Work exceeds the remaining amount of the Allowance, Tenant shall fund such excess prior to Landlord advancing any further funds from the Allowance. In the event that the amount of the Allowance exceeds the total amount of the Hard Costs and the Soft Costs, Tenant shall be entitled to uses such excess for the purchase of furniture, furnishings and equipment for the Premises.

3.3 After agreement upon the relevant portions of the Approved Plans, the General Contractor shall, with the assistance and cooperation of Tenant's architect, prepare a bidding package for Landlord's TI Work based upon the Construction Documents. Landlord's TI Work shall be competitively bid after final approval of the Approved Space Plan is achieved, as follows:

Landlord shall cause the General Contractor to bid all major trades to a minimum of two qualified subcontractors. All subcontractors shall submit their bids directly to the General Contractor and Landlord (and Landlord shall promptly provide copies thereof to Tenant), who will review and analyze all bids submitted, and Landlord shall format all the bids for review by Tenant; and either Landlord or the General Contractor will prepare a bid format which includes copies of all submitted bids (the "Bid Format") listing all bids received, which shall be delivered to Tenant within seven (7) days after receipt of the last subcontractor bid. The Bid Format is intended to make each bid submitted comparable in scope so that the bid prices reflected are based on substantially equal services and materials. Within five (5) business days after providing Tenant with the Bid Format, Landlord (with the input of Tenant) and the General Contractor shall select the subcontractors determined by Landlord and the General Contractor to be the acceptable bid (Final Bid), provided such selection shall be based upon the lowest bid unless there is a reasonable basis to select a bidder other than the lowest bidder (for example, due to enhancement of coordination between different subcontractors and trades in the performance of Landlord's TI Work in furtherance of the goal of timely completion thereof) and the costs associated with each such subcontract shall be incorporated within the total Costs. Notwithstanding the foregoing provisions of this paragraph 3.3(a) to the contrary, in all events the General Contractor shall utilize Landlord's contractor which performed the fire, life safety and energy management construction and installation in the Building for all of Landlord's TI Work involving the same.

Landlord agrees to cause the General Contractor (or each bidding contractor) to identify "long lead" items or materials which will delay Substantial Completion of Landlord's Work by the dates contemplated herein, and shall notify Tenant in writing of the same promptly after such identification can be made. Landlord and Tenant shall cooperate in good faith to avoid such "long lead" items or materials and Tenant shall be given the opportunity to substitute replacement items therefor, and such substitution shall not constitute a Tenant Delay provided that such substitution is made promptly following written notice to Tenant that any item(s) constitutes a long lead item, and the delay in obtaining Tenant's approval thereto does not cause actual delay in the completion of the Landlord's Work.

- 4. <u>Permits</u>. Subject to the provisions of Paragraph 3.5 above, Landlord shall be responsible for applying for and obtaining all permits required for the performance of Landlord's TI Work (provided that Tenant shall be responsible for any permit or license required for tenant to operate within the Premises), and for obtaining any final fire inspection approval. Provided the General Contractor uses commercially reasonable efforts to obtain the building permit in a timely manner, any delay beyond five (5) weeks in obtaining a building permit from the City of Rockville shall be a force majeure event.
- 5. <u>First-Class Lien-Free Completion</u>. Landlord shall only use new, first-class materials in connection with Landlord's TI Work. All such work shall be paid for in full and in a timely

fashion by Tenant, subject to the Allowance. Landlord's TI Work shall be performed in a lien-free, first-class, and good and workmanlike manner, and in accordance with applicable codes and requirements. Tenant's architect shall be responsible for the compliance of the Premises with the Americans With Disabilities Act of 1990 ("ADA") and other applicable legal requirements.

