



# 1828

L Street

# Computing Resources Association, Inc.



OWNED AND MANAGED BY  
**THE TOWER COMPANIES**  
Transcend.

Pete.Prominski@Transwestern.com  
Tom.Hiley@Transwestern.com  
202.775.7005 / TowerCompanies.com

LEASING BY:



**TRANSWESTERN**<sup>®</sup>

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**OFFICE LEASE AGREEMENT**

**BETWEEN**

**1828 L STREET ASSOCIATES, LLC, LANDLORD**

**AND**

**COMPUTING RESEARCH ASSOCIATION, INC., TENANT**

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1828 L STREET ASSOCIATES, LLC

OFFICE LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into this 6<sup>th</sup> day of November, 2009 by and between (i) 1828 L STREET ASSOCIATES LLC, a District of Columbia limited liability company (hereinafter referred to as "Landlord"), and (ii) COMPUTING RESEARCH ASSOCIATION, INC., a non-profit corporation organized under the laws of the District of Columbia (hereinafter referred to as "Tenant").

WITNESSETH; Upon and subject to the terms of this Lease, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Leased Premises (as defined below), for the Term (as defined below), except that Landlord reserves and Tenant shall have no right in and to (a) the ownership and use of the exterior faces of all perimeter walls of the Building, (b) the ownership and, except as provided otherwise hereinbelow, use of the roof of the Building, or (c) the ownership and use of the air space above the Building.

1. Definitions.

(a) Special Lease Definitions. As used in this Lease the following words and phrases shall have the meanings indicated:

(1) Advance Deposit: The "Advance Deposit" shall be \$18,049.25 (an amount equal to one (1) month's Basic Rent) in the form of a check or letter of credit and shall be delivered by Tenant to Landlord upon Tenant's execution of this Lease. In the event Tenant delivers a letter of credit to Landlord, Tenant shall comply with the terms and conditions of Section 18 herein. The Advance Deposit shall be retained by the Landlord as security for the performance of the Tenant's obligations and shall be applied to Tenant's first month's Basic Rent.

(2) Basic Rent: For the first Lease Year commencing on the Rent Commencement Date as set forth in Section 1(a)(15) and ending on the last day of the first Lease Year, the Basic Rent shall be \$43.00 per rentable square foot, payable on 5,037 square feet of the Leased Premises. For each of the second, third, fourth and fifth Lease Years, the Basic Rent shall be increased to an amount equal to one hundred two and five-tenths percent (102.5%) of the Basic Rent payable for the previous Lease Year. For the sixth Lease Year, the Basic Rent shall be increased to an amount equal to the sum of the Basic Rent for the fifth Lease Year plus an amount equal to Two Dollars (\$2.00) per rentable square foot. For each of the seventh, eighth,

ninth, tenth and eleventh Lease Years, the Basic Rent shall be increased to an amount equal to one hundred two and five-tenths percent (102.5%) of the Basic Rent payable for the previous Lease Year.

The provisions of this subsection (a)(2)(i) are reflected in the following table:

<u>Lease Year</u>	<u>Amount/Sq.Ft.</u>	<u>Annualized Amount</u>
First	\$43.00	\$216,591.00
Second	\$44.08	\$222,030.96
Third	\$45.18	\$227,571.66
Fourth	\$46.31	\$233,263.47
Fifth	\$47.47	\$239,106.39
Sixth	\$49.47	\$249,180.39
Seventh	\$50.71	\$255,426.27
Eighth	\$51.98	\$261,823.26
Ninth	\$53.28	\$268,371.36
Tenth	\$54.61	\$275,070.57
Eleventh 1	\$55.98	\$281,971.26

(3) **Building:** The existing office building (the “**Building**”) located at 1828 L Street, NW, Washington, DC 20036, including the underlying lot, the Common Areas (as defined below), and the Building parking garage, except that Landlord reserves and Tenant shall have no right in and to (i) the ownership and use of the exterior faces of all perimeter walls of the Building, (ii) the ownership and, except as otherwise specifically provided herein, use of the roof of the Building, or (iii) the ownership and, except as otherwise specifically provided herein, use of the air space above the Building.

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1 To be prorated for one month

(4) Interim Term; Initial Term:

(i) Interim Term: The "Interim Term" shall mean the period beginning on the Tenant Construction Delivery Date (hereinafter defined) and ending at midnight immediately prior to the Lease Commencement Date. Tenant shall not be required to pay any Basic Rent or Additional Charges during the Interim Term, but all other rights and obligations set forth in this Lease shall apply with respect to such period.

(ii) Initial Term: The "Initial Term" shall mean the period commencement on the Lease Commencement Date and ending on the last day of the calendar month which completes ten (10) years and one (1) month.

(5) Landlord's Notice Address: The Landlord's Notice Address shall be c/o The Tower Companies, 2000 Tower Oaks Boulevard, Ninth Floor, Rockville, Maryland 20852.

(6) Lease Commencement Date: The "Lease Commencement Date" shall mean July 1, 2010, which date shall be subject to a day for day extension in the event of a Landlord Delay (as hereinafter defined). Within thirty (30) days after the Lease Commencement Date, Tenant shall execute a written instrument (in the form of Exhibit D attached hereto and made a part hereof) setting forth the precise date of commencement and expiration of the Interim Term and the Initial Term.

(7) Leased Premises: As used herein, the "Leased Premises" shall consist of a portion of the eighth (8<sup>th</sup>) floor of the Building, containing 5,037 rentable square feet, known as Suite 800, as shown and identified on Exhibit A attached hereto. The agreed rentable area of the Leased Premises includes Tenant's share of Common Areas and core space within the Building. All measurements of space in the Building shall and will have been determined by the Landlord's architects, using the modified Building Owners and Managers Association Standard Method for Measurement for commercial and office space, current edition (the "**BOMA Measurement Method**"). Tenant acknowledges that Tenant and Tenant's consultants, prior to the execution of this Lease have been afforded the opportunity to review the aforesaid determination of the rentable area of the Leased Premises, and Tenant accepts such determination for all purposes of this Lease. The inclusion, in the definition of "Leased Premises" set out in this paragraph, of certain Common Areas and core space is solely for the purpose of calculating Basic Rent and Tenant's Proportionate Share of Operating Expenses and Real Estate Taxes; Tenant is not obligated or bound to any duty or obligation of any kind (including, without limitation, those set out in Sections 6 and 7 below) concerning the use, upkeep, repair, or

maintenance of, or otherwise concerning or in respect of, such Common Areas or core space, such obligations, duties and responsibilities as set out elsewhere in this Lease being applicable to Tenant only in respect of the areas within its own demising walls.

(8) Leasing Broker: Transwestern Carey Winston, 1667 K Street, NW, Washington, DC 20006, Attention: Tom Hilley or Pete Prominski, as agent for Landlord; and McBride Real Estate, 11 Dupont Circle, NW, Washington, DC 20036, Attention: Andrew Renart, as agent for Tenant. The parties hereto warrant to each other that neither has dealt with or been represented by any agent, consultant, broker or finder in this transaction, except Transwestern Carey Winston and McBride Real Estate (collectively, the "Broker") and that no commission or other fee is contemplated with respect to this transaction, except to the Brokers, whose fees and/or commissions shall be paid by Landlord pursuant to separate Leasing agreements. Tenant and Landlord hereby agree to indemnify, defend and hold each other harmless of and from any claim by any party that a commission or other fee is due and owing to such party in connection with this lease as a result of the act or failure to act of the indemnifying party.

(9) Operating Expense Increases: Beginning with the second Lease Year, Tenant will pay as an Additional Charge hereunder Tenant's Proportionate Share of increases in Operating Expenses in excess of Operating Expenses for calendar year 2010 (the "Base Calendar Year"), as more fully provided in Section 3(b).

(10) Security: Tenant has provided Landlord with **Security** for the due performance of its obligations under this Lease, as provided in Section 18.

(11) Tenant's Notice Address: Prior to the Lease Commencement Date, the "Tenant's Notice Address" shall be Computing Research Association, Inc., 1100 17<sup>th</sup> Street, NW, Suite 507, Washington, DC 20036; after the Lease Commencement Date, the Leased Premises. In either event, to the attention of: Andrew Bernat, Executive Director.

(12) Tenant's Proportionate Share: 1.77%, which is the percentage that the rentable area of the Leased Premises (see subparagraph (7) above), bears to 285,003 rentable square feet, which is the agreed rentable area of all of the office space contained in the Building.

(13) Real Estate Tax Increases: Beginning with the second Lease Year, Tenant will pay as an Additional Charge hereunder Tenant's Proportionate Share of increases in Real Estate Taxes in excess of Real Estate Taxes for the District of Columbia Government's fiscal year ending September 30, 2010 (the "Base Fiscal Year"), as more fully provided in Section 3(c).



(14) Security System Charge: Landlord has installed, and will maintain in operation in the Building at all times, a master electrical building access control security system of the "Kastle Card" type. If, in addition to that system, Tenant desires that Landlord install an electronic security system that provides Tenant with individual suite security or separate or additional security for all or any portion or portions of the Leased Premises, Tenant agrees to pay to Landlord, as an Additional Charge hereunder for individual suite access control, a monthly Security System Charge equal to \$65.00 multiplied by the number of suite entrances requested by Tenant; or in the alternative, Tenant shall have the right to select its own suite security provider and deal directly with them.

(15) Rent Commencement Date: The "Rent Commencement Date" will be the Lease Commencement Date.

(b) General Definitions. As used in this Lease the following words and phrases shall have the meanings indicated:

(1) Additional Charges: All amounts payable by Tenant to Landlord under this Lease other than the Basic Rent, including amounts referred to as "additional rent." All Additional Charges shall be deemed to be additional rent and all remedies applicable to non-payment of Basic Rent shall be applicable thereto.

(2) Common Areas: The term "**Common Areas**" as used herein shall mean the entire area of the subdivided lot on which the Building is located as well as all space within the Building not intended to be leased to office tenants, including parking areas, driveways, loading areas, vestibules, elevators, public bathrooms, lobbies, health and fitness facility (if any), mechanical rooms, telephone and electrical closets, lawns and gardens, underground and above ground electric, gas, telephone, data transmission, sewer and water lines, sewer mains, storm drainage and water quality facilities, and utility meters serving the Building; the roof top cooling towers and other roof top equipment not installed for the exclusive use of a single tenant; chillers and mechanical equipment on each floor of the Building; and all other portions of the Building and lands included within the aforesaid subdivided lot which are now or hereafter existing, excepting those spaces within the Building which are leased to office or retail tenants or which are not leased but leasable by office or retail tenants. Common Areas are more fully defined in Section 4 and shall include all areas in the Building or on the subdivided lot now or hereafter constructed and intended to be used in common by the tenants and/or invitees of the Building.

(3) Event of Default: Any of the events set forth in Section 15 as an "Event of Default."

(4) Fiscal Year: The term "**Fiscal Year**" as used herein means the tax fiscal year for the District of Columbia, which currently begins on an October 1 and ends on the next succeeding September 30.

(6) Lease Year: The period of 12 months commencing on the Lease Commencement Date and ending on the last day of the month which completes 12 full calendar months after the Lease Commencement Date, and each 12-month period thereafter commencing on the first day after the end of the immediately preceding Lease Year.

(7) Mortgage and Mortgagee: The word "Mortgage" shall mean any mortgage or deed of trust encumbering and constituting a lien on the Building and land on which it is situated, and the word "Mortgagee" shall mean the holder of any mortgage or the beneficiary of any deed of trust.

(8) Operating Expenses: For purposes hereof, the term "Operating Expenses" shall mean all reasonable costs and expenses paid or incurred by Landlord solely for and in connection with the management, operation, servicing and maintenance of the Building and Common Areas, including, but not limited to, wages, salaries and welfare and fringe benefits fairly and properly allocable to work of employees whose work is performed at and for the benefit of the Building and Common Areas; payroll taxes fairly and properly allocable to such work; business and franchise taxes (excluding the D.C. unincorporated business tax imposed pursuant to D.C. Code §47-1808.1 et seq.); vault rentals; electricity service throughout the Building, including Common Areas, office space (but not including electrical service to retail space or to any separately metered office space) and electric service to the parking garage unless such electric service is separately metered; gas, oil and other fuels; other utility charges, except for the cost of utilities paid for separately by tenants; telephone services directly related to Building operations; exterminating service; detection and security services; trash removal; sewer and water usage in the Building; premiums for fire and casualty, liability, workmen's compensation and other insurance; repairs and maintenance (but not capital expenditures) made by Landlord to the Building; building, janitorial and cleaning supplies; uniforms and dry cleaning; window cleaning; service contracts for the maintenance of elevators, boilers, HVAC and other mechanical equipment; and management fees equal to 5% of gross collections. (Such management fees will be charged, and included in, the Base Calendar Year as well as for subsequent years.) Notwithstanding the general definition of "Operating Expenses" set out above, the term "Operating Expenses" shall not under any circumstance include any of the following: Real Estate Taxes, as defined in Section 1(b)(11); the cost of initial and subsequent alterations of, or improvements to, any tenant space in the Building, either for new or existing tenants (including without limitation professional, architectural and engineering fees); expenses for painting, redecorating, or other work which Landlord performs for any tenant in the Building, the expenses of which are paid by such tenant or which work is not provided by Landlord free of charge to Tenant on at least an equivalent basis; interest and amortization or other payments on funds

borrowed by Landlord whether secured or unsecured; depreciation of the Building, equipment or other improvements; capital expenditures as the same would be defined by generally accepted accounting principles; ground rent paid on any ground lease in effect at any time with respect to the land on which the Building is situated; leasing commissions, fees, and expenses; marketing expenses and all other expenses incurred for procuring tenants for the Building, including without limitation the cost of advertising; salaries, wages and benefits (including payroll taxes with respect thereto) paid to officers or executives of the Landlord; all costs and expenses of, for, related to or allocable to retail space in the Building or to the Building parking garage except for electricity to the garage if not separately metered; the cost of restoration or repairs made by the Landlord because of total or partial destruction of or damage to the Building or condemnation of a portion of the Building except to the extent of an insurance deductible in reasonable and customary amount expressly permitted by the provisions of this Lease; any insurance premium to the extent the Landlord is entitled to reimbursement for it by a specific tenant; the cost of any items for which the Landlord is reimbursed by insurance or otherwise compensated by tenants other than by the pass-through of Operating Expenses; except for a management fee which is limited as set forth above, any operating or other expense paid to a related corporation, entity or person which is in excess of the reasonable amount which would be paid in an arms' length transaction in the absence of such relationship; the cost of any work or service performed for, or facilities furnished to, any tenant of the Building to a greater extent or in a manner more favorable to such tenant than that performed for or furnished to Tenant; any damages, costs, expenses or amounts (not including amounts actually spent by Landlord in connection with repairs and maintenance to the Building) paid or payable by Landlord (including all attorneys fees, court costs and other costs incurred in connection therewith) as a result of or arising out of (i) the violation or breach by Landlord of the terms and conditions of any lease of space in the Building, or (ii) any act of negligence or willful misconduct by the Landlord, or the Landlord's agents, employees and assigns; costs of compliance with laws and regulations with respect to conditions existing in violation thereof on the Lease Commencement Date; and any legal expense and other costs and expenses incurred by Landlord in connection with (i) leasing space in the Building or (ii) negotiations or disputes with current, former, or prospective tenants or occupants of the Building or (iii) the enforcement of leases and collection of amounts payable thereunder.

In addition to the above Operating Expenses, but subject to the above exclusions from Operating Expenses, Operating Expenses shall include: (i) all costs of maintaining, managing, reporting, commissioning, and recommissioning the Building or any part thereof that is or shall be designed and /or built to be sustainable and conform with the U.S. EPA's Energy Star® rating, the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, and (ii) all costs of applying, reporting and commissioning the Building or any part thereof to seek certification under the U.S. EPA's Energy Star® rating and the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system; provided however, the cost

of such applying, reporting and commissioning of the Building or any part thereof to seek certification shall be a cost capitalized and thereafter amortized as an annual Operating Expense under generally accepted accounting principles.

(9) Person: The word "Person" shall mean a natural person, a general or limited partnership, a corporation, a limited liability company, a limited liability partnership, a trust, and any other form of business or legal association or entity.

(10) Prime Rate: The words "Prime Rate" shall mean the prime or base rate of interest reported from time to time in *The Wall Street Journal*.

(11) Real Estate Taxes: All ad valorem taxes, assessments, Business Improvement District taxes (whether ad valorem or based upon square footage), and other governmental charges, if any (other than items included in, or excluded from, Operating Expenses, except as specifically described in this Section 1(b)(11)), general, special or otherwise (including all assessments for schools, public betterments and general or local improvements) applicable to and levied or assessed upon or against the Building or the land on which it is situated imposed by any public or quasi-public authority having jurisdiction. Real Estate Taxes shall not include any inheritance, estate, succession, recordation, transfer, gross receipts, rent (except as provided below) or gift tax or levy or penalties or interest on late payments or, except for taxes, fees, charges and impositions described in the next succeeding sentence, income or profit tax or capital levy. If at any time during the Term the methods of taxation applicable to the Building shall be altered so that in lieu of or as a substitute for the whole or any part of any Real Estate Taxes levied, assessed or imposed thereon there shall be levied, assessed or imposed (i) a tax, license fee, excise or other charge on the rents received by Landlord, or (ii) any other type of tax or other imposition in lieu of, or as a substitute for, the whole or any portion of any Real Estate Taxes, then the same shall be included as Real Estate Taxes to the extent of the substitution. A tax bill or true copy thereof, together with any explanatory or detailed statement of the area or property covered thereby, submitted by Landlord to Tenant shall be prima facie evidence (to the extent of the matters expressly set forth therein) of the amount of taxes assessed or levied, as well as of the items taxed. If any real property tax or assessment levied against the land, buildings or improvements covered hereby shall be evidenced by improvement or other bonds, or in other form, which may be paid in annual installments, only the amount paid or payable in any Lease Year shall be included as Real Estate Taxes for that Lease Year for purposes of this Section 1(b)(11) and this Lease. Landlord will use all reasonable efforts (including, without limitation, asserting and prosecuting diligently appropriate proceedings to lower the tax assessment applicable to the Building) to cause Real Estate Taxes to be as low as is reasonably possible. If any Taxes paid in or with respect to any part of the Term are refunded, rebated, returned or allowed as a credit or offset to Taxes for any other period, Landlord will cause Tenant to be paid or credited its proportionate share thereof. The reasonable cost, including reasonable attorney's fees, of contesting any tax

assessment or tax bill will be included in Real Estate Taxes in the year paid or incurred. The provisions of the preceding three sentences will survive any expiration or termination of this Lease.

(12) Requirements: All laws, statutes, ordinances, codes, orders, rules, regulations and requirements of all federal, state and municipal governments, and the appropriate agencies, offices, departments, boards and commissions thereof, and the board of fire underwriters and/or the fire insurance rating organization or similar organization performing the same or similar functions, whether now or hereafter in force, applicable to the Building and Common Areas or any part thereof and/or the Leased Premises, as to the manner of use or occupancy or the maintenance, repair or condition of the Leased Premises and/or the Building and Common Areas, and the requirements (to the extent customary) of the carriers of all fire insurance policies maintained by Landlord on the Building and Common Areas.

(13) Term: The Initial Term and the extended term(s), if any, as to which Tenant shall have effectively exercised any right to extend as provided in Section 28, but in any event the Term shall end on any date when this Lease is sooner terminated as provided herein.

(14) Substantial Completion: The work of constructing tenant improvements as set forth in Section 2 shall be deemed to be substantially completed as of the date that the Landlord's representative certifies that such work has been substantially completed in accordance with the approved working drawings ("Substantial Completion"), provided that Substantial Completion has in fact occurred. In making such determination the Landlord shall not consider minor items of work remaining to be completed (i.e., the so-called "punch list" items) if such work can be completed within 30 days and without substantial expense and without causing any more than minor interference with Tenant's use and occupancy of the Leased Premises for its intended purposes.

## 2. Construction of Leasehold Improvements.

(a) Tenant hereby acknowledges that Landlord is working to obtain USGBC LEED certification under the USGBC's LEED for Existing Buildings green building rating system for the Building. As a future occupant of the Building, Tenant hereby agrees that the Leased Premises will comply with the requirements set forth in Exhibit B-4 and B-5 of this Lease. As more particularly set forth in Exhibit B-4 attached hereto and incorporated herein by reference, Tenant agrees that Tenant and Tenant Contractor (as hereinafter defined) (and all subcontractors) shall provide documentation illustrating achievement of the required LEED credits outlined in Exhibit B-4. Tenant, Tenant's design team, Tenant Contractor and all subcontractors are fully responsible for ensuring the above referenced document is closely followed to comply with the requirements, it being understood, however, that Tenant's architect shall be permitted to certify LEED compliance.

(b) Any work which Landlord has agreed to do for Tenant within the Leased Premises (“**Landlord Premises Work**”) is listed on Exhibit B-2. Landlord, at its expense, shall construct and provide the Landlord Premises Work, which shall be constructed in a good and workmanlike manner and in compliance with all applicable codes, and all materials and equipment to be incorporated into the Landlord Premises Work shall be of first-class quality and in full operational condition. Landlord shall correct any latent defect in the Landlord Premises Work which materially impairs Tenant’s use of the Leased Premises (promptly after receiving notice thereof from Tenant), provided that Tenant delivers to Landlord written notice of such latent defect no later than twelve (12) months after substantial completion of the Landlord Premises Work. As used herein, the term “latent defect” shall mean a defect in the physical condition of any component of the Landlord Premises Work existing as of the date of substantial completion of the Landlord Premises Work that could not have reasonably been discovered by a commercially reasonable inspection of the Leased Premises performed by Tenant’s architect or engineer.

(c) If Landlord is required to perform Landlord Premises Work, Landlord shall apprise Tenant of any material delay in the date anticipated for the “**Tenant Construction Delivery Date**,” which is herein defined as the date that Tenant will first be able, under the principles of construction of leasehold improvements then customarily followed by the tenant-contracting industry in the District of Columbia and in accordance with the applicable Requirements, to commence its Tenant Construction Work, hereinafter defined, promptly after Landlord becomes aware of such delay, and Landlord shall keep Tenant advised on a periodic basis concerning the status of construction of the Landlord Premises Work. Landlord shall endeavor to advise Tenant of the anticipated Tenant Construction Delivery Date at least thirty (30) days prior to such date. If there is no Landlord Premises Work to be undertaken prior to the Tenant Construction Delivery Date, Landlord shall deliver possession of the Leased Premises, and Tenant shall accept delivery of possession from Landlord, as soon as the Lease has been fully executed and delivered and the Leased Premises are vacant, and such date of delivery will be deemed the Tenant Construction Delivery Date. Except for the Landlord’s obligations with respect to the completion of Landlord Premises Work, possession of the Leased Premises shall be delivered to Tenant in its “AS-IS, WHERE-IS” condition as of the date of such delivery.

(d) Both parties recognize that in order to have the Leased Premises ready for occupancy on or about the Rent Commencement Date, it is essential that the procedures set forth herein be expeditiously implemented and adhered to, and that plans and specifications for the Tenant Improvements be prepared as early as reasonably practicable so as to enable Tenant’s contractor(s) to complete such work

promptly and at the lowest possible cost. Tenant agrees to furnish Landlord with its space plan (the "**Space Plan**") including final partition plan, furniture layout, equipment locations and other layout requirements, telephone and mechanical, electrical and plumbing requirements, lighting, finish selections, equipment specifications, and including any special items for the Leased Premises, which plans are subject to approval by Landlord in accordance with the terms set forth below. If previously submitted to and approved by Landlord prior to execution of this Lease, the Space Plan is attached as Exhibit B-1 hereto. Should the Tenant make any changes to the Space Plan, it must be submitted to Landlord for review and approval by Landlord in accordance with the terms set forth below. Landlord will approve or object in writing to the Space Plan within seven (7) business days of submission to the Landlord. Any disapproval of the Space Plan shall be accompanied by a reasonably detailed statement explaining the disapproval and suggesting reasonable changes that, if made, would result in Landlord's approval thereof.

(e) Upon approval of the Space Plan by Landlord, Tenant shall cause its architects and engineers to prepare and submit to Landlord for approval detailed plans, specifications and working drawings (the "**Tenant Submission**") for the construction of the Tenant Improvements (hereinafter defined) in the Leased Premises. Tenant's architect and engineer must have demonstrable certification and experience in the design and construction of projects capable of achieving certification according to the standards of the U.S. Green Building Council's Leadership in Engineering and Environmental Design-Commercial Interiors in effect as of the Tenant Construction Delivery Date. The Tenant Submission shall: (1) comply with the "**Tenant Sustainability Guidelines and Green Building Requirements**" set forth in Exhibit B-4 and with the "**Tenant Improvement Design Standards**" set forth in Exhibit B-5; (2) shall be delivered by Tenant to Landlord for its review and approval in accordance with the standards set forth below, and (3) be signed and sealed by an architect and engineer licensed in the appropriate jurisdiction. The parties' respective responsibilities with respect to Landlord Premises Work obligations and Tenant's Tenant Improvements obligations are delineated in detail in Exhibits B-4 and B-5 attached hereto. Landlord's approval with respect to any proposed Tenant Improvements that: (i) do not materially affect the Building's structure or any Building systems; (ii) are not visible from outside of the Leased Premises; and (iii) are consistent in all respects with the requirements of Exhibits B-4 and B-5 shall not be unreasonably withheld, conditioned or delayed. Landlord's consent to all other proposed Tenant Improvements shall be granted or withheld in Landlord's reasonable discretion. At Landlord's option, the Tenant Submission (or portions thereof) shall be subject to review by any consultants retained by Landlord for such purposes. Such review by these parties shall be in addition to Landlord's review of the Tenant Submission. The Tenant Submission, including revisions submitted to Landlord for approval, shall, after approval by Landlord, be

referred to in this Lease as the “**Tenant Plans.**” Landlord will approve or object in writing to the Tenant Submission within seven (7) business days of submission to the Landlord. Any disapproval of the Tenant Submission shall be accompanied by a reasonably detailed statement explaining the disapproval and suggesting reasonable changes that, if made, would result in Landlord’s approval thereof.

(f) The Tenant Plans shall be signed and sealed by an architect and engineers licensed in the District of Columbia and reasonably approved by Landlord. As used herein, the term "Tenant Improvements" shall include all work to be completed in the Leased Premises pursuant to the Tenant Plans including, but not limited to: demolition work, partitioning, doors and hardware, ceiling, floor covering, wall finishes (including paint, base and wall coverings), window coverings, electrical (including lighting, switching, telephone, outlets, computer and special electrical equipment, exit signs, etc.), plumbing, heating, ventilating and air conditioning (including supplemental air conditioning units), fire protection, cabinetry and other millwork, and furnishing and installing all materials, furniture, furnishings and equipment in connection with the implementation of the Tenant Plans and the occupancy of Tenant in the Building. After Landlord’s approval of the Tenant Submission, no further changes to the Tenant Plans shall be made without the prior written approval of the Landlord in accordance with the standards provided herein. If Tenant requires any subsequent changes in the Tenant Plans (the “**Tenant Changes**”), Tenant must present Landlord with revised drawings and specifications (and, if applicable proposed substitute or replacement materials) for Landlord’s review and approval in accordance with the standards provided herein. Landlord will approve or object in writing to Tenant Changes within five (5) business days of submission to the Landlord. Any disapproval of Tenant Changes shall be accompanied by a reasonably detailed statement explaining the disapproval and suggesting reasonable changes that, if made, would result in Landlord’s approval thereof. Upon Landlord’s approval of the Tenant Changes (or failure to object within five (5) business days of submittal), Tenant will incorporate such changes in the Tenant Plans.

