

(b) Tenant shall obtain, at Tenant's sole cost and expense, any and all licenses and permits necessary for Tenant's use of the Premises. Tenant shall use and occupy the Premises in compliance with all existing and future Legal Requirements (hereinafter defined) applicable to the Premises, including, without limitation, sprinkler and high pile storage Legal Requirements, as well as all requirements of Landlord's insurance carrier and lender, if any. If any Legal Requirements shall, by reason of the nature of Tenant's particular use or occupancy of the Premises (a "Tenant-Related Reason"), impose any duty upon Tenant or Landlord with respect to: (i) modification or other maintenance of the Premises or the Property or (ii) the use, alteration or occupancy thereof, Tenant shall comply with such Legal Requirements at Tenant's sole cost and expense. The term "Legal Requirements" shall mean all of the following: all city, county, state and federal governmental laws, requirements, ordinance, covenants and restrictions, laws, statutes, building and zoning codes, judgments, ordinances, governmental orders, conditions of approval, permits, licenses, rules, and regulations (including, but not limited to, Title III of the Americans With Disabilities Act of 1990), as the same may be amended and supplemented from time to time, including, without limitation, all legal requirements that pertain to the Property. Subject to Tenant's obligations hereunder, Landlord agrees to maintain the Property in compliance with all applicable Legal Requirements as required by the applicable governing authority.

(c) Tenant shall keep the Premises and the parking area servicing the Premises in a clean and sanitary condition and shall keep the common parking areas and driveways free of debris.

(d) Tenant shall not place a load upon the floor of the Premises exceeding the load per square foot such floor was designed to carry, as determined by applicable building code.

(e) Tenant shall not keep or use any article in the Premises, or permit any activity therein, which is prohibited by any insurance policy covering the Building, or would result in an increase in the premiums thereunder.

(f) Tenant shall observe and comply with the rules and regulations attached as **Exhibit G** (the "Rules and Regulations") and all modifications thereto as made by Landlord and put into effect from time to time. Landlord shall not be responsible to Tenant for the violation or non-performance by any other tenant or occupant of the Building of the Rules and Regulations.

4. RENT. Tenant shall pay Base Rent and Additional Rent (hereinafter defined) (collectively referred to as "Rent") during the Lease Term, in advance, on the first day of each calendar month, or as otherwise set forth in this Lease, without notice, demand, setoff or deduction, at the address set forth in Item 16 of the Basic Lease Provisions/Definitions. In the event any Rent is due for a partial calendar month or year, the Rent shall be prorated to reflect that portion of the Lease Term within such month or year. The obligation to pay accrued but unpaid Rent shall survive the expiration or earlier termination of the Lease. The obligation of Tenant to pay Rent and other sums to Landlord and the obligations of Landlord under this Lease are independent obligations. The first full monthly installment of Base Rent for the first full month of the Term and Tenant's Pro Rata Share of Operating Expenses for the first month of the Term shall be payable upon Tenant's execution of this Lease.

(a) **Base Rent.** Tenant shall pay to Landlord, as Base Rent, the sums and amounts set forth on **Exhibit C** attached hereto.

(b) **Additional Rent.** Tenant shall pay to Landlord Tenant's Pro Rata Share of the Taxes, Insurance and CAM charges (as such terms are hereinafter defined and such terms are at times collectively referred to herein as "Operating Expenses") incurred by Landlord for and on behalf of the Property, and any other costs, charges, amounts or expenses (other than Base Rent) payable by Tenant under this Lease (collectively, "Additional Rent").

(i) **Taxes.** Taxes shall include, without limitation, all taxes, assessments and governmental charges (herein collectively referred to as "Tax" or "Taxes") accrued against the Property during the Lease Term or the rents collected by Landlord therefrom, including sales taxes on rent or rent taxes. To the extent actually charged by any applicable governmental or quasi-governmental authority, Tenant shall pay to Landlord monthly all sales or use taxes or excise taxes imposed or any other charge or payment required hereunder to be made by Tenant to Landlord. If any Tax is levied or assessed directly against Tenant, then Tenant shall be responsible for and shall pay the same at such times and in such manner as the taxing authority shall require. Tenant shall be liable, at Tenant's sole cost and expense, for all taxes levied or assessed against the rents payable by Tenant to Landlord, Tenant's personal property, Tenant-Made Alterations (hereinafter defined) or Trade Fixtures (hereinafter defined) placed in the Premises, whether levied or assessed against Landlord or Tenant.

(ii) **Insurance.** Insurance shall include, without limitation, Landlord's insurance costs for property, liability/casualty, environmental and any and all other insurance costs, fees and charges which Landlord deems necessary to carry on, for or in connection with the Property, as well as all deductibles relating to such coverage (herein collectively referred

to as “Insurance”). The Property and/or Building may be included in a blanket policy. In addition, in the event of an increase in any of Landlord’s Insurance costs as a result of any Tenant-Related Reason, Tenant shall pay to Landlord, upon demand, as Additional Rent, an amount equal to such increase in Insurance.

(iii) **Common Area Maintenance.** Except as otherwise expressly excluded herein, common area maintenance charges (“CAM”) shall mean any and all costs, expenses and obligations incurred by Landlord in connection with the operation, ownership, management, repair and replacement of the common areas of the Property. Any capital expenditures that are a part of CAM shall be amortized on a straight line basis over a period equal to the lesser of the useful life thereof or 10 years.