- 6. <u>Bonding</u>. All contractors and subcontractors performing work on behalf of Tenant within the Premises prior to Tenant's initial occupancy of the Premises, shall be subject to Landlord's reasonable approval, and shall be bondable and licensed to do business in the State of Maryland.
- 7. Delivery & Acceptance of Possession. When Landlord's TI Work is substantially complete, Landlord shall deliver to Tenant a written notice (the "Completion Notice") stating that Landlord's TI Work is "Substantially Complete". Within two (2) business days after Landlord delivers the Completion Notice, Tenant (and Tenant's architect if requested by Tenant) and a representative of Landlord shall jointly inspect the Premises, and, provided all of Landlord's TI Work is substantially complete as of such time. Tenant shall be deemed to have accepted the Premises (in its condition as of the date of the Completion Notice but without waiving Landlord's obligation to correct punch list items or long lead items as set forth below, and without waiving any claim on account of latent defects) effective on the later of (i) the date of such joint inspection, or (ii) the first (1st) business day after Landlord delivers the Completion Notice. In the event Tenant determines that the Landlord's TI Work is not substantially complete, Tenant shall, within two (2) business days of the foregoing two (2) business day period, deliver to Landlord with specificity, a report identifying its determination of those items of Landlord's TI Work which are not substantially complete. Tenant's failure to deliver such report shall be deemed (for purposes hereof but for no other purpose) Tenant's certification that the Premises is substantially complete.
- 8. Punch List. If, as a result of the final joint inspection of Landlord's TI Work as described in Paragraph 7 above, Tenant discovers deviations or variations from the Approved Plans, or items which are incomplete, defective or in need of repair or replacement, of a nature commonly found on a "punch list" (as that term is used in the construction industry), Tenant shall promptly notify Landlord of such items; provided, however, that in the event of a dispute, Landlord and Tenant shall negotiate in good faith, using their reasonable discretion, to determine which items constitute punch list items. If after such final inspection, Tenant discovers latent defects in Landlord's TI Work, Tenant may notify Landlord of the particular item and Landlord will correct such item promptly at Landlord's expense provided (i) Tenant shall have the burden of establishing that any such items discovered after the final inspection are in fact latent defects in construction and not items damaged by Tenant, it agents, employees, contractors and invitees, or in need of repair due to ordinary wear and tear, and (ii) Tenant's right to claim such latent defects shall cease on that date which is one hundred eighty (180) days after the Commencement Date. Except to the extent that the same would prevent Tenant from lawfully occupying, or would interfere with Tenant's use of, the Premises, the existence of such punch list items shall not postpone the date of Substantial Completion, the Commencement Date of this Lease nor the obligation of Tenant to pay Rent, additional rent or any other charges due under this Lease. Landlord will cause its contractor(s) to correct the items noted on the punch list promptly thereafter, and subject to Force Majeure and Tenant Delays, no later than forty-five (45) days

thereafter; provided, however that if such items cannot be corrected within forty five (45) days, provided Landlord has promptly commenced and is diligently pursuing the correction of same, such forty five (45) day period shall be extended until such items have been or are reasonably capable of being completed.

9. Tenant Delays. Tenant Delay(s) shall mean actual delays in Substantial Completion of the Landlord's TI Work by the date set forth in Paragraph 2.2 herein (as the same may be adjusted pursuant to the terms hereof), caused by (i) Tenant's failure to meet its obligations under the Lease or under this Exhibit C thereto, (ii) delays caused by Tenant's architect, contractor or subcontractor(s), (iii) Tenant's failure to provide the Drawings and Specifications to Landlord or Tenant's failure to achieve Approved Plans by the dates set forth herein for each, other than as a result of Landlord's fault or failure to meet a mandatory response time provided for hereinabove, (iv) any delay associated with a change order requested by Tenant after Landlord's approval of Tenant's plans, and/or (v) any other delay which is defined in any part of the Lease as a Tenant Delay.

10. Remedies.

- 10.1 Landlord has agreed to use reasonable and diligent efforts to achieve Substantial Completion of the Premises within the time frames contemplated herein. To the extent that any item of Landlord's TI Work is not completed as of such date as will permit the Premises to be delivered within the time frames referenced in Paragraph 2.2 hereof, subject to Tenant Delays and events of Force Majeure (as defined in Section 47.8 of the Lease), then the validity of the Lease shall not be in any way affected and the Commencement Date shall coincide with the date upon which the Premises is substantially complete (as adjusted for events of Force Majeure and Tenant Delay).
- To the extent the completion of any item of Landlord's TI Work is delayed due to Tenant Delay, and the delayed completion of such item does not materially affect Landlord's ability to achieve Substantial Completion of Landlord's TI Work by the date for the delivery thereof, then provided Tenant continues to pursue the elimination of such Tenant Delay with all due diligence, such Tenant Delay shall not affect the Commencement Date of this Lease or otherwise result in or give rise to any damages or penalties payable by Tenant to Landlord, or otherwise constitute a Default by Tenant under this Lease, except that Tenant shall be responsible for any reasonable increase in the cost of Landlord's TI Work occasioned thereby. If and to the extent the non-completion of any such item(s) due to Tenant Delay does materially affect Landlord's ability to achieve Substantial Completion of Landlord's TI Work by the date set forth for the delivery thereof, then the Commencement Date shall be deemed to have occurred on the day upon which the Commencement Date would have occurred but for the delay caused by Tenant Delay, and Tenant shall be responsible for any increase in the cost of Landlord's TI Work occasioned thereby.
- 10.3 Each party shall use all reasonable and diligent efforts to perform the responsibilities and work required to be performed by it hereunder without unreasonable delay, and to avoid and minimize the duration of any delays for which such party is responsible hereunder; and each

party agrees to use commercially reasonable efforts (but without material out-of-pocket expense) to mitigate the damages and adverse effect of any delay for which the other party is responsible.