(g) Tenant shall construct its leasehold improvements in accordance with the Tenant Plans, and such work is herein referred to as “**Tenant Construction Work.**” Tenant shall be solely responsible for the content of the Tenant Plans and coordination of the Tenant Plans with the Landlord’s as-built base building plans. Tenant shall also be responsible for field verifying all measurements of the Landlord Premises Work prior to commencing the Tenant Construction Work, and Landlord shall have no liability for any additional construction costs that Tenant may incur as a result. Tenant acknowledges that Landlord's approval of the Tenant Plans does not constitute an affirmation or representation by Landlord regarding the Tenant Plans’ accuracy and completeness, affect on the base building systems and structures, compliance with



applicable codes and governmental regulations and any other applicable Requirements, including the Americans With Disabilities Act, or sufficiency for purposes of obtaining a building permit or their satisfaction of any of the standards set forth herein, all of which remain the responsibility of Tenant and Tenant's architect. Tenant shall be solely responsible for the Tenant Plans' compliance with all applicable laws, rules and regulations of any governmental entity having jurisdiction over the Building and the Leased Premises. Accordingly, except as otherwise provided herein, Landlord shall not be responsible for any delays in obtaining the Tenant's building permit due to the insufficiency of the Tenant Plans or any delays due to changes in the Tenant Plans required by the applicable government or regulatory agencies reviewing the Tenant Plans, which such delay shall be deemed Tenant delay.

(h) Tenant shall be responsible for paying for the entire cost of constructing and installing the Tenant Improvements including the cost of all consultant and design fees Tenant incurs in preparing and revising Tenant Plans. Landlord agrees that as an inducement for Tenant to enter into this Lease, Landlord shall pay Two Hundred Forty One Thousand Seven Hundred Seventy Six and 00/100 Dollars (\$241,776.00.00) (approximately \$48.00 per rentable square foot of office space leased) (the "**Landlord Payment**"). Notwithstanding anything contained herein to the contrary, Tenant may utilize up to Fifty Thousand Three Hundred Seventy and 00/100 Dollars (\$50,370.00) (approximately \$10.00 per rentable square foot of office space leased) of the Landlord Payment towards future rent abatement in the event Tenant does not use such amount for Tenant Improvements. Landlord shall charge Tenant an administrative fee in an amount of one percent (1%) of the hard costs of the Tenant Construction Work, which fees shall cover (i) the cost of any review of the Tenant Submission by Landlord's consultants as contemplated by Section 2(e) above, and (ii) the cost of Landlord's review of Tenant's Plans. The Landlord Payment shall be paid to Tenant or Tenant's designee (as provided below) in accordance with the following terms:

(i) From time to time during the performance of the Tenant Construction Work (but not more often than once every thirty (30) days), Tenant may submit to Landlord "**Approved Invoices**" from Tenant's general contractor, architect, engineer, furniture, equipment or signage vendor, moving contractor, construction consultant or telecommunication cabling or other move related provider who has provided move related services or items as part of the Tenant Improvements or other move related expenses, which Approved Invoices: (i) shall have been approved in writing by Tenant; (ii) shall detail work already completed by such party as part of the approved Tenant Construction Work or in connection with the installation of cabling,

furniture, fixtures or other equipment in the Leased Premises or other move related expenses; and (iii) in the case of Approved Invoices from Tenant's general contractor; shall be accompanied by:

(1) written partial lien waivers (in form and substance reasonably acceptable to Landlord) from the general contractor and all subcontractors and materialmen who have performed work or delivered materials in connection with the Tenant Improvements through the date of the Approved Invoices, which lien waivers shall be conditioned, if at all, only upon payment of the Approved Invoice; and

(2) a written certification from Tenant's architect that the work described in the Approved Invoices (other than moving costs and similar expenses related to Tenant's occupancy of the Leased Premises) has been substantially completed in accordance with the final Tenant Plans approved by Landlord.

(j) Provided that Tenant is not in default of any of its obligations under the Lease beyond any applicable notice and cure period, within thirty (30) days of delivery of the aforesaid Approved Invoices accompanied by the proper documentation as required above, Landlord will disburse to Tenant or Tenant's designee from the Landlord Payment an amount equal to 90% of the amount of any previously unpaid Approved Invoices up to a maximum total payment (except as provided in subsection (k) below) of \$217,598.40. The balance of the Landlord Payment that has not been disbursed or exhausted hereunder (i.e., the 10% not paid pursuant to this section 2(j)) up to 100% of the Landlord Payment shall be referred to herein as the "Final Payment." Notwithstanding anything contained herein to the contrary, Landlord shall have no obligation to make any Landlord Payment or any other payment otherwise payable to Tenant under the Lease to a designee of Tenant, unless Tenant provides to Landlord evidence of such authorization in a form reasonably acceptable to Landlord.

(k) Disbursements from the Final Payment shall be paid upon completion of each of the following:

(1) Tenant shall have substantially completed the Tenant Construction Work according to the final plans and specifications therefor approved by Landlord; and

(2) Tenant shall have obtained and delivered to Landlord final, unconditional lien waivers from Tenant's general contractor and all subcontractors and materialmen who performed work or delivered materials in connection with the Tenant Construction Work, waiving any liens against the Leased Premises and the Building; and

(3) Tenant shall have obtained and delivered to Landlord a general contractor's affidavit specifying the names of all contractors, subcontractors, suppliers and material persons who have supplied labor, services, goods or materials to the Leased Premises and stating that all such listed persons and entities have been paid in full, and Landlord agrees that a duly executed AIA Form G706A (with attachments) is sufficient to satisfy this requirement; and

(4) Tenant shall then not be in default of any of its obligations under the Lease beyond any applicable notice and cure period; and

(5) Tenant shall have submitted Approved Invoices that have not been previously paid or reimbursed totaling at least the amount requested by Tenant and any necessary documentation as set forth above; and

(6) Tenant shall have obtained, and delivered a copy thereof to Landlord, a permanent Certificate of Use and Occupancy for the Leased Premises; and

(7) Tenant shall have delivered to Landlord the Certificate of Lease Commencement the form of which is set forth in Exhibit D attached hereto.

(l) Notwithstanding any provision hereof to the contrary, Tenant shall have no claim to, and Landlord shall have no obligation to disburse, any portion of the Landlord Payment not previously disbursed (or used as rent abatement as set forth above or then due and payable hereunder) as of the last day of the twenty-fourth (24<sup>th</sup>) full calendar month following the Lease Commencement Date ("**Payment Deadline**"). Subject to the terms of the immediately preceding sentence, in the event Tenant is in default under the Lease (beyond any applicable notice and cure period expressly set forth in Section 15(a) of the Lease) at the time Tenant requests a disbursement from the Landlord Payment, Landlord shall not be obligated to make such disbursement to Tenant; provided, however, that if Tenant cures the default within the applicable cure period provided in the Lease, Landlord shall thereafter make the disbursement from the Landlord Payment, provided no other defaults under the Lease (beyond any applicable notice and cure period expressly set forth in Section 15(a) of the Lease) exist at the time of such payment.

(m) The Tenant Construction Work shall be completed by Tenant in a first class workmanlike manner, and shall be performed by a reputable general contractor ("**Tenant Contractor**") and its subcontractors who are licensed to conduct business in the jurisdiction in which the Leased Premises are located, and the identity of the Tenant Contractor and its subcontractors shall be subject to Landlord's reasonable prior written approval. The Tenant Contractor shall commence the Tenant

Construction Work promptly after the Tenant Construction Delivery Date. The performance of the Tenant Construction Work shall be subject to all contractor and construction rules, regulations and guidelines reasonably established and amended by Landlord from time to time. The current contractor rules and regulations are attached hereto as Exhibit B-6. Landlord shall be entitled to charge Tenant for the actual third party costs (without mark up) reasonably incurred by Landlord in connection with the performance of Tenant Construction Work (as opposed to Landlord's review and approval of the Tenant Construction Work, for which Landlord is being compensated pursuant to the administrative fee described above), including and in connection with hoisting and use of freight elevators during the construction period. In the event the third party costs incurred by Landlord in connection with the performance of the Tenant Construction Work such as hoisting and use of freight elevators are not incurred solely because of the Tenant Construction Work and are incurred because of Landlord Premises Work or improvements constructed by others concurrent with the Tenant Construction Work, Tenant shall pay its proportionate share of such third party costs. For purposes of this paragraph, "third party costs" shall mean any services from third parties for which Landlord would have to contract as a result of the performance of the Tenant Construction Work (as opposed to Landlord's review and approval of the Tenant Construction Work, for which Landlord is being compensated pursuant to the administrative fee described above).

(n) Landlord shall cooperate with the Tenant Contractor to facilitate the Tenant Construction Work, including but not limited to facilitating access to the Leased Premises and to premises above and below as well as to the Building's core areas, and facilitating use of the Building Common Areas and elevators during reasonable times, subject to the rules and regulations set forth on Exhibit B-6 hereto and made a part hereof and to such reasonable non-arbitrary amendments of those rules and regulations as Landlord may promulgate pursuant to Section 8. During the anticipated construction period, access to the Leased Premises by the Tenant Contractor will, unless different hours are scheduled in advance on each occasion with Landlord's Property Management Department, be limited to the hours of 7:00 am to 6:00 pm, Monday through Friday, excluding Thanksgiving Day, Christmas Day, New Year's Day, Memorial Day, Independence Day and Labor Day; provided, however, Tenant agrees that such portion of the work as is likely to annoy other tenants with noise and vibration, such as core drilling, shall be scheduled for weekends or after regular business hours on 24 hours notice to Landlord's Director of Property Management.

(o) Landlord agrees that Tenant, the Tenant Contractor, and their agents and suppliers may, at Tenant's sole risk and expense, have access to the Leased Premises beginning fifteen (15) days prior to the Lease Commencement Date,

for purposes of installing data and telephone lines as well as moving files, furniture and equipment into the Leased Premises, provided that such entry and work does not unreasonably interfere with the performance of work by other contractors working in the Building. Such activities shall not in and of themselves be considered Tenant's "occupancy" of the Leased Premises for purposes of lease and rent commencement, but shall be subject to all of the other terms, covenants, conditions and provisions of this Lease.

(p) Upon completion of the Tenant Construction Work, the Tenant Contractor shall provide Landlord, without cost to Landlord, as-built drawings and close out documentation in accordance with Exhibit B-6, with one (1) set of transparent as-built drawings as well as electronic CADD files of such as-built drawings. Electronic files shall be saved with the most current version of Autocad with .dwg file extension. As-built drawings shall include but not be limited to architectural, telecommunications, mechanical, electrical, plumbing, structural, furnishing, finishes and equipment plans.

(q) In the event Tenant is unable to commence or thereafter continuously perform the Tenant Construction Work as a result of either (i) a delay by Landlord in the performance of any of Landlord's obligations under this Lease; or (ii) Landlord's violation of any Requirements and/or discovery of any hazardous materials in the Building not caused by Tenant or Tenant's Contractor (collectively, a "Landlord Delay") and as a result of a Landlord Delay, Tenant is unable to complete the Tenant Construction Work by July 1, 2010, the Rent Commencement Date shall be subject to a day for day extension. Tenant shall notify Landlord (in writing and including an identification of the cause of such delay with reasonable specificity) promptly upon Tenant's becoming aware of the existence of any such delay and if Tenant fails to so notify Landlord as soon as reasonably practicable after becoming aware thereof, then, to the extent that timely notice would have mitigated the effects of such delay, any period of delay prior to such notice shall not constitute a Landlord Delay.

(r) In the event that Landlord fails to comply with any of its obligations to pay or advance any portion of the Landlord Payment in accordance with the time periods set forth in this Section 2, Tenant may, after thirty (30) days' prior written notice to Landlord, set-off the applicable amount against its obligation to pay Base Rent and Additional Charges hereunder. The foregoing notwithstanding, in no event shall Tenant be entitled to set-off any sums not paid by Landlord by reason of a bona-fide dispute between the parties with respect to the entitlement of Tenant to a disbursement, pending resolution of such dispute through arbitration.

3. Rent and Additional Charges.

(a) Payment of Rent and Additional Charges. Subject to Section 1(a)(15), Tenant shall pay the Basic Rent in advance on the first day of each month during the Term, except that if the Rent Commencement Date is not the first day of a month, Basic Rent for the period commencing on the Rent Commencement Date and ending on the last day of the month in which the Rent Commencement Date occurs shall be pro-rated on the basis of a thirty (30) day month and paid on the Rent Commencement Date. The Basic Rent and all Additional Charges shall be paid promptly when due, in lawful money of the United States, without notice or demand and without deduction, diminution, abatement (except to the extent that abatement is expressly provided for in this Lease), counterclaim or setoff (except as expressly provided in Section 2(r) above) of any amount or for any reason whatsoever, to Landlord at Landlord's Notice Address or at such other address or to such other person as Landlord may from time to time designate by written notice to Tenant. If Tenant makes any payment to Landlord by check, same shall be by check of Tenant only (or, at Tenant's option, by bank draft or bank cashier's check), and Landlord shall not be required to accept the check of any other person, and any check received by Landlord shall be deemed received subject to collection. If any check is mailed by Tenant, Tenant shall post such check in sufficient time prior to the date when payment is due so that such check will be received by Landlord on or before the date when payment is due. Tenant shall assume the risk of lateness or failure of delivery of the mails. If, during the Term, Landlord receives four or more checks from Tenant which are returned by Tenant's bank for insufficient funds or are otherwise returned unpaid, Tenant agrees that all checks for the succeeding twelve months thereafter shall be either bank certified or bank cashier's checks. All bank service charges resulting from any bad checks tendered by Tenant shall be borne by Tenant.

(b) Computation of Operating Expense Increases.

(1) Following the end of each calendar year during the Term, Landlord shall submit to Tenant a statement setting forth in reasonable detail the Operating Expenses for the preceding calendar year. Such statement shall constitute a prima facie determination between the Landlord and the Tenant for the period represented thereby. Tenant shall have the right to audit such statement under the procedures set forth in subsection (g) below. Following the rendering from Landlord to Tenant of the first statement for Operating Expenses for any calendar year ("Computation Calendar Year") which shows an increase over the Base Calendar Year, Tenant shall pay to Landlord, as Additional Charges, within twenty (20) days after receipt of such statement, each of the following amounts: (i) the amount shown as due on said statement on account of the Tenant's Proportionate Share of the increase in Operating Expenses for the Computation Calendar Year in excess of the Base Calendar Year ("First Year's Proportionate Share of OE Increase"); and (ii) an amount equal to the difference between (x) the product obtained by multiplying the total

increase in the Tenant's share of Operating Expenses for the Computation Calendar Year in excess of the Base Calendar Year by a fraction, the denominator of which shall be 12 and the numerator of which shall be the number of months of the Subsequent Calendar Year (i.e., the calendar year immediately following the Computation Calendar Year) which shall have elapsed prior to the first day of the month immediately following the rendition of such statement, (y) the sum, if any, of all previous payments of Operating Expense increases (if any) made by the Tenant with respect to such prior months in the Subsequent Calendar Year ("Estimated Proportionate Share of OE Increase for Months that Elapsed Since Date of OE Statement")' and (iii) for the Subsequent Calendar Year, commencing as of the first day of the month immediately following the rendition of such statement and on the first day of each month thereafter until a new statement is rendered, 1/12th of the total increase in the Tenant's Proportionate Share of Operating Expenses for the Computation Calendar Year in excess of the Base Calendar Year ("Monthly Proportionate Share of Estimated OE Increase"). The payment required to be made under Item (ii) above and the subsequent monthly payments required to be made in the immediately preceding sentence shall be credited toward the Tenant's Proportionate Share of increases in Operating Expenses due from Tenant for the Subsequent Calendar Year in excess of the Base Calendar Year, subject to adjustment as and when the statement for such Subsequent Calendar Year is rendered by Landlord.

(2) If the statement rendered to Tenant pursuant to subparagraph (1) above shows that Tenant paid Landlord more on account of Operating Expense increases with respect to the Computation Calendar Year than is required by this Lease, the overpayment shall be credited to and offset against the next succeeding monthly payment or payments of rent and Additional Charges payable hereunder by Tenant (or, if the Term had then or theretofore ended, whether by expiration or termination of this Lease or otherwise, Landlord shall pay Tenant the full amount of the overpayment within twenty (20) days).

(3) Landlord's and Tenant's obligation to make the adjustments and payments referred to in subparagraphs (1) and (2) of this Section 3(b) shall survive any expiration or termination of this Lease.

(4) Operating Expenses for the calendar years which include the first and last Lease Years shall be pro-rated on a daily basis.

(5) Any delay or failure of Landlord in invoicing Tenant's Proportionate Share of any increase in Operating Expenses for any Computation Calendar Year hereinabove provided shall not constitute a waiver of or in any way impair the continuing obligation of Tenant to pay its Proportionate Share of such increase in Operating Expenses. However, Landlord shall use reasonable efforts to invoice Tenant for the amount of its share of increases in Operating Expenses for any Computation Calendar Year not later than the end of the Subsequent Calendar Year.

For example, Landlord will use reasonable efforts to invoice Tenant for its Proportionate Share of Operating Expense increases for the 2011 Computation Calendar Year by December 31, 2012.

(c) Computation of Real Estate Tax Increases.

(1) Landlord shall submit to Tenant at appropriate times during the Term, a statement of the Real Estate Taxes levied or assessed with respect to the Building for a District of Columbia Government fiscal year (together with a copy of the Real Estate Tax bill or bills upon which such statement is based). Following the rendering from Landlord to Tenant of the first statement for Real Estate Taxes for any DC Government fiscal year ("Computation Fiscal Year") which shows an increase over the Base Fiscal Year, Tenant shall pay to Landlord, as additional rent, within twenty (20) days after receipt of such statement, each of the following amounts: (i) the amount shown as due on said statement on account of the Tenant's Proportionate Share of the increase in Real Estate Taxes for the Computation Fiscal Year in excess of the Base Fiscal Year; (ii) an amount equal to the difference between (a) the product obtained by multiplying the total increase in Tenant's share of such increase in Real Estate Taxes for the Computation Calendar Year by a fraction, the denominator of which shall be 12 and the numerator of which shall be the number of months of the Subsequent Fiscal Year (i.e., the fiscal year immediately following the Computation Fiscal Year) which shall have elapsed prior to the first day of the month immediately following the rendition of such statement, and (b) the sum, if any, of all previous payments of increases in Real Estate Taxes (if any) made by the Tenant with respect to such prior months in the Subsequent Fiscal Year; and (iii) for the Subsequent Fiscal Year, commencing as of the first day of the month immediately following the rendition of such statement and on the first day of each month thereafter until a new statement is rendered, 1/12th of the Tenant's Proportionate Share of the total increase in Real Estate Taxes for the Computation Fiscal Year in excess of the Base Fiscal Year. The payment required to be made under Item (ii) and (iii) above shall be credited toward the Tenant's Proportionate Share of increases in Real Estate Taxes due from Tenant for the Subsequent Fiscal Year in excess of the Base Fiscal Year, subject to adjustment as and when the statement for such Subsequent Fiscal Year is rendered by Landlord.

(2) If the statement rendered to Tenant pursuant to subparagraph (1) above shows that Tenant paid Landlord more on account of Real Estate Tax increases with respect to the Computation Fiscal Year than is required by this Lease, the overpayment shall be credited to and offset against the next succeeding monthly payment or payments of rent and Additional Charges payable hereunder by Tenant (or, if the Term had then or theretofore ended, whether by expiration or termination of this Lease or otherwise, Landlord shall pay Tenant the full amount of the overpayment within twenty (20) days).



(3) Landlord's and Tenant's obligation to make the adjustments and payments referred to in subparagraphs (1) and (2) of this Section 3(c) shall survive any expiration or termination of this Lease.

(4) Real Estate Taxes for the fiscal years which include the first and last Lease Years shall be pro-rated on a daily basis.

(5) Any delay or failure of Landlord in invoicing Tenant's Proportionate Share of any increase in Real Estate Taxes for any Computation Fiscal Year hereinabove provided shall not constitute a waiver of or in any way impair the continuing obligation of Tenant to pay its Proportionate Share of such increase in Real Estate Taxes. However, Landlord shall use reasonable efforts to invoice Tenant for the amount of its share of increase in Real Estate Taxes for any Computation Calendar Year not later than the end of the Subsequent Fiscal Year. For example, Landlord will use reasonable efforts to invoice Tenant for its share of a Real Estate Tax increase for the 2011 Computation Fiscal Year (i.e., the fiscal year ended September 30, 2011) by September 30, 2012.

(d) Interest. If Tenant fails to pay any Basic Rent or Additional Charges within 10 days after the last day (including grace period) permitted for payment thereof as provided herein, interest shall, at Landlord's option, accrue on the unpaid portion thereof at the rate of one percentage point above the Prime Rate in effect on such due date, but in no event at a rate higher than the maximum rate allowed by law, and shall be payable on demand. Such interest shall be deemed additional rent hereunder and shall be collectible as such. Notwithstanding the foregoing to the contrary, Landlord shall waive such interest with respect to the first payment in any twelve (12) month period that is not made when due (but not more than three (3) late payments during the Initial Term), provided such payment is made prior to the expiration of the notice and cure period set forth in Section 15(a)(i).

(e) Accord and Satisfaction. No payment by Tenant or receipt by Landlord of any lesser amount than the amount stipulated to be paid hereunder shall be deemed other than on account of the earliest stipulated Basic Rent or Additional Charges; nor shall any endorsement or statement on any check or letter be deemed an accord and satisfaction, and Landlord may accept any check or payment without prejudice to Landlord's right to recover the balance due or to pursue any other remedy available to Landlord.

(f) Late Payment Charge. If Tenant fails to pay any Basic Rent or Additional Charges within 10 days after the last day (including grace period) permitted for payment thereof as provided herein, Tenant shall also pay to Landlord a late payment service charge (to cover Landlord's administrative and overhead expenses of processing late payments) equal to \$250.00. Such payment shall be deemed liquidated damages and not a penalty, but shall not excuse the timely payment of rent.

Notwithstanding the foregoing to the contrary, Landlord shall waive such late payment service charge with respect to the first payment in any twelve (12) month period that is not made when due (but not more than three (3) late payments during the Initial Term), provided such payment is made prior to the expiration of the notice and cure period set forth in Section 15(a)(i).

(g) Right to Inspect Records. Landlord will, upon request, which shall be made no later than six (6) months after the delivery of the statement of Operating Expenses pursuant to this Section 3, permit the Tenant to inspect, and at Tenant's request, to audit such of its records for a period of at least two (2) years after the end of the calendar or fiscal year covered thereby as are or, in Tenant's reasonable judgment, may be reasonably necessary or useful to verify that the calculation of increases in Operating Expenses set forth in such statement was made in accordance with the provisions of this Lease; provided, that Tenant shall not be entitled to delay any payment hereunder during the pendency of any such inspection. Tenant shall bear its own costs in conducting such an inspection; provided, however, that if such inspection reveals that Landlord's calculation of increases in Operating Expenses were overstated by five percent (5%) or more, then Landlord shall bear the costs of Tenant's inspection up to \$5,000. If Landlord disagrees with the results of Tenant's inspection, the resulting dispute shall be resolved pursuant to Section 29(l)..

#### 4. Common Areas.

(a) Tenant will have the exclusive right to use all Common Areas; and Landlord may not, after the Lease Commencement Date, change, on the floors on which the Leased Premises will be located, the location or configuration of interior Common Areas into which Tenant's personnel and visitors can be expected to go, such as entrances, passageways, doors, etc. without Tenant's prior consent. (Mechanical rooms, telephone closets and janitor's closets are not areas into which Tenant's personnel and visitors can be expected to go.)

(b) Landlord may not change the Building's street address or, if applicable, the name of the Building, unless it gives Tenant at least 120 days' prior written notice and reimburses Tenant for all reasonable costs incurred as a result of such address change.

(c) Throughout the Term, Tenant and its agents, employees and business invitees shall, except as provided otherwise in subsection (a), have the non-exclusive right, in common with others, to use the public lobbies, elevators, corridors, stairways and toilet rooms in the Building. Landlord shall, except as provided otherwise in subsection (a), have the right at any time, without the Tenant's consent, to change the arrangement or location of entrances, the Building lobby, passageways, doors, doorways, corridors, stairs, toilet rooms or other public portions of the Building. No such change by Landlord in the public portions of the Building or grounds shall materially interfere with the use of, or access to, the Leased Premises by Tenant.

Landlord reserves unto itself the full and complete ownership of the elevators and escalators and all tangible personal property installed by the Landlord in the Building which is of the type and character that qualifies for the Investment Tax Credit under the Internal Revenue Code.

5. Services and Utilities.

(a) Throughout the Term, Landlord agrees that, without additional charge except as set forth below but subject to Sections 1(a)(9) and 23(b) herein, it will furnish to Tenant the following services in accordance with the standards of a first class building in downtown Washington, DC:

(1) Electricity to the Leased Premises and to the Common Areas. Within the Leased Premises, electricity for normal lighting purposes and the operation of ordinary office equipment shall be provided at all times;

(2) Adequate and suitable supplies for toilet rooms;

(3) Normal and usual cleaning services in accordance with Landlord's cleaning specifications attached hereto as Exhibit E and made a part hereof, after business hours each day except on Saturdays, Sundays and specific holidays as follows: New Years Day, Memorial Day, July 4, Labor Day, Thanksgiving and Christmas ("Specified Legal Holidays");

(4) Installation, maintenance, repair and replacement of all fixtures in and for, and hot and cold running water in, all washrooms and toilet rooms, and cold running water to all plumbing fixtures within the Leased Premises, if any. Hot water for any plumbing fixtures within the Leased Premises required by Tenant will be by separate hot water heaters installed at Tenant's expense and located within the Leased Premises, except that, if reasonably feasible, Tenant will be allowed to tap off washroom hot water lines to provide hot water to Tenant's pantry areas and similar services within the Leased Premises. In the event Landlord, in its sole but reasonable judgment, determines that Tenant's water usage will exceed what Landlord determines is normal usage (i.e., if Tenant installs a shower/sauna or some other equipment which can reasonably be expected to consume substantially more water than would the activities of a typical large office tenant), Landlord reserves the right to require Tenant to install water checkmeters to measure the consumption of water in the Leased Premises. In such event, Landlord will cause such meters to be read periodically, and Landlord will make appropriate adjustments to the water and sewer charges included in Operating Expenses so that Tenant's Proportionate Share of Operating Expense increases will include (i) water and sewer charges for service to the Leased Premises based upon such metered consumption, plus (ii) a fair and reasonable amount for Tenant's share of water and sewer charges for common area consumption (e.g., public restrooms, janitors' closets and central plant HVAC water usage), but will not include any water and sewer charges allocable to other tenants' spaces in the Building.