(A) **CAM Inclusions.** CAM includes, but is not limited to, the following:

(1) the maintenance, repair and replacement of downspouts, gutters and non-structural portions of the roof (including, without limitation, skylights, if any) and the septic system;

(2) common utilities and exterior lighting;

(3) mowing and landscaping;

(4) snow and ice removal;

(5) fire protection, sprinkler systems and related equipment;

(6) exterior painting of the Building and any interior painting of the common areas of the Property;

(7) mechanical, electrical, plumbing and other related Building systems which are not Tenant’s sole responsibility under Paragraph 8 of this Lease;

(8) amounts paid to contractors and subcontractors for work or services performed in connection with any of the foregoing;

(9) charges or assessments of any association to which the Property is subject;

(10) management fees payable to a property manager, including any affiliate of Landlord;

(11) security services, if any;

(12) trash collection, sweeping and removal; or

(13) additions or alterations made by Landlord to the Property or the Building in order to comply with Legal Requirements (other than those expressly required herein due to a Tenant-Related Reason).

(B) **CAM Exclusions.** Notwithstanding the foregoing, CAM expressly excludes the following:

(1) costs, expenses, depreciation or amortization for capital structural repairs and capital structural replacements required to be made by Landlord under Paragraph 7 of this Lease;

(2) debt service under mortgages;

(3) ground rent under ground leases;

(4) costs of restoration to the extent of net insurance proceeds received by Landlord with respect thereto;

(5) leasing commissions; or

(6) the costs of renovating space for tenants.

(c) **Payment of Additional Rent.**

(i) During each month of the Lease Term, on the same date that Base Rent is due, Tenant shall pay Landlord an amount equal to 1/12 of the annual cost, as estimated by Landlord from time to time, of Tenant's Pro Rata Share of Operating Expenses. Payments thereof for any fractional calendar month shall be prorated. Any monies paid in advance to Landlord by Tenant shall not accrue interest thereon. On or prior to May 30th of each calendar year during the Lease Term, Landlord shall deliver to Tenant a statement ("Expense Reconciliation") of Operating Expenses for the immediately preceding calendar year and setting forth the difference between Tenant's actual Pro Rata Share of Operating Expenses and the total amount of monthly payments paid by Tenant. Tenant shall, within thirty (30) days after receipt of the Expense Reconciliation, pay to Landlord the full amount of any difference between Tenant's actual obligation over the total amount of Tenant's payments made; conversely, in the event Tenant's payments exceed Tenant's actual obligation, Landlord shall, at its option, either refund the overpayment to Tenant or credit said overpayment against Tenant's monthly obligation in the then current year.

(ii) Tenant's obligation with respect to any amounts owed to Landlord shall survive the expiration of the Lease Term, and shall be invoiced to Tenant when the same have been accurately determined or, at Landlord's option, such amounts shall be reasonably estimated by Landlord to reflect the period of time the Lease was in effect during such billing period. For purposes of calculating Tenant's Pro Rata Share of Operating Expenses, a year shall mean a calendar year except the first year, which shall begin on the Commencement Date, and the last year, which shall end on the expiration of this Lease.

(iii) For purposes of this Lease, Tenant's Pro Rata Share is hereinafter defined as a fraction, the numerator of which shall be the square footage of the rentable area of the Premises, and the denominator of which shall be the square footage of the rentable area of the Building, which Pro Rata Share is set forth in Item 10 of the Basic Lease Provisions/Definitions.

(iv) Landlord may increase Tenant's Pro Rata Share for any item of expense or cost reimbursable by Tenant that relates to a repair, replacement or service that benefits only the Premises, only a portion of the Property that includes the Premises or that varies with occupancy or use.

(v) Upon Tenant's written request (which request must be made within ninety (90) days following Tenant's receipt of the Expense Reconciliation), Landlord shall provide photocopies of invoices of major expenditures, as well as other standard Landlord reports to substantiate such costs, for the Operating Expenses as provided in such Expense Reconciliation. Unless Tenant asserts specific errors within ninety (90) days after receipt of any invoice or the Expense Reconciliation, it shall be deemed that said invoice or the Expense Reconciliation is correct. In the event Landlord has overstated Tenant's Pro Rata Share of Operating Expenses Operating Expenses by more than 5%, and provided Tenant is not in default hereunder, within **30 days** after demand therefore by Tenant accompanied by Tenant's verification of such overcharges and paid invoices, Landlord shall reimburse Tenant for all overcharges, and the **reasonable** costs of such audit and verification incurred by Tenant (up to a maximum of **\$1,000.00**).

(vi) **Notwithstanding anything herein to the contrary, Tenant's Pro Rata Share of Operating Expenses, Taxes and Insurance shall be equal to and shall not exceed one thousand four hundred fifty and 67/100 Dollars (\$1,450.67) per month during the eighteen (18) month Term.**

(d) The terms and provisions of this Paragraph 4 shall survive the expiration or earlier termination of this Lease.

5. LATE CHARGE. Tenant acknowledges and agrees that in the event Tenant is late in the payment of any Rent or other charge due Landlord, Tenant shall be assessed a late charge equal to ten percent (10%) of such delinquent sum. The provision for such late charge shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as a penalty.

6. UTILITIES. Tenant shall pay for all gas, electricity, water and sewer used by Tenant in, on or about the Premises, together with any taxes, penalties, surcharges or the like pertaining thereto, and Tenant shall be liable for all maintenance and equipment with respect to the continued operation thereof. In no event shall Landlord be liable for any interruption or failure of any utility servicing the Property. Landlord may cause, at Tenant's expense, any utilities used by Tenant to be separately metered or charged directly to Tenant by the provider. Tenant shall pay its share of all charges for jointly metered utilities based upon consumption, as reasonably determined by Landlord. Tenant agrees to limit use of water and sewer for normal restroom use.