L&B 415957v1/05500.0203

Schedule C-1

BASE BUILDING / TENANT IMPROVEMENT WORK

ROCKVILLE METRO PLAZA I

	Description	Base Building	T.I. Work
	Dunding	1.1. WOLK	
ARCHITECTURAL			
Concrete Floor in Te		X	
Concrete Floors in M	lech./Elec./Tel./Jan.	X	
Gypsum Board Partit	tions (taped & spackled)		
•	Perimeter (including columns)	X	
•	Columns (interior)		X
•	Core	X	
Toilet Rooms (all fin	ishes)	X	
MEP Rooms (all fini	shes)	X	
Exit Stairs (all finished	es)	X	
Janitor Closets (all fi	nishes)	X	
Main Lobbies (all fin	ishes)	X	
Security/Concierge d	esks	X	
Typical elevator lobb	y finishes, Floors (5-16)		
•	Multi-Tenant Floors	X	
•	Single Tenant Floors		X
Painting / Wall cover	ing in Tenant Areas		X
Ceiling System			
•	Toilet Rooms	X	
•	Tenant Area		X
•	MEP Rooms	N/A	
•	Janitors Closets	N/A	
•	Elevator Lobby Multi-Tenant Floor	X	
•	Elevator Lobby Single Tenant Floor		X
Floor Covering w/bas	······································		
•	Tenant Area		X
•	Elevator Lobby Multi-Tenant Floor	X	
•	Elevator Lobby Single Tenant Floor		X
Window Blinds		X	
Doors & Hardware			
•	Core	X	
•	Tenant Area		X
Mullion Adapters		X	

	Description	Base Building	T.I. Work
ARCHITECTURAL			
ADA Code Requirem	ents		
•	Parking Garage	X	
•	Site	X	
•	Building Entries	X	
•	Main Lobby	X	
•	Elevator	X	
•	Exit Stairs	X	
	Toilet Rooms	X	
	Tenant Area		X
Exterior Signage	1 Chair / MCa		7
•	Directional Site Signage (if applicable)	X	
•	Exterior Signage/ Retail		X
Interior Signage	Exterior orginages Actual		71
•	Building Directories	X	
	Core Areas	X	
•	Tenant Areas		X
	Tenant Frieds		71
STRUCTURAL			
Loading Capacity (pe	r code/ specifications)	X	
Additional Loading C			X
ELECTRICAL			
Incoming Service		X	
Switchgear		X	
	acity per specification)	X	
Distribution to Closet	S		
•	Low Voltage Panels	X	
•	High Voltage Panels	X	
•	Transformers	X	
Emergency Lighting			
•	Core Area	X	
•	Tenant Area		X
Light Fixtures			
•	Core Area	X	
•	Tenant Area		X
•	Elevator Lobby Multi-Tenant Floor	X	
•	Elevator Lobby Single Tenant Floor		X
•	Main Lobbies	X	

	Description	Base Building	T.I. Work
ELECTRICA	L (Continued)		
<u> </u>	0.4.		
Convenience		- V	
•	Core Area	X	77
0 5	Tenant Area		X
Surge Protecti			
•	Main Switchgear	X	
•	Floor Panels Harmonic Filter		X
Strobe Lightin			
•	Core Areas	X	
•	Tenant Areas		X
•	Panel Contacts	X	
	ta Core Drills in Core Closets	X	
Voice/Data D			
•	Incoming Service	X	
•	Vertical Backbone		X
•	Horizontal Distribution		X
•	Grounding System		X
•	Outlets		X
Telephone Sw	ritch		X
UPS System			X
Automatic Tra	ansfer Switch (for UPS)		X
Emergency G	enerator	X	
Battery Back-	up		X
MECHANICA	AL		
Air Handling	Units (1 per Floor)	X	
	Powered VAV Boxes		
•	VAV Boxes		X
•	Thermostats/Controls/Power/		X
Balancing			
Exhaust/ Vent	ilation		
•	MEP Rooms	X	
•	Toilet Rooms	X	
•	Elevator Rooms	X	
•	Stairs	X	
Medium Pressure Trunk Duct			X
Low Pressure Trunk Duct			X
Duct Runouts			X
Diffusers (Perimeter slot and interior)			X