Landlord shall have the right to participate, on behalf of the Building and its tenants generally, in any "green" water savings and purification programs designed to encourage the collection and distribution of clean water and the reduction of pollutant discharge into existing rivers and streams;

(5) Air cooling/heating, when required, between the hours of 8:00 A.M. and 6:00 P.M. Mondays through Fridays and between 8:00 A.M. and 1:00 P.M. on Saturdays, except on Specified Legal Holidays. In addition, Landlord agrees that the Building's central HVAC facilities (e.g., central furnaces, chillers, cooling towers and pumps) will be operational and providing service to the Leased Premises on such days and hours. Landlord will provide air cooling/heating to the Leased Premises at other times if requested by Tenant, but Landlord reserves the right to establish and collect a charge, which will be a uniform, non-discriminatory charge applicable to all office tenants (and applied, where it is appropriate to do so, on a pro rata basis if such HVAC use is requested by other tenants as well as by Tenant) that will recover Landlord's actual costs (without markup, profit, or other additional charges for Landlord's benefit) of providing such services, including but not limited to the cost of operating cooling towers, chillers, air conditioner fans, air conditioning compressors, exhaust fans, the cost of providing condenser water and the allocable cost of a building engineer if one is required, to accommodate the Tenant during hours and/or days other than those set forth above. In the event Landlord, in its sole but reasonable judgment, determines that Tenant's HVAC usage will exceed what Landlord determines is normal usage (i.e., if Tenant installs special air conditioning equipment in a large conference room or a computer facility which can reasonably be expected to utilize substantially more electricity and/or chilled water than would the activities of a typical large office tenant using Building standard air conditioning), Landlord reserves the right to require Tenant to install an electric checkmeter to measure the consumption of electricity (either in the entire Leased Premises or only by the special HVAC equipment deemed to exceed normal usage) and to charge the Tenant a reasonable recurring amount (as determined by Landlord's mechanical engineers) for the use of chilled water from Landlord's roof top chillers. In such event, Tenant will pay as an Additional Charge hereunder Landlord's reasonable charges for chilled water as aforesaid, and Tenant will pay as an Additional Charge hereunder such amounts as are invoiced by Landlord for Tenant's electricity usage as measured by such checkmeter, without markup by Landlord, and Landlord will make appropriate adjustments to the electricity and HVAC charges included in Operating Expenses so that Tenant's Proportionate Share of Operating Expense increases will not include such amounts which are separately invoiced to and paid by Tenant;

(6) Automatically operated elevator service providing 365--day, 24-hour access to the Leased Premises, with at least one (1) elevator in service and operational at all times and at least two (2) elevators in service and operational at such times that Landlord is obligated to provide HVAC service to the Leased Premises. In

addition, Landlord agrees that, except for emergencies, it will not take more than one elevator out of service for maintenance or repairs during such times that Landlord is obligated to provide HVAC service to the Leased Premises;

(7) All electric bulbs and fluorescent tubes in Landlord's Building standard light fixtures in the Leased Premises and in public areas;

(8) Access to the Building parking garage for monthly contract holders 24 hours per day, 365 days per year, subject to charges for the use thereof as provided in Rule 30 (Exhibit C) and in Exhibit C-1 hereto, and subject to reasonable security requirements;

(9) An electronic security system monitoring and controlling after-hours access to the Building from first floor entrances and from the Building parking garage, and, subject to the provisions of Section 1(a)(14), a full-time electronic key card security system controlling access to Tenant's premises (with Tenant to have ability to activate and de-activate key cards). Landlord, at its expense, shall provide Tenant with an initial allotment of twenty (20) key cards. However, Landlord shall have the right to charge Eight Dollars (\$8.00) per key card for any additional or replacement key cards provided to Tenant. Upon the termination of the Lease, Tenant agrees to return to Landlord all key cards distributed to Tenant.

(b) Landlord reserves the right to erect, use, connect to, maintain and repair pipes, ducts, conduits, cables, plumbing, vents and wires in, to and through the Leased Premises (provided that the same are installed above the ceilings, below the floors or behind the walls, of the Premises) as and to the extent that Landlord may now or hereafter reasonably deem to be necessary or appropriate for the proper operation and maintenance of the Building (including the servicing of other tenants in the Building) and the right at all times to transmit water, heat, air conditioning and electric current through such pipes, conduits, cables, plumbing, vents and wires; provided, however, Landlord agrees that in exercising such rights, Landlord will, to the fullest extent reasonably possible, avoid (and where it cannot be avoided, then to minimize) interfering with Tenant's access to and use and enjoyment of the Leased Premises; and provided further, that Landlord will, at Landlord's expense, promptly repair any damage done to the Leased Premises as a consequence of exercising such rights.

6. Upkeep of Premises and Building.

(a) Subject to the provisions of Section 11, Landlord shall, at its expense, keep the Leased Premises clean and in good operating condition and will make all required repairs thereto, except that Tenant, and not Landlord, shall be responsible for (i) maintaining and/or replacing any special air-conditioning equipment, kitchen and bathroom fixtures and equipment located in the Leased Premises (if any), (ii) replacing any other non-standard items such as carpeting, wall-covering, hot water heaters, cabinets and millwork and non-standard light fixtures, if any, located in the Leased

Premises, and (iii) reimbursing Landlord for the full cost of any repairs to the Leased Premises caused by the willful misconduct or negligence of Tenant or its agent or employees, such reimbursement to be collectible as additional rent hereunder, subject to the provisions of Section 11(g) hereof.

(b) Landlord shall at all times cause the Building (exclusive of the Leased Premises), its structural elements, the roof, exterior elements, Building systems and common areas (including, without limitation, the ground floor lobby), to be in a safe, attractive, clean, first class condition and in good working order and repair, and shall cause the Building's exterior, main floor lobby and all common areas always to have a clean, neat, dignified appearance appropriate to a first-class office building suitable for professional tenants. Landlord shall be responsible for compliance within the Common Areas with the Americans with Disabilities Act ("ADA") and all applicable fire and life safety laws and regulations, the costs of which compliance shall be includable in Operating Expenses, subject to the limitations and exclusions set forth in Section 1(b)(8). After the Lease Commencement Date, Tenant shall be responsible at its sole cost and expense, in the operation and alteration of the Leased Premises, for compliance with the ADA within the Leased Premises (except for base building components which are not affected by such operation or alterations, if any.)

(c) In the event that Landlord obtains actual knowledge of the presence of Hazardous Materials in the Leased Premises or in any of the Common Areas in a quantity and of a nature that violate any applicable governmental Requirements and that were not introduced to the Building by Tenant, Landlord shall take such action, if any, as may be required to comply with such governmental requirements. Tenant shall not cause or permit any Hazardous Materials to be generated, produced, brought upon, stored, treated, discharged, released, spilled or disposed of on, in, under or about the Leased Premises or the Building by Tenant or its agents, except that Tenant may store and use customary office supplies in the Leased Premises provided that any such office supplies are stored, used and disposed of in accordance with all Requirements and with manufacturer's recommendations. As used in this Lease, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or released materials, including any substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "infectious wastes", "hazardous materials", or "toxic substances" now or subsequently regulated under any federal, state or local laws, regulations or ordinances including, without limitation, oil, petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds, and other chemical products, asbestos, PCBs and similar compounds.

## 7. Use of Leased Premises.

(a) Except as hereinafter set forth, the Leased Premises may be used and occupied for any lawful purpose consistent with the operation of a first-class office building in Washington, DC, provided that any such use and occupancy is in full

compliance with all applicable building and zoning laws, codes and ordinances. Tenant may, if Tenant so elects, install and operate storage, vending and other dispensing machines or equipment for the exclusive use of Tenant's officers, employees and invitees to store and dispense hot and cold beverages, ice cream, candy, food, snacks, cigarettes and similar items, provided that such machines shall be maintained in a neat and sanitary condition and shall comply with all applicable laws and ordinances. In addition, Tenant may, if Tenant so elects, install, equip and operate one or more pantries or lunchrooms in the Premises and prepare and serve food and beverages therein for the exclusive use of Tenant's officers, employees and invitees, subject to compliance with all applicable codes and ordinances.

(b) Throughout the Term, Tenant covenants and agrees to: (i) keep the Leased Premises (i.e., the areas within its demising walls) in a neat and clean condition; (ii) pay before delinquency any and all taxes, assessments and public charges levied, assessed or imposed upon Tenant's business, upon the leasehold estate created by this Lease or upon Tenant's fixtures, furnishings or equipment in the Leased Premises to the extent (if any) that such taxes, assessments and public charges would, if not paid, become a lien on any part of the Building or Landlord's interest or estate therein; (iii) not use or permit or suffer the use of any portion of the Leased Premises for any unlawful purpose; (iv) not use the plumbing facilities for any purpose other than that for which they were constructed, or dispose of any inappropriate foreign substances therein; (v) not place a load on any floor exceeding the floor load per square foot which such floor was designed to carry, and not install, operate or maintain in the Leased Premises any heavy item of equipment except in such manner as to achieve a proper distribution of weight; (vi) not to strip, overload, damage or deface the Leased Premises, or the hallways, stairways, elevators, parking facilities or other public areas of the Building, or the fixtures therein or used therewith, nor to permit any hole to be made in any of the same; (vii) not to move any furniture or equipment into or out of the Leased Premises except at such times as Landlord may from time to time reasonably designate; (viii) not to use any floor adhesive (other than so-called "quick release" adhesive) in the installation of any carpeting; (ix) not to install or operate in the Leased Premises any electrical heating, air conditioning or refrigeration equipment, electronic data processing equipment, punch card machines or other equipment which will substantially increase the heat loads in the Leased Premises and thereby result in additional usage of the Building HVAC system and electricity substantially beyond that amount of usage normally experienced in general office use (other than ordinary office equipment including, but not limited to, standard office desktop and laptop computers, electric typewriters, adding machines, desk top microcomputers and peripheral printers, facsimile machines, office copiers, television sets, radios, clocks and lamps), without first obtaining the written consent of Landlord, and upon such consent to pay as an Additional Charge such reasonable amounts as Landlord shall from time to time require to compensate Landlord for Landlord's actual out-of-pocket cost for Tenant's excessive consumption of electricity and for the cost of additional wiring which may be required for the operation of such equipment and machinery; (x) not to install any other equipment of any kind or nature which will or may

necessitate any changes, replacements or additions to, or in the use of, the water system, heating system, plumbing system, air-conditioning system or electrical system of the Leased Premises or the Building, without first obtaining the written consent of Landlord; and (xi) at all times to comply with the Requirements.

(c) Tenant will not use or occupy the Leased Premises in violation of any Requirement. If any governmental authority, after the commencement of the Lease Term, shall issue to Tenant or Landlord a formal written complaint, cease-and-desist order, or other similar legal process contending or declaring that the Leased Premises are being used for a purpose which is in violation of any Requirement, then Tenant shall immediately discontinue such use of the Leased Premises, but Tenant shall retain and may exercise any and all rights to defend against, and challenge and contest, all such complaints, orders, process, contentions and declarations. If thereafter, the governmental authority asserting such violation commences or continues criminal or civil proceedings against Landlord for Tenant's failure to discontinue such use, the resolution or result of which is the entry of a final, unappealable judgment or order holding Tenant's use of the Leased Premises be in violation of a Requirement, then if such violation materially adversely affects the Building or Landlord's interest therein, in addition to any and all rights, privileges and remedies given to Landlord under this Lease for default therein, Landlord shall have the right to terminate this Lease forthwith. Tenant shall indemnify and hold Landlord harmless of and from any and all liability for any such violation or violations.

(d) Tenant shall not use or operate the Leased Premises in any manner that will cause the Building or any part thereof not to conform with Landlord's commercially reasonable sustainability practices or the U.S. EPA's Energy Star® rating for office buildings or the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system for existing office buildings.

(e) Landlord shall at all times cause the Building (exclusive of the portions of the Leased Premises within Tenant's demising walls, but inclusive of elements of the base Building structure and systems located within Tenant's demising walls) to comply with all, and not violate any, Requirements, and to cause the Building to be used only for general office purposes and such retail and other purposes as may otherwise be permitted under this Lease.

## 8. Rules and Regulations.

(a) Tenant and its agents and employees shall comply with and observe all reasonable rules and regulations of general applicability to all tenants in the Building concerning the use, management, operation, safety and good order of the Leased Premises, the Building and the Common Areas which are not inconsistent with any provision of this Lease and which may from time to time be reasonably promulgated by Landlord. Landlord agrees that all such rules and regulations will be applied to Tenant fairly, reasonably and in a manner that is no less favorable than their application to any



other tenant of the Building. Initial rules and regulations (the "Initial Rules"), which shall be effective until amended by Landlord, are attached to this Lease as Exhibit C hereto and made a part hereof. Tenant shall be deemed to have received notice of any amendment to the rules and regulations when a copy of such amendment has been delivered to Tenant at the Leased Premises or has been given to Tenant in the manner prescribed hereinbelow for the giving of notices under this Lease. An amendment to the rules and regulations will be effective on the later to occur of (i) the effective date set out in the notice of amendment given to Tenant by Landlord as provided above or (ii) the fifteenth business day after such notice of amendment was given to Tenant. Tenant shall comply with all fire protective rules and regulations reasonably promulgated by the Landlord for the safety of the Building and its occupants, including rules prescribing certain types of materials and prohibiting other types of materials in the Building. Landlord shall not be responsible to Tenant for any violation of the rules and regulations, or the covenants or agreements contained in any other lease, by any other tenant of the Building, or its agents or employees, and Landlord may (subject to the provisions of the second sentence of this Section 8) waive in writing, or otherwise, any or all of the rules or regulations in respect of any one or more tenants for good cause.

(b) The Building rules and regulations shall not: (i) regulate or restrict Tenant's freedom or discretion in decorating or furnishing the interior of the Leased Premises (including, without limitation, all floors, walls and interior of the Leased premises (including, without limitation, all floors, walls and interior surfaces of windows and doors) except to the extent, if any, necessary to comply with applicable Requirements; (ii) regulate or restrict Tenant's ability to communicate with its members, employees and invitees within the Leased Premises by public address or speaker system or otherwise, except to the extent expressly provided in the initial rules and regulations attached to this Lease as Exhibit C (the "Initial Rules"); or (iii) restrict Tenant in carrying on any activity or doing anything that is described, referred to, regulated or restricted in the Initial Rules, except as and to the extent provided in such Initial Rules.

## 9. Alterations.

(a) Tenant will not make or permit anyone to make any alterations, additions or improvements, structural or otherwise, in or to the Leased Premises or the Building for which a municipal building permit or other governmental approval would be required, without first obtaining the written consent of Landlord, which consent will not unreasonably be withheld, delayed or conditioned by Landlord provided Tenant has first satisfied each of the foregoing conditions precedent: (i) Tenant shall first submit preliminary drawings (including major revisions thereto) for all such work, prepared and certified to by architects, interior designers, or engineers, (each of whom shall, if required by law, be duly licensed and in good standing in the jurisdiction in which the Building is located) as may be reasonably required by Landlord; (ii) Landlord shall have the right to review all such drawings and, within a reasonable period of time (not to exceed fifteen (15) days), notify the Tenant of any corrections or revisions which

Landlord may reasonably require; and (iii) Tenant shall advise Landlord of the identity of each contractor hired to do any such work in the Leased Premises. In the event Landlord consents to any such alterations, etc., such alterations shall be performed in a good and workmanlike manner in accordance with all applicable Requirements, and Tenant shall indemnify and hold harmless Landlord from and against any and all costs, expenses, claims, liens and damages to person or property resulting from the making of any such alterations, decorations, additions or improvements in or to the Leased Premises or the Building negligently or in violation of applicable Requirements. Tenant shall not permit a mechanic's lien or liens to be placed upon Landlord's reversionary interest in the Leased Premises or the Building as a result of any alterations or improvements made by it and agrees, if any such lien be filed on account of the acts of Tenant, promptly to pay the same or to provide a bond or title insurance coverage over such lien at such time as Tenant is not contesting such lien in good faith by appropriate proceedings. In the event Tenant fails to pay any such lien (or to bond or title insure over it or contest it in good faith), it may be paid by Landlord after Landlord has given Tenant at least ten (10) business days' prior written notice of its intention to pay such lien, and if Landlord delivers to Tenant a full and unconditional release of such lien and satisfaction of the claim on which it was based, then the cost may be charged to Tenant as additional rent under this Lease. If any such substantial alterations, decorations, additions or improvements are made without the prior written consent of Landlord, Landlord may correct or remove the same after reasonable advance notice to Tenant and Tenant shall be liable for any and all reasonable costs and expenses incurred by Landlord in such removal.

(b) Notwithstanding anything contained herein to the contrary, any and all alterations, maintenance and repairs made by Tenant must comply with Landlord's commercially reasonable sustainability practices, including any reputable third-party rating system concerning the environmental compliance of the Building or the Leased Premises, as the same may change from time to time.

#### 10. Signs.

Tenant shall not inscribe, paint, affix, or otherwise display any sign, advertisement or notice on any part of the outside or inside of the Building except on (a) the directories for the Building provided by Landlord, and (b) the exterior side of the suite entrance doors to the Leased Premises, and then only in the place, size, color and style approved by Landlord. In connection with any permitted signs, Tenant will comply with all applicable Requirements. The cost of complying with applicable Requirements and the cost of painting or affixing any permitted signs, flags, advertisements or notices shall be borne by Tenant, except that Landlord shall pay for the listing strips for Tenant on the directory board in the main lobby of the Building and for Building standard suite entry signage for Tenant. If any such signs, advertisements or notices are painted, affixed, or otherwise displayed without the prior approval of Landlord, Landlord shall have the right to remove the same, and Tenant shall be liable for any and all costs and expenses incurred by Landlord in such removal.

11. Insurance.

(a) Tenant, at Tenant's sole cost and expense, shall obtain and maintain in effect at all times during the Term, a policy of comprehensive general public liability insurance with broad form comprehensive general liability endorsement or equivalent coverage in the basic policy, naming Landlord and (at Landlord's request) any mortgagee of the Building, any ground Landlord and any management agent as additional named insured(s), protecting Landlord, Tenant and any such mortgagee, ground Landlord and agent against any liability for bodily injury, death or property damage occurring upon, in or about any part of the Building, the Leased Premises or any appurtenances thereto, with such policies to afford protection to the combined single limit of not less than \$2,000,000 with respect to bodily injuries or death and with respect to property damage, and with a deductible no greater than \$2,000.00 for any single occurrence.

(b) Landlord shall obtain and maintain in effect at all times during the Term, a policy of fire and extended coverage insurance (on the so-called "special form") on the Building to the fullest extent of Landlord's insurable interest therein for 100% of full replacement cost without reduction for depreciation, together with comprehensive general public liability insurance with broad form comprehensive general liability endorsement or equivalent coverage in the basic policy, together with rent loss insurance and such other coverages as are commercially reasonable for the owner of a Class A office building in Washington, D.C. The premiums for all such insurance obtained by Landlord shall properly be included in Operating Expenses. In the case of liability insurance, such coverages shall be at least equivalent to the insurance which Tenant is required to obtain under subsection (a).

(c) The insurance policies required to be obtained by Tenant and Landlord under this Lease (i) shall be issued by an insurance company or companies rated A VIII or higher by the A.M. Best Co., and (ii) shall be written as primary policy coverage and not contributing with or in excess of any coverage which the other party may carry. Neither the issuance of any insurance policy required under this Lease, nor the minimum limits specified herein, shall be deemed to limit or restrict in any way the liability of either party arising under or out of this Lease. With respect to each insurance policy required to be obtained by Tenant under this Section, on or before the Lease Commencement Date, and at least ten (10) days before the expiration of the expiring policy or certificate previously furnished, Tenant shall deliver to Landlord a certificate of insurance therefor, together with evidence of payment of all applicable premiums. Each insurance policy required to be carried hereunder by or on behalf of Tenant shall provide (and any certificate evidencing the existence of each such insurance policy shall certify) that such insurance policy shall not be canceled unless Landlord shall have received 30 days' prior written notice of cancellation.

(d) Tenant shall not do, or cause to be done any act, matter, thing or failure to act in respect of the Leased Premises and/or the Building that will invalidate or be in conflict with fire insurance policies covering the Building or any part thereof, and shall not do, or permit anything to be done, in or upon the Leased Premises and/or the Building, or bring or keep anything therein, which shall increase the rate of fire insurance on the Building or on any property located therein. If, by reason of the failure of Tenant to comply with the provisions of this subsection, the fire insurance rate shall at any time be higher than it otherwise would be (as evidenced by a copy of a written notice from the fire insurance carrier specifying the act, matter, thing or failure to act which has resulted in the rate increase, the amount of the rate increase attributable to such act, etc. by Tenant, and a statement that but for such act, etc. by Tenant, the rate of fire insurance would not have increased), and if, within a reasonable time after notice from Landlord, Tenant fails to correct or remove such offending condition, then Tenant shall reimburse Landlord on demand, for that part of all premiums for any insurance coverage that shall have been charged because of such violation by Tenant and which Landlord shall have paid on account of an increase in the rate or rates in its own policies of insurance.

(e) Subject to the provisions of Section 11(g) hereof, Tenant hereby agrees to indemnify and hold harmless Landlord, its management agent and any mortgagee from and against any and all claims, losses, actions, damages, liabilities and expenses (including reasonable attorneys' fees) that are not due to the act or omission of the Landlord or its agents and employees and that (i) arise from or are in connection with the possession, use, occupation, management, repair, maintenance or control of the Leased Premises, or any portion thereof by Tenant or its agents, guests, invitees, employees or contractors, or (ii) arise from or are in connection with any act or omission of Tenant or Tenant's agents, employees or invitees, or (iii) result from any default, breach, violation or nonperformance of this Lease or any provision therein by Tenant. Tenant shall, at its own cost and expense, with counsel selected by Tenant and acting at Tenant's direction defend any and all actions, suits and proceedings which may be brought against Landlord, its management agent and/or any mortgagee with respect to the foregoing or in which Landlord, its management agent and/or any mortgagee may be impleaded. Tenant shall pay, satisfy and discharge any and all final and unappealable judgments, orders and decrees which may be recovered against Landlord, its management agent and/or any mortgagee in connection with the foregoing. Landlord will cooperate with Tenant and Tenant's counsel in connection with the defense or settlement (as Tenant may elect) of all such matters; provided, however, that Tenant shall have no obligation to pay Landlord's consequential or punitive damages, but it shall be construed as requiring Tenant to defend Landlord against all claims whether or not the claimant has demanded consequential damages.

(f) Subject to the provisions of Section 11(g) hereof, Landlord hereby agrees to indemnify and hold harmless Tenant from and against any and all claims, losses, actions, damages, liabilities and expenses (including reasonable attorneys' fees) that are not due to the act or omission of the Tenant, its agents and employees

and that (i) subject to the provisions of Section 11(e)(i) hereof, arise from or are in connection with the possession, use, occupation, management, repair, maintenance or control of the Building, or (ii) arise from or are in connection with any act or omission of Landlord or Landlord's agents, employees or invitees, or (iii) result from any default, breach, violation or nonperformance of this Lease or any provision therein by Landlord.

Landlord shall, at its own cost and expense, with counsel selected by Landlord and acting at Landlord's direction, defend any and all actions, suits and proceedings which may be brought against Tenant with respect to the foregoing or in which Tenant may be impleaded. Landlord shall pay, satisfy and discharge any and all final and unappealable judgments, orders and decrees which may be recovered against Tenant in connection with the foregoing; provided, however, that Landlord shall have no obligation to pay Tenant's consequential or punitive damages, but it shall be construed as requiring Landlord to defend Tenant against all claims whether or not the claimant has demanded consequential damages.

(g) Landlord, its management agent and/or any mortgagee shall not be liable or responsible for, and Tenant hereby releases Landlord, its management agent and/or any mortgagee from, all liability or responsibility to Tenant or any person claiming by, through or under Tenant, by way of subrogation or otherwise, for any injury, loss or damage to any property in or around the Leased Premises or to Tenant's business except to the extent such injury, loss or damage is caused by the negligence or willful misconduct of the Landlord or its agents or employees but subject to the mutual waiver provisions set forth below in this subsection (g). Tenant shall not be liable or responsible for, and Landlord hereby releases Tenant from, all liability or responsibility to the Landlord or any person claiming by, through or under Landlord, by way of subrogation or otherwise, for any injury, loss or damage to any property in or around the Building or to Landlord's business, except to the extent that such injury, loss or damage is caused by negligence or willful misconduct of Tenant or its agents or employees but subject to the mutual waiver provisions set forth below in this subsection (g). Each party hereto waives (insofar as it is possible to do so without impairing or invalidating that party's insurance coverage) each and every claim which arises or may arise in its favor and against the other party thereto (it being understood and agreed that Landlord's waiver shall also apply for the benefit of Tenant's permitted subtenants) during the term of this Lease or any renewal or extension thereof for any and all loss of, or damage to, any of its property located within or upon, or constituting a part of, the Leased Premises, which loss or damage is covered by (or is required by this Lease to be covered by) valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is (or would be) recoverable under said insurance policies. Said mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to any loss of or damage to property of the parties hereto. Inasmuch as the above mutual waivers preclude the assignment of any aforesaid claim by way of subrogation (or otherwise) to an insurance company (or any other person), each party hereto agrees immediately to give to each insurance company which has issued to it policies of fire and extended

coverage insurance, written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverages by reason of said waivers.

12. Damage by Fire or Other Casualty.

Tenant shall give prompt notice to Landlord in case of any fire or other damage to the Leased Premises. If the Leased Premises or the Building are damaged by fire or other casualty, Landlord shall diligently and as soon as practicable after such damage occurs (taking into account the time necessary to effectuate a satisfactory settlement with Landlord's insurance company) repair such damage at its own expense, and until such repairs have been completed the Basic Rent and all Additional Charges including, without limitation, Tenant's Proportionate Share of Operating Costs and Real Estate Taxes shall be abated in proportion to the part of the Leased Premises which is rendered substantially unusable, as a practical matter, for Tenant's normal business use thereof. However, if the Leased Premises or the Building are damaged by fire or other casualty to such an extent that the damage cannot be fully repaired within 120 days from the date such damage occurs, or if such repairs have not in fact been completed within 180 days from the date such damage occurs, Landlord shall immediately notify Tenant, and either Landlord or Tenant shall have the right to terminate this Lease by giving notice of termination to the other within such 120-day period or within thirty (30) days after the end of such 180-day period, as the case may be. If neither Landlord nor Tenant gives timely notice of termination as aforesaid, the right to terminate set out in the preceding sentence shall expire and terminate and this Lease shall continue in effect, and Landlord shall be obligated, at its cost and expense, to repair all damage and restore the Building and the Leased Premises as promptly as is reasonably possible, and all rent, Additional Charges and other amounts otherwise payable by Tenant hereunder shall abate and be forever waived and released for, during and in respect of the entire period from the occurrence of such damage or destruction and until the completion of such restoration.

13. Condemnation.

If the Leased Premises, or all or substantially all of the Building (or the use or possession thereof), shall be taken in condemnation proceedings or by exercise of any right of eminent domain, or by a private purchase in lieu thereof following (and in settlement of) the filing of suit for condemnation by an entity having power of eminent domain with respect thereto, this Lease shall not terminate, but effective prospectively as of the time of such taking or purchase the respective obligations of the Landlord and the Tenant for performance of their respective covenants hereunder shall cease and be of no further effect prospectively. (Landlord and Tenant shall, in all other respects, keep, observe and perform all the other terms, covenants and conditions of this Lease up to the date of such taking.) The net proceeds of any award or other compensation payable in connection with such taking or purchase shall be allocated as follows: First, to all mortgagees, an amount equal to the outstanding aggregate principal balance of

their loans and all accrued and unpaid interest through the date of payment; Second, to the Tenant and to the Landlord (on behalf of itself and all other tenants in the Building), in proportion to the amount of money each has then invested (and not recovered through amortization) in Building improvements, an amount equal to the aggregate total amount of such investment; and Third, any balance of the award shall be payable to Landlord. Tenant shall have no claim against Landlord for or on account of such condemnation or taking or the unexpired Term, and Landlord shall not have any claim against Tenant for the unexpired term, any rental or other amount that would have accrued therein or would have been payable with respect thereto, or any other prospective matter under or in respect of this Lease. Tenant shall, however, have the right to assert and prosecute a claim, in a separate proceeding, for moving and relocation expenses, to the extent that such separate award does not diminish the award payable to Landlord in respect of such taking of the Leased Premises.

14. Assignment and Subletting.

(a) Tenant shall have the right, with the prior written consent of the Landlord, which consent will not unreasonably be withheld, delayed or conditioned by Landlord, to assign this Lease or sublet all or a portion of the Leased Premises to non-related entities subject to compliance by Tenant with each of the following conditions: (i) that Tenant complies at all times with the other provisions of this Lease, including the use requirements of Section 7, the alteration requirements of Section 9 and remains primarily liable under this Lease; (ii) that the Tenant not be in default beyond applicable cure periods at the time it purports to assign or sublet as aforesaid; (iii) that the Tenant notifies the Landlord at least one (1) month prior to the commencement of marketing the space of Tenant's desire to sublet as aforesaid and, if the contemplated transaction constitutes an assignment of this Lease to an unrelated entity or a sublease to an unrelated entity for all or substantially all of the then-remaining Term, affords Landlord the opportunity, in lieu of approving such subletting, to accept Tenant's surrender of possession of, and concomitant partial termination of the Lease with respect to, the space to be marketed for subletting, which acceptance shall be communicated to Tenant within thirty (30) days after receipt by Landlord of such notice from Tenant (such surrender of possession to be effective on a date mutually agreeable to both Landlord and Tenant but in no event later than the date the marketing of such space would have been begun if Landlord had approved same; it being understood that if this Lease is terminated with respect to less than all of the Leased Premises, then Landlord shall bear fifty percent (50%) of the cost of installing a Building standard demising wall); and (iv) that if the Tenant relets all or any portion of the Leased Premises at a "profit" (hereinafter defined), then Tenant shall pay to Landlord fifty percent (50%) of the profit, if any, realized by Tenant from such subletting.