V	Base	
Description	Building	T.I. Work
MECHANICAL (Continued)		
Interior VAV boxes		X
Thermostats/Controls/Power/Balancing		X
Supplemental A/C Units		
Units (power, piping, controls)		X
FIRE PROTECTION		
Standpipes	X	
Distribution to main loop	X	
Valved Connections	X	
Flow & Tamper Switches	X	
Branches, drops and heads (per code)		
• Core	X	
• Tenant Area (code minimum, 1 per 225 rsf)	X	
Additional or Relocated Heads per Tenant Plan		X
Main Lobbies	X	
Extinguisher Cabinets/Extinguishers		
• Core	X	
Tenant Area		X
Local Fire Alarm	X	
For Tenant Tie-in; every other floor		X
Fire Phones (per code)		
Fire Control Room	X	
• Elevators	X	
• Stairways	X	
Annunciator Panels (per code/specifications)	X	
PLUMBING		
Wet columns (2 per floor)	X	
Core Fixtures	X	
Electric Water Coolers	X	
Supplemental A/C Piping		X
Janitors Sink	X	
Pantries (typical Floor)		X

	Description	Base Building	T.I. Work
SECURIT	Y		
Garage Control Gates		X	
Card reader	rs (including power & conduit)		
•	Garage Gates	X	
•	Building Entries	X	
•	Elevators	X	
•	Typical Floors Suite Entry		X

EXHIBIT D DECLARATION OF LEASE COMMENCEMENT

Attached to and made par	rt of the	Lease	dated the day of _	, 200,
entered into by and between R				
MONTGOMERY COUNTY, MA	RYLAN	D, as T	enant (the "Lease").	
Landlord and Tenant do h Lease) is hereby established to be defined in the Lease) is hereby est	e		and that the Lea	ase Expiration Date (as
and effect as of the date hereof.				
EXECUTED as of the		d	ay of	, 200
	LAN	DLOR	D:	
			LE METRO PLAZA ity company	I, L.L.C., a Maryland
	By: F.P. Rockville, L.P., a Maryland limited partnership			
		Ву:	Foulger Investments, a Maryland corporati	
			By: Name: Clayton F. For Title: President	(Seal)
	TEN	ANT:		
			MERY COUNTY, MAD bdivision of the State of	•
	Name	: Doug	ylas M. Duncan y Executive	_ (Seal)

EXHIBIT E RULES AND REGULATIONS

- 1. No part or the whole of the sidewalks, plaza areas, entrances, passages, courts, elevators, vestibules, stairways, corridors or halls of the Building or the Land shall be obstructed or encumbered by Tenant or used for any purpose other than ingress and egress to and from the Premises.
- 2. No awnings or other projections shall be attached to the exterior walls of the Building. No skylights, window, door or transom of the Building shall be covered or obstructed by Tenant, and no window shade, blind, curtain, screen, storm window, awning or other material shall be installed or placed on any window or in any window of the Premises except as approved in writing by Landlord. If Landlord has installed or hereafter installs any shade, blind or curtain in the Premises, Tenant shall not remove the same without first obtaining Landlord's written consent thereto.
- 3. No showcases or other articles shall be put in front of or affixed to any part of the exterior of the Building, nor placed in the Common Area.
- 4. Tenant shall not place or permit its Agents to place any trash or other objects anywhere within the Building or the Land (other than within the Premises) without first obtaining Landlord's written consent.
- 5. The water and wash closets and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish bags or other substances (including, without limitation, coffee grounds) shall be thrown therein.
- 6. Tenant shall not mark, paint, drill into or in any way deface any part of the Building or the Premises. No boring, cutting or stringing of wires shall be permitted, except for picture hanging and other ordinary decorating purposes.
- 7. No cooking shall be done or permitted in the Building by Tenant or its Agents except that Tenant may install and use microwave ovens. Tenant shall not cause or permit any unusual or objectionable odors to emanate from the Premises.
- 8. Tenant shall not make or permit any unseemly or disturbing noises or disturb or interfere with other Tenants or occupants of the Building or neighboring buildings or Premises by the use of any musical instrument, radio, television set, other audio device, unmusical noise, whistling, singing or in any other way.
- 9. Nothing shall be thrown out of any doors, windows or skylights or down any passageways.
- 10. No additional locks or bolts of any kind shall be placed upon any of the doors or windows of the Premises, nor shall any changes be made in locks or the mechanism thereof without prior notice to and the approval of Landlord. Tenant shall, upon the termination of its Lease, return to

Landlord all keys to the Premises and other areas furnished to, or otherwise procured by, Tenant. In the event of the loss of any such keys, Tenant shall pay Landlord the cost of replacement keys.