For purposes hereof, in computing whether Tenant realizes a profit from subleased space, such profit shall be measured by subtracting from the net present value of the subrents (including Additional Charges) receivable by Tenant from its subtenants the net present value of the sum of (A) the Basic Rent and Additional Charges payable by Tenant to Landlord with respect to the subleased space, (B) any brokerage fees and

the cost of any improvements paid for by the Tenant in connection with such subletting, and (C) any other reasonable and necessary cost or expense paid by Tenant with respect to such subletting (excluding overhead of Tenant, compensation paid to Tenant's officers and employees, and loss of revenues or earnings incurred by Tenant).

Any request by Tenant for permission to assign or sublet shall be accompanied by a certified check payable to Landlord (or such other form of payment as Landlord may approve) in the amount of \$1,500 to reimburse Landlord for administrative and/or legal expenses in connection with the Landlord's review and/or preparation of the necessary written consent. Except as set forth in the preceding sentences of this subsection (a), neither Tenant nor its successors or assigns shall transfer, assign, mortgage or encumber this Lease, by operation of law or otherwise, or permit the Leased Premises, or any part thereof, to be occupied by others, without the prior written consent of Landlord, in each instance, which consent may arbitrarily be withheld by Landlord in its unreviewable discretion. Any attempted transfer, assignment, mortgaging or encumbering of this Lease in violation of the foregoing provisions of this subsection 14(a) shall be void and confer no rights upon any third person. Notwithstanding the foregoing to the contrary, and without being subject to the recapture and reimbursement provisions set forth above, Landlord hereby (1) approves the subletting of portions of the Leased Premises to Association for Computing Machinery, Inc., and (2) agrees that use of portions of the Leased Premises by consultants providing services to Tenant (including, without limitation, accounting consultants) shall not require Landlord's consent hereunder. No permitted subletting shall relieve Tenant of any of its obligations under this Lease. Notwithstanding any such assignment or subletting, Tenant shall remain fully and primarily liable under this Lease.

(b) If, without complying with the provisions of Section 14(a), this Lease is transferred or assigned by Tenant or the Leased Premises or any part thereof are sublet or occupied by anybody other than Tenant, whether as a result of any act or omission by Tenant, or by operation of law or otherwise, Landlord, whether before or after the occurrence of an Event of Default, may, in addition to, and not in diminution of or substitution for, any other rights and remedies under this Lease or pursuant to law to which Landlord may be entitled as a result thereof, collect rent from the transferee, assignee, subtenant or occupant and apply the net amount collected to the Basic Rent and Additional Charges herein reserved, but no such transfer, assignment, subletting, occupancy or collection shall be deemed a waiver of the provisions of this Section or the acceptance of the transferee, assignee, subtenant, or occupant as Tenant, or a release of Tenant from the further performance by Tenant of its obligations under this Lease.

(c) Neither the consent by Landlord to any transfer or assignment nor the references in any provision of this Lease or in any rules and regulations to concessionaires and licensees shall in anywise be construed to relieve Tenant from obtaining, in each instance, the express consent in writing of Landlord to any further transfer, or assignment or to the granting of any concession or license for the use of any part of the Leased Premises.



15. Default Provisions.

(a) Each of the following events shall be deemed to be, and is referred to in this Lease as, an "Event of Default":

(1) A default by Tenant in the due and punctual payment of any Basic Rent or Additional Charges which continues for more than five (5) business days after written notice of such default shall have been given to Tenant; or

(2) The neglect or failure of Tenant to perform or observe in any material respect any of the terms, covenants or conditions contained in this Lease on Tenant's part to be performed or observed (other than those referred to in paragraph (1)) which is not remedied by Tenant within thirty (30) days after Landlord shall have given to Tenant written notice specifying such neglect or failure unless such default cannot be cured merely by the payment of money by Tenant to Landlord or to any other person and is of such a nature that it cannot, by due diligence, be cured within such thirty (30) period, in which case, if Tenant shall commence the curing of same within such thirty (30) day period, Tenant shall have such additional time to cure such default as may reasonably be required by Tenant in the exercise of reasonable diligence in endeavoring to cure such default; provided, however, such extension of time shall not subject Landlord to any unreasonable risk of liability, cost or expense, and the Landlord's interest in the Building shall not be jeopardized by reason thereof; or

(3) The assignment or transfer of this Lease or the subletting of the Leased Premises in a manner not permitted by Section 14; or

(4) The taking of this Lease or the Leased Premises, or any material part thereof, upon execution or by other process of law directed against Tenant, or upon or subject to any attachment at the instance of any creditor of or claimant against Tenant, which execution or attachment shall not be discharged or disposed of, or bonded or title-insured over, within 90 days after the levy thereof.

(b) Upon the occurrence of an Event of Default, Landlord shall have the right, at its election, then or at any time thereafter while such Event of Default shall continue, either:

(1) To give Tenant written notice that this Lease will terminate on a date to be specified in such notice, which date shall not be less than fifteen days after such notice, and on the date specified in such notice Tenant's right to possession of the Leased Premises shall cease and this Lease shall thereupon be terminated, but Tenant shall remain liable as provided in subsection (c); or

(2) Upon at least three (3) business days' prior notice to Tenant and in compliance with any applicable Requirements, to re-enter and take possession of the Leased Premises, and repossess the same as of Landlord's former estate and expel Tenant and those claiming through or under Tenant and remove its or their effects, either by summary judicial proceedings or by action at law or in equity, without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of rent or preceding breach of covenant.

If Landlord elects to re-enter under paragraph (2) of this subsection (b), Landlord may terminate this Lease, or, from time to time, without terminating this Lease, may relet the Leased Premises, or any part thereof, as agent for Tenant for such term or terms and at such rental or rentals and upon such other terms and conditions as Landlord may deem advisable, with the right to make such alterations and repairs to the Leased Premises as are necessary to meet the reasonable requirements of bona fide unaffiliated Tenants. No such re-entry or taking of possession of the Leased Premises by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention is given to Tenant under paragraph (1) of this subsection (b) or unless the termination thereof be decreed by a court of competent jurisdiction. Whether Landlord chooses to terminate this Lease or not following the occurrence of an Event of Default, Landlord will use reasonable efforts to mitigate damages caused by Tenant's default.

(c) If Landlord terminates this Lease pursuant to subsection (b) above, Tenant shall remain liable (in addition to accrued liabilities) to the extent legally permissible for (i) (A) all Basic Rent and Additional Charges provided for in this Lease until the date this Lease would have expired had such termination not occurred, and (B) any and all expenses reasonably incurred by Landlord in re-entering the Leased Premises, repossessing the same, making good any default of Tenant, painting, altering or dividing the Leased Premises as are necessary to meet the reasonable requirements of bona fide unaffiliated Tenants, combining the same with any adjacent space for any new tenants, putting the same in proper repair, reletting the same (including any and all reasonable attorneys fees and disbursements and reasonable brokerage fees incurred in so doing), and any and all reasonable expenses which Landlord may incur during the occupancy of any new tenant; less (ii) the net proceeds of any reletting. Tenant agrees to pay to Landlord the difference between items (i) and (ii) above with respect to each month during the Term, at the end of such month. Any suit brought by Landlord to enforce collection of such difference for any one month shall not prejudice Landlord's right to enforce the collection of any difference for any subsequent month. In addition to the foregoing, Tenant shall pay to Landlord such sums as the court which has jurisdiction thereover may adjudge reasonable as attorneys fees with respect to any successful law suit or action instituted by Landlord to enforce the provisions of this Lease. Landlord shall have the right, at its sole option, to relet the whole or any part of the Leased Premises for the whole of the unexpired Term, or longer, or from time to time for shorter periods, for any rental then obtainable, giving

such concessions of rent and making such special repairs, alterations, decorations and painting for any new tenant as Landlord, in its reasonable discretion, may deem advisable. Landlord's liability as aforesaid shall survive the institution of summary proceedings and the issuance of any warrant thereunder. Landlord will take all reasonable steps to mitigate Tenant's damages hereunder (including, without limitation, using its best efforts to relet the Leased Premises), and Landlord will cooperate with Tenant's efforts to mitigate such damages.

(d) If Landlord terminates this Lease pursuant to subsection (b), Landlord shall have the right, at any time, at its option, to require Tenant to pay to Landlord, on demand, as liquidated and agreed final damages in lieu of Tenant's liability under subsection (c), an amount equal to the difference, discounted to the date of such demand at the rate of 4% per annum, between (i) the Basic Rent and Additional Charges, computed on the basis of the then current annual rate of Basic Rent and Additional Charges, which would have been payable from the date of such demand to the date when this Lease would have expired, if it had not been terminated, and (ii) the then fair rental value of the Leased Premises for the same period. Upon payment of such liquidated and agreed final damages, Tenant shall be released from all further liability under this Lease with respect to the period after the date of such demand. If, after the Event of Default giving rise to the termination of this Lease, but before presentation of proof of such liquidated damages, the Leased Premises, or any part thereof, shall be relet by Landlord for a term of one year or more in good faith in an arms'-length transaction to an unrelated Tenant, the amount of rent reserved upon such reletting shall be deemed to be the fair rental value for the part of the Leased Premises so relet during the term of such reletting.

#### 16. Bankruptcy Termination Provision.

Landlord shall have the right, upon fifteen (15) days prior written notice to Tenant, to terminate this Lease upon the occurrence of any of the following events: (1) the commencement by Tenant of a voluntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or other similar law, or (2) the entry of a decree or order for relief by a court having jurisdiction in the premises in respect of Tenant in an involuntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or other similar law, and the continuance of any such decree or order unstayed and in effect for a period of 90 consecutive days, or (3) Tenant's making a general assignment of all or substantially all of its property for the benefit of its creditors, or (4) Tenant's seeking or consenting to or acquiescing in the appointment of, or the taking of possession by, a receiver, trustee or custodian for all or substantially all of its property, or (5) the entry of a court order without Tenant's consent, which order shall not be vacated, set aside or stayed within 90 days from the date of entry, appointing a receiver, trustee or custodian for all or substantially all of its property. The provisions of this Section 16 shall be construed with due recognition for the provisions of the federal bankruptcy laws, where applicable, but

shall be interpreted in a manner which results in Landlord's right to terminate this Lease in each and every instance, and to the fullest extent and at the earliest moment, that such termination is permitted under the federal bankruptcy laws, it being of prime importance to the Landlord to deal only with Tenants who have, and continue to have, a strong degree of financial strength and financial stability.

17. Landlord and Tenant May Perform Each Other's Obligations.

(a) If Tenant shall fail to keep or perform any of its material obligations as provided in this Lease in respect to (a) maintenance of insurance, (b) repairs and maintenance of the Leased Premises, or (c) compliance with the Requirements, then Landlord may (but shall not be obligated to do so) upon the continuance of such failure on Tenant's part for 10 days after written notice to Tenant that Landlord intends to make such payment or performance pursuant to this Section 17 (or after such additional period, if any, as Tenant may reasonably require to cure such failure if of a nature which cannot be cured within said 10 day period) and without waiving or releasing Tenant from any obligation, and as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all reasonable sums so paid by Landlord and all necessary incidental costs and expenses, including reasonable attorneys fees, incurred by Landlord in making such payment or performing such obligation, together with interest thereon at the rate specified in Section 3(e) from the date of payment, shall be deemed an Additional Charge and shall be paid to Landlord on demand, or at Landlord's option may be added to any installment of Rent thereafter falling due, and if not so paid by Tenant, Landlord shall have the same rights and remedies as in the case of a default by Tenant in the payment of Rent.

(b) If Landlord shall fail to keep or perform any of its material obligations as provided in this Lease in respect to (a) maintenance of insurance, (b) repairs and maintenance of the Building, (c) furnishing of utilities and services, or (d) compliance with the Requirements, then Tenant may (but shall not be obligated to do so) upon the continuance of such failure on Landlord's part for 10 days after written notice to Landlord that Tenant intends to make such payment or performance pursuant to this Section 17 (or after such additional period, if any, as Landlord may reasonably require to cure such failure if of a nature which cannot be cured within said 10 day period) and without waiving or releasing Landlord from any obligation, and as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all reasonable sums so paid by Tenant and all necessary incidental costs and expenses, including reasonable attorneys fees, incurred by Tenant in making such payment or performing such obligation, together with interest thereon at the rate specified in Section 3(e) from the date of payment, shall be payable by Landlord to Tenant within thirty (30) days from Tenant's demand therefore.

18. Security.

(a) Tenant shall deposit with Landlord at the time it executes this Lease, Security in the form described below. Such Security will be held by Landlord as security for the prompt, full and faithful performance by Tenant of each and every provision of this Lease and of all obligations of Tenant hereunder. Such Security may, at Tenant's option, be deposited by Tenant with Landlord in the form of an irrevocable stand-by letter of credit (the "**Letter of Credit**") as described in subsection (b) or a cash Security Deposit (the "**Security Deposit**") as described in subsection (d).

(b) (1) The Letter of Credit, if placed, shall be, in the amount of Eighteen Thousand Forty Nine and 25/100 Dollars (\$18,049.25) (i.e., one (1) month Basic Rent) to be held by Landlord for the purpose of securing Tenant's performance of its obligations under this Lease. The Letter of Credit shall be held by Landlord throughout the Lease Term in accordance with the provisions of this subsection (b). Tenant agrees and acknowledges that the Letter of Credit shall not constitute a Security Deposit, an advance payment of Rent or a measure of Landlord's damages for an Event of Default. If Tenant desires in the future to replace the Letter of Credit with a cash Security Deposit, and Tenant provides to Landlord cash in the same amount required of the Letter of Credit, then Landlord shall return to Tenant the Letter of Credit.

(2) The Letter of Credit shall at all times satisfy all of the requirements set forth in this subsection (b), including those set forth below. Such Letter of Credit shall: (i) be in the form attached hereto as Exhibit F or in such other form and substance satisfactory to Landlord (as determined by Landlord in its good faith discretion); (ii) at all times be in the amount set forth in subsection (b)(1), above, (iii) permit multiple draws without a corresponding reduction in the amount of the Letter of Credit (it being understood that Tenant shall have an obligation to restore the Letter of Credit to the then full required amount following draws by Landlord, as set forth in greater detail in subsection (d) below); (iv) be issued by a federally insured commercial bank reasonably acceptable to Landlord from time to time (with Landlord approving \_\_\_\_\_ Bank for the initial issuance of the Letter of Credit); (v) made payable to, and expressly transferable and assignable at no charge by Landlord (and its successor and assigns as owners of the Building); (vi) payable at sight upon presentment to a bank in the United States of America of a simple sight draft accompanied by a certificate stating that Landlord is entitled to draw upon the Letter of Credit pursuant to the terms of this Lease in the amount set forth in the sight draft; (vii) be of a term not less than one (1) year (or automatically and unconditionally extended) from time to time through twelve (12) months after the expiration of the Term ("**LC Return Date**"); and (viii) expressly provide that at least thirty (30) days prior to the then

current expiration date of such Letter of Credit, the same shall be automatically renewed or be extended for at least an additional one (1) year period (but not beyond the LC Return Date) unless at least sixty (60) days prior to the expiration of such Letter of Credit, Landlord is provided with written notice that the same shall not be renewed or extended. Each Letter of Credit contemplated hereunder shall be issued by a federally insured financial institution reasonably selected by Tenant and reasonably approved by Landlord. If the financial condition of such issuer changes in any materially adverse way (including, without limitation, any reduction in the credit rating of such issuer below a Standard & Poor's commercial paper rating of A-1 (provided if at any time the current Standard & Poor's commercial paper rating system is no longer in existence, a comparable rating of a comparable commercial paper rating system from a comparable company shall be selected by Landlord, in its reasonable discretion, for such purposes) or any filing by or against such issuer pursuant to any federal or state bankruptcy or insolvency laws), then Landlord shall have the right to require that Tenant obtain from a different issuer a substitute Letter of Credit that complies in all respects with the requirements of this Section, and Tenant's failure to obtain such substitute Letter of Credit within fifteen (15) days following Landlord's written demand therefor (with no other notice or cure or grace period being applicable thereto, notwithstanding anything in this Lease to the contrary) shall entitle Landlord to immediately draw upon the then-existing Letter of Credit in whole or in part, without notice to Tenant. If Landlord so draws, the cash shall be deemed a cash Security Deposit under the provisions of subsection (d) below. In addition to the foregoing, in the event that the issuer of any Letter of Credit held by Landlord is placed into receivership or conservatorship by the Federal Deposit Insurance Corporation, or any successor or similar entity, then, effective as of the date such receivership or conservatorship occurs, said Letter of Credit shall be deemed to not meet the requirements of this Section, and, within fifteen (15) days thereof, Tenant shall replace such Letter of Credit with a Letter of Credit issued by an institution which satisfies the foregoing requirements (and Tenant's failure to do so within said fifteen (15) days shall, notwithstanding anything in this Lease to the contrary, constitute an Event of Default under the Lease without any further notice to Tenant). Any failure or refusal of the issuer to honor the Letter of Credit shall be at Tenant's sole risk and shall not relieve Tenant of its obligations hereunder with respect to the same.

(3) Tenant shall renew or replace the Letter of Credit as required by this subsection (b), and shall deliver to Landlord written proof that the same has been timely renewed, extended or replaced at least thirty (30) days prior to the expiration thereof (unless by its terms the Letter of Credit automatically renews). Tenant will take whatever action is necessary to ensure that the Letter of Credit (or an appropriate replacement thereof which satisfies the requirements of this subsection (b))

automatically renews or extends or is timely replaced (by a new Letter of Credit satisfying the requirements of this subsection (b)) with written notice and proof to Landlord thereof at least thirty (30) days prior to the expiration thereof, and maintain the same in force in effect through at least the LC Return Date. All replacement Letters of Credit provided by Tenant hereunder shall comply with the provisions of this subsection (b). Notwithstanding anything in this Lease to the contrary (including, without limitation, any cure or grace periods set forth in this Lease), any failure by Tenant to timely renew or replace the Letter of Credit and any failure by Tenant to timely deliver to Landlord written proof of such renewal or replacement shall be deemed an Event of Default hereunder by Tenant, without the necessity for further notice to Tenant, entitling Landlord to immediately draw upon the Letter of Credit in its full amount. The cash proceeds of any such draw shall be deemed a cash Security Deposit placed pursuant to the provisions of subsection (d).

(4) At all times during the Term, Landlord shall be entitled to draw upon the Letter of Credit to cure any outstanding Event of Default; it being understood that except as otherwise expressly provided herein, Landlord shall not be entitled to draw upon the Letter of Credit unless an Event of Default has occurred; provided, however, in the event Tenant is in bankruptcy, Landlord shall be entitled to draw upon the Letter of Credit as necessary to compensate Landlord for any default (without any obligation to provide to Tenant any notice or cure period). In the event that Landlord draws upon the Letter of Credit by reason of Tenant's failure to timely renew or replace the Letter of Credit, the cash proceeds thereof (except for any portion thereof necessary to cure any other Event of Default by Tenant, if any) shall be held as a cash Security Deposit pursuant to the provisions of subsection (d).

(5) Upon the occurrence of an Event of Default, Landlord, without prejudice to any other remedy, may draw upon the Letter of Credit and apply the same to: (i) an arrearage of rent, and (ii) any other amount due Landlord pursuant to the terms of this Lease (including, without limitation, expenses, damages, cost or liabilities incurred or suffered by Landlord or Landlord's agents due to an Event of Default by Tenant). In the event that Landlord draws upon said Letter of Credit in accordance with the foregoing terms, Tenant shall immediately, deliver to Landlord a replacement Letter of Credit in the amount so drawn in order to restore Landlord to a fully secured position as required pursuant to the terms of this Section 14.

(6) If Landlord transfers the Letter of Credit to any transferee of the Building or Landlord's interest therein, then such transferee shall be liable for the return of the same, and Landlord shall be released from all liability for the return thereof.

(7) If an Event of Default is not then continuing and no obligations or potential obligations of Tenant are outstanding on the LC Return Date, then Landlord shall promptly deliver the Letter of Credit to Tenant.

(c) Notwithstanding anything to the contrary contained herein, Tenant hereby knowingly and willfully, and upon advice of counsel, waives any right and agrees not to pursue any right it may have to enjoin, declare or otherwise prohibit or seek to prohibit the bank issuing such Letter of Credit from paying, or Landlord from drawing, upon such Letter of Credit. If Tenant attempts to obtain, or obtains, an injunction or other legal writ which prevents Landlord from drawing upon such Letter of Credit, same shall be deemed an Event of Default hereunder.

(d) A cash Security Deposit voluntarily placed by Tenant, and any cash received by Landlord by virtue of a sight draft drawn upon the Letter of Credit and deemed to be a cash Security Deposit pursuant to the provisions of this Section 18 shall be for the purpose of securing Tenant's performance of its obligations under this Lease, and all of the terms applicable to the Letter of Credit shall apply to the cash Security Deposit, it being understood that such cash Security Deposit shall be held and applied by Landlord (and Tenant shall not be entitled to any interest on such amount) and replenished by Tenant in accordance with the same terms applicable to the Letter of Credit.

19. Subordination; Financing Requirements.

This Lease and Tenant's interest hereunder shall be subject and subordinate to each and every ground or underlying lease now existing or hereafter made of the Building and/or underlying land and to all renewals, modifications, replacements and extensions thereof, and to the lien of any mortgage now or hereafter placed upon the Building, and to all renewals, modifications, replacements, consolidations and extensions thereof and to any and all advances made thereunder and the interest thereon, subject however to the rights of the Tenant set forth in Section 20(b). Tenant agrees that within fifteen (15) days after written request therefor from Landlord, it will, from time to time, subject however to the provisions of Section 20(b), execute and deliver any instrument or other document reasonably required by any such Landlord or mortgagee to subordinate this Lease and its interest in the Leased Premises to such lease or the lien of any such mortgage. Each of Landlord and Tenant agrees that it will, upon request, execute and allow the other party to record a memorandum of this Lease or short form hereof, reasonably satisfactory in form and substance to the requesting party, and at the sole cost of the requesting party for recording fees and taxes, identifying (*inter alia*) the parties, the Term and Tenant's renewal option.



20. Attornment.

(a) In the event of (a) a transfer of Landlord's interest in the Leased Premises, (b) the termination of any ground or underlying lease of the Building and/or underlying land, or (c) the purchase of the Building or Landlord's interest therein at a foreclosure sale or by deed in lieu of foreclosure under any mortgage or pursuant to a power of sale contained in any mortgage, then in any of such events Tenant shall, at Landlord's request (but subject to the provisions of subsection (b), attorn to and recognize the transferee or purchaser of Landlord's interest or the Landlord under the terminated ground or underlying lease, as the case may be (collectively, the "Successor Landlord"), as Landlord under this Lease for the balance then remaining of the Term, and thereafter this Lease shall continue as a direct lease between such Successor Landlord, as "Landlord", and Tenant, as "Tenant", and such Successor Landlord shall not be liable for any act or omission of Landlord prior to such lease termination or prior to such person's succession to title, nor be subject to any offset, defense or counterclaim accruing prior to such lease termination or prior to such person's succession to title (except as expressly provided in Section 2(r) hereinabove, nor be bound by any payment of Basic Rent or Additional Charges prior to such lease termination or prior to such person's succession to title for more than one month in advance. The preceding provision shall not operate to limit any Tenant remedy based all or in part upon action or inaction by the Landlord occurring prior to the date of such Successor Landlord's succession to title. Tenant agrees that, within fifteen (15) days after written request therefor from Landlord, it will, from time to time, execute and deliver any instrument or other document reasonably required by any mortgagee, transferee, purchaser or other interested person to confirm such attornment and/or such obligation to attorn.

(b) Landlord represents and warrants to Tenant that the Building is currently encumbered by a mortgage securing Prudential Life Insurance Company of America, and that the land is held under a ground lease from certain individuals. With respect to the secured parties under future mortgage liens against the Building and with respect to the landlords under future ground leases of the land under the Building, Tenant's agreement to subordinate and to attorn to any mortgagee or purchaser or assignee of Landlord's interest in the Building and/or underlying land or to any holder of any reversionary interest under any future ground lease, or any successor to Landlord's interest thereunder, and its obligation to execute an attornment certificate or the written subordination agreement referred to in Section 19, all as otherwise provided herein, shall be subject to the condition precedent that such person simultaneously duly executes and delivers to Tenant, and shall not apply unless Tenant first receives, the written agreement of the purchaser, mortgagee, assignee, holder of a reversionary interest under any future ground lease, or other relevant person or successor to the Landlord's interest under any future ground lease (as the case may be) (to be evidenced in writing prior to any sale, purchase or encumbrance to which Tenant's lease is to be subordinated, whether voluntary, by foreclosure or otherwise), in

recordable form and satisfactory in form and substance to Tenant (a "Nondisturbance Agreement"), recognizing and confirming the continuing existence, validity and effect of this Lease and Tenant's interest and estate hereunder and such person's status, obligation and liability as the successors Landlord hereunder, that so long as no Tenant Event of Default hereunder has occurred and is continuing uncured: (i) Tenant shall not be named or joined as a party defendant in any foreclosure, forcible or unlawful detainer, or other action or proceeding which may be instituted or taken by such person or its successors or assignee; the holder of any mortgage; and (ii) Tenant shall not be evicted from the demised premises, nor shall Tenant's leasehold estate or possession under this Lease be terminated or disturbed, nor shall any of Tenant's rights or benefits under this Lease be affected in any way, by reason of any default under (or termination or expiration of) any mortgage or ground lease with respect to the Building (or the underlying land) or for any other reason other than the occurrence of a Tenant Event of Default hereunder, it being further understood and agreed that until such time as a mortgagee or subsequent holder of the mortgage or ground Landlord shall become the owner or holder of the Building neither such mortgagee nor such subsequent holder nor such ground Landlord shall have any obligation for the performance of any obligations (but from and after such time as such mortgagee or subsequent holder of the mortgage or ground Landlord or the successor, assign or purchaser or any of them becomes the owner or holder of the Building it shall have and be subject to and obligated for the performance of all obligations) of the Landlord under this Lease, or to Tenant's employees, agents, officers, invitees or assigns. The Nondisturbance Agreement shall also contain such other provisions favoring, benefitting or protecting Tenant or its rights and interests hereunder (if any) as Tenant may require which are customary in such agreements or in subordination, attornment and nondisturbance agreements with tenants of office buildings in central business districts of large U.S. cities. Notwithstanding the foregoing, it is understood and agreed that the existing ground Landlords are under no obligation to execute any such Nondisturbance Agreement.

21. Quiet Enjoyment.

Landlord covenants that until such time as this Lease shall have expired or shall have been duly terminated in accordance with the provisions hereof, Tenant, shall quietly hold, possess, occupy and enjoy the Leased Premises during the Term without hindrance, ejection or molestation by Landlord, any party lawfully claiming through or under Landlord, or any other person, and Landlord will defend Tenant's estate and interest under this Lease against all adverse claims.

22. Landlord's Right of Access.

Landlord may, during any reasonable time or times and at reasonable intervals, before and after the Lease Commencement Date, enter upon the Leased Premises, any portion thereof and any appurtenance thereto (with men and materials, if required) if Landlord has given Tenant at least 24 hours prior notice of the specific date

and time for such entry and the specific purpose thereof (and with Tenant having the right to have its representatives present and observing Landlord's representatives who make such entry), for the purpose of: (i) inspecting the same; (ii) making such repairs, replacements, alterations cleaning and maintenance which it may be required to perform under the provisions of this Lease or which it may reasonably deem desirable for the Building, including but not limited to repairs and improvements to space above, below and/or on the same floor as the Leased Premises; and (iii) showing the Leased Premises to prospective purchasers and (during the final nine months of the Term of this Lease, as such Term may have been extended) to prospective Tenants of all or any substantial part of the Leased Premises. Landlord may enter without notice for the purpose of accessing the mechanical and electrical rooms adjacent to the Leased Premises or, in the case of an emergency, for the purpose of remedying such emergency. In making any entry, Landlord agrees to use all possible efforts to avoid interfering with the regular and usual conduct of the Tenant's business and activities (and if some such interference is unavoidable, Landlord will keep such interference to a minimum). If Tenant shall carpet over the floor of the Leased Premises, Landlord shall have the right to cut such carpeting to the extent (if any) necessary to make or install any necessary electrical or telephone equipment or wiring to service other parts of the Building, without being held liable therefor, provided Landlord shall have the carpeting re-stitched in a workmanlike manner.

23. Limitation on Landlord's Liability.

(a) Except with respect to any damages resulting from the willful or negligent act or omission of Landlord, its agents, contractors and employees, or Landlord's breach of any of its obligations under this Lease Landlord shall not be liable to Tenant, its employees, agents, business invitees, licensees, customers, guests or trespassers for any damage or loss to the property of Tenant or others located on the Leased Premises or for any accident or injury to persons in the Leased Premises or the Building resulting from: the necessity of repairing any portion of the Building; the use or operation (by Tenant or any other person or persons whatsoever) of any elevators, or heating, cooling, electrical or plumbing equipment or apparatus; the termination of this Lease as expressly permitted by other provisions of this Lease by reason of the destruction of the Building or the Leased Premises; any fire, robbery, theft and/or any other casualty; any acts or omissions of any occupant of any space adjacent to or adjoining all or any part of the Leased Premises; any water, gas, steam, fire, explosion, electricity or falling plaster; the bursting, stoppage or leakage of any pipes, sewer pipes, drains, conduits, ducts, appliances or plumbing works; the functioning or malfunctioning of the fire sprinkler system; or the functioning or malfunctioning of any security system installed in the Building or any part thereof.

(b) Landlord shall not be liable to Tenant for Landlord's failure to perform any of its obligations under Section 5(a) or any other provision of this Lease to the extent (if any) that such failure arises solely from or through *force majeure*, which is defined for purposes of this Lease as acts of God, strikes, lockouts, failure of

governmental authorities to promptly process permit applications, explosions, sabotage, accidents, riots, civil commotions, acts of war, results of any warfare or warlike conditions in this or any foreign country, fire and casualty, or other similar causes beyond the reasonable control of Landlord, in each such case only if the same did not result from any act or omission of Landlord or its employees, agents or contractors; but the preceding provisions of this sentence shall not be deemed to release, diminish or affect in any way any of Tenant's rights (including, without limitation, those set out in Section 12 to have an abatement of rent or other payments or charges (including without limitation, Basic Rent and Additional Charges) under this Lease or to terminate this Lease in the event of any such occurrence, regardless of whether it results from *force majeure*. If Landlord is so delayed or prevented from performing any of its obligations during the Term, the period of such delay or such prevention shall (subject to the qualifications, limitations and exclusions set out in this Section 23(b) or elsewhere in this Lease) be deemed added to the time herein provided for the performance of any such obligation. Notwithstanding the foregoing, in the event the Landlord fails to provide elevator service with at least one (1) elevator running ( or at least five elevators running at anytime during customary office working hours) or if Landlord fails to provide electric service to the Leased Premises, or if there has been a complete or substantial failure of the heating, ventilating and air conditioning system to any substantial part of the Leased Premises, if any such failures continue for a period in excess of three (3) consecutive days or for a total of fifteen (15) days (regardless of whether consecutive) in any period of twelve consecutive months, all Basic Rent and Additional Charges otherwise due from Tenant hereunder shall be abated until the earlier to occur of (i) the restoration of such services or the performance of such obligation, or (ii) the date of termination of this Lease. Tenant's remedy for the failure of one or more essential Building systems will be as set forth above in this subsection (b), and Landlord will in no event be liable for consequential damages in the event of a failure of one or more essential Building systems for any reason.

24. Certificates.

(a) Tenant shall, without charge therefor, at any time and from time to time at reasonable intervals and for reasonable business purposes of Landlord, within fifteen (15) days after request therefor by Landlord, execute, acknowledge and deliver to Landlord a written estoppel certificate certifying to Landlord, any mortgagee, assignee of a mortgagee, or any purchaser of the Building, or any other person reasonably designated by Landlord, as of the date of such estoppel certificate, (i) that Tenant is in possession of the Leased Premises, (ii) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified and setting forth such modification); (iii) whether or not, to Tenant's actual knowledge without inquiry there are then existing any set-offs or defenses against the enforcement of any right or remedy of Landlord, or any duty or obligation of Tenant hereunder (and, if so, specifying the same in reasonable detail); (iv) the dates through which Basic Rent and Additional Charges have been paid; (v) that Tenant has no actual knowledge (without inquiry) of any then uncured defaults on the part of Landlord under

this Lease (or if Tenant has knowledge of any such uncured defaults, specifying the same in detail); (vi) that Tenant has no actual knowledge (without inquiry) of any event having occurred that authorizes the termination of this Lease by Tenant (or if Tenant has such knowledge, specifying the same in detail); and (vii) the amount of any Security Deposit held by Landlord. A failure by Tenant to substantially comply with the provisions of this subsection (a) shall be deemed an Event of Default under this Lease, and Landlord may proceed as set forth under the provisions of Section 15(b) of this Lease.

(b) Landlord shall, without charge therefor, at any time and from time to time, at reasonable intervals and for reasonable business purposes of Tenant, within 15 days after request therefor by Tenant, execute, acknowledge and deliver to Tenant a written estoppel certificate certifying to Tenant, any lending institution, or any other person reasonably designated by Tenant, as of the date of such estoppel certificate, (i) that Landlord is the owner of the Building, (ii) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified and setting forth such modification); (iii) whether or not, to Landlord's actual knowledge without inquiry, there are then existing any set-offs or defenses against the enforcement of any right or remedy of Tenant, or any duty or obligation of Landlord hereunder (and, if so, specifying the same in reasonable detail); (iv) the dates through which Basic Rent and Additional Charges have been paid; (v) that Landlord has no actual knowledge (without inquiry) of any then uncured defaults on the part of Tenant under this Lease (or if Landlord has knowledge of any such uncured defaults, specifying the same in detail); (vi) that Landlord has no actual knowledge (without inquiry) of any event having occurred that authorizes the termination of this Lease by Landlord (or if Landlord has such knowledge, specifying the same in detail); and (vii) the amount of any Security Deposit held by Landlord.

## 25. Surrender of Leased Premises.

(a) Tenant shall, on or before the last day of the Term, (i) peaceably and quietly leave, surrender and yield up to the Landlord the Leased Premises, free of subtenancies, broom clean and, subject to the provisions of Sections 6(a) and 6(c) and Section 12, in good order and condition except for reasonable wear and tear, and (ii) at its expense, remove from the Leased Premises all movable trade fixtures, furniture, equipment and other personal property (all of such property being hereinafter referred to in this Section as "Tenant's Property"), provided that Tenant shall promptly repair any damage caused by such removal. Any of Tenant's Property not so removed may, at the Landlord's election and without limiting Landlord's right to compel removal thereof, be deemed abandoned and either may be retained by Landlord as its property or be disposed of, without accountability, in such manner as Landlord may see fit.

(b) All installations, alterations, additions, betterments and improvements to the Leased Premises made by the Tenant, including, without limitation, all wiring, paneling, partitions, floor coverings, lighting fixtures, built-in cabinets, bookshelves affixed to walls, and the like (other than Tenant's Property), shall become the property of

Landlord when installed and shall remain with the Leased Premises at the expiration or sooner termination of the Term, except that if Tenant constructs or installs any installations, alterations, additions, betterments and improvements without Landlord's approval or consent when same is required under Sections 2 or 9, Landlord shall have the right, by notice to Tenant, to require Tenant, at its expense, to remove any of such property installed or constructed without Landlord's consent and to repair any damage caused by such removal, and except that if Landlord, at the time Landlord's approval or consent is requested pursuant to Sections 2 or 9 with respect to any such installations, alterations, additions, betterments and improvements, conditions its consent upon the removal of same by Tenant, then Tenant shall, at its expense, remove any such property (the removal of which shall have been required by Landlord) and repair any damage caused by such removal; provided, however, that Tenant shall not be required to remove any of the work described on Exhibit B-1.

(c) The provisions of this Section shall survive any expiration or termination of this Lease.

26. Holding Over.

If Tenant shall hold possession of the Leased Premises after the end of the Term, Tenant shall be deemed to be occupying the Leased Premises as a Tenant from month to month, (a) for the first sixty (60) days of such holdover period at a rental rate equal to one hundred fifty percent (150%) of the Basic Rent in effect during the last month of the Term, adjusted to a monthly basis, (b) thereafter at a rental rate equal to two hundred percent (200%) of the Basic Rent in effect during the last month of the Term, adjusted to a monthly basis, and, in each case, subject to all the other conditions, provisions and obligations of this Lease insofar as the same are applicable, or as the same shall be adjusted, to a month-to-month tenancy. Nothing contained herein shall be construed to constitute Landlord's consent to Tenant holding over at the expiration or earlier termination of the Term. If Tenant fails to surrender the Leased Premises upon the termination of the Term, then Tenant shall, in addition to any other liabilities to Landlord accruing therefrom, indemnify, hold harmless and defend Landlord from any cost, loss, claim or liability (including attorneys' fees) Landlord may incur as a result of Tenant's failure to surrender possession of the Leased Premises to Landlord upon the termination of this Lease, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant for such failure; provided, however, Landlord agrees to waive any consequential damages to which it may be entitled if Tenant vacates and delivers the Leased Premises to Landlord in accordance with the terms hereof within thirty (30) days after the expiration or earlier termination of the Lease Term.

27. Leasing Commission.

Landlord and Tenant each represent and warrant to the other that except for the Broker, neither of them has employed any broker in carrying on the negotiations relative to this Lease. Landlord and Tenant shall each indemnify and hold harmless the other from and against any claim or claims for brokerage or other fees or commissions arising from or out of any breach of the foregoing representation and warranty. Landlord recognizes that the Broker (if any) is entitled to the payment of a commission for services rendered in the negotiation and obtaining of this Lease, and Landlord has agreed to pay such commission pursuant to a separate agreement.

28. Renewal Option.

Tenant shall, unless Tenant is in default (after the giving of notice and the expiration of any applicable cure period) at the time of attempted exercise, have the option to extend the Term of this Lease for one (1) additional consecutive five (5) year period, exercisable by written notice to the Landlord given at least twelve (12) months prior to the expiration of the Initial Term. The Basic Rent payable during the first Lease Year of each extended period shall be the then fair market rental value of the Leased Premises as reasonably determined by the Landlord on notice given to the Tenant no later than three (3) months prior to the effective date of such extension, subject to the negotiation and arbitration provision set forth hereinafter. The fair market value of the Leased Premises shall be determined taking into account (i) the age, condition and location of the Building and the condition of the Leased Premises, (ii) the length of the extended term, and (iii) all other factors which a reasonable appraiser would take into account in determining the fair rental value of the Leased Premises. For each of the second, third, fourth and fifth Lease Years of the extended period, the Basic Rent shall be increased to an amount equal to 102.5% of the Basic Rent payable for the immediately preceding Lease Year. No later than three (3) months prior to the effective date of such extension, Landlord shall notify Tenant of Landlord's good faith determination of the fair market rental value of the Leased Premises. For a period of thirty (30) days thereafter, Landlord and Tenant shall negotiate in good faith concerning the fair market rental value of the Leased Premises. If, during such period, the parties are unable to agree on the fair market rental value of the Leased Premises then the same shall be submitted to arbitration as set forth herein; provided, however, that in connection with any arbitration concerning the fair market rental value of the Leased Premises, the arbitrators shall be licensed real estate brokers specializing in office leasing in the central business district of the District of Columbia. Such renewals shall otherwise be on all of the terms and provisions set forth in this Lease.

29. General Provisions.

(a) The covenants, conditions, agreements, terms and provisions herein contained shall be binding upon and shall inure to the benefit of the parties hereto and, subject to the provisions of Section 14, each of their respective personal

representatives, successors and assigns. Each of the entities named as an original Tenant hereunder shall be jointly and severally liable for all of the obligations of the "Tenant" hereunder. The use of the singular "Tenant" herein shall be understood to mean each of the original co-Tenants unless the sense of a provision requires otherwise.

(b) It is the intention of the parties hereto that this Lease (and the terms and provisions hereof) shall be construed and enforced in accordance with the laws of the jurisdiction in which the Building is located.



(c) No failure by either party to insist upon the strict performance of any term, covenant, agreement, provision, condition or limitation of this Lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance by the Landlord of full or partial rent during the continuance of any such breach by Tenant or acceptance by the Tenant of partial performance by Landlord, shall constitute a waiver of any such breach or of any such term, covenant, agreement, provision, condition or limitation. No term, covenant, agreement, provision, condition or limitation of this Lease to be kept, observed or performed by Landlord or by Tenant, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by the other party hereto. No waiver of any breach shall affect or alter this Lease, but each and every term, covenant, agreement, provision, condition and limitation of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. Subject to the general requirement that Landlord not enforce any rules, regulations or lease provisions in a manner that discriminates against Tenant, failure by Landlord to insist upon the strict performance of any term, covenant, agreement, provision, condition or limitation of a lease with any other tenant or to exercise any right or remedy consequent thereof shall constitute a waiver of any similar term, covenant, agreement, provision, condition or limitation contained in this Lease unless the same be incorporated in a written instrument signed by Landlord and making specific reference to this Lease and to the Tenant's obligations hereunder.

(d) No notice, request, consent, approval, waiver or other communication which may be or is required or permitted to be given under this Lease shall be effective unless the same is in writing and is actually delivered to the addressee or sent by registered or certified mail, return receipt requested, first-class postage prepaid, (1) if to Landlord, at Landlord's Notice Address, or (2) if to Tenant, at Tenant's Notice Address, or at any other address that may be given by one party to the other by notice pursuant to this subsection. Such notices, if sent by registered or certified mail, shall be deemed to have been given on the earlier to occur of receipt of the notice or the first refusal of receipt by the intended recipient thereof.

(e) It is understood and agreed by and between the parties hereto that this Lease contains the final and entire agreement between said parties, and that they shall not be bound by any terms, statements, conditions or representations, oral or written, express or implied, not herein contained.

(f) Tenant and Landlord each hereby waives all right to trial by jury in any claim, action, proceeding or counterclaim by either Landlord or Tenant against the other on any matters arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant and/or Tenant's use or occupancy of the Leased Premises.

(g) Tenant and Landlord each hereby waives any objection to the venue of any action filed by one party against the other in any state or federal court of the jurisdiction in which the Building is located, and Tenant and Landlord each further

waives any right, claim or power, under the doctrine of forum non conveniens or otherwise, to transfer any such action filed by the other party to any other court.

(h) Time is of the essence in the performance of all Landlord's and Tenant's obligations under this Lease.

(i) Wherever appropriate herein, the singular includes the plural and the plural includes the singular.

(j) Notwithstanding any provision to the contrary, Tenant shall look solely to the estate and property of Landlord in and to the Building and the rents, issues and profits derived therefrom (or the proceeds received by Landlord on a sale of such estate and property and the proceeds received by Landlord on any insured casualty loss which has not been repaired, or the proceeds of any financing or refinancing thereof) in the event of any claim against Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant, or Tenant's use of the Leased Premises, and Tenant agrees that the liability of Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant, or Tenant's use of the Leased Premises, shall be limited to such estate and property of Landlord (or sale, financing or other proceeds). No other properties or assets of Landlord shall be subject to levy, execution or other enforcement procedures for the satisfaction of any judgment (or other judicial process) or for the satisfaction of any other remedy of Tenant arising out of or in connection with this Lease, the relationship of Landlord and Tenant or Tenant's use of the Leased Premises, and if Tenant shall acquire a lien on or interest in any other properties or assets by judgment or otherwise, Tenant shall promptly release such lien on or interest in such other properties and assets by executing, acknowledging and delivering to Landlord an instrument to that effect prepared by Tenant's attorneys. The foregoing provisions of this subsection shall run to the benefit of the Landlord, its successors, assigns, mortgagees and ground Landlords.

(k) If Landlord or Tenant brings any judicial action or requests arbitration for any relief against the other, declaratory or otherwise, arising out of this Lease or the relationship between the parties created by this Lease, the losing party shall pay to the prevailing party a reasonable sum for attorneys' fees actually incurred; provided, however, in connection with any arbitration to determine the fair market rental value of the Leased Premises, each party shall bear its own attorneys' fees, if any. The "prevailing party" will be the party that prevails in obtaining all or substantially all of the remedies or relief which it had requested (if it is the requesting party) or in avoiding the imposition of all or substantially all of the relief requested by the other party (if the other party was the party requesting relief). The judge or arbitrator deciding the merits of the claim shall also have the power to award such attorneys fees to the prevailing party.

(l) Wherever the provisions of this Lease provide for arbitration, this subsection shall be applicable. Each party shall select a disinterested arbitrator with experience in the commercial real estate field and the two (2) arbitrators thus selected

(collectively, the "Selecting Arbitrators") shall appoint a third disinterested arbitrator with similar experience (the "Deciding Arbitrator"), and such Deciding Arbitrator, acting alone (and without the participation of the Selecting Arbitrators), shall as promptly, expeditiously, efficiently and economically as possible make a determination as to the matters in dispute. The time and place of all hearings of the Deciding Arbitrator shall be at a time and place mutually convenient to the parties who shall each be given reasonable advance notice thereof. The parties shall each be entitled to present evidence to the Deciding Arbitrator. If the obligation to pay rent shall be a subject of consideration by the Deciding Arbitrator, Tenant shall at all times continue to pay such rent (including the disputed portions thereof) to Landlord in a timely manner, unless Landlord otherwise expressly agrees in writing, subject, however, to the final determination of the Deciding Arbitrator and subject to either rebate or credit to Tenant should such determination be adverse to Landlord. The determination of the Deciding Arbitrator shall be given in writing and signed by the Deciding Arbitrator and a copy given to each party. The determination of the Deciding Arbitrator shall be final and binding on the parties and need not state the reasons therefor. In the event of the failure, refusal or inability of any arbitrator to act, a new arbitrator shall be appointed in his stead, which appointment shall be made in the same manner as hereinabove provided. Each party shall bear the fees and expenses of its own arbitrator, and shall equally share the expenses of the Deciding Arbitrator.

(m) This Lease has been executed in several counterparts, but all counterparts shall constitute one and the same instrument.

(n) Wherever in this Lease the consent or approval of Landlord or Tenant is required for any action or conduct by the other party, such consent or approval shall not unreasonably be withheld, delayed or conditioned unless it is expressly stated in this Lease that such approval or consent may arbitrarily be withheld, delayed or conditioned.

(o) Any allocation of costs or expenses as between the parties hereto shall not prohibit, waive or limit any action by a party hereto to obtain reimbursement for such costs or expenses from unrelated third parties.

(p) Neither Tenant nor any officer, director, manager, partner or majority owner of Tenant is or, during the Term, will be identified on the list of specially designated nationals and blocked persons subject to financial sanctions that is maintained by the U.S. Treasury Department, Office of Foreign Assets Control and any other similar list maintained by the Office of Foreign Assets Control pursuant to any authorizing United States law, regulation or Executive Order of the President of the United States ("OFAC List"). Neither Tenant nor any officer, director, manager, partner or majority owner of Tenant is or, during the Term, will be subject to trade embargo or economic sanctions pursuant to any authorizing United State law, regulation or Executive Order of the President of the United States.

(q) Upon request by Landlord, Tenant shall submit to Landlord an audited financial statement, or in lieu thereof, Tenant's Internal Revenue Service Form 990 (for Non-Profit Organizations), covering the preceding calendar or fiscal operating year as applicable to Tenant, which has been prepared in accordance with generally accepted accounting principles by an independent certified public accountant.

IN WITNESS WHEREOF, Landlord has caused this Lease to be signed and sealed, and Tenant has caused this Lease to be signed and sealed, as of the day and year first above written.

WITNESS:

\_\_\_\_\_

LANDLORD:

1828 L STREET ASSOCIATES, LLC

By: TOWER D.C. HOLDINGS, LLC, its  
Managing General Partner

By: \_\_\_\_\_ (SEAL)

  
Jeffrey S. Abramson,  
Manager


WITNESS:

By: \_\_\_\_\_

TENANT:

COMPUTING RESEARCH ASSOCIATION,  
INC.

By: \_\_\_\_\_ (SEAL)

  
Name: Andrew Bernat  
Title: Executive Director

STATE OF MARYLAND  
COUNTY OF MONTGOMERY

I hereby certify that on this \_\_ day of \_\_\_\_\_, 2009, before me, a Notary Public, in and for the State of Maryland, County of Montgomery, personally appeared Jeffrey S. Abramson, who, for and on behalf of 1828 L Street Associates, LLC and on behalf of the managing member thereof, did acknowledge the foregoing Lease dated \_\_\_\_\_, 2009, to be the act and deed of said company.

Witness my hand and notarial seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

STATE OF  
COUNTY OF

I hereby certify that on this \_\_ day of \_\_\_\_\_, 2009, before me, a Notary Public, in and for the jurisdiction aforesaid, personally appeared \_\_\_\_\_, who, for and on behalf of COMPUTING RESEARCH ASSOCIATION, INC. did acknowledge the foregoing Lease dated \_\_\_\_\_, 2009, to be the act and deed of said company.

Witness my hand and notarial seal.

\_\_\_\_\_  
Notary Public

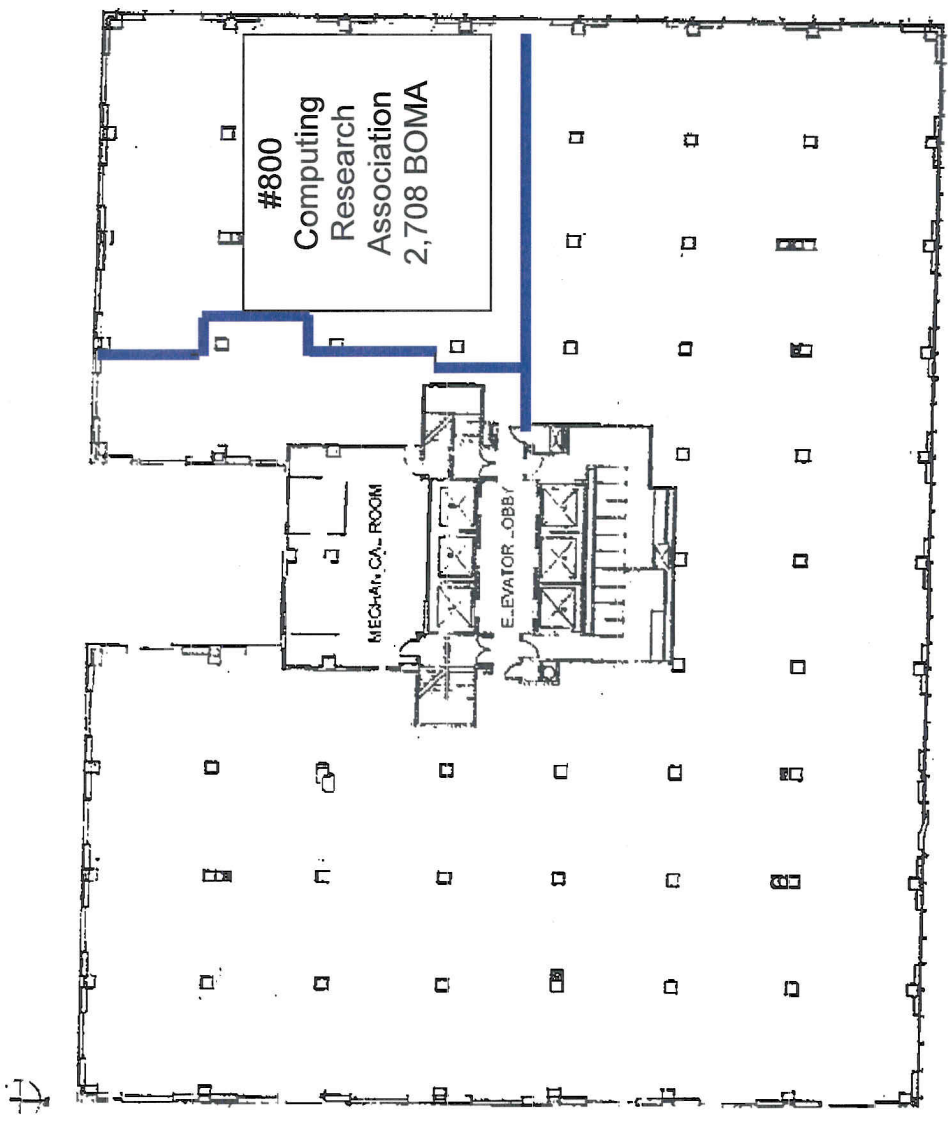
My Commission Expires:

\_\_\_\_\_

## LIST OF EXHIBITS

- A - Floor Plan Outline of the Leased Premises (Back Reference-Section 1(a)(7))
- B - 1 Intentionally Omitted
- B - 2 Landlord Premises Work
- B - 3 Intentionally Omitted
- B - 4 Tenant Sustainability Guidelines and Green Building Requirements
- B-5 Tenant Improvement Design Standards
- B-6 Rules and Regulations Governing Work by Tenant Contractor in the Building
- C - Rules and Regulations (Back Reference - Section 8))
- C-1 - Tenant Parking Spaces (Back Reference - Paragraph 30 of Exhibit C))
- D - Certificate by Landlord and Tenant as to Lease Commencement Date (Back Reference - Section 2(g))
- E - Landlord's Cleaning Specifications (Back Reference - Section 5(a)(3))
- F- Form Letter of Credit
- G- Intentionally Omitted

**Exhibit A**  
**to Lease between**  
**1828 L Street Associates, LLC**  
**and**  
**Computing Research Association, Inc.**



**Exhibit B-2**

**Landlord Premises Work**

**No Landlord Premises Work.**



**1828 L STREET, NW**  
**EXHIBIT B-4**  
**Tenant Sustainability Guidelines**  
**and Green Building Requirements**

*LEED credits referenced in this document are based on LEED CI version 3 and LEED for Existing Buildings: Operations and Maintenance version 3.*

The Landlord has established tenant guidelines, contained in this Exhibit, that outline Tenant's obligations regarding the design and construction of the tenant's improvements and expectations of sustainability practices after the tenant moves into the Building. Tenant is required to comply with all of the guidelines noted below, whether or not they seek LEED certification for the Leased Premises.

The following tenant guidelines are formatted to five (5) categories of the U.S. Green Building Council ("USGBC") Leadership in Energy and Environmental Design ("LEED") green building rating system:

1. Water Efficiency
2. Energy & Atmosphere
3. Materials and Resources
4. Indoor Environmental Quality
5. Innovation in Design

The requirements outlined in this Exhibit are based on three (3) sources:

- LEED for Commercial Interiors (LEED CI) version 3.0 building rating system
- LEED for Existing Buildings: Operations and Maintenance version 3.0 (LEED EBOM) building rating system
- Landlord's corporate policy on tenant buildouts and operations

The LEED credits required by the Lease are listed below and are accompanied by a short overview of the credit. For details about LEED CI or LEED EBOM, please refer to the LEED CI and LEED EBOM Reference Manuals. Additional information, including updates to the rating system can be found on the USGBC website: <http://www.usgbc.org>. For clarification about the Landlord's corporate sustainability policies, please contact the Landlord.

The following appendices are included to assist Tenant with the required LEED protocols for Tenant design and construction:

- Appendix A: Construction Waste Management Plan  
Appendix B: Construction Indoor Air Quality Management Plan  
Appendix C: LEED credits required by the lease and associated documentation requirements

## **TENANT GUIDELINES**

### **WATER EFFICIENCY (WE)**

#### **LEED CI: WE prerequisite 1: Water Use Reduction**

Use 20% less water than the water use baseline calculated for the building.