- 11. Tenant shall not use or occupy or permit any portion of the Premises to be used or occupied for the storage, manufacture or sale of liquor, narcotics or drugs. Tenant shall not engage or pay any employee in the Building except those actually working for Tenant in the Building. The Premises shall not be used, or permitted to be used, for lodging or sleeping or for any immoral or illegal purpose.
- 12. Landlord reserves the right to control and operate the Common Area in such manner as it deems best for the benefit of the Building tenants. During other than normal business hours, Landlord may exclude from all or a part of the Common Area all persons who do not present a pass to the Building signed by Landlord or other suitable identification satisfactory to Landlord. Landlord will furnish passes to persons for whom Tenant reasonably requests such passes. Tenant shall be responsible for all persons for whom it requests such passes and shall be liable to Landlord for all acts of such persons.
- 13. Tenant shall see that all entrance doors to the Premises (if applicable) are locked and all lights and office equipment within the Premises are turned off, and Landlord shall have no responsibility relating thereto.
- 14. Any requirement of Tenant shall be attended to only upon application at the office of Landlord. Building employees shall not be required to perform any work outside of their regular duties unless under specific instructions from Landlord.
- 15. Vending, canvassing, soliciting and peddling in the Building are prohibited, and Tenant shall cooperate in seeking their prevention.
- 16. In connection with the delivery or receipt of merchandise, freight or other matter, no hand trucks or other means of conveyance shall be permitted, except those equipped with rubber tires, rubber side guards or such other safeguards as Landlord may require.
- 17. No animals of any kind, except service animals, shall be brought into or kept about the Land or the Building by Tenant or its Agents.
- 18. No vending machines shall be permitted to be placed or installed in any part of the Building by Tenant without the permission of Landlord. Landlord reserves the right to place or install vending machines in the Building (other than in the Premises).
- 19. So that the Building may be kept in a good state of cleanliness, Tenant shall permit only Landlord's employees and contractors to clean its Premises unless prior thereto Landlord otherwise consents in writing.
- 20. Tenant shall keep the windows and doors of the Premises (including, without limitation, those opening on corridors and all doors between any room designed to receive heating or air

conditioning service end room(s) not designed to receive such service) closed while the heating or air conditioning system is operating in order to minimize the energy used by and to conserve the effectiveness of such systems.

21. The Premises and the Building and its grounds have been designated as non-smoking areas. Tenant, its servants, employees, officers, agents, customers, licensees, visitors, suppliers, or any other person reasonably controlled by Tenant must adhere to the no-smoking policy.

EXHIBIT F INITIAL CLEANING SPECIFICATIONS

Schedule:

Monday through Friday

6:00 p.m. to 10:00 p.m. (except Holidays)

Provided

All supervision, labor, equipment, cleaning materials, plastic liners, paper products, hand soap, insurance coverage and administration to perform the following duties:

Building Entrance and Lobby - Daily

clean entry doors on both sides

clean/polish (brightly) door bucks/saddles

clean all trim on inside of entrances polish (brightly) all handles on doors

sweep, mop and buff lobby floor and surfaces - recondition as necessary

vacuum and spot clean carpets - shampoo as necessary

the immediate exterior areas adjoining the lobby will be maintained

weather permitting

Public Corridors - Daily

vacuum carpet and spot clean - shampoos as necessary clean and polish water fountains

Public Corridors - As Necessary

dust furniture, fireboxes, extinguishers, pictures, etc. spot clean walls

Restrooms Daily

polish all brightware

sweep floors

mop floor with disinfectant water

wash and polish all mirrors

wash and polish hand basins and hardware

wash and disinfect urinals

wash and disinfect toilet seats

dust walls and partitions

replenish paper products and soap

disinfect all tile surfaces

use bowl cleaner at least once a month - more if needed replace plastic liner in trash can - polish trash receptacles

clean and polish (brightly) all floor drains

Offices - Daily

remove trash - only remove what is in the waste can or clearly marked "trash"

replace plastic liners as needed wipe trash receptacles clean dust furniture and desks, phones, filing cabinets, window ledges, etc. do not touch or disturb articles on desks (papers, etc.) mop all hard surface floors with a treated yarn dust mop spot clean walls, doors, partitions spot clean carpeting and hard surface floors all carpet and hard-to-get areas will be vacuumed daily

Offices - As Necessary

all hard surfaces (except wood) to be mopped, polished and buffed polish and buff wood floors vacuum upholstered furniture dust picture frames, charts, graphs, etc. vacuum air vents clean partitions dust venetian blinds