#### **LEED CI: WE credit 1: Water Use Reduction**

Use 30% less water than the water use baseline calculated for the building, except for leased space and buildouts which only include pantries with sinks, in which case Tenant must only comply with a 20% water reduction.

### **ENERGY AND ATMOSPHERE (EA)**

#### **LEED CI: EA prerequisite 1 – Fundamental Commissioning**

For all tenant fit out work, Tenant shall identify and engage a commissioning authority to oversee the fit out design and construction process as specified. The testing, adjusting and balancing report must be submitted within 30 calendar days of occupancy and the commissioning report must be submitted within 60 calendar days of occupancy.

#### **LEED CI: EA prerequisite 2 – Minimum Energy Performance**

The Leased Premises must comply with ANSI/ASHRAE/IESNA Standard 90.1-2007, as well as with all other requirements contained in this credit, except for the installation of ENERGY STAR qualified equipment.

#### **LEED CI: EA prerequisite 3 – CFC Reduction in HVAC&R Equipment**

Zero use of chlorofluorocarbon (CFC)-based refrigerants in tenant scope of work.

#### **LEED CI: EA credit 1.1 – Optimize Energy Performance: Lighting Power, option A**

Reduce connected lighting power density 15% below that allowed by ANSI/ASHRAE/IESNA Standard 90.1-2007.

#### **LEED EBOM: EA credit 3 – Performance Measurement: Building Automation System**

Tenant must install heating, cooling, ventilation, lighting systems, fans, HVAC equipment, and thermostats that are compatible with the base building automation system (BAS).

#### **LANDLORD'S POLICY: Space Heaters**

Tenant is not allowed to use space heaters without the written consent of the Landlord.

#### **LANDLORD'S POLICY: ENERGY STAR**

The Landlord participates in a voluntary partnership with the U.S. EPA and U.S. DOE called *ENERGY STAR*. *ENERGY STAR* helps the Landlord improve the energy

efficiency of this Building and helps lower utility bills for tenants. To this end, Landlord requires tenants to disclose the following information to help Landlord improve in energy efficiency of the Building:

1. The number of full time occupants in the Leased Premises as defined by LEED. This information will be collected on the Lease Commencement Date and every year.
2. The square footage of all tenant server rooms and whether those server rooms contain supplemental HVAC units.

## **MATERIALS AND RESOURCES (MR)**

### **LEED CI: MR prerequisite 1 - Storage and Collection of Recyclables**

Tenant must provide recycling areas in the Leased Premises to facilitate the storage and collection of the recyclable materials.

### **LEED CI: MR credit 2 – Construction Waste Management**

Tenant fit out work shall employ the Construction Waste Management Specifications located in Appendix A of these tenant guidelines. These specifications comply with MR credit 2.

### **LEED CI: MR credit 4 – Recycled Content**

Use materials, including furniture and furnishings, with recycled content such that the sum of postconsumer recycled content plus ½ of the pre-consumer content constitutes at least 10% based on cost of the total value of the materials in the project.

### **LEED EBOM: MR credit 4 – Sustainable Purchasing: Reduced Mercury in Lamps**

Tenant's lighting design must accommodate light bulbs that have a weighted average mercury content below 90 picograms per lumen-hour. Landlord can provide spreadsheets and resources to support in this calculation.

### **LANDLORD'S POLICY: Waste Reduction and Recycling Policy**

Tenant shall provide Landlord with a marked up, reproducible, dimensioned floor plan drawing showing the placement of all recycling containers (excluding those at desks) in the Leased Premises. At a minimum, Tenant must provide space for the recycling of (1) paper and cardboard, (2) glass, aluminum, and plastic, (3) batteries, (4) compact fluorescent light bulbs, (5) printer and copier cartridges, and (6) small electronics, such as cell phones and calculators. Tenant must also provide space for recycling education, which can be complied with by the posting of an 8.5" x 11" paper notice located in a generally accessible area, such as a kitchen or copying room. Landlord maintains the right to perform a waste stream audit of Tenant waste. Tenant must provide clearly marked recycling containers at each workstation.

### **LANDLORD'S POLICY: Restricted Materials: Vinyl and Un-wrapped Insulation**

Tenant shall not use vinyl products (for example, but not limited to, vinyl flooring or wall coverings) for new installations in the Lease Premises. Tenant shall not use or install

or permit the installation of mineral or glass fibers, including, but not limited to, unwrapped fiberglass insulation, which are not sealed and are exposed to the supply or return air flow of the Building's HVAC system.

## **INDOOR ENVIRONMENTAL QUALITY (EQ)**

### **LEED CI: EQ prerequisite 1 – Minimum Indoor Air Quality Performance**

Mechanical ventilation systems installed in the space as a function of the Tenant fit-out shall be compatible with the Building's base systems and meet or exceed the minimum requirements of ASHRAE 62.1-2007.

### **LEED CI: EQ prerequisite 2 – Environmental Tobacco Smoke**

Tenants shall adopt and enforce a no smoking policy for the Leased Premises and all spaces inside the Building, in the garage, on the roof, and within 25 feet of any air intake, operable window, or entrance to the Building.

### **LEED CI: EQ credit 3.1 – Construction Indoor Air Quality (IAQ) Management Plan: During Construction**

Tenant shall adopt an Indoor Air Quality (IAQ) Management Plan that complies with this LEED credit. A sample Construction IAQ management plan can be found in Appendix B.

### **LEED CI: EQ credit 3.2 – Construction Indoor Air Quality (IAQ) Management Plan: Before Occupancy**

After construction is complete and the space has been cleaned, either flush out the space with the required amount of fresh air defined in OPTION 1 of this credit, or provide air quality testing as define in OPTION 2 of this credit.

### **LEED CI: EQ credit 4.1 – Low-Emitting Materials: Adhesives and Sealants**

All adhesives and sealants applied in the Leased Premises must comply with the requirements of this credit.

### **LEED CI: EQ credit 4.2 – Low-Emitting Materials: Paints and Coatings**

Interior paints and coating applied in the Leased Premises must meet the limitations and restrictions concerning chemical components set by this credit.

### **LEED CI: EQ credit 4.3 – Low-Emitting Materials: Flooring Systems**

All flooring material must meet the standards contained in this credit, including carpet, carpet adhesives, and hard surface flooring.

### **LEED CI: EQ credit 4.4 – Low-Emitting Materials: Composite Wood and Agrifiber Products**

Composite wood and agrifiber products, including core materials, must contain no added urea-formaldehyde resins.

**LEED CI: EQ credit 5 – Indoor Chemical and Pollutant Source Control**

Minimize and control pollutants by segregating areas with hazardous gasses or chemicals and providing filtration media with a MERV-13 rating or higher.

**LANDLORD'S POLICY: Green Cleaning**

Landlord employs a comprehensive green cleaning program. Should Tenant decide not to use the cleaning company provided by the base building, Tenant must employ a qualified cleaning contractor and utilize a cleaning program based on the same environmental standards as Landlord's cleaning program, and must be preapproved by Landlord.

**INNOVATION IN DESIGN (ID)**

**LEED CI: ID credit 2 – LEED Accredited Professional**

At least 1 principal participant of the tenant's project team shall be a LEED Accredited Professional (AP).

## APPENDIX A

### NOTE:

**THIS DOCUMENT IS INTENDED TO SERVE AS A SAMPLE CONSTRUCTION WASTE MANAGEMENT PLAN. ACTUAL PLANS WILL VARY WITH SCOPE OF CONSTRUCTION AND THE LEED VERSION AND RATING SYSTEM USED.**

## CONSTRUCTION WASTE MANAGEMENT

### PART 1 – GENERAL

#### 1. SUMMARY

- a. This Section includes required salvage and recycling of the following construction waste materials (as supported by local markets) and applies to all such listed waste materials produced during the course of this contract:
  - i. Land clearing debris: solid waste generated solely from land clearing operations, such as trees and stumps.
  - ii. Concrete, masonry and other inert fill material: concrete, brick, rock, clean soil not intended for other on-site use, broken up asphalt pavement containing no stone, clay, concrete, or other contaminants, and other inert material.
  - iii. Metals: metal scrap including iron, steel, copper, brass, and aluminum.
  - iv. Untreated wood: unpainted, untreated dimensional lumber, plywood, oriented strand board, masonite, particleboard, agricultural fiber board, and wood shipping pallets.
  - v. Gypsum wallboard scrap: excess drywall construction materials including cuttings, other scrap, and excess materials.
  - vi. Acoustic ceiling tile: modular acoustic tile and grid suspension systems.
  - vii. Carpet: broadloom and carpet tile.
  - viii. Salvaged materials: reusable lumber, fixtures, building materials, supplies and equipment.
  - ix. Cardboard: clean corrugated cardboard such as used for packaging.
  - x. Paper: discarded office refuse such as unwanted files, correspondence, etc.
  - xi. Plastic Buckets: Containers for various liquid and semi-solid or viscous construction materials and compounds.
  - xii. Beverage containers: aluminum, glass and plastic containers
  - xiii. Mixed construction and demolition waste: solid waste resulting solely from construction, remodeling, repair or demolition operations on pavement, buildings or other structures exclusive of waste materials listed herewith.
- b. Non-Recyclable Waste: collect and segregate non-recyclable waste for delivery to a permitted landfill site.
  - i. Mixed solid waste: solid waste usually collected as a municipal service, exclusive of waste material listed above.
- c. Hazardous Waste: Control and disposal of hazardous waste is governed by federal, state and local regulations and authorities having jurisdiction over the site.

## **2. DEFINITIONS**

- a. Construction Waste Materials are defined as large and small pieces of the materials indicated which are excess to the contract requirements and general include materials which are salvaged from existing construction, items of trimmings, cuttings and damaged goods resulting from new installations which cannot be effectively used in the work.
- b. Jobsite Waste Materials are defined as large and small pieces of materials which are excess from the packaging, handling and transportation of materials and equipment, containers and packaging from personal jobsite items and materials or items involved in the administrative aspects of the construction project.

## **3. SUBMITTALS**

- a. Construction waste management plan within 60 days of contract award identifying at a minimum the waste/recycling hauler, method of separation (on-site or off-site), material list of waste that will be recycled (based on local market), reporting format methodology.
- b. Monthly waste disposal/recycling report identifying monthly and cumulative running total of construction waste removed from the site (by weight and/or volume), amount of waste recycled (by weight and/or volume), and a running cumulative total of waste recycled as a percent of the running total. These reports shall be a required attachment to all pay requisitions.

## **4. GENERAL CONSIDERATIONS**

- a. The Contractor shall be responsible for developing and implementing a Waste Management Plan for all construction, demolition, scrap, excess or damaged and packaging material generated by the construction, renovation and move-in for the project.
- b. Contractor to evaluate the local and regional Construction and Demolition Waste market to determine alternate waste handling, recycling and reuse opportunities. Advise Owner and Architect on which materials are recyclable, suitable for salvage or reuse and help to develop target goals for quantities and recycling of Construction Waste materials. The intention of the Waste Management Plan is to encourage reduction, reuse and recycling of construction, packaging and demolition waste materials.
- c. Waste reduction can be achieved by estimating materials accurately, value engineering, measuring twice, specifying and using material and products without excessive packaging, and reusing, selling, donating or trading excess materials. Below are some examples of the possibilities for recycling construction and demolition waste:
  - i. Concrete: Concrete waste may be ground up and used for road base or as a fill material.
  - ii. Asphalt: Asphalt from shingles and paving can be recycled into paving or road base.
  - iii. Site clearing material, fill, slash and vegetative matter: Natural vegetative material may be suitable for compost or mulch. Topsoil should be scraped and stockpiled for reuse on site.

- iv. **Metals:** Metals are readily recyclable; most steel has been recycled at least once. Ferrous metals, such as steel and iron, can be separated by using magnets, but all other metal should be sorted before leaving the job site. Ideally, separate bins should be set up on the job site for materials such as copper, lead, aluminum and other metals.
- v. **Wood:** Wood waste can be ground up for particle board, mulch, or to mix with sewage to make fertilizer. Trees to be removed should be specified to be chipped for mulch.
- vi. **Carpet:** Used carpet can be recycled into plastic pellets that are used to make numerous products such as wheelstops. BASF and DuPont accept for recycling, carpet made from their fibers.
- vii. **Acoustical ceiling tiles:** ceiling tile materials and grid system can be recycled. Armstrong World Industries has a recycling program for their products or when their products are specified.
- viii. **Corrugated cardboard:** Cardboard waste can be recycled into boxes and packaging.
- ix. **Glass:** Unbroken glass containers are readily recycled.
- x. **Gypsum drywall:** Gypsum drywall can be crushed and used as a soil amendment.

## **5. WASTE MANAGEMENT GOALS FOR THE PROJECT**

- a. The Owner has established that this Project shall generate the least amount of waste possible and that processes that ensure the generation of as little waste as possible due to error, poor planning, breakage, mishandling, contamination, or other factors shall be employed.
- b. As many of the waste materials as economically feasible shall be reused, salvaged, or recycled, (of the inevitable waste that is generated).Waste disposal in landfills shall be minimized.
- c. Trees and shrubs removed from the site should be mulched and re-used onsite if possible.
- d. With regard to these goals the Contractor shall develop, for review and approval by the Owner and Architect, a Waste Management Plan for this Project.

## **6. QUALITY ASSURANCE**

- a. **Regulatory Requirements:** Comply with all applicable requirements of local authorities and the for the disposal and handling of waste material
- b. **Disposal Sites, Recyclers, and Waste Material Processors:** use only facilities properly permitted by the State and by local authorities where applicable.
- c. **Pre-construction Meeting:** Prior to beginning work on the site, schedule and conduct a conference to review the construction waste management plan, and discuss procedures, schedules and specific requirements for construction waste material and jobsite waste material recycling and disposal.
  - i. Representatives of all contractors and subcontractors should attend. Distribute copies of the waste management plan for review and comment.
  - ii. Identify and resolve problems of compliance with these requirements.



## PART 2 – PRODUCTS (NOT USED)

## PART 3 - EXECUTION

### 3.1 WASTE MANAGEMENT PLAN

- A. Draft Waste Management Plan: Within 30 calendar days after execution of the Contract, or prior to any waste removal, whichever occurs sooner, the Contractor shall submit to the Owner and Architect a Draft Waste Management Plan. The Draft Plan shall contain the following:
- i. Analysis of the proposed jobsite waste to be generated, including types and packaging materials.
  - ii. Evaluation of regional recycling markets and develop target goals for C+D Waste recycling on the project.
  - iii. Landfill options: The name of the landfill(s) where trash will be disposed of, the applicable landfill tipping fee(s), and the projected cost of disposing of all Project waste in the landfill(s).
  - iv. Alternatives to land-filling: A list of each material proposed to be salvaged, reused, or recycled during the course of the Project, and the proposed local market for each material, and the estimated net cost savings or additional costs resulting from separating and recycling (versus land-filling) each material. "Net" means that the following have been subtracted from the cost of separating and recycling: revenue from the sale of recycled or salvaged material, and landfill tipping fees saved due to diversion of materials from the landfill. The list of materials is to include, at minimum, the following materials:
    - a. Cardboard
    - b. Clean dimensional wood (can be used for blocking on the project)
    - c. Beverage containers
    - d. Land clearing debris
    - e. Concrete (may be crushed to create "urban-create", and used on-site for such purposes as retaining walls and fill)
    - f. Bricks
    - g. Concrete Masonry Units (CMU)
    - h. Asphalt paving
    - i. Asphalt shingles
    - j. Metals from banding, stud trim, ductwork, piping, rebar, roofing, other trim, steel, iron galvanized sheet steel, stainless steel, aluminum, copper, zinc, lead, brass, and bronze
    - k. Gypsum drywall
    - l. Carpet and padding
    - m. Acoustic ceiling tiles and suspension grid system
    - n. Paint
    - o. Rigid foam
    - p. Glass
  - v. Incentives: The contractor shall explore programs involving tax credits, rebates or similar incentives related to recycling that applicable to the project.

- vi. **Materials handling procedures:** A description of the means by which any waste materials identified above will be protected from contamination, and a description of the means to be employed in recycling the above materials consistent with requirements for acceptance by designated facilities.
- vii. **Hazardous Waste:** Identify any hazardous waste materials on the job or site conditions and inform the owner and Architect.
- viii. **Transportation:** A description of the means of transportation of the recyclable materials (whether materials will be site-separated and self-hauled to designated centers, or whether mixed materials will be collected by a waste hauler and removed from the site) and destination of materials.
- ix. **Manager:** Name and phone number of the Contractor's designated on-site party (or parties) responsible for instructing workers and overseeing and documenting results of the Waste Management Plan.

**B. Resources for development of Waste Management Plan:** The following sources may be useful in developing the Draft Waste Management Plan:

**C. Recycling Haulers and Markets:**

**D. Recycling Economics Information:**

**E. Final Waste Management Plan:** Once the Owner has determined which of the recycling options addressed in the draft Waste Management Plan are acceptable, the Contractor shall submit, within 10 calendar days, a Final Waste Management Plan. The Final Waste Management Plan shall contain the following:

- 1. **Analysis of the proposed jobsite waste to be generated, including types and quantities.**
- 2. **Landfill options:** The name of the landfill(s) where trash will be disposed.
- 3. **Alternatives to land-filling:** A list of the waste materials from the Project that will be separated for reuse, salvage, or recycling, the proposed local market for each material, and the estimated net cost savings or additional costs resulting from separating and recycling (versus land-filling) each material.
- 4. **Materials handling procedures:** A description of the means by which any waste materials identified in item Recycling Haulers and Markets above will be protected from contamination, and a description of the means to be employed in recycling the above materials consistent with requirements for acceptance by designated facilities. Identify area on site for staging and sorting of recyclable materials. Provide plan layout of recycling area indicating dumpsters, processing containers and staging areas.
- 5. **Transportation:** A description of the means of transportation of the recyclable materials (whether materials will be site-separated and self-hauled to designated centers, or whether mixed materials will be collected by a waste hauler and removed from the site) and destination of materials.
- 6. **Manager:** Name and phone number of the Contractor's designated on-site party (or parties) responsible for instructing workers and overseeing and documenting results of the Waste Management Plan.

### **3.2 WASTE MANAGEMENT PLAN IMPLEMENTATION**

**A. Distribution of the Waste Management Plan:** The Contractor shall distribute copies of the Waste Management Plan to the job site foreman and each subcontractor.

- B. Training: The Contractor shall provide on-site training of appropriate separation (if required), handling, and recycling, salvage, reuse, and return methods to be used by all parties at the appropriate stages of the Project.
- C. Select a location for recyclable materials containers separated from that of general waste and rubbish containers. If on-site separation is employed, provide separate collection containers for a minimum of the following materials:
  - 1. Untreated lumber
  - 2. Gypsum wallboard
  - 3. Paper, paper products and cardboard
  - 4. Plastics
  - 5. Metals
  - 6. Glass
  - 7. Other salvageable materials.
- D. Separation facilities: If on-site separation is employed, the Contractor shall lay out and label a specific area to facilitate separation of materials for potential recycling, salvage, reuse, and return recycling and waste bin areas are to be kept neat and clean and clearly marked in order to avoid contamination of materials.
  - 1. Transport recyclable waste materials from the work site area and carefully deposit in the containers without excess noise, dust, and interference with other activities. Do not place recyclable waste materials on the ground adjacent to a container.
  - 2. Do not deposit contaminated materials into containers until such time that materials have been cleaned.
- E. Collect and file copies of all waste tickets or salvage bills. Provide a waste ticket Log with copies of the waste tickets attached.

### **3.3 SPECIAL PROGRAMS**

- A. The Contractor shall be responsible for final implementation of programs involving tax credits or rebates or similar incentives related to recycling, if applicable to the Project. Revenues or other savings obtained for recycling or returns shall be documented in full and accrue to the Owner.
- B. The Contractor is responsible for obtaining information packets relevant to all of the above-listed programs prior to starting work on the Project.
- C. The Contractor shall document work methods, recycled materials that qualify for tax credits, rebates, and other savings under each of the above-listed programs.



## **APPENDIX B**

### **NOTE:**

**THIS DOCUMENT IS INTENDED TO SERVE AS A SAMPLE CONSTRUCTION INDOOR AIR QUALITY MANAGEMENT. ACTUAL PLANS WILL VARY WITH SCOPE OF CONTRUCTION AND THE LEED VERSION AND RATING SYSTEM USED.**

## **CONSTRUCTION INDOOR AIR QUALITY MANAGEMENT**

### **PART-1 GENERAL**

#### **1. CONSTRUCTION INDOOR AIR QUALITY MANAGEMENT**

- A.** Several control measures will be necessary to maintain good indoor air quality during construction. The control measures required in this project are described below.
- B.** This specification addresses and requires the protection of the ventilation system components during construction and cleanup of contaminated components after construction is complete.
- C.** These construction-related Indoor Air Quality procedures shall be included in the pre-construction and construction progress meeting agendas. In addition, the plan will require temporary ventilation in the General Conditions of the construction contract and ensure that all participants in the construction process are aware of the Indoor Air Quality procedures and understand the importance of the goals of the Indoor Air Quality Management Plan.
- D.** The SMACNA Guidelines recommend Control Measures in five areas:
  - 1. HVAC protection,
  - 2. source control,
  - 3. pathway interruption,
  - 4. housekeeping and
  - 5. scheduling.

### **PART-2 PRODUCTS**

#### **1. FILTERS**

- a. Return side filters shall be MERV 8 filter performance (ASHRAE 52.2: 35% dust spot and 90% arrestance) or better.
- b. Central filtration (at air handling units) shall be no less than MERV 8 during construction and replaced with not less than MERV 13 filter performance (ASHRAE 52.2: 85% dust spot and >96% arrestance) or better post construction and pre-occupancy.

## **PART-3 EXECUTION**

### **2. HVAC PROTECTION**

- A.** All HVAC equipment must be protected from collecting dust and odors during the construction process. The following measures shall be utilized to protect the HVAC equipment and air distribution systems.
- B. Return Side:**
  - 1. The return side of the HVAC system (which is by definition ductwork under negative pressure) shall be shut down whenever possible during heavy construction or demolition. The return side shall also be isolated from the surrounding environment as much as possible (e.g., replace all tiles for the ceiling plenum, repair all duct and air handler leaks) and shall be fitted with temporary filters if the system must remain operational during construction. The return side shall have the heaviest work areas dampered off and return system openings shall be sealed with plastic.
- C. Central Filtration:**
  - 1. In areas where major dust loading is expected to impact operating HVAC systems that serve areas on the building that were affected by the construction process, install new clean media just prior to substantial completion and occupancy.
- D. Supply Side:**
  - 1. Where possible the supply system or branch serving the construction area should be shut off or dampered off and supply diffusers sealed in plastic. At the completion of construction prior to occupancy the contractor shall observe diffusers for deposited particulates. Clean discharge diffuser dust prior to occupancy and restoring the supply side branch operation.
- E. Equipment Protection:**
  - 1. HVAC equipment and components (such as air handlers and return fan units) that are to be installed or that are moth balled during the construction process shall be protected from dust contamination. Entire units and their inlet and discharge openings shall be protected by plastic during the construction process when stored in areas that can be contaminated by construction odor and dust.
- F. Duct Cleaning:**
  - 1. If the systems expose to construction and dust and or motor contamination becomes contaminated due to inadequate protection during construction the ducts and associated equipment should be cleaned prior to occupancy.

### **3. SOURCE CONTROL**

- A.** Many activities during the construction process produce odor and dust.
- B.** Dust is produced during the following activities:
  - 1. Cutting materials,
  - 2. drilling materials,
  - 3. sawing materials,
  - 4. sanding materials,
  - 5. and rasping materials
- C.** The following construction activities produce combustion products and particulates:
  - 1. welding,
  - 2. cutting using torches,
  - 3. sawing using chain saws,
  - 4. heating using temporary heaters
  - 5. and soldering
- D.** When conducting these activities during the construction process, source control and pathway interruption isolation strategies shall be used to isolate, minimize, and reduce the introduction of particulate and odors in the construction space. Whenever possible, cutting, drilling, sawing, and sanding should be conducted out of doors or in areas where HVAC systems cannot be compromised. When welding or using internal combustion powered tools during the construction process shall be done in areas where dust and emissions can be captured and exhausted using temporary exhaust systems.
- E.** Smoking shall be prohibited in all areas inside the building.

### **4. PATHWAY INTERRUPTION**

- A.** During construction, isolate areas of work to prevent contamination of clean or occupied spaces. When possible use 100% outside air ventilation (depending on climate) with air exhausted directly to the outside during installation of finishes and other Volatile Organic Compounds emitting materials and performance of activities that generate dust or odor. Pressure differential can be used to prevent unwanted airflow from dirty to clean areas. This requires the erection of barriers between work areas or between the inside and outside of the building. Where possible, erect barriers such as dust curtains or plastic sheets between work areas to prevent unwanted air flow from dirty to clean areas.

### **5. HOUSEKEEPING**

- A.** Reduce construction contaminants in the building prior to occupancy through regular space cleaning activities. All building materials and equipment to be installed shall be stored in weather tight, clean areas prior to unpackaging for installation. Check for possible damage to the system from high humidity. All coils, air filters, and fans shall be cleaned before testing and balancing procedures are performed and especially before baseline air quality tests are conducted (if applicable).

- B. Construction areas should be cleaned a regular intervals to suppress and control the distribution of contaminants generated during the construction process. Remove spills of construction materials and or accumulated water as soon as possible.

## **6. SCHEDULING**

- A. Specify construction sequencing to reduce absorption of Volatile Organic Compounds or contamination by construction dust or emissions by materials that act as sinks or contaminant sources. Complete application of wet and odor-emitting materials such as paints, sealants, and coatings before installing sink materials such as ceiling tiles, carpets, insulation, gypsum products, and fabric-covered furnishings are installed. Materials that are susceptible to microbial growth shall be protected from exposed to moisture through precipitation, plumbing leaks, or condensation from the HVAC system contamination.

## **7. BUILDING FLUSHOUT**

- A. Conduct a minimum two- week building flushout with new filtration media at 100% outside air after construction ends and prior to occupancy. Maintain relative humidity levels below 65% during building flushout.
- B. If building occupancy schedule, occupancy phasing, or other barriers to building flushout exist, refer to (LEED CI V2.0 EQ Credit 3.2), as an alternate to building flushout.



## APPENDIX C

### PART 1

<b>1828 L Street NW</b>		<b>LEED 2009 for Commercial Interiors</b>	
<p>An outline of credits which (1) convey from the base building to the tenant space, and (2) are dependant upon the tenant's space design</p> <p><b>Notes:</b>            Base Building - credits that convey from the base building to the tenant space            Tenant - credits are fully dependant on tenant's space design and/or lease conditions</p> <p><b>Tenants not seeking certification do not need to document credits which convey from the base building.</b></p> <p>This Checklist is provided for informational purposes only and Landlord is not guarantying the issuance of LEED credits by the USGBC, nor providing advice, legal or otherwise, nor warranting the completeness of this information. We urge you to consult with an independent LEED Accredited Professional.</p>			
Base Building	Tenant	<b>1828 L Street NW</b>	
20	73	<b>PROJECT TOTALS (Certification Estimates)</b> 110	
Certified: 40-49 points Silver: 50-59 points Gold: 60-79 points Platinum: 80+ points			
14	2	<b>SUSTAINABLE SITES</b> 21	
2		Credit 1 <b>Site Selection</b>	<b>1 to 5</b>
		<input type="checkbox"/> Option 1: Select a LEED Certified Building	5
		OR <b>Option 2: Locate in a Building That Meets:</b>	Up to 5
		<input type="checkbox"/> Path 1: Brownfield Redevelopment	1
		<input type="checkbox"/> Path 2: Stormwater Design - Quantity Control	1
		<input type="checkbox"/> Path 3: Stormwater Design - Quality Control	1
		<input checked="" type="checkbox"/> Path 4: Heat Island Effect - Nonroof	1
		<input type="checkbox"/> Path 5: Heat-Island Effect - Roof	1
		<input type="checkbox"/> Path 6: Light Pollution Reduction	1
		<input type="checkbox"/> Path 7: Water Efficient Landscaping - Reduce by 50%	2
		<input type="checkbox"/> Path 8: Water Efficient Landscaping - No Potable Water Use or Irrigation	2
		<input type="checkbox"/> Path 9: Innovative Wastewater Technologies	2
		<input type="checkbox"/> Path 10: Water Use Reduction: 30% reduction	1
		<input type="checkbox"/> Path 11: On-site Renewable Energy	2
		<input checked="" type="checkbox"/> Path 12: Other Quantifiable Environmental Performance	1
6		Credit 2 <b>Development Density and Community Connectivity</b>	<b>6</b>
6		Credit 3.1 <b>Alternative Transportation - Public Transportation Access</b>	<b>6</b>
		Credit 3.2 <b>Alternative Transportation - Bicycle Storage and Changing Rooms</b>	<b>2</b>
	2	Credit 3.3 <b>Alternative Transportation - Parking Availability</b>	<b>2</b>

Continued on next page



0	11	WATER EFFICIENCY		11
Y		Prereq 1	<b>Water Use Reduction</b>	Required
	11	Credit 1	<b>Water Use Reduction</b>	6 to 11
			<input type="checkbox"/> 30% Reduction	6
			<input type="checkbox"/> 35% Reduction	8
			<input type="checkbox"/> 40% Reduction	11
5	25	ENERGY & ATMOSPHERE		37
Y		Prereq 1	<b>Fundamental Commissioning of Building Energy Systems</b>	Required
Y		Prereq 2	<b>Minimum Energy Performance</b>	Required
Y		Prereq 3	<b>Fundamental Refrigerant Management</b>	Required
	5	Credit 1.1	<b>Optimize Energy Performance - Lighting Power</b>	1 to 5
			<input type="checkbox"/> 15% Reduction	1
			<input type="checkbox"/> 20% Reduction	2
			<input type="checkbox"/> 25% Reduction	3
			<input type="checkbox"/> 30% Reduction	4
			<input type="checkbox"/> 35% Reduction	5
	3	Credit 1.2	<b>Optimize Energy Performance - Lighting Controls</b>	1 to 3
			<input type="checkbox"/> Daylight Controls for Daylit Areas	1
			<input type="checkbox"/> Daylight Controls for 50% of the Lighting Load	1
			<input type="checkbox"/> Occupancy Sensors for 75% of the Connected Lighting Load	1
	5	Credit 1.3	<b>Optimize Energy Performance - HVAC</b>	5 to 10
			<input type="checkbox"/> Equipment Efficiency	5
			<input type="checkbox"/> Zoning Controls	5
			OR	
			<input type="checkbox"/> Reduce Design Energy Cost and 15% Improvement	5
			<input type="checkbox"/> Reduce Design Energy Cost and 30% Improvement	10
	4	Credit 1.4	<b>Optimize Energy Performance - Equipment and Appliances</b>	1 to 4
			<input type="checkbox"/> 70% ENERGY STAR	1
			<input type="checkbox"/> 77% ENERGY STAR	2
			<input type="checkbox"/> 84% ENERGY STAR	3
			<input type="checkbox"/> 90% ENERGY STAR	4
	5	Credit 2	<b>Enhanced Commissioning</b>	5
	3	Credit 3	<b>Measurement and Verification</b>	2 to 5
			<input type="checkbox"/> Install Sub-Metering Equipment	2
			<input type="checkbox"/> Tenant Pays for Energy	3
			OR	
			<input type="checkbox"/> Metering, Measurement and Payment Accountability	5
	5	Credit 4	<b>Green Power</b>	5

Continued on next page

0	14	MATERIALS & RESOURCES		14
Y		Prereq 1	<b>Storage and Collection of Recyclables</b>	Required
	1	Credit 1.1	<b>Tenant Space - Long-Term Commitment</b>	1
	2	Credit 1.2	<b>Building Reuse - Maintain Interior Nonstructural Components</b>	1 to 2
			<input type="checkbox"/> 40% Reuse	1
			<input type="checkbox"/> 60% Reuse	2
	2	Credit 2	<b>Construction Waste Management</b>	1 to 2
			<input type="checkbox"/> Divert 50% from Disposal	1
			<input type="checkbox"/> Divert 75% from Disposal	2
	2	Credit 3.1	<b>Materials Reuse</b>	1 to 2
			<input type="checkbox"/> 5% Reuse	1
			<input type="checkbox"/> 10% Reuse	2
	1	Credit 3.2	<b>Materials Reuse - Furniture and Furnishings</b>	1
	2	Credit 4	<b>Recycled Content</b>	1 to 2
			<input type="checkbox"/> 10% of Content	1
			<input type="checkbox"/> 20% of Content	2
	2	Credit 5	<b>Regional Materials</b>	1 to 2
			<input type="checkbox"/> 20% of Materials Manufactured	1
			<input type="checkbox"/> 20% of Materials Manufactured and 10% Extracted	2
	1	Credit 6	<b>Rapidly Renewable Materials</b>	1
	1	Credit 7	<b>Certified Wood</b>	1
0	12	INDOOR ENVIRONMENTAL QUALITY		17
Y		Prereq 1	<b>Minimum Indoor Air Quality Performance</b>	Required
Y		Prereq 2	<b>Environmental Tobacco Smoke (ETS) Control</b>	Required
		Credit 1	<b>Outdoor Air Delivery Monitoring</b>	1
		Credit 2	<b>Increased Ventilation</b>	1
	1	Credit 3.1	<b>Construction IAQ Management Plan - During Construction</b>	1
	1	Credit 3.2	<b>Construction IAQ Management Plan - Before Occupancy</b>	1
	1	Credit 4.1	<b>Low-Emitting Materials - Adhesives and Sealants</b>	1
	1	Credit 4.2	<b>Low-Emitting Materials - Paints and Coatings</b>	1
	1	Credit 4.3	<b>Low-Emitting Materials - Flooring Systems</b>	1
	1	Credit 4.4	<b>Low-Emitting Materials - Composite Wood and Agrifiber Products</b>	1
	1	Credit 4.5	<b>Low-Emitting Materials - Systems Furniture and Seating</b>	1
	1	Credit 5	<b>Indoor Chemical and Pollutant Source Control</b>	1
	1	Credit 6.1	<b>Controllability of Systems - Lighting</b>	1
		Credit 6.2	<b>Controllability of Systems - Thermal Comfort</b>	1
	1	Credit 7.1	<b>Thermal Comfort - Design</b>	1
	1	Credit 7.2	<b>Thermal Comfort - Verification</b>	1
		Credit 8.1	<b>Daylight and Views - Daylight</b>	1 to 2
			<input type="checkbox"/> 75% of Spaces	1
			<input type="checkbox"/> 90% of Spaces	2
	1	Credit 8.2	<b>Daylight and Views - Views for Seated Spaces</b>	1

Continued on next page

1	5	<b>INNOVATION IN DESIGN</b>	6
1	4	Credit 1 <b>Innovation in Design</b>	1 to 5
1		Innovation or Exemplary Performance: 100% RECs	1
		Innovation or Exemplary Performance:	1
		Innovation or Exemplary Performance	1
		Innovation	1
		Innovation	1
	1	Credit 2 <b>LEED® Accredited Professional</b>	1
0	4	<b>REGIONAL PRIORITY</b>	4
	4	Credit 1 <b>Regional Priority</b>	1 to 4
		IEQc6.1: Controllability of Systems - Lighting	
		IEQc7.1: Controllability of Systems - Thermal Comfort	
		WEc1: Water Use Reduction (40%)	
		M Rc3.1: Materials Reuse (10%)	
20	73	<b>PROJECT TOTALS (Certification Estimates)</b>	110
Certified: 40-49 points Silver: 50-59 points Gold: 60-79 points Platinum: 80+ points			

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## PART 2

### **CREDITS REQUIRED BY TENANT LEASE AND ASSOCIATED DOCUMENTATION REQUIREMENTS** LEED 2009 for Commercial Interiors (CI) and Operations and Maintenance (O&M)

The tenant shall submit for each required credit noted below either (a) complete documentation of the LEED credits as required by LEED Online and the reference guide, including the credit templates, or (b) the documentation described below as defined by the Tower Companies. Tenants not seeking certification do not need to document credits which convey from the base building.

#### **WATER EFFICIENCY**

**LEED CI Prereq 1 Water Use Reduction - 20% Reduction**

**LEED CI Credit 1 Water Use Reduction - 30% Reduction**

Note: For leased space and buildouts which only include pantries with sinks, tenants only need to comply with a 20% water reduction

- 1) LEED Water Efficiency credit 1 template
- 2) Cutsheets of all fixtures installed in the tenant space
- 3) Landlord will inspect fixtures at end of construction to confirm compliance

#### **ENERGY & ATMOSPHERE**

**LEED CI Prereq 1 Fundamental Commissioning of Building Energy Systems**

- 1) Commissioning report

**LEED CI Prereq 2 Minimum Energy Performance**

- 1) Energy model and narrative showing how design meets LEED requirements, signed by energy modeler
- 2) As an alternative to performing an energy model, tenant may follow any of the compliance paths and associated documentation requirements as outlined in the LEED CI reference guide

**LEED CI Prereq 3 Fundamental Refrigerant Management**

- 1) MEP specs for supplemental HVAC, if applicable
- 2) Cutsheets for equipment

**LEED CI Credit 1.1 Optimize Energy Performance - Lighting Power 15% Reduction**

- 1) Light Power Density calculations and results

**Company Policy Energy Policy**

- 1) Provide the number of Full Time Equivalent (FTE), as defined by LEED, that occupy the Leased Premises
- 2) Square footage of energy intensive spaces, such as server rooms and high-volume copy rooms

#### **MATERIALS & RESOURCES**

**Company Policy Storage and Collection of Recyclables**

- 1) Floor plan noting locations of all recycling bins, including those for batteries, small electronics, and printer and toner cartridges

**LEED CI Credit 2 Construction Waste Management - Divert 50% of construction and demolition debris from landfill**

Note: A sample Construction Waste Management plan can be found in Appendix A

- 1) Documentation from recycling hauler or GC of diversion rate

**LEED CI Credit 4 Recycled Content - 10% of Content**

- 1) Documentation of recycled content incorporated into buildout and calculation according LEED, including furniture, fixtures and equipment, but excluding MEP

**LEED O&M Credit 4 Sustainable Purchasing: Reduced Mercury in Lamps**

- 1) Calculation of the weighted average picograms of mercury per lumen hour, as defined by LEED

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## INDOOR ENVIRONMENTAL QUALITY

**LEED CI Prereq 1 Minimum Indoor Air Quality Performance**

- 1) Calculation showing compliance

**LEED CI Prereq 2 Environmental Tobacco Smoke (ETS) Control**

- 1) No documentation required

**LEED CI Credit 3.1 Construction IAQ Management Plan - During Construction**

Note: A sample IAQ management plan can be found in Appendix B

- 1) IAQ management plan as required by LEED

**LEED CI Credit 3.2 Construction IAQ Management Plan - Before Occupancy**

- 1) Results of indoor air quality test showing compliance with credit

**LEED CI Credit 4.1 Low-Emitting Materials - Adhesives and Sealants**

- 1) Specifications and MSDS sheets

**LEED CI Credit 4.2 Low-Emitting Materials - Paints and Coatings**

- 1) Specifications and MSDS sheets

**LEED CI Credit 4.3 Low-Emitting Materials - Flooring Systems**

- 1) Specifications and MSDS sheets

**LEED CI Credit 4.4 Low-Emitting Materials - Composite Wood and Agrifiber Products**

- 1) Documentation from manufacturer or supplier that all composite wood products do not contain added urea-formaldehyde

**LEED CI Credit 5 Indoor Chemical and Pollutant Source Control**

- 1) Documentation requirements will be provided on an as-needed basis dependant on the proposed design

## INNOVATION IN DESIGN

**LEED CI Credit 2 LEED® Accredited Professional**

- 1) Name and role of primary LEED AP involved in the project
- 2) LEED AP certificate if name is not publically posted on the USGBC's online database

End of Appendix C

**1828 L STREET, NW**

**EXHIBIT B-5**  
**TENANT IMPROVEMENT DESIGN STANDARDS**

This Exhibit defines the Building Standard finishes requirements within the Leased Premises as well as for the typical Multi-tenant Elevator Lobbies and Corridors.

As already stipulated in Exhibit B-4 of this Lease Agreement, all Paints, Adhesives and Sealants must meet the minimum requirements of LEED-CI, Version 3, for VOC limits. Composite wood and agrifiber products, including door and millwork core materials, must not contain added urea-formaldehyde resins.

Lessee is encouraged to install materials containing high-recycled content and/or materials that are recyclable.

Notwithstanding anything herein to the contrary, Landlord reserves the right to revise these Tenant Improvement Design Standards from time to time.

**Tenant Suite Finishes:**

**Ceiling** – Sealed back

**Tile and Grid** – Ceiling tile and grid specifications shall be submitted to Landlord for review and approval. Ceiling tiles must have sealed backing.

**Doors**

**Suite Entry Door Option** – Full Height Frameless Glass Single or Double Doors,

**Interior Office Doors** – Full height, solid-core, paint or stain grade.

**Door Frames** – To coordinate with Door & other architectural finishes – Lessee to submit to Landlord for approval.

**Door Hardware** – Typical Set Type, Finish – brushed nickel

**Hinges** – McKinney – brushed nickel

**Latch set** – Schlage – brushed nickel, keyway to be provided by Building Engineer.

**Suite Entry Signage** – Contact Maryland Sign & Design at 410-549-2390. Artwork to be approved by Landlord.

**Lighting** –

**Fixtures** – Cut Sheets and Specifications must be submitted to Landlord for review and approval. Lighting cannot exceed 1 watt/ft. Lamps to be 3500°K.

**Task lighting** with daylight sensors is encouraged.

**Exit Lights** – Match existing (white casing with red lettering)

**Electrical Devices –**

**Receptacle** – White (standard), gray (isolated grounds) & orange (dedicated circuits-not visible from outside premises)

**Multi-Tenant Elevator Lobbies and Corridors:**

The finishes listed below are provided for information purposes should the tenant build-out effect the Elevator Lobby and/or Corridors due to modifications made to accommodate the tenant layout or damage that may occur during construction.

**Carpet** – Lees, Style: Bottega II, Color: 233 Moccasin Brown, Pattern: DL056

**Wall base** – 4” Carpet wall base – Lees, Style: Wayfinder II MD, Color: 384 Willow, Pattern: L8426

**Elevator Lobby Floor** – Daltile T702 Classic Roman Travertine, polished

**Wall covering** (Elevator Lobby) – Knoll Textiles, Backdrop, Style #W302/1, Color: Alabaster

**Wall covering** (Corridor) – MDC Wallcoverings, Lentex ASAP III, Pattern 2264/4798, Pressed Leaves

**Elevator & Corridor Doors and Frames** – painted, Benjamin Moore Clay Beige, OC-11 – Ultra Deluxe Interior, Acrylic Semi-Gloss

**Suite Doors** (Suite Entry and Secondary Egress) – Algoma, White Maple-Sliced, Finish – RA8319 (custom finish) to match Control Sample, or equal. See below for optional glass Suite Entry Door.

**Suite Door Frames** – 4” wood frame (as installed at Suite 520) – Wood and finish to match Suite Door above.

**Suite Door Hardware** – Schlage, brushed nickel

**Hinges** - McKinney – brushed nickel

**Lockset** – Schlage – see Building Engineer for Keyway.

**No kickplate.**

**Elevator Lobby & Corridor Ceiling** – Sealed back

**Tile** – Match existing

**Grid** – Match existing

**Elevator Lobby & Corridor Lighting** – Edison Price – Baflux 213/8 ECOL Downlight.  
See Building Engineer for Lamp Specifications



**1828 L STREET, NW**

**EXHIBIT B-6**

**RULES AND REGULATIONS GOVERNING WORK BY TENANT  
CONTRACTOR IN THE BUILDING**

The Tenant Contractor and its subcontractors shall be immediately advised of the following Building Rules and Regulations concerning their proper conduct within and about the Building. It is the Tenant's and Tenant Contractor's responsibility to ensure all construction personnel read, understand, and comply with the following Rules and Regulations, as the same may be amended from time to time by Landlord.

1. Prior to the start of construction, the Tenant and Tenant's Contractor must:
  - A. Coordinate and attend a pre-construction meeting on site with subcontractors, the Landlord and the Building Engineer.
  - B. Provide a start-up package to the Landlord to include the following:
    - 1) Project contact list to include all subcontractors, suppliers, etc. and an emergency contact for after hours.
    - 2) Certificate of Insurance with proper insurance amounts indicated per the Lease.
    - 3) Copy of the Building Permit.
2. No Tenant Contractor shall be allowed to start any work in the Building without having a current Certificate of Insurance on file with the Landlord. The Tenant Contractor and all subcontractors shall be required to provide the following insurance coverages, in the minimum amounts indicated, naming Landlord, Landlord's managing agent (and Landlord's Mortgagee and any other designee of Landlord, if required by Landlord) as additional insureds:
  - A. Workmen's Compensation with full statutory limits for employer's liability.
  - B. Commercial General Liability Insurance including direct and contingent liability in the aggregate amount of Three Million and No/100 Dollars (\$3,000,000.00) combined single limit coverage per occurrence for personal injury, death or property damage. Such Commercial General Liability policy shall include coverage for Broad Form Hold Harmless Agreement as is contained in the standard contract. [Subcontractors shall only be required to provide such liability insurance in the amount of \$1,000,000 combined single limit coverage.]

C. Automobile Liability insurance with bodily injury limits of \$250,000 per person, \$500,000 per accident, and \$50,000 per accident for Property Damage.

3. In all other respects, the insurance coverage required above with respect to Tenant Contractor and subcontractors shall comply with the Lease provisions with respect to Tenant's insurance.

4. The Certificate Holder shall be: 1828 L Street Associates, LLC. Additional insured shall include: Tower Construction Group, LLC and Tower DC Holdings, LLC. The post office address of the Certificate Holder and all additional insureds shall be c/o The Tower Companies, 2000 Tower Oaks Boulevard, #900, Rockville, MD 20852.

5. Tenant Contractor will create a punch-list that will itemize any unacceptable existing conditions on the floor (including Leased Premises and public areas) prior to commencement of the Tenant Improvement Work. This list will be reviewed by Landlord prior to commencement of Tenant Improvement Work in the Leased Premises. Once the Tenant Contractor commences work, it becomes responsible for the condition of the space and adjoining public areas with the exception of the aforementioned punch-list items. Any or all subsequent damage to the existing work that may occur after the Tenant Contractor commences work is the responsibility of the Tenant Contractor and must be restored to the condition that it was in prior to the commencement of the Tenant Improvement Work.

6. As an occupant of 1828 L Street, NW, Tenant has agreed that all Tenant spaces will comply with the requirements set forth in a current version of U.S. Green Building Council's Green Building Rating System for Commercial Interiors. This does not mean that the Tenant is required to apply for and achieve LEED-CI certification by the USGBC. However, as set forth in Exhibit B-4, Tenant and the Tenant Contractor (and all subcontractors) shall be required to provide documentation illustrating achievement of all *prerequisites* to achieve the minimum required number of LEED-CI points needed to achieve Certification. A checklist may be obtained by visiting the web address of the USGBC ([www.usgbc.org/leed](http://www.usgbc.org/leed)). Tenant, Tenant's design team, the Tenant Contractor and all subcontractors are fully responsible for ensuring the above referenced document is closely followed to comply with the LEED-CI requirements. (All references in this Exhibit to the "Tenant Contractor" shall include, where appropriate, subcontractors, material suppliers, deliverymen and consultants.)

7. The Tenant Contractor shall acknowledge that this Building is certified/rated pursuant to the U.S. EPA's Energy Star® Portfolio Manager, and the U.S. Green Building Council's rating system or operated to meet LEED EB standards. As set forth in Exhibit B-4, all construction and maintenance methods and procedures, material purchases, and disposal of waste must be in compliance with minimum green building

standards and specifications as defined in latest version of the U.S. Green Building Council's Existing Buildings Reference Guide. Where there is a difference between the two, the more restrictive shall prevail.

8. Tenant Contractor and all subcontractors must be approved to conduct their trades in the District of Columbia by any and all governmental entities with such authority.

9. Tenant Contractor agrees to install, calibrate and operate fundamental Building elements and systems as intended so they can deliver functional and efficient performance and leverage the Building's energy management system. Tenant Contractor agrees to engage a commissioning authority independent from the design and construction responsibilities as the responsible party for all commissioning activities. All energy-related systems to be included in the commissioning process activities include as a minimum:

- Heating, ventilating, air conditioning and refrigeration (HVAC&R) systems (mechanical and passive) and associated controls
- Lighting controls, including day lighting
- Domestic hot water systems
- Renewable energy systems

The building is to be maintained at the highest rating level possible as set forth by *ENERGY STAR*.

All energy using equipment, appliances, lamps, ballasts and controls must be state-of-the-art energy efficient and Energy Star rated where available, conform to the Building's then-current standards for energy management, and tie in to existing Building controls and monitoring systems. When available, Tenant Contractor shall install only ENERGY STAR® qualified equipment and appliances in the project, including but not limited to lighting, office equipment, commercial and residential quality kitchen equipment, vending and ice machines, and products certified by the U.S. EPA's Water Sense® program.

Documentation shall be provided in a format deemed reasonably acceptable to Landlord.

All energy-related improvements must be reviewed and approved by the Building's chief engineer and/or energy manager.

10. PURCHASING: Tenant Contractor must comply with the requirements set forth in Exhibit B-4.

11. **REMOVAL OF WASTE MATERIALS:** As set forth in Exhibit B-4, any and all existing building materials removed and not reused in the construction Leased Premises shall be recycled by Tenant Contractor based upon a Waste Management Plan approved by the Landlord.
12. The Landlord must be contacted in advance for all sprinkler work and/or any adjustments, corrections or extensions to the Building fire alarm system.
13. Tenant Contractor shall contract with the Base Building Fire Protection Contractor to perform any tie-in to the fire alarm panel or system (including disconnections). The Base Building Fire Protection Contractor CDS, Inc./Net Six Electric (Attn: Blue, 301-252-0228).
14. The Tenant Contractor is to take precautions to prevent the accidental tripping of the fire alarm system. Any removal from service of fire protection and monitoring devices shall be immediately put back into service upon completion of work by the Building Engineer at the end of each business day. If adequate fire monitoring and suppression cannot be maintained, a fire watch will be maintained at Tenant Contractor's expense.
15. The Work of the Tenant Contractor may overlap with that of a Base Building Contractor and/or of other tenant contractors working in the Building. The Tenant Contractor and the Base Building Contractor will be mutually obligated to provide maximum cooperation and assistance to each other, and to any other vendor hired by the Tenant, the Landlord and/or other tenants to expedite completion of all contracts. No time requests for extensions or additional costs will be considered by the Landlord due to logistical, access, coordination, or other such difficulties at the Building.
16. Scheduling of elevator use will be under the control of the Building Engineer, which will permit such use on a "shared-access" basis taking into consideration the facts and circumstances existing at such time.
17. Protection of Common Area finishes, including core doors and frames, service corridors, and elevators shall be the responsibility of the Tenant Contractor. This also includes, but is not limited to, perimeter mullions, perimeter fan coil units, existing HVAC equipment, windowsills and blinds. In the event protection is already in place (e.g., window blinds), Tenant Contractor shall maintain such existing protection. Any protection which is damaged must be replaced immediately. Any repairs required as a result of such violation shall be at the Tenant's expense.
18. The Landlord will furnish sufficient 120-volt power for small tools and temporary lighting to the tenant space. The Tenant shall be responsible for the cost of all other utility consumption relating to the Tenant Improvement Work until Substantial Completion.

19. At all times while Tenant Improvement Work is being performed in the Building, a Superintendent employed by the Tenant Contractor will be present.

20. The Tenant Contractor shall be responsible for providing and maintaining adequate temporary lighting as required to complete the Tenant Improvement Work to an acceptable level of quality.

21. The Tenant is responsible for obtaining and paying for the building permit for Tenant Improvement Work. All trade permits are the responsibility of Tenant and Tenant's Contractor. No Tenant Improvement Work is to proceed without the required permits.

22. The Tenant Contractor must comply at all times with all applicable laws, ordinances, building codes, health and safety regulations, and other laws.

23. The Tenant Contractor will be required to utilize the following Base Building Contractors to maintain the Base Building Warranties:

<u>Warranty</u>	<u>Company</u>
Fire and Life Safety	CDS, Inc./Net Six Electric
HVAC Controls	CDS, Inc.
Roof Penetrations	Prospect Roofing

24. Industry standard, normal, working hours will be confirmed/ coordinated between the Tenant Contractor and the Landlord at the preconstruction meeting and reconfirmed/coordinated at periodic coordination meetings held on site with the Tenant Contractor. The Building Engineer is required to be on site at all times while work is being performed in the Building. During the hours of 7:00 am-6:30 pm Monday – Friday and 8:00 am – 1:00 pm on Saturdays (“Regular Business Hours”), there will be no charge for the time of the Building Engineer. For coverage outside those hours, the Tenant will be charged at an hourly rate established from time to time by Landlord. Additional coverage must be approved in advance by the Landlord.

25. If, at any time while on or about the Leased Premises or any other portion of the Building, any contractor or subcontractor is made aware of, comes in contact with, or suspects the presence of any suspicious or potentially hazardous substances or materials, they shall immediately cease work, vacate the Leased Premises, and notify the Landlord. Potentially hazardous materials include but are not necessarily limited to an unattended package, unknown powdery substance, potential asbestos containing materials, lead paint, etc.

26. The Tenant Contractor and its subcontractors are to access the Building through the loading dock entrance only. No Tenant Contractor's or subcontractor's deliveries are permitted in the Building lobby or on the first floor unless performing work on the first floor tenant spaces. Tenant Contractor and its subcontractors are permitted to be on the floor which they are working only and are not permitted to roam through the Building. Tenant Contractor and its subcontractors are not permitted in unoccupied areas of the Building other than the Leased Premises without authorization from the Landlord.

27. Tenant Contractor's and its subcontractors' personnel are to use only the service elevator for transportation of men and materials. Prior to construction of Tenant Improvements, the Tenant Contractor shall be responsible for fully protecting the service/freight elevator finishes if protection is not already installed. In the event protection is in place, the Tenant Contractor shall be responsible for maintaining the previously installed protection. Scheduling of the freight/service elevator shall be done through the Building Engineer which will provide "shared access" when available.

28. All material deliveries shall be made through the loading/service dock. Landlord shall, when necessary, assign priorities for the use of the loading dock and service elevator. Any deliveries requiring two or more elevator loads shall be made before 8:00 a.m. or after 6:00 p.m. and scheduled with the Landlord. At no time will material be transported through the Building lobby or public area unless specifically authorized by the Landlord. No construction vehicles are permitted to block access to loading dock. All violators will be towed at the vehicle owner's expense.

29. The Tenant Contractor and its subcontractors are not permitted to store any tools, materials or equipment in any area other than the area which they are performing work in without the prior authorization of the Landlord.

30. All construction waste and debris shall be removed via the service elevator to the loading dock. No construction waste or debris may be placed in the Building dumpster/compactor. Space for a dumpster is unavailable. If a trash dumpster is necessary, the Tenant Contractor will be required to coordinate a location with Landlord/Building Engineer and may be required to share a dumpster with other tenant contractors performing work in the building. In accordance with District of Columbia requirements, the hauling of trash from the project will be restricted to non-rush hours. All construction debris shall be removed on a daily basis and shall never be allowed to collect to produce a fire hazard. In the event that Tenant Contractor fails or refuses to keep the Leased Premises and the Common Areas free of accumulated waste, Landlord reserves the right to enter said Leased Premises and remove the debris at Tenant Contractor expense. In addition, all public areas, i.e., corridors, restrooms, janitor's closets, etc., shall be fully protected and kept free of construction debris, dust, etc.

31. If an exterior window is required to be removed and replaced to accommodate the Tenant Improvement Work, the Tenant's contractor must notify Landlord of the location and obtain Landlord's approval of the glazing contractor. Glass and film specifications will be provided by Landlord.
32. Tenant's Contractors and its subcontractors' personnel are not permitted to block open stairway doors and electrical room doors. Access to the mechanical, telephone and electrical rooms shall be arranged in advance and obtained from the Building Engineer each day. All Base Building mechanical, telephone and electrical rooms must be kept clean and free of tools, materials, equipment, trash and debris. Any materials found in these Base Building rooms will be discarded immediately.
33. Tenant's Contractors are not permitted to render any security device inoperable without authorization from the Landlord.
34. No one is permitted to use the public restrooms for the cleaning of tools. The Tenant Contractor and all subcontractors are required to use the janitor's closets for this purpose. All maintenance and repairs required as a result of such action will be at Tenant's Contractor's expense.
35. Tenant Contractor's and its subcontractors' personnel shall at all times maintain the highest level of project cleanliness and professionalism. Respect must be shown to all Building tenants, visitors and other occupants at all times. Rude, loud and obscene language or behavior will not be tolerated. Offenders will be asked to remove themselves from the Building and shall not be permitted to return.
36. No graffiti or vandalism will be tolerated. An individual caught in the act shall be immediately removed from the Building and will not be allowed to return. In addition, all necessary maintenance and repairs will be at Tenant's Contractor's expense.
37. The Building is a smoke-free and tobacco-free Property. No smoking or use of tobacco products will be permitted in or around the Building, in or around the parking garage and loading dock areas, or any areas visible to the public (L Street and 19<sup>th</sup> Street elevations). No smoking is allowed within 25 feet of any other entrances or openings including air intakes or exhausts.
38. No eating will be permitted in any areas visible to the public including the lobbies, corridors, loading dock and parking garage. Food and beverages may be consumed within the Leased Premises only, and all trash and debris must be removed immediately.
39. Tenant's Contractors may only use the restroom facilities so designated for such use by the Landlord and/or the Building Engineer. These facilities must be kept clean.

40. All work scheduled during Regular Business Hours shall be performed in a manner to cause the least amount of disruption to normal building operations and tenants therein. The use of power tools creating loud noise or creating odor is to be reported to the Landlord prior to the commencement of work. Discussions about whether or not the work should take place after-hours will be decided on a case-by-case basis by the Landlord. Hammer drilling may not be performed during Regular Business Hours. Any operation which causes a disruption to any tenant in the Building shall cease immediately and be rescheduled for non-business hours.

41. Parking is not provided for the Tenant Contractor, its subcontractors', personnel or materialmen.

42. Landlord's representatives reserve the right to inspect work, to temporarily stop work and/or have a worker removed from the site at any time during the performance of work by the Tenant Contractor, and Landlord shall immediately notify Tenant of such action.

43. If Tenant Contractor plans to work before or after Regular Business Hours, Tenant Contractor shall schedule such work with the Building Engineer and with the Building Security.

44. Tenant Contractor shall be responsible for providing and maintaining temporary lighting as required to complete the Tenant Improvements to an acceptable level of quality. All temporary or permanent lights shall be turned off at the conclusion of each work day.

45. All suite entry door locks must be keyed to Building master at Tenant's sole cost and expense.

46. Any hot water heater must rest in a suitable pan and be hard-piped to the nearest open drain. Such installation will conform to all applicable state and local codes.

47. Tenant's Contractors shall maintain MERV 8 air filters on the mechanical equipment associated with the Tenant work. New MERV 13 filter/filters must be installed upon completion of the Tenant Improvements.

48. Tenant Contractor is responsible for final construction cleaning prior to Tenant occupancy. Tenant Contractor must comply with the Green Building Cleaning Policy as more particularly stated in Exhibit B-4.

49. All final inspections must be obtained before Tenant will be permitted to occupy the Leased Premises.

**FAILURE OF THE TENANT CONTRACTOR'S OR SUBCONTRACTORS' PERSONNEL TO COMPLY WITH THESE RULES MAY RESULT IN TEMPORARY OR PERMANENT REMOVAL FROM THE JOB SITE.**



## EXHIBIT C

### 1828 L STREET, NW RULES AND REGULATIONS

The following rules and regulations have been formulated for the safety and well-being of all the Tenants of the Building. Adherence to these rules and regulations insures that each and every Tenant will enjoy a safe and unannoyed occupancy in the Building.

Landlord shall have the continuing right to amend or eliminate any of these rules and regulations, and also to adopt additional reasonable rules and regulations of like force and effect. Any change of whatsoever nature shall be effective fifteen (15) days after delivery of written notice thereof to the Leased Premises. In the event of any conflict between these rules and regulations, as the same may be amended, and the Lease, the Lease shall govern.

The Landlord may, upon request by any Tenant, waive the compliance by such Tenant of any of the following rules and regulations, provided that (a) no waiver shall be effective unless signed by Landlord or Landlord's authorized agent, (b) any such waiver shall not relieve the Tenant from the obligation to comply with such rule or regulation in the future unless expressly consented to by Landlord, and (c) no waiver of a rule or regulation granted to any Tenant shall relieve any other Tenant from the obligation of complying with the rule or regulation unless such other Tenant has received a similar waiver in writing from Landlord.

1. The sidewalks, entrances, passages, courts, elevators, vestibules, stairways, corridors or halls or other parts of the Building not occupied by any Tenant (hereinafter "Common Areas") shall not be obstructed or encumbered by any Tenant or used for any purpose other than ingress and egress to and from the Tenant's premises. Landlord shall have the right to control and operate the Common Areas, and the facilities furnished for the common use of the Tenants, in such manner as Landlord deems best for the benefit of the Tenants generally, so long as Tenant's access to the Leased Premises is not restricted or materially adversely affected thereby. **Provided, Landlord has the right to temporarily re-route public corridor traffic on Tenant's floor for a reasonable period of time.** No Tenant shall permit the visit to its premises of persons in such numbers or under such conditions as to interfere with the use and enjoyment by other Tenants of the Common Areas.

2. No awnings or other projections shall be attached to the outside walls of the building.

3. Except to the extent permitted by the provisions of the Tenant's lease, no sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any Tenant on any part of the outside of the Tenant's premises or the Building without the prior written consent of Landlord. In the event of the violation of

the foregoing by any Tenant, Landlord may remove same without any liability, and may charge the expense incurred by such removal To the Tenant or Tenants violating this rule. All interior signs (other than signs within the Leased Premises) on the doors and directory tablet shall be inscribed, painted or affixed for each tenant by Landlord at the expense of such Tenant, and shall be of a size, color and style acceptable to Landlord.

4. No showcases or other articles shall be put in front of or affixed to any part of the exterior of the Building, nor placed in the Common Areas without the prior written consent of Landlord.

5. The water and wash closets and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish, rags, or other substances shall be thrown therein. All damages resulting from any misuse of the fixtures shall be borne by the Tenant who, or whose employees, agents, visitors or licensees, shall have caused the same.

6. There shall be no marking, painting, drilling into or other form of defacing or damage of any part of the Building outside the Tenant's demised premises. No boring, cutting or stringing of wires shall be permitted except in connection with the work described in Section 2 of the Lease or alterations by Tenant pursuant to the provisions of Section 9 of the Lease. No Tenant shall construct, maintain, use or operate outside its premises within or on the outside of the Building, any electrical device, wiring or apparatus in connection with a loud speaker system or other sound system. Any use by Tenant of such a system within its demised premises will be reasonable and will not be audible outside the demised premises by other tenants of the Building or their guests or invitees. Landlord will, however, permit a Tenant to install Muzak or other internal music system within the Tenant's premises if the music system cannot be heard outside of the premises.

7. No Tenant shall make or permit to be made, any disturbing noises or disturb or interfere with occupants of the Building or neighboring buildings or premises or those having business with them, whether by the use of any musical instrument, radio, tape recorder, whistling, singing, or any other way. No Tenant shall throw anything out of the doors or windows or down the corridors or stairs.

8. No bicycles, vehicles or animals, birds or pets of any kind shall be brought into or kept in or about a Tenant's premises. No cooking of any kind shall be done or permitted by any Tenant on its premises, except that, with Landlord's prior approval, a Tenant may install and operate for the convenience of its employees, a lounge or coffee room with stove, sink and refrigerator. No Tenant shall cause or permit any unusual or objectionable odors to originate from its premises.

9. No space in or about the Building shall be used for the manufacture, storage, or sale at auction, of merchandise, goods or property of any kind, except for the storage of supplies, equipment, records and similar items used in the ordinary course of Tenant's business.

10. No inflammable, combustible or explosive fluid, chemical or substance shall be brought or kept upon a Tenant's premises, except for reasonable quantities used in connection with cleaning maintenance, repairs and other ordinary and customary office uses and operations, all of which shall be stored and handled strictly in accordance with applicable fire safety and environmental protection laws and regulations.

11. No additional locks or bolts of any kind shall be placed upon any of the doors opening on the public corridors, elevator lobbies or fire stairwells (but Tenant may place its own locks on its internal doors within the Leased Premises) or windows by any Tenant, nor shall any changes be made in existing locks on such doors or the mechanism thereof. The doors leading to the corridors or main halls shall be kept closed during business hours except as they may be used for ingress and egress. Landlord shall at the commencement of Tenant's tenancy, supply Tenant with key cards for the Building, garage and other public areas and, if Landlord is to provide suite security, to the suite entrances to the Leased Premises. Landlord will furnish Tenant's Proportionate Share of any such key cards provided to Landlord by its security firm at a reasonable charge. Landlord shall have the right to make a reasonable charge to Tenant for any additional or replacement keys which Tenant may require. Each Tenant shall, upon the termination of its tenancy, return to Landlord all keys used in connection with its premises, including any keys to the premises, to rooms and offices within the premises, to storage rooms and closets, to cabinets and other built-in furniture, and to toilet rooms, whether or not such keys were furnished by Landlord or procured by Tenant, and in the event of the loss of any such keys, such Tenant shall pay to Landlord the cost of replacing the locks. On termination of a Tenant's lease, the Tenant shall disclose to Landlord the combination of all locks for safes, safe cabinets, and vault doors, if any, remaining in the premises.

12. All removals, or the carrying in or out of any safes, freight, furniture or bulky matter of any description, must take place in such manner and during such hours as Landlord may reasonably require. Landlord reserves the right to inspect all freight to be brought into the Building and to exclude from the Building all freight which violates any of these Rules and Regulations or the Lease.

13. Any person employed by any Tenant to do janitorial work within the Tenant's premises must obtain Landlord's consent prior to commencing such work, and such person shall, while in the Building and outside of said premises, comply with all instructions issued by the superintendent of the Building. No Tenant shall engage or pay any employees on the Tenant's premises, except those actually working for such Tenant on said premises.

14. No Tenant shall purchase spring water, ice, coffee, soft drinks, towels, or other like merchandise or service from any company or person whose repeated violations of Building regulations have caused, in Landlord's opinion, a hazard or nuisance to the Building and/or its occupants.

15. Landlord shall have the right to prohibit any advertising by any Tenant which includes the name of the Building, the address of the Building or which depicts the Building and which tends to impair the reputation of the Building or its desirability as a building for offices, and upon written notice from Landlord, such Tenant shall refrain from or discontinue such advertising.

16. Landlord reserves the right to exclude from the Building at all times any person who is not known or does not properly identify himself to the Building management or its agents. Landlord may at its option require all persons admitted to or leaving the Building to register. Each Tenant shall be responsible for all persons for whom it authorizes entry into the Building after the Building's normal business hours, and shall be liable to Landlord for all acts of such persons. Landlord shall also have the right to install an electronic security system for the Building requiring the use of identification cards, passwords, confidential codes and the like as a prerequisite to admission of any person into the Building, and Tenant agrees to faithfully abide by the rules of any such security system.

17. Requests for services or other requirements of Tenants will be attended to only upon application at the office of the Building or otherwise to the Building's management agent. Building employees shall not perform any work or do anything outside of their regular duties, unless under special instruction from the management of the Building.

18. Canvassing, soliciting and peddling in the Building are prohibited, and each Tenant shall cooperate to prevent the same, including notifying Landlord when and if such activity occurs.

19. No water cooler (except for a free-standing water cooler which is not connected to the Building's plumbing system), plumbing or electrical fixture shall be installed by the Tenant without Landlord's prior written consent.

20. There shall not be used in any space, or in the public halls of the Building, either by any Tenant or by jobbers or others, in the delivery or receipt of merchandise, any hand trucks, except those equipped with rubber tires and side guards.

21. Access plates to underfloor conduits shall be left exposed. Where carpet is installed, carpet shall be cut around access plates.

22. Mats, trash or other objects shall not be placed in the public corridors.

23. Landlord does not maintain suite finishes which are non-standard, such as kitchens, bathrooms, wallpaper, special lights, etc. However, should the need for repairs arise and should Tenant prefer that Landlord (rather than Tenant's employees or contractors) cause the repairs to be done, Landlord will arrange for the work to be done at the Tenant's expense.

24. Corridor partitions constructed by Tenant must be slab to slab, with insulation. Divider partitions dividing adjacent space constructed by Tenant must be slab to slab, with insulation.

25. All office equipment of any electrical or mechanical nature shall be placed by Tenant in the Leased Premises in approved settings to absorb or prevent any vibration, noise or annoyance.

26. Tenant shall not permit or cause to be used in the Leased Premises any device or instrument such as a sound reproduction system, or excessively bright, changing, flashing, flickering, moving lights or lighting devices or any similar devices, the effect of which shall be audible or visible beyond the confines of the Leased Premises, nor shall the Tenant permit any act or thing upon the Leased Premises disturbing to normal sensibilities of other Tenants.

27. All moving of safes, freight, furniture or bulky matter of any description, to or from the Leased Premises shall only take place on specified elevators and during the hours designated by the Landlord.

28. Tenant shall not use the Leased Premises as headquarters for large scale employment of workers for other locations.

29. The Leased Premises shall never at any time be used for any immoral or illegal purposes.

30. If Landlord, from time to time, designates (at an additional charge) specific parking spaces in the parking areas of the Building as being reserved for specific Tenants, each Tenant agrees to honor such reservations and to permit parking for its officers, employees, staff and invitees only in unreserved parking spaces. Landlord makes no warranty as to the availability of specific parking spaces for any Tenant unless specific spaces have been reserved as set forth above. Tenant agrees to cause its officers, employees, staff and invitees to park their vehicles within the striped lines provided for each space and to otherwise comply with all reasonable rules and regulations established by the Landlord for the parking facility.

31. All walls opposite windows which overlook an atrium in the Building shall meet a 2-hour fire rating standard, and all doors in such walls shall be "B" label doors and shall include automatic door closers.

32. All finishes and wall coverings in the Building shall meet a C or better fire rating, except where applicable building codes require a more stringent fire rating.

33. All occupied partitioned space in the Building must comply with Landlord's sprinkler system requirements, and no additional partitioning will be permitted without complying with such requirements as well as with the provisions of Section 9 of the Lease.

34. The Building is a no-smoking building. Accordingly, smoking is prohibited in all public and private places within and outside the Building, including, but not limited to, the premises of every tenant, the first floor lobby and vestibule, elevator lobbies on all floors, public bathrooms, corridors, stairwells, mechanical rooms, the front courtyard and all areas visible from the Building. It is the responsibility of each tenant to enforce this rule within its premises and to use reasonable efforts to assist Landlord in the enforcement of such rule within public places and Common Areas. Landlord will NOT designate an area outside the Building as the place where occupants of the Building, and others, may smoke.

35. Tenant shall, in connection with any cleaning of furniture, wallcoverings, fabrics, carpeting, furnishings and equipment, use only those substances which have been approved by the U.S. Green Building Council as appropriate for LEED-CI certified tenant spaces.

**EXHIBIT C-1**

**1828 L STREET, NW**

**TENANT PARKING SPACES**

Landlord hereby agrees to allocate for Tenant's use one (1) unreserved parking space for each 1,500 rentable square feet of premises leased in the Building. All spaces shall be made available at a monthly rental equal to the lowest monthly rate charged to any other user of the garage from time to time for unreserved spaces by the operator of the parking garage in the Building. Except in the case of reserved parking space, if any, for which an additional charge has been paid, Tenant may use only those parking spaces which are unreserved. The initial number of parking spaces to which Tenant is entitled is four (4).

**EXHIBIT D**

**CERTIFICATE BY LANDLORD AND TENANT**  
**AS TO LEASE COMMENCEMENT DATE**

Attached to and made a part of the Lease Agreement, dated the \_\_\_\_ day of \_\_\_\_\_, 2009 entered into by and between 1828 L Street Associates, LLC, a District of Columbia limited liability company, Landlord, and COMPUTING RESOURCES ASSOCIATION, INC., Tenant.

1828 L Street Associates, LLC, as Landlord in the foregoing Lease Agreement, and COMPUTING RESOURCES ASSOCIATION, INC., as Tenant therein, do hereby declare and evidence that possession of the Leased Premises was accepted by Tenant on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_. The Lease Agreement is now in full force and effect and, for the purpose of such Agreement, the commencement of the Initial Term is established as the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_; the Lease Commencement Date is established as the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, and the Rent Commencement Date is established as the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_. As of the date of this Certificate, (i) Tenant is in possession of the Leased Premises, (ii) the lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified and setting forth such modification); (iii) to Tenant's actual knowledge without inquiry there are no existing set-offs or defenses against the enforcement of any right or remedy of Landlord, or any duty or obligation of Tenant (or, if so, specifying the same in reasonable detail); (iv) Tenant has no actual knowledge (without inquiry) of any uncured defaults on the part of the Landlord (or if Tenant has knowledge of any such uncured defaults, specifying the same in detail); and (v) Tenant has no actual knowledge (without inquiry) of any event having occurred that authorized the termination of this Lease by Tenant (or if Tenant has such knowledge, specifying the same in detail).

LANDLORD:

WITNESS:

1828 L STREET ASSOCIATES, LLC

By: TOWER D.C. HOLDINGS, LLC, its Managing  
General Partner

By: \_\_\_\_\_(SEAL)  
Jeffrey S. Abramson,  
Manager



TENANT:

COMPUTING RESOURCES ASSOCIATION, INC.

\_\_\_\_\_

By: \_\_\_\_\_ (SEAL)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT E

### INITIAL BUILDING CLEANING SPECIFICATIONS

SCOPE: The Landlord intends to maintain the Building as a first-class office building, and all personnel of the cleaning contractor shall be of the highest quality possible. All such personnel shall be uniformed and identifiable with a security-type badge. The cleaning contractor shall furnish all labor, supplies, materials, equipment, supervision and perform satisfactorily the services at the frequencies and during the times specified. The services shall include all functions normally considered a part of workmanlike janitorial services. The Landlord reserves the right to modify these specifications at any time; however, any modifications must remain consistent with the cleaning provided to a first-class office building in downtown Washington, D.C. The contract for this assignment shall include a thirty (30) day cancellation clause upon prior written notice to Tenant. The specifications set forth below are intended to be the minimum requirements for the Building.

#### I. Lobby:

##### Daily Services (Including Loading Dock and Service Area)

Clean and polish all floors, door frames, thresholds, door hardware, glass, walls and directory board.

Empty all waste receptacles and cigarette urns (in non-combustible containers).

Sweep exterior entrances.

Vacuum and/or sweep walk off mats.

Dust window ledges.

High dust all ledges as necessary.

Clean and dust balconies.

#### II. Office Areas:

##### Daily Services

Empty all waste receptacles, clean, if necessary.

Empty all ashtrays (in non-combustible containers) and clean.

Waste paper and trash shall be removed to the main disposal area.

Dust or damp mop all non-carpeted floors.

All non-carpeted floors shall be maintained in a clean and polished condition at all times and will be stripped, waxed and buffed as necessary to maintain a high-standard of appearance.

Vacuum carpets and spot clean, including under the desks, tables, etc. Special attention shall be given to removing paper clips, staples, pencil shavings, rubber bands, cigarette butts, etc.

Dust all furniture, files, coat racks and ledges - including the base of chairs and other hidden areas.

Damp wipe desk tops, phones and tables to remove spillage, finger marks, etc.

Spot clean walls.

Sanitize and polish all drinking fountains.

Remove finger marks and smudges from doors, door frames, walls and light switches.

Dust a portion of Venetian blinds so that all are dusted once a week.

Clean tenant kitchenettes including maintaining floors in a polished condition and high dust.

Clean interior glass partitions.

#### Weekly Services

Dust all vertical surfaces - door frames, desks, files, window mullions, etc.

Dust horizontal services above 70".

Dust window sills.

Whisk or vacuum furniture.

#### Semi-Annually

Clean light lenses.

Vacuum air vents in walls and ceilings.

Dust all highhat light fixtures.

### III. Corridors/Stairwells

#### Daily Services

Vacuum and spot clean all carpeted areas.

Spot clean corridor walls.

Police and sweep all stairwell floors.

Spot clean all doors, light switches, push plates, handles, etc.

Clean and polish, including stripping, waxing and buffing, of all non-carpeted corridor floors as necessary to maintain a high-standard of appearance.

#### Weekly Services

Mop all stairs and landings.

Wipe down stairwell railing, piping, mechanical boxes, etc.

Dust.

#### Semi-Annual Services

Clean light lenses.

Vacuum air vents in walls and ceilings.

Dust all pipes, fire connections, exit signs, etc.

### IV Toilet Rooms:

#### Daily Services

Floors to be swept and wet mopped with germicide solution.

Sanitize commodes, urinals and wash basins - commode seats to be left in up position.

Clean and polish all glass, mirrors, shelving, dispensers chrome fixtures (above and below the counters, pipes, sink bowls, etc.

Spot clean all walls and partitions.

Traps shall be maintained free from odor at all times.

Wall surfaces, tile, doors, window frames, sills and waste receptacles shall be kept clean at all times.

Replenish all paper towels, toilet tissues, sanitary napkins and soap dispensers.

#### Quarterly

Wash and sanitize tile walls and booth partitions.

Dust vents.

Clean light lenses.

Acid wash tile floors as necessary to clean grout.

### V. Elevators

#### Daily Services

Clean and polish railings, buttons, emergency telephone, ceiling and elevator track.

Vacuum carpets and spot clean.

Spot clean walls as necessary.

### VI. Day Porter and Maids

#### Daily Services

Contractor will provide day porters or maids as requested to be billed separately from the night cleaning. Duties will include the following:

Keep lobby area and glass doors clean.

Police and restock restrooms.

Police tenant kitchen.

Police exterior grounds.

All special assignments from the Manager of the Building.

Tenant Cleaning

Tenant shall, in connection with any cleaning of furniture, wall coverings, fabrics, carpeting, furnishings and equipment, use only those substances which comply with the Landlord's green cleaning policy and practices.

VII. Miscellaneous

Wash windows on interior and exterior at least semi-annually.

**1828 L STREET, NW**  
**EXHIBIT F**  
**FORM OF LETTER OF CREDIT**

SAMPLE LETTER OF CREDIT  
TO BE ISSUED ON BANK LETTERHEAD

DATE: \_\_\_\_\_

IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_

BENEFICIARY:

1828 L STREET ASSOCIATES, LLC

C/O THE TOWER COMPANIES.

2000 TOWER OAKS BLVD., #900

ROCKVILLE, MD 20852

ATTN: GARY M. ABRAMSON

BY ORDER OF:

ATTN: \_\_\_\_\_, PRESIDENT  
& CEO

WE HEREBY ISSUE IN YOUR FAVOR OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO: \_\_\_\_\_ FOR THE ACCOUNT OF \_\_\_\_\_, INC. [Name of Tenant], FOR AN AMOUNT NOT TO EXCEED IN THE AGGREGATE US DOLLARS \$\_\_\_\_\_ (\_\_\_\_\_ MILLION AND NO/100 US DOLLARS) AVAILABLE BY YOUR DRAFTS AT SIGHT ON [NAME OF BANK] EFFECTIVE [ISSUE DATE] AND EXPIRING AT OUR COUNTERS ON \_\_\_\_\_, 2019 [Note: date should be no earlier than \_\_\_\_\_, 20\_\_ which is 3 months after the projected lease termination date]

THIS CREDIT IS AVAILABLE BY BENEFICIARY'S SIGHT DRAFTS AS STATED ABOVE AND MARKED "DRAWN UNDER [name of bank] LETTER OF CREDIT NO. \_\_\_\_\_, WHEN ACCOMPANIED BY THE ORIGINAL OF THIS LETTER OF CREDIT AND A BENEFICIARY'S STATEMENT ADDRESSED TO US AND PURPORTEDLY SIGNED BY ANY MANAGER OR MEMBER OF BENEFICIARY IN THE FORM ATTACHED HERETO AND INCORPORATED HEREIN AS "ATTACHMENT A". WE WILL ACCEPT SUCH STATEMENT AS BINDING AND CORRECT WITHOUT

HAVING TO INVESTIGATE OR HAVING TO BE RESPONSIBLE FOR THE ACCURACY, TRUTHFULNESS, CONCLUSORY CORRECTNESS OR VALIDITY THEREOF OR ANY PART THEREOF AND NOTWITHSTANDING THE CLAIM OF ANY PERSON TO THE CONTRARY.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ADDITIONAL **1 YEAR PERIODS** FROM THE PRESENT OR FUTURE EXPIRATION DATE, UNLESS AT LEAST 30 DAYS PRIOR TO THE CURRENT EXPIRY DATE WE SEND NOTICE TO YOU VIA OVERNIGHT COURIER OR HAND DELIVERY, THAT WE ELECT NOT TO AUTOMATICALLY EXTEND THIS LETTER OF CREDIT FOR ANY ADDITIONAL PERIOD. HOWEVER, IN NO EVENT SHALL THIS LETTER OF CREDIT BE AUTOMATICALLY EXTENDED BEYOND THE FINAL EXPIRY DATE OF \_\_\_\_\_, 20\_\_\_\_.

PARTIAL AND MULTIPLE DRAWINGS ARE ALLOWED.

THIS CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (1998), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 AND ANY AMENDMENTS OR REVISIONS THEREOF ("THE ISP"). THIS LETTER OF CREDIT SHALL BE DEEMED TO HAVE BEEN MADE UNDER THE LAWS OF THE DISTRICT OF COLUMBIA AND SHALL AS TO MATTERS NOT COVERED BY THE ISP BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF SAID JURISDICTION.

WE ENGAGE WITH YOU THAT DRAFTS DRAWN UNDER AND IN CONFORMITY WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON PRESENTATION IF PRESENTED TO: \_\_\_\_\_, \_\_\_\_\_ ON OR BEFORE THE EXPIRY DATE.

\_\_\_\_\_  
*AUTHORIZED SIGNATURE*

\_\_\_\_\_  
*AUTHORIZED SIGNATURE*



"ATTACHMENT A"

Attached to and made a part of Irrevocable Letter of Credit No. \_\_\_\_\_ issued by [Name of Bank] to 1828 L Street Associates, LLC, as Beneficiary, for the account of \_\_\_\_\_, Inc. and dated \_\_\_\_\_, 20\_\_\_\_.

The Undersigned Beneficiary under Irrevocable Letter of Credit no. \_\_\_\_\_ (the "Letter of Credit") certifies and represents as follows:

1. The Beneficiary is drawing on this Letter of Credit in accordance with the provisions of the Lease Agreement dated \_\_\_\_\_, 20\_\_\_\_, between 1828 L Street Associates, LLC, as Landlord, and \_\_\_\_\_ Inc., as Tenant (the "Lease").

2. The Beneficiary is entitled to draw on this Letter of Credit in accordance with the provisions of the Lease.

3. This Statement is presented to [Name of Bank] for payment not later than the Expiry Date.

4. The Undersigned is a Manager or Member of Beneficiary.

IN WITNESS WHEREOF, the Undersigned has executed this Statement this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

1828 L STREET ASSOCIATES, LLC

By: TOWER D.C. HOLDINGS, LLC, its Managing Member

By: \_\_\_\_